



TAFE NSW

Annual Report | 2015 - 2016

Notes on the data presented in this report

The annual report uses final TAFE NSW vocational education and training data sourced from the National Centre for Vocational Education Research (NCVER) wherever possible to ensure transparency and consistency with both national and New South Wales reporting.

The latest enrolment and student outcomes data provided in this report are for the 2015 calendar year. The report provides 2014 completions data as 2015 completions figures were not yet available at the time of publication.

Where NCVER data is not available, TAFE NSW administrative data or additional administrative data supplied by TAFE NSW institutes is used.

Please note that TAFE NSW administrative data may not be consistent with the national statistical collections conducted by NCVER.

Annual data are not comparable due to different business rules across years. Historical data prior to 2015 included separate 'co-enrolments' in Tutorial and Learner Support to provide additional assistance to disadvantaged students. From 2015 onwards, these services were provided as an individual learning plan for students and did not attract a 'co-enrolment'.

Access to the annual report

This report is published on the TAFE NSW website: www.tafensw.edu.au/about. TAFE NSW will endeavour to make the annual report available in other formats on request. If you are unable to access this report electronically, please call the TAFE NSW Chief Information Officer on 02 9212 8754 for assistance.

Contents

Letter to the Minister	4
Managing Director's message	5
About TAFE NSW	7
Our functions	8
Our footprint	8
Our students.....	9
Our commitment to industry	9
Our products	9
Our performance	10
TAFE NSW at a glance	11
Keeping pace with change	12
Delivering skills critical to the workforce and the NSW economy	13
Supporting people experiencing disadvantage	24
Operating as a sustainable business.....	30
Innovating to improve quality and customer focus	35
Reviews and improvements.....	43
Awards.....	45
Financial report	51
Financial requirements	53
Audited financial statements 2015-16	58
Budget outline for 2016-2017.....	127
Appendices	128
Management.....	130
Workforce.....	141
Inclusive strategies.....	144
Business resources.....	150
Other requirements	155
Contact us.....	168

Letter to the Minister

The Hon John Barilaro, MP
Minister for Skills
52 Martin Place
SYDNEY NSW 2000

Dear Minister

On behalf of the Technical and Further Education Commission, I submit the TAFE NSW Annual Report 2015-16 for your presentation to Parliament.

The 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*.

An extension of time for the submission of the report has been granted until 14 November 2016, consistent with the revised timeframe for the preparation of TAFE NSW's audited financial statements.

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

Yours sincerely



Jon Black
Managing Director
TAFE NSW
November 2016

Managing Director's message



I am pleased to report on the financial and operational performance of TAFE NSW in 2015-16.

Since commencing as Managing Director in December 2015, I have been impressed by the significant industry partnerships TAFE NSW has built over time and the innovation in training delivery occurring across many areas of the organisation.

It has been a great privilege to meet our students and be inspired by their achievements, especially those who have overcome great personal challenges to succeed in their studies and chosen careers.

I have also been struck by the passion, commitment and capability of our people, and their professionalism and resilience as we transition to a more efficient, modern and customer-focused business.

TAFE NSW will need to harness this passion, commitment and capability as it focuses on addressing significant challenges in 2016-17 and beyond.

One such challenge is addressing the chronic problems with the TAFE NSW Student Administration and Learning Management (SALM/*ebs*) legacy system, which since the start of 2015 has reduced our ability to provide a consistently high quality customer service experience and placed heavy demands on staff. Throughout 2015-16, TAFE NSW worked to mitigate the continuing impacts of SALM/*ebs* through numerous manual workarounds and system enhancements, but these have come at a significant administrative cost.

It is pleasing to note that since the start of 2016, TAFE NSW has experienced a turnaround in the number of enrolments, particularly in the fields of management and commerce, health, information technology and food and hospitality. This reflects positively on our efforts to improve the student enrolment experience.

In June 2016, the Minister for Skills, the Honourable John Barilaro MP agreed that TAFE NSW could commence market testing to find a more fit-for-purpose student management system that better serves our students. We are working towards having that new system in place during 2018.

TAFE NSW is also working to address other challenges.

In 2015-16 we completed a major data remediation project to enable us to submit accurate financial accounts for audit. The Audit Office of New South Wales has lifted its previous accounts qualification and endorsed the TAFE NSW 2015-16 Financial Statements (incorporating revised 2014-15 comparison figures).

The Government has agreed that TAFE NSW will maintain a Strategic Asset Management Plan to support a more efficient allocation of resources. The Government has approved an asset recycling program that guarantees that the proceeds from the sale of vacant or underused assets will be reinvested back into TAFE NSW, to provide fit-for-purpose, modern facilities, resources and high quality teaching.

TAFE NSW is also working to grow our commercial revenue to improve financial viability and market competitiveness in response to heightened contestability and changing student preferences.

On 13 July 2016, Minister Barilaro released *A Vision for TAFE NSW*, which reiterated the significant role TAFE NSW plays as a high quality, industry-relevant, innovative and flexible public provider.

The Vision outlines the new *One TAFE* structure, which will replace the autonomous institute structure and shift the focus from institutes to individual delivery points such as campuses. In an internal Organisational Health Survey early in 2016, staff from across the state reaffirmed their support for the *One TAFE* approach.

To deliver on the Vision, on 7 September 2016, TAFE NSW released the *TAFE NSW Strategic Plan 2016-2022*. The plan focuses on four goals: training job ready workers; being a successful business; strengthening communities; and recognising, rewarding and developing our people. We have started work to deliver the Strategic Plan and transition functions the Department of Education previously provided to TAFE NSW.

One TAFE speaks to both the immense responsibility and enormous opportunity we have to make a positive and widespread impact on the lives of individuals and communities throughout NSW as the state's leading public vocational education and training provider.

Skilling the workforce for the future will continue to be our mandate, to meet industry demand for well-trained, qualified and job-ready graduates – as TAFE NSW has done for more than 130 years.

These enduring commitments and new directions will support us in skilling the workforce of the future, with TAFE NSW as a critical lever to the state's economic and social prosperity.



Jon Black
Managing Director
TAFE NSW

About TAFE NSW



Our functions

TAFE NSW is the leading provider of vocational education and training (VET) in NSW.

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

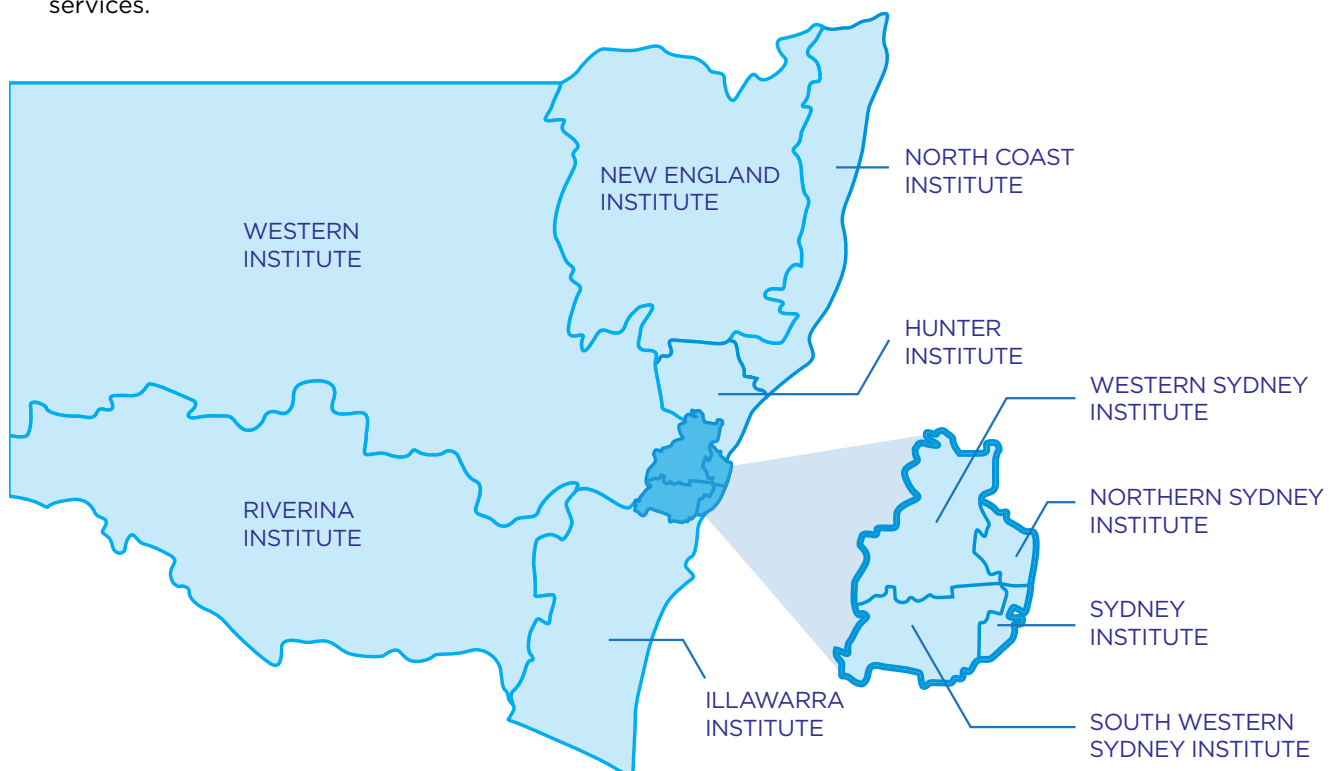
TAFE NSW performs a range of functions, including:

- 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 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
- providing educationally or vocationally disadvantaged groups with access to technical and further education and other specialised services.

Our footprint

TAFE NSW delivers training and higher education in metropolitan, regional and remote areas of New South Wales, interstate and overseas.

In 2015-16, TAFE NSW operated as a network of 10 institutes: four in the Sydney metropolitan area; six covering regional areas of the state; and the Open Training and Education Network (OTEN). With more than 105,000 enrolments in around 320 courses in 2015, OTEN is the largest provider of distance education in Australia.¹



¹ National Centre for Vocational Education Research (NCVER) VOCSTATS *Government-funded students and courses 2015*

Our students

There were more than 424,000 VET enrolments by more than 355,000 individual students in 2015.²

TAFE NSW caters to a diverse range of customers that includes school students, school leavers, people who want to update their skills and those looking to change careers. TAFE NSW also delivers customised training for employers seeking to upskill their workforce at times and places that suit their business needs.

Our commitment to industry

TAFE NSW provides high quality, job-ready graduates to business and industry throughout NSW, Australia and internationally. TAFE NSW courses are generally, but not exclusively, based on national training packages and are specifically designed in consultation with industry to ensure their currency and relevance.

Industry Liaison Units (ILUs) provide a single point of contact for different industry sectors across the TAFE NSW delivery footprint. ILUs work closely with industry sectors' leaders, peak bodies, associations and regulators to respond to new and emerging skills needs.

In 2016-17, TAFE NSW will establish regionally focussed and industry specific *SkillsPoints* to create and maintain learning products with an emphasis on innovation. *SkillsPoints* will manage consistency across multiple delivery options and product development, and ensure courses are designed to meet contemporary requirements and are valued by employers.

Our products

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

In 2015-16, TAFE NSW enrolled students in more than 1,200 nationally recognised VET qualifications and customised courses and 14 higher education qualifications. These range from short courses and skill sets through to Australian Qualification Framework Certificate I to Graduate Diploma level qualifications.³ These include specific purpose programs such as specialist apprenticeship and traineeship programs and Diploma-to-Degree pathway programs.

Courses are available full-time or part-time, on campus, online and in the workplace. Students and businesses can exercise significant choice over the type of course they undertake to best meet their needs.

TAFE NSW also provides support services such as personalised learning solutions, flexible training options, career counselling, and language, literacy and numeracy support to help students engage with education and training and progress to higher level qualifications and employment.

Each TAFE NSW institute holds a current registration as a Registered Training Organisation with the national VET regulator, the Australian Skills Quality Authority. TAFE NSW is also registered as a higher education provider with the Tertiary Education Quality and Standards Agency.

² NCVER VOCSTATS *Government-funded students and courses 2015*

³ TAFE NSW administrative data

Our performance



TAFE NSW at a glance

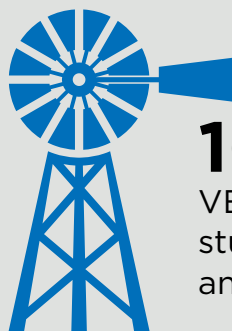
424,000+

VET course
enrolments
in 2015



124,000+

VET graduates
in 2014
+17.9%
from 2010



161,000+

VET enrolments by
students in regional
and remote areas



83.7%

of NSW apprentice
commencements
+3.2% from 2014

85.9%

of NSW apprentice
completions

33,000

VET enrolments by
Aboriginal students



96%

of employers
satisfied with
VET training



42,000

VET enrolments
by students with
a disability



88.5%

of VET graduates
satisfied with training

90.5%

of higher education
graduates satisfied

1,200+

higher education
course enrolments
+35.0% from 2014



84.2%

of VET graduates
employed or in
further study



Sources: NCVER, TAFE NSW, Training Services NSW

Keeping pace with change

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 to be "strong, innovative, flexible and responsive to the community and industry as the State's publicly-owned vocational education and training provider."⁴

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

The Vision also made clear that TAFE NSW needs to make significant changes to how it operates to remain competitive in a changing environment. The Vision specified the TAFE NSW key reform directions, accountabilities and role as a high quality, industry-relevant public provider. It replaced the *TAFE NSW Statement of Owner Expectations*, which was published in August 2013.

Meeting the changing needs of our customers

On 4 July 2016, TAFE NSW Managing Director Jon Black announced the foundations of the new organisational structure in *One TAFE NSW: Learning for jobs and brighter futures*. The *One TAFE* structure is underpinned by the revised TAFE NSW core values of integrity, collaboration and excellence and placing the customer at the centre.

One TAFE envisages a new, streamlined and standardised organisational structure, consolidating back-office resources, removing competition between institutes and focusing on providing accessible training in all NSW regions. The new structure will include the re-design of our corporate office functions and regional business units, which will deliver our core business – education and training.

In 2015-16, TAFE NSW developed the new vision and values and began work on the *One TAFE* structure following extensive consultation with staff. The *One TAFE* structure will be enacted in stages and will be fully implemented by December 2018.

The *TAFE NSW Strategic Plan 2016-2022*, launched on 7 September 2016, sets out the six-year plan to modernise the business by putting its customers – students and industry – first. The Plan outlines how the NSW Government's *Vision for TAFE NSW* will be met, identifying four goals, supporting initiatives and measurable key performance indicators.

TAFE NSW continued to trial three new education support and leadership roles with oversight from a TAFE NSW-Australian Education Union Joint Management Committee.

TAFE NSW will develop performance and development plans for senior staff, aligned to the new corporate strategies, and revise human resources policies and procedures to attract, retain and develop committed and capable staff who can respond quickly to the changing needs of customers.

From 2016-17, TAFE NSW will renew its planning and reporting framework in line with the NSW Government's Vision and *One TAFE* structure, to become more customer-focused, competitive and financially sustainable.

Smart and Skilled

The NSW Government's reform of the state's VET system, Smart and Skilled, was implemented in full in 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 includes government-subsidised targeted entitlement qualifications up to the Certificate III level to allow people to gain the skills they need to get a job, advance their career or continue on to further study. Subsidised qualifications are identified on the NSW Skills List.

TAFE NSW competes with private and community training providers for contestable government training funds, delivering qualifications on the NSW Skills List and shaping 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.

This reform meets NSW's obligations under the Council of Australian Governments (COAG) *National Partnership Agreement on Skills Reform*.

⁴ NSW Government, *A Vision for TAFE NSW* (2016)

TAFE NSW move to a new government cluster

As part of administrative changes announced by the NSW Government in April 2015, TAFE NSW transferred from the Department of Education cluster to the Industry, Skills and Regional Development cluster with effect from 1 July 2015, strengthening the links between skills development, industry and communities.

The NSW Department of Education continued to provide information technology, finance and human resources corporate services during the transition. By the end of 2015-16, TAFE NSW had prepared plans and commenced development of its own systems and capability to address these corporate services and support needs into the future.

Delivering skills critical to the workforce and the NSW economy

Matching industry needs

TAFE NSW offers VET and higher education courses and services across NSW, Australia and overseas that are widely recognised as setting the standard in quality and industry relevance. The TAFE NSW brand is well-known and trusted.

The organisation plays a vital role in providing vocational education and training in rural and regional NSW. TAFE NSW has met the changing skills needs of NSW communities and the economy for more than 130 years, building collaborative relationships with employers and industry partners to deliver job-ready graduates aligned to economic needs.

In June 2016, the NSW Government allocated \$25 million to establish a Sydney School of Entrepreneurship, as part of the 2016-17 NSW State Budget. The school is a joint venture between TAFE NSW and NSW universities led by former Executive Director of the Stockholm School of Entrepreneurship, Nick Kaye. From 2017, up to 1,000 of the brightest students in NSW will participate in applied training, support and mentoring to develop their entrepreneurial skills while they complete their vocational or higher education studies. Students will be coached on how to start and grow innovative and high growth companies, receiving mentoring and advice on business innovation, sustainability and differentiation. The school will support the growing start-up sector in NSW, where 46.5 per cent of all Australian start-up companies are based.⁵

TAFE NSW offers more than 1,200 nationally recognised VET qualifications, skill sets and customised courses and 14 higher education qualifications, including in the following fields of education:

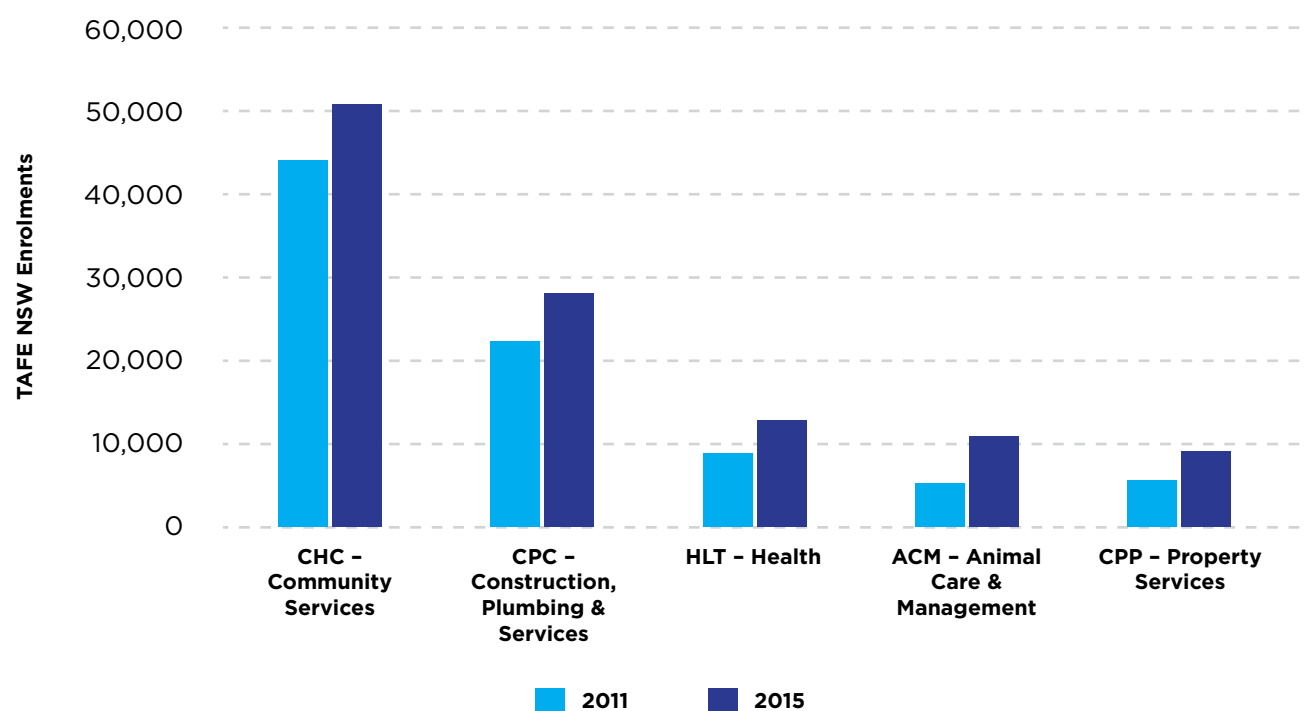
- Agriculture, environmental and related studies
- Architecture and building
- Creative arts
- Education
- Engineering and related technologies
- Food, hospitality and personal services
- Health
- Information technology
- Management and commerce
- Natural and physical sciences
- Society and culture.⁶

However, the economic landscape is changing rapidly. Technology is having a profound impact on the nature of work and new technologies and skills are needed to support the economy and jobs of tomorrow. TAFE NSW is evolving to meet these challenges and prepare the people of NSW for the future.

⁵ Startup Muster 2015 Ecosystem Report

⁶ TAFE NSW administrative data

Figure 1: Largest growth in enrolments by Training Package (2011 – 2015)



Source: TAFE NSW - NCVER VOCSTATS Government-funded students and courses

Note: The chart above shows training packages with more than 2,500 enrolments that experienced the largest relative growth in enrolments between 2011 - 2015, based on percentage change.

Figure 1 shows that between 2011 and 2015, enrolments grew in:

- Community Services by 15.4 per cent
- Construction, Plumbing and Services by 25.3 per cent
- Health by 48.0 per cent
- Animal Care and Management by 118.3 per cent
- Property Services by 70.2 per cent.⁷

The [Greater Western Sydney Skills Audit](#) surveyed more than 450 employers in the region and found that 66,000 positions were vacant due to a lack of suitable applicants. Commissioned by TAFE NSW – Western Sydney Institute, the report was completed in partnership with the Western Sydney Business Connection, a business networking organisation, and launched in October 2015. TAFE NSW is using the report to target future training delivery.

In 2015, TAFE NSW – New England Institute trained more than 140 students in aviation-related skills through a training partnership with AviSkills.⁸ Both AviSkills and the partnership were established in 2001 to address a forecasted shortage of skilled and qualified aircraft maintenance engineering staff. Aviation training is a growth area, with the Institute also training members of the Papua New Guinea Defence Force in Certificate IV in Aeroskills, Avionics and Mechanics. Other clients include Qantas, Jetstar and the Westpac Rescue Helicopter Service.

⁷ NCVER VOCSTATS Government-funded students and courses 2015

⁸ TAFE NSW administrative data

In late June 2016, Minister for Skills, the Hon. John Barilaro MP launched a partnership with the City of Sydney to meet the skills needs of the new development of the Green Square precinct. TAFE NSW – Sydney Institute will deliver training for jobs on-site during the construction phase which will create 4,000 jobs, plus more than 21,000 new jobs once construction is complete. The Institute will work with local businesses and chambers of commerce to identify and meet the employment needs of businesses as they move to the Green Square area, including training new staff in construction, hospitality and information technology.

TAFE NSW – Northern Sydney Institute secured a contract to provide youth mental health training to the Australian Government's Disability Employment Services providers. The Institute developed training modules for online and face-to-face delivery, as well as best practice guidelines for Disability Employment Services providers to support young people with mental illness and promotional material on the employment support available to them. The project was completed in August 2016.

Meeting the skills needs of regions and communities

In 2015, TAFE NSW had more than 161,000 enrolments by students living in regional or remote areas, or 38.0 per cent of TAFE NSW total enrolments.⁹

As the state's public provider, TAFE NSW supports the development and renewal of communities and regions by providing skills for jobs and more accessible and convenient training.

TAFE NSW considers local employment and social demographics in planning delivery to meet future skills needs.

TAFE NSW delivers specialist training in industry and labour market priority areas, including in thin markets or high-cost areas such as regional and rural communities under the TAFE NSW Community Service Obligation.

In 2016, TAFE NSW – Hunter Institute partnered with construction giant LendLease to provide onsite induction and training to trades and services at the Williamtown Airport development. With more than 100 individual contractors trained by the end of 2015-16, the program is expected to continue over the next nine years as the airport expands.¹⁰

TAFE NSW – New England Institute won the Community Engagement Award at the TAFE NSW 2016 Gili Awards for their work with the remote Aboriginal community of Toomelah, located in northern NSW near the Queensland border. This community had lost many people through preventable illness and disease and believed that fixing the Toomelah Cemetery would help the community to heal.

The Institute used a whole-of-community approach to create a plan for the cemetery with community members, community groups and elders. Local people were trained to expand the cemetery, install plot and row identifiers and establish GPS centralised reading survey points so that people will be able to find the graves of their loved ones now and in the future. The cemetery also received a new fence, landscaping and a dirt road was replaced.

Participants achieved either a Certificate II in Construction, Certificate II in Civil Construction or relevant Statements of Attainment. The skills and knowledge gained through training are now being used by the Toomelah community to pursue further education, find work and build a community kitchen at the local school.

⁹ NCVER VOCSTATS *Government-funded students and courses 2015*

¹⁰ TAFE NSW institute administrative data

In 2016-17, NSW residents from overseas in regional areas will have expanded access to International English Language Testing Services (IELTS) without needing to travel to Canberra, Sydney or Wollongong. The new service developed from research by TAFE NSW – Riverina Institute on the availability and scope of English language services in the Riverina area and led to a partnership between the Institute and IDP Education. Institute staff have undertaken accreditation as examiners of the spoken English section of the IELTS test. More than 30 applicants attended the first testing session in February 2016, with candidates coming from Albury, Wagga and Griffith.¹¹ Six more IELTS assessment dates have been scheduled for later in 2016.

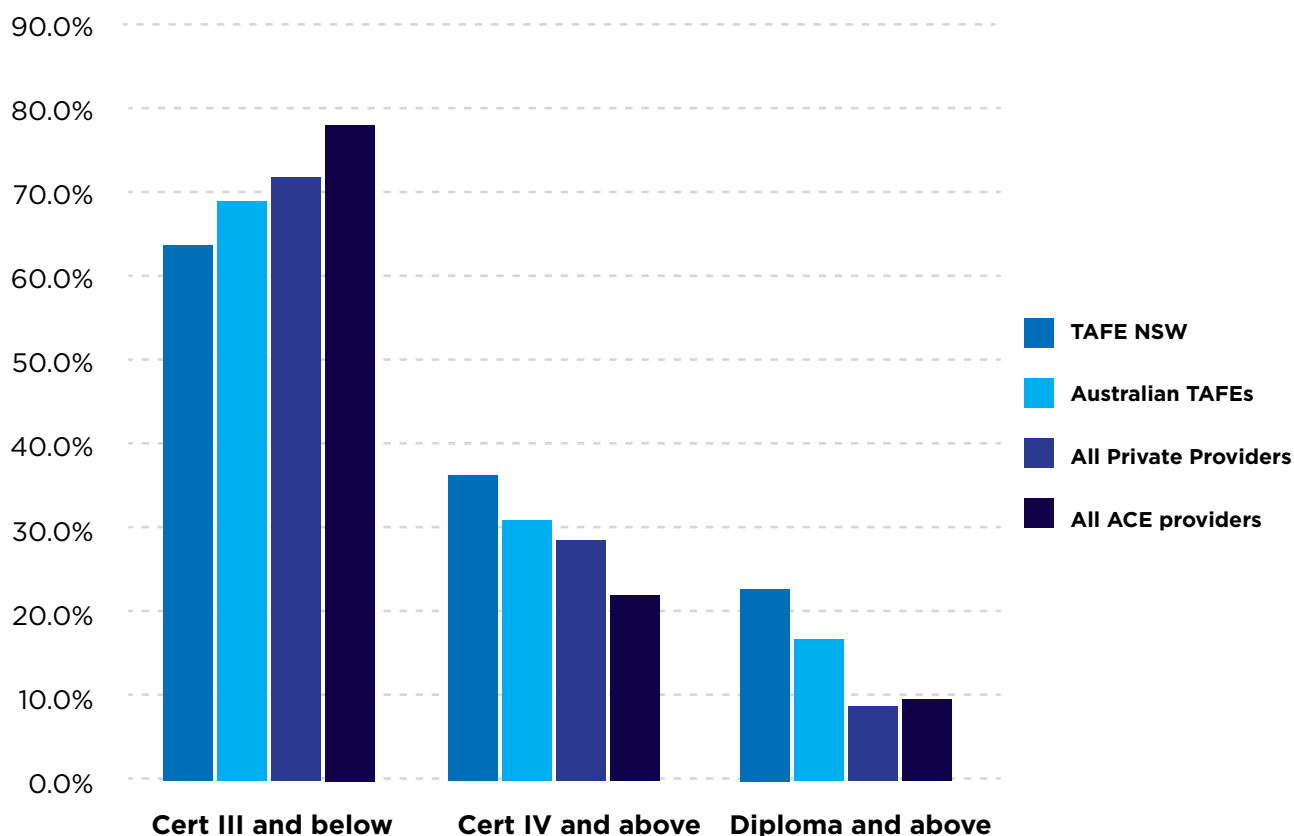
Vocational education and training enrolments

TAFE NSW had more than 424,000 VET enrolments in 2015.¹²

The proportion of TAFE NSW enrolments at higher qualification levels is significantly above the national average for Registered Training Organisations in Australia.

In 2015, 22.9 per cent of TAFE NSW enrolments were at Diploma level and above compared to 17.0 per cent for TAFE nationally and 36.1 per cent of TAFE NSW enrolments were at Certificate IV and above.

Figure 2: Proportion of national VET of enrolments by major award level 2015



Source: TAFE NSW - NCVER VOCSTATS Government-funded students and courses 2015

¹¹ TAFE NSW institute administrative data

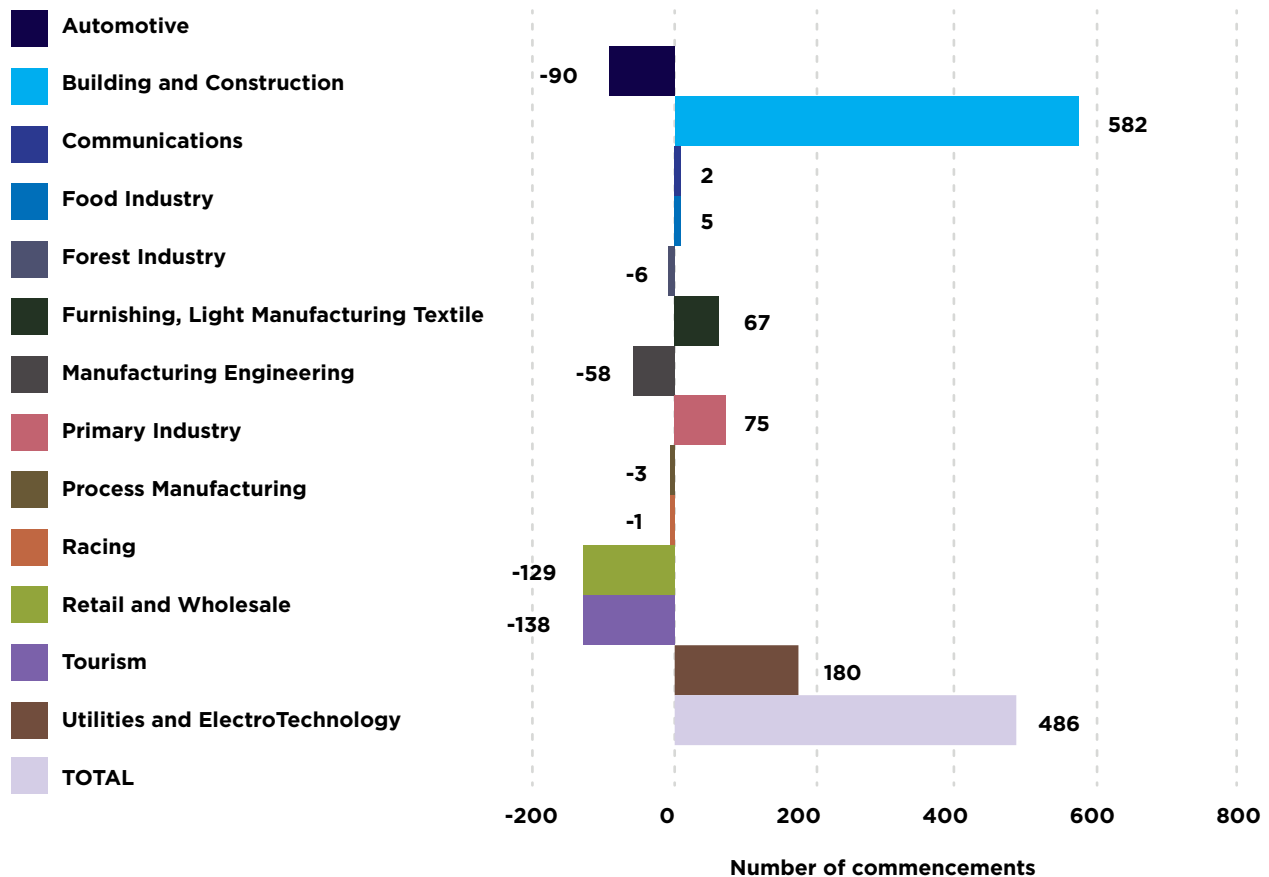
¹² NCVER VOCSTATS Government-funded students and courses 2015

TAFE NSW offers Certificates I-III to support individuals to gain foundation skills and entry level qualifications. This includes delivery of workplace-based training. Apprenticeship qualifications, mostly at the Certificate III level, are critical in developing the technical base of the economy.

In 2015, TAFE NSW had more than 15,000 apprenticeship commencements, 83.7 per cent of the total for NSW. This was an increase of 3.2 per cent on 2014.¹³

There was a large growth in apprenticeship commencements at TAFE NSW between 2014 and 2015 in the Building and Construction and Utilities and Electrotechnology industries.

Figure 3: TAFE NSW change in number of apprenticeship commencements by industry 2014 to 2015



Source: TAFE NSW based on Training Services NSW figures (December 2015)

¹³ Training Services NSW (December 2015)

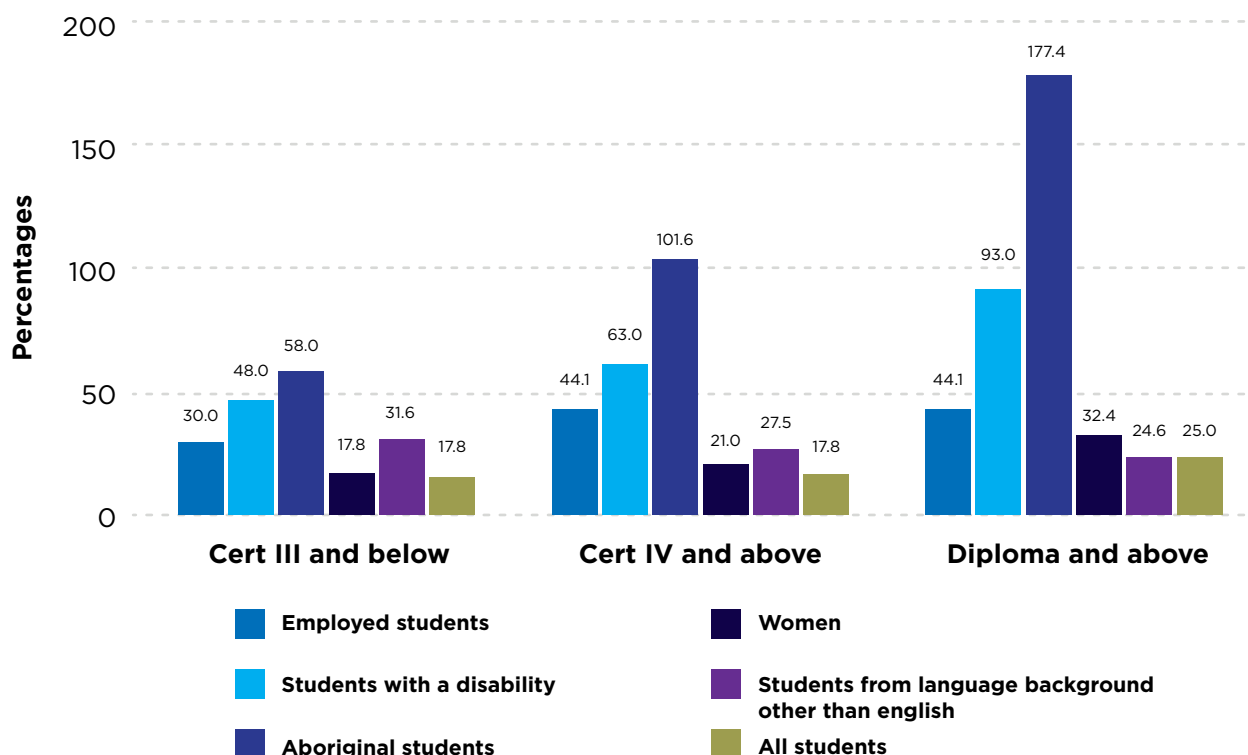
Vocational education and training completions

Completions¹⁴ for all TAFE NSW students in Certificate IV and above qualifications increased by 17.6 per cent, from more than 41,400 in 2010 to almost 48,700 in 2014.

This included more than 21,600 qualification completions at Diploma level and above in 2014, an increase of 25 per cent from 2010.¹⁵

The increase in qualification completions was evident in higher level qualifications, and for particular disadvantaged groups.

Figure 4: Growth in course completions by qualification and student group, 2010-14 percentage growth



Source: TAFE NSW - NCVER VOCSTATS Government-funded students and courses 2015

TAFE NSW achieved approximately 9,600 apprenticeship completions in 2015, or 85.9 per cent of all apprenticeship completions in NSW.¹⁶

¹⁴ Completions measure where all the requirements for the completion of the qualification, course or skill set, including on-the-job requirements, have been met. Completions for Australian Qualifications Framework qualifications and courses are achieved when the client is eligible for the award to be conferred.

¹⁵ NCVER VOCSTATS Government-funded students and courses 2015

¹⁶ Training Services NSW (December 2015)

The Barangaroo Skills Exchange is a unique learning hub established in 2013 to coordinate and deliver training during construction of the \$6 billion Barangaroo precinct in the Sydney CBD built by multinational Lendlease. The Skills Exchange provides one-on-one support to workers, access to classes and language and literacy teachers, and industry experience.

Six out of the 10 TAFE NSW institutes were involved, led by TAFE NSW – Western Sydney Institute, as well as a number of private training organisations. Other key partners include the Barangaroo Delivery Authority, with funding provided by the Commonwealth Department of Education and the NSW Department of Industry.

By the end of June 2016, the Skills Exchange had delivered:

- more than 18,000 accredited training outcomes including over 2,600 SafeWork NSW licenses to operate high risk equipment
- almost 19,000 health and safety training outcomes such as asbestos awareness, drug and alcohol awareness and quit smoking programs
- assessments of the foundation skill levels of almost 10,000 workers, with around half receiving literacy or numeracy support
- more than 750 apprentices inducted to work on site, and 85 per cent were still employed as apprentices as at the end of October 2016
- mentoring to 750 apprentices and 250 other workers undertaking trade qualifications.¹⁷

School-equivalent education

School students are able to undertake nationally recognised skill sets or qualifications as part of their Higher School Certificate through TAFE NSW-delivered vocational education and training (TVET). In 2015, there were about 24,000 student enrolments in TVET programs.¹⁸ Most gained both an Australian Qualifications Framework credential and a Higher School Certificate credential.

In September 2015, 34 TAFE NSW – New England Institute students helped to build the new Tamworth adventure playground.¹⁷ The students, who were studying the Certificate II in Construction as part of the Higher School Certificate, undertook 70 hours of on-the-job work experience. Local builders worked with the students and were able to assess their performance as potential apprentices on the job.

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 2015, TAFE NSW trained 350 school-based apprentices and more than 480 school-based trainees.¹⁹

TAFE NSW also delivered both the NSW Higher School Certificate and Certificate IV in Tertiary Preparation in 2015, providing an alternative pathway for more than 3,000 students to obtain an Australian Tertiary Admission Rank in an adult learning environment.¹⁸

Thomas Goodwin, a TAFE NSW – Hunter Institute graduate with qualifications in carpentry, returned to TAFE NSW to complete the Tertiary Preparation Certificate course so he could study at university. Thomas gained the second highest tertiary entrance score in NSW, scoring 295 out of 300. His achievements have enabled him to pursue a new career direction, studying a Bachelor of Psychology at the University of Newcastle.

TAFE NSW OTEN received Commonwealth Indigenous Advancement Strategy funding to deliver the Certificate I in Access to Work and Training by distance to Aboriginal youth in juvenile justice centres across NSW. From January 2015 to the end of June 2016, a total of 45 participants completed the Certificate I in Access to Work and Training.¹⁸

¹⁷ TAFE NSW institute administrative data

¹⁸ TAFE NSW administrative data

¹⁹ Training Services NSW

Pre-apprentice and pre-employment programs

TAFE NSW delivers pre-apprenticeship and pre-employment programs in partnership with government and non-government agencies. These programs help school leavers and unemployed people to develop skills in specific industry areas, as well as job interview skills such as presentation and communication.

One hundred and forty nine long-term unemployed Aboriginal people obtained employment at Coles after completing the *Coles First Step Program*, a pre-employment program developed by TAFE NSW – Sydney Institute and grocery retailer Coles.

The six month program includes an intensive recruitment process, three weeks of pre-employment training in the retail industry and specific in-store roles, post-course mentoring and Aboriginal cultural awareness training for Coles managers.

Since March 2012, eight *First Step* programs have been delivered across six regions. Of the 149 participants, 140 were hired by Coles and 78.5 per cent were still in the job after six months.²⁰

The program was recognised at the 2015 Australian Human Rights Awards and 2016 TAFE NSW Gili Awards for its role in transforming the lives of participants by linking employers, Aboriginal people and training.

Indigenous Police Recruiting Our Way Delivery (IPROWD)

IPROWD helps Aboriginal people gain the qualifications, skills and training they need to enter the NSW Police Force. Students obtain Certificate III in Vocational and Study Pathways, which gives them a post school qualification and prepares them to apply for entry to the NSW Police Academy.

In 2015-16, 90 students successfully completed the IPROWD program, with an 81.1 per cent success rate.

The program is contributing to the NSW Police Aboriginal employment target of four per cent and the Council of Australian Governments *Closing the Gap* employment target.

In 2015-16, 14 graduates of the IPROWD program went on to commence the Associate Degree in Policing Practice at the NSW Police Academy, delivered by Charles Sturt University, 59 graduates of current and previous IPROWD courses obtained a full-time job and a further 39 obtained a part-time job. From 2011 to the end of June 2016, almost 80 IPROWD students gained a career with NSW Police.

In 2015-16, 15 students also commenced a new flexible delivery IPROWD course, which allows Aboriginal people to complete the Certificate III in Vocational and Study Pathways in their local community via distance education and by attending intensive face-to-face training in blocks. These students are due to complete the course in October 2016.²⁰

IPROWD is a partnership between TAFE NSW, managed by Western Institute, the NSW Police Force, Charles Sturt University and the Australian Government. The Australian Government committed nearly \$2.5 million in funding to allow IPROWD to continue until 2018.

²⁰ TAFE NSW institute administrative data

Other employment programs

TAFE NSW delivers transition programs to prepare students for the workforce. These programs provide structured vocational education and workplace training for students to strengthen their employment prospects.

TAFE NSW – Western Institute's remote delivery program *TAFE Western Connect* helped a small group of Broken Hill Correctional Centre inmates to complete a Certificate III in Civil Construction Plant Operations course. The inmates learned how to operate a loader, excavator and skid steer at the prison. They also learned how to operate a pump, generators, power tools and hand tools. The course had a 100 per cent attendance rate, with one released inmate starting work driving earthmoving equipment in Sydney and two inmates obtaining work release with a construction company.²¹

In 2015, 27 students from TAFE NSW – South Western Sydney Institute graduated with a Certificate IV in Fitness to support Fire and Rescue NSW (FRNSW)'s Indigenous Employment Strategy. Another forty students enrolled in the Indigenous Fire and Rescue NSW Employment Strategy Statement of Attainment in 2015 to learn basic firefighting and job application skills.²² Students attended training at local fire stations and FRNSW's State Training College in Alexandria and were mentored by Aboriginal firefighters from within FRNSW ranks.

Higher education

Industry needs

TAFE NSW responded to demand for higher level skills within the labour market by developing higher education courses with a strong vocational emphasis, combining practical and theoretical education, delivered by industry professionals to meet industry needs.

TAFE NSW degree programs are designed in consultation with industry, aligned to workforce standards and requirements and recognised and

accredited by professional bodies. The courses are developed in response to industry needs and identified gaps in training. This ensures that TAFE NSW Higher Education produces highly sought after, competent, industry-ready graduates who are valued by employers.

In March 2016, three graduating Bachelor of Fashion Design students represented TAFE NSW – Sydney Institute in the iD International Emerging Designer Awards at New Zealand Fashion Week. The iD awards are an industry event that celebrates the best of emerging fashion. In 2016, 49 students from New Zealand, Australia, Europe and Asia showed their designs on the runway.

One of the graduates, Demetra Kakopieros, also had two designs from her collection *Symphonies in the Black* selected to be exhibited at the Powerhouse Museum in Sydney. In 2016, she is completing an internship in Amsterdam with renowned Dutch fashion designer Iris Van Herpen.

All TAFE NSW Higher Education programs include work integrated learning and blended learning delivery methods. For example, students studying network security might assist a prominent information technology company with software testing. Other students undertake an internship in their chosen area of study, such as in accounting or applied engineering.

The delivery focus is on applied teaching and learning with formative assessments that contribute to student learning.

Enrolments

TAFE NSW Higher Education continued its overall enrolment growth trend with an increase of 35.0 per cent, from 906 enrolments in 2014 to 1,223 in 2015, supported by additional campus delivery locations.

There were more than 500 commencing higher education enrolments in Associate Degree, Bachelor Degree and Graduate Diploma level qualifications in 2015.²³

Enrolments in higher education qualifications by international students increased by 50.9 per cent – from 175 in 2014 to 264 in 2015.²⁴

²¹ TAFE NSW institute administrative data

²² TAFE NSW administrative data

²³ TAFE NSW – Commonwealth Higher Education Information Management System

²⁴ Australian Education International TAFE NSW administrative data (December 2015)

Completions

TAFE NSW started delivering higher education programs in 2011. The number of TAFE NSW Higher Education completions increased from nine in 2012 to 203 in 2015.²⁵

Fourth year students in the TAFE NSW Bachelor of Early Childhood Education and Care (Birth-5) achieved a 98 per cent pass rate,²⁶ thanks to flexible delivery which incorporated pre-recorded lectures, interactive sessions, online resources, blended learning including work placement and reflection processes, and academic and library support. The Bachelor of Early Childhood Education and Care (Birth-5) is delivered at TAFE NSW – Western Sydney, Sydney, Illawarra and Hunter Institutes.

Growth

To support both the efficiency and competitive nature of TAFE NSW Higher Education, delivery has increasingly focused on meeting the needs of local domestic and international markets by expanding the reach and relevance of courses to all regions of NSW.

In 2015-16, TAFE NSW revised the Higher Education Strategic Plan to focus on strengthening the role of TAFE NSW as a distinctive higher education provider, and to extend the range of higher education programs to more students in more locations, both metropolitan and regional.

The revisions focused on two key areas:

1. growth in course development and delivery
2. quality assurance of all aspects of governance and delivery of higher education programs.

Seven TAFE NSW institutes are accredited with the Tertiary Education Quality and Standards Agency to deliver higher education, and during 2015 an additional two institutes started developing higher education programs with the intention to seek accreditation.

At the start of 2016, TAFE NSW Higher Education expanded its offerings from 13 to 14 nationally accredited programs at various locations across NSW.

Nine new courses are being developed for accreditation and delivery commencing from 2017.

Four of the new courses were proposed by regional institutes to cater specifically to the needs of regional and remote areas. To meet identified gaps in the market in regional locations, these programs will extend and build on participating TAFE NSW success in delivering VET programs.

After all nine of the new courses are successfully accredited, higher education will be delivered on 20 TAFE NSW campuses in 2017.

Four fully online higher education programs are also in development, which will address regional growth and development needs and support sustainability and Aboriginal communities. These courses will be available to students nationally and internationally.

Students' transitions to employment or further study

Transition rates

The NCVER Student Outcomes Survey 2015²⁷ showed that 84.2 per cent of TAFE NSW vocational graduates were employed or in further study after completing training in 2014.

The TAFE NSW Graduate Destination Survey indicates that TAFE NSW Higher Education students' rate of transition to employment after completing their course increased from 68.0 per cent of 2014 graduates to 76.6 per cent of 2015 graduates.

Of students who completed their higher education course at TAFE NSW in 2015, 76.6 per cent were working full or part time after graduating by the time they were surveyed in March 2016.

The TAFE NSW Graduate Destination Survey also showed that 12.7 per cent of TAFE NSW Higher Education graduates went on to further study within six months of completing their higher education course.²⁸

²⁵ TAFE NSW – Commonwealth Higher Education Information Management System

²⁶ TAFE NSW Higher Education administrative data

²⁷ Conducted in mid-2015

²⁸ The TAFE NSW Graduate Destination Survey surveyed students who completed their higher education course in 2015. The survey was based on the Australian Graduate Survey.

Pathways from vocational training to TAFE NSW Higher Education

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

More than 90 per cent of the graduates of the Diploma and Advanced Diploma of Fashion at TAFE NSW – Sydney Institute gained automatic entry and credit towards the Bachelor of Fashion at the Ultimo campus in early 2015.²⁹ This allowed students to make a smooth transition from vocational education to higher education.

In February 2016, around half of TAFE NSW – Western Sydney Institute's 228 graduates of the Diploma of Early Childhood Education and Care were able to continue their studies in a familiar environment after gaining entry to TAFE NSW Bachelor of Early Childhood Education and Care (Birth – 5).²⁹

In addition to full degree pathways, TAFE NSW continued to offer a tertiary pathway model that extended access to higher education qualifications through work-ready Associate Degree programs in partnership with major universities.

Pathways from vocational training to university

TAFE NSW also offered pathway arrangements to enable students to gain entry to universities after completing a vocational qualification at TAFE NSW.

TAFE NSW – New England Institute partnered with the University of New England to provide students a guaranteed pathway to higher education. The partnership ensures students will be automatically accepted into a relevant Bachelor degree with the University of New England after successfully completing a Diploma level course with the Institute if they study accounting, agriculture, business, early childhood teaching, health, nursing or social work.

In 2016, TAFE NSW – Hunter Institute has 130 credit transfer agreements in place with the University of Newcastle.³⁰ These agreements allow students who have completed training at TAFE NSW to receive a credit towards their degree program at the University of Newcastle.

A mobile oral health service run by the Poche Centre for Indigenous Health at the University of Sydney won a 2015 Australian Financial Review Higher Education Award for Community Engagement. TAFE NSW – Sydney Institute and TAFE NSW OTEN supported the service by delivering flexible training, enabling students to work as dental assistants and continue on to a higher education degree at the University of Sydney.

The initiative helped close the gap in Aboriginal health outcomes by providing oral healthcare services in nine remote communities. From January 2015 to June 2016, 30 Aboriginal students completed the Certificate III or IV in Dental Assisting at OTEN. A further 86 Aboriginal students commenced the Certificate III or IV at OTEN between January 2015 to June 2016, and 10 Aboriginal students at Sydney Institute commenced these qualifications or the Diploma of Dental Technology.³¹

Some institutes also provide an embedded pathway model so students can undertake a VET qualification concurrently with a university degree. This model provides strong linkages between training and higher education learning and makes it possible for students who need to leave their higher education studies early to be granted a lower-level qualification.

Students at TAFE NSW – Western Institute and TAFE NSW – Riverina Institute can graduate with a Certificate IV in Tertiary Preparation Certificate and a Diploma of General Studies from Charles Sturt University in one year. The Diploma of General Studies guarantees entry into most Charles Sturt University degrees and subject credit is also granted in some cases.

²⁹ TAFE NSW Higher Education administrative data

³⁰ TAFE NSW institute administrative data

³¹ TAFE NSW administrative data

Supporting people experiencing disadvantage

Support provided

TAFE NSW, as the state's public VET provider, assists people experiencing disadvantage to access the education and skills development services they need to transition to higher level qualifications and secure employment outcomes.

TAFE NSW offers disadvantaged students access to fee-free training, scholarships and other support programs as part of the NSW Government's Smart and Skilled reforms.

Separate Community Service Obligation funding is provided to TAFE NSW in recognition of its unique legislated obligation to provide educationally or vocationally disadvantaged students with access to technical and further education services under the *Technical and Further Education Commission Act 1990*.

TAFE NSW has a framework in place to meet these community obligations which sets out the types of services available to individuals experiencing disadvantage. It also outlines accountability and reporting requirements for TAFE NSW to ensure service provision aligns with the NSW Government's *Vision for TAFE NSW* and Smart and Skilled policy.

Barriers to training may include:

- very low literacy, language and/or numeracy skill levels
- limited employability skills where students require additional support
- persistent and ongoing personal issues impacting on educational attainment
- remote location, which can affect a student's ability to access entitlement training
- financial limitations in accessing childcare, transport and/or respite care which affect a student's ability to participate in training.

In 2015-16, TAFE NSW provided essential support to students to improve learning engagement and completion through:

- personalised support services, including pre-training support, counselling, mentoring, case management, individualised or group support, specialist support such as one-on-one learner support, and development of tailored learning resources
- training for those facing significant barriers to learning, including language, literacy and numeracy support and other assistance to proceed to a full qualification
- career support services, to support transitions from school to TAFE NSW, transitions to employment or further education or training (such as liaising with Centrelink, employment brokers or universities), interview preparation and referrals to job service providers, disability employment providers, community support agencies and universities
- access to library and learning resource centres, including study facilities and services, such as computers with specific software packages and printing services
- community engagement to encourage youth at risk of disengagement to participate in education or employment.

TAFE NSW – South Western Sydney Institute screened around 2,950 students using the *RUReady* tool to identify their language, literacy and numeracy support needs.³² The tool allowed the Institute to ensure that students enrolled in a course at the appropriate level for them and to identify whether foundation skills support was needed.

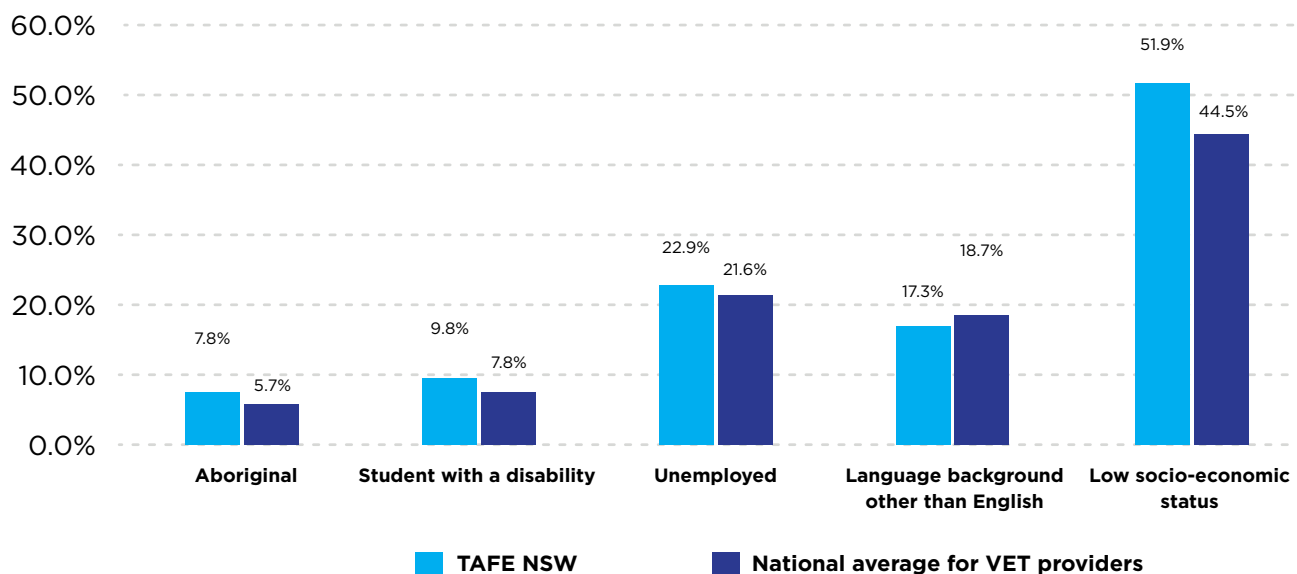
South Western Sydney Institute also provided students with access to personal career and study planning services. Students defined their goals through the *Career Voyage* tool, helping them make effective career and study decisions prior to selecting a course. Institute staff supported students with vocational counselling, career choice and planning, retraining, career development and employment advice.

³² TAFE NSW institute administrative data

Vocational enrolments by students from disadvantaged groups

TAFE NSW recorded higher proportions of VET enrolments by students from disadvantaged groups in 2015 than the national average for VET providers.

Figure 5: Proportion of VET enrolments by students from disadvantaged groups in 2015



Source: TAFE NSW - NCVER VOCSTATS Government-funded students and courses

Aboriginal students

TAFE NSW is committed to improving the educational and employment outcomes of Aboriginal students. In 2015, TAFE NSW had almost 33,000 enrolments by Aboriginal students.³³

TAFE NSW – Western Institute developed a Stretch Reconciliation Action Plan which was approved by Reconciliation Australia in December 2015 and launched on 1 June 2016. The vision of the plan is to embed proven strategies into planning to ensure that education and employment outcomes of Aboriginal students are at least equal to those of non-Aboriginal students.

Extensive consultation on the Plan began in late 2014 and continued throughout 2015. It contains specific targets and actions identified by staff, Aboriginal representative organisations and members of the Aboriginal community who live and work in the Institute's footprint. The five key objectives are to improve:

- access to education and training for Aboriginal people
- literacy and numeracy of Aboriginal students
- education and employment outcomes of Aboriginal students
- completion of qualifications by Aboriginal students
- the careers of Aboriginal staff employed at the Institute.

Western Institute also developed the *Aboriginal Employment Strategy 2015 – 2018* during 2015 to support the Reconciliation Action Plan.

³³ NCVER VOCSTATS Government-funded students and courses 2015

TAFE NSW develops customised programs for Aboriginal students to support their participation in tertiary education and training and facilitate employment outcomes. TAFE NSW maintains extensive partnerships with other education providers, industry and community groups to give students greater access to real work environments.

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.

Between 2011 and 2015, TAFE NSW Aboriginal student enrolments decreased by 3.3 per cent, from 34,096 to 32,984. However, enrolments by Aboriginal students in higher level qualifications have increased in:

- Certificate IV level and above
 - > from 4,468 in 2011 to 7,974 in 2015 (78.5 per cent)
 - > from 13.1 per cent of Aboriginal student enrolments in 2011 to 24.2 per cent in 2015
- Diploma level and above
 - > from 1,481 in 2011 to 4,143 in 2015 (179.7 per cent)
 - > from 4.3 per cent of Aboriginal student enrolments in 2011 to 12.6 per cent in 2015.

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 2015, TAFE NSW enrolments by Aboriginal students in the 15 to 24 year age group increased in:

- Certificate IV and above from 1,327 in 2011 to 2,695 in 2015 (103.1 per cent)
- Diploma and above from 359 in 2011 to 1,274 in 2015 (254.9 per cent).

Course completions³⁴ by Aboriginal students at TAFE NSW increased by 69 per cent, particularly in higher level qualifications:

- Certificate IV and above increased from 851 in 2010 to 1,716 in 2014 (101.6 per cent)
- Diploma and above increased from 252 in 2010 to 699 in 2014 (177.4 per cent).³⁵

TAFE NSW expanded the delivery of Aboriginal and/or Torres Strait Islander Primary Health Care qualifications in 2015-16. Aboriginal health workers help address cross cultural barriers that exist between non-Aboriginal health professionals and Aboriginal clients. Programs were designed to meet the legislated requirement for Aboriginal health care workers to register as practitioners with the Australian Health Practitioner Regulation Agency.

TAFE NSW – Riverina Institute offered the Certificate IV in Aboriginal and/or Torres Strait Islander Primary Health Care Practice at Wagga Wagga, Griffith and Albury campuses in 2015-16. The Institute delivered the qualification using a blended delivery model in partnership with local Aboriginal Health Services. The Certificate IV also articulates to Bachelor Degrees at Charles Sturt University (CSU). In 2016, six students transitioned from the Certificate IV to the Bachelor of Health Science – Mental Health or the Bachelor of Registered Nursing at CSU.³⁶

In 2015-16, the first group of students in the Certificate IV in Aboriginal and/or Torres Strait Islander Primary Health Care at TAFE NSW – North Coast Institute attended classes in Port Macquarie.³⁶ Clinical facilities were provided through the Institute's partnership with the University of New South Wales and the University of Newcastle. The program is funded through Smart and Skilled and the Indigenous Education Grant, a Commonwealth grant provided by the Department of the Prime Minister and Cabinet.

³⁴ Completions measure where all the requirements for the completion of the qualification, course or skill set, including on-the-job requirements, have been met. Completions for Australian Qualifications Framework qualifications and courses are achieved when the client is eligible for the award to be conferred.

³⁵ NCVET VOCSTATS *Government-funded students and courses 2015*

³⁶ TAFE NSW institute administrative data

Aboriginal languages

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 2015, there were 421 enrolments in the Certificate I, II and III in Aboriginal Language/s at Illawarra, North Coast, Riverina, Sydney, Western and Western Sydney Institutes.³⁷

Qualifications included the:

- Certificate I in Gumbaynggirr, Yaegl and Gathang (North Coast Institute)
- Certificate I and III in Dharawal, Certificate I and II in Bundjalung and Certificate I and II in Wiradjuri (Sydney Institute)
- Certificates I, II and III in Wiradjuri, Paakantyi and Gamilaraay (Western Institute).

Aboriginal Language and Culture Nests are local community networks connected by a language. These nests provide communities with opportunities 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.

TAFE NSW – Western Institute Yarradamarra Centre in Dubbo 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 enable them to work as tutors in schools.

TAFE NSW – North Coast Institute supports the Bundjalung Language and Culture Nest with a recognition of prior learning program.

In 2015, TAFE NSW – Western Institute launched a national online Certificate I in Aboriginal Languages and Culture based around the Wiradjuri language. This online course can now be used as a template for other Aboriginal languages. Students have enrolled in the Wiradjuri course from all over Australia.

Employment of Aboriginal staff

As at 30 June 2016, TAFE NSW employed 178 Aboriginal staff (3.2 per cent of the total workforce), exceeding the target for the year of 2.6 per cent.³⁸

In 2015-16, the Yulang and Gamarada Aboriginal Education and Training Units at TAFE NSW – Sydney Institute and TAFE NSW – Northern Sydney Institute worked together to help Aboriginal people gain the qualifications needed to teach at TAFE NSW. Nine Aboriginal students completed the Certificate IV in Training and Assessment, seven of whom received scholarships to cover the full cost of the qualification. Six graduates obtained work at TAFE NSW as teachers, mentors and coordinators and another two graduates continued on to further education or obtained employment outside TAFE NSW.

Yulang and Gamarada also provided training for Aboriginal students to upgrade their superseded Training and Assessment qualifications. Four students upgraded their qualifications and completed a Language, Literacy and Numeracy (LLN) unit of competency, with three gaining employment at TAFE NSW. A further eight students completed the LLN unit only.³⁹

Aboriginal education and training initiatives

TAFE NSW works with local Aboriginal communities to create pathways for Aboriginal people into long-term employment.

More than 1,200 Aboriginal students will access TAFE NSW – South Western Sydney Institute's newly established Aboriginal Learning Centre of Excellence in Campbelltown in 2016.³⁹ Designed to 'bring the outside in', the centre has modern open-plan learning rooms decorated with Aboriginal artworks and a large indoor bush garden. The new facility will provide a welcoming venue for the local Aboriginal community and encourage Aboriginal people to undertake targeted courses that provide direct links to local employment opportunities. South Western Sydney Institute won the Award for Institute Innovation at the 2016 TAFE NSW Gili Awards for its innovation in Aboriginal services.

³⁷ TAFE NSW administrative data

³⁸ NSW Public Sector Workforce Profile (June 2016)

³⁹ TAFE NSW institute administrative data

More than 170 Aboriginal students in years 10 to 12 from the Hunter region attended the second annual education event *Deadly Skills – It's Your Future, Claim It* at TAFE NSW – Hunter Institute's Kurri Kurri campus on 11 May 2016.⁴⁰ The event coincided with the National Rugby League Indigenous Round and was a collaboration between the Hunter Institute Aboriginal Learning Circle and the Newcastle Knights rugby league team. The event was conceived of as a way to encourage young Aboriginal people to pursue education as a means to achieving their goals and aspirations.

Since November 2013, more than 4,000 staff from Hunter New England Health have completed the *Aboriginal Cultural Education Respect Program* offered by the Aboriginal Learning Circle at TAFE NSW – Hunter and New England Institutes.⁴⁰ The program develops staff knowledge and understanding of traditional and contemporary Aboriginal culture and history to support health, employment strategies and implementation plans are effective in closing the gap between Aboriginal and non-Aboriginal people.

Students with a disability

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

In 2015, TAFE NSW had almost 42,000 enrolments by students with a disability.⁴¹

Students with a disability are supported by an individual learning plan which identifies the support services they can access. Community Service Obligation funding also enables these students to access specialist support services such as a note-taking or interpreting services, and personalised support services such as individual learning support. They can also access adaptive technologies, revised teaching materials and flexible learning centres.

In 2015, TAFE NSW – Hunter Institute delivered an Introduction to Horticulture course to 13 employees of Witmore Enterprises in Singleton, which provides services to people living with multiple disabilities. Students learned pruning, maintaining grassed areas, distinguishing grass from weeds, preparing garden beds, fertilising and mulching and applying chemicals under supervision. The students are members of the ground maintenance crew of Witmore Enterprises, which holds contracts with businesses including mining companies in the Singleton area.⁴⁰

In 2015-16, 90 people with a disability graduated with a Certificate II in Process Manufacturing, Food Processing and Waste Management, thanks to a unique collaboration between TAFE NSW – Illawarra Institute and Australian Disability Enterprise, The Flagstaff Group. The Flagstaff Group employs approximately 275 people with a disability and won the 2015 NSW Training Awards Innovation and Collaboration Training Award for their work.⁴⁰

TAFE NSW – Northern Sydney Institute delivered an introductory Access to Work and Training course to assist students who were participating in the Commonwealth Funded *Transition to Work Program*, run by the Cerebral Palsy Alliance at Allambie Heights and Ability Options at Hornsby and Seven Hills. The training provided students with skills in basic computing, oral and written communication skills and preparation for job seeking. Their improved foundation skills enabled the students to move on to work placement or commence vocational training.

⁴⁰ TAFE NSW institute administrative data

⁴¹ NCVER VOCSTATS *Government-funded students and courses 2015*

Unemployed people

TAFE NSW develops and implements diverse job training pathways for unemployed people.

In 2015, TAFE NSW had more than 97,000 enrolments by unemployed people.⁴²

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

TAFE NSW – Illawarra Institute helped students address barriers to learning through *Get the edge – get a plan together* workshops. The program was offered on site and at community and service locations to help young people who are homeless, at risk or who have emerging mental health issues. The workshops helped young people to increase their self-confidence, determine career goals and self-assess if they were ready to go back to study. Each of the 50 participants developed an individual education plan to work through with their service provider.⁴³ The *Get the Edge* program was designed and delivered by Illawarra Institute in collaboration with local youth, family support and mental health services on the South Coast.

TAFE NSW – New England Institute is working with the Department of Premier and Cabinet in the communities of Toomelah, Boggabilla and Coledale in Tamworth to help students from low socio-economic backgrounds develop valuable work skills. Twelve students undertook a skill set from the Certificate II in Construction, which articulates into a Certificate III in Indigenous Land Management.⁴³

Students in regional and remote areas

TAFE NSW plays a vital role in providing accessible vocational education and training to rural, regional and remote areas in NSW. In 2015, TAFE NSW had 161,000 enrolments (38.0 per cent of total enrolments) by students living in regional or remote areas.⁴²

Further information on how TAFE NSW supports students in regional and remote areas can be found in the Performance section of the annual report under the heading Meeting the skills needs of regions and communities.

Students from Language Backgrounds Other Than English

TAFE NSW assists people from Language Backgrounds Other Than English to access education and skills development services to join the workforce and participate fully in the community and the economy. TAFE NSW had 73,000 enrolments by students from Language Backgrounds Other Than English in 2015.⁴²

TAFE NSW supports students from Language Backgrounds Other Than English through:

- English language programs and resources
- learner support including language, literacy and numeracy teaching
- promotion of overseas qualification recognition
- interpreter services
- translations and information campaigns
- specialist staff to enhance engagement
- community partnerships and consultation
- cultural awareness programs
- antiracism activities, teaching resources and consultation forums
- research on effective educational strategies for diverse client groups.

Further information on how TAFE NSW supports students from Language Backgrounds Other Than English can be found in the separate Multicultural Policies and Services Program report within the Appendices of the annual report.

⁴² NCVER VOCSTATS *Government-funded students and courses 2015*

⁴³ TAFE NSW institute administrative data

Women

In 2015, TAFE NSW had more than 218,000 enrolments by women (51.5 per cent of total enrolments).⁴⁴

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

TAFE NSW – Sydney Institute's *Tasting Success* women chefs' mentoring program is designed to encourage apprentice and non-apprentice female chefs to pursue senior leadership positions in the restaurant industry. The program allows students to visit some of Australia's most renowned restaurants, including Sackville Malandra Park Piggery and the Cooks Co-op Farm owned by Martin Boetz, formerly from Longrain restaurant, and hear from high profile chefs.

One hundred and nine teenage mums graduated from TAFE NSW – Northern Sydney Institute's *Bump and Bump Up* program in November 2015.⁴⁵ The program is designed to engage or re-engage single teenage parents in education. It focuses on building capability and self-confidence, with an emphasis on employability skills, goal setting and time management. Students work together to design, compile, market, publish and launch a project with the help of a mentor. Examples of these projects include: a film made by the students to support other young mums in their parenting journey; a webpage and blog created by the students for other young mums to gain information from their peers; and a cookbook.

Operating as a sustainable business

TAFE NSW is working to become more effective and efficient as a government-owned education business to deliver ongoing public value for the people and enterprises of NSW.

This will be achieved by:

- focusing on the relevance of training to employers and industry
- delivering quality training that is responsive to demand and industry changes
- providing more flexible study options for students
- encouraging innovation across all areas of TAFE NSW
- building an agile and commercial workplace culture.

TAFE NSW is also 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.

⁴⁴ NCVER VOCSTATS *Government-funded students and courses 2015*

⁴⁵ TAFE NSW institute administrative data

Commercial delivery

TAFE NSW course enrolments in commercial VET qualifications in 2015 decreased by 7.0 per cent, from 189,679 in 2014 to 176,456 in 2015; however, commercial enrolments have increased by 20.6 per cent since 2011 (from 146,331 enrolments in 2011).⁴⁶

TAFE NSW – Riverina Institute was a finalist at the Premier’s Awards for Public Service 2015 for its *Transforming Lives: Inside and Out* program, delivered to inmates at the Junee Correctional Centre in partnership with the GEO Group Australia. In 2015, there were approximately 50 completions in Certificate I to III level qualifications at Junee Correctional Centre.⁴⁷ Under the program, initiatives such as the *Prison Build* project sent a positive message about inmate rehabilitation by adding value to local communities. Inmates enrolled in the Certificate II in Building and Construction built and fitted out two transportable homes for local families in Junee.

TAFE NSW – Northern Sydney Institute is working with the Royal Australian Navy Central Canteens Board to provide hospitality training to canteen workers. Navy Canteens currently employ around 130 staff in Cairns, Darwin, Nowra, Jervis Bay, Crib Point and Rockingham. The training includes work experience placements and covers safe food handling and food operation, online customer service training, hospitality marketing and promotions. In late 2015, the Institute mapped the competency levels of nearly 100 employees against roles to identify skills gaps from Certificate II to Diploma levels.⁴⁸ The data will be used to provide targeted training to enable team members to achieve a Certificate II or above in Hospitality and develop their career pathways.

From January 2015 to the end of June 2016, TAFE NSW – Riverina Institute delivered the Medication Assistance skillset to 29 care workers in Canberra under a new relationship with Bupa.⁴⁷ The project will dramatically increase the capability of care workers across regional NSW and the ACT to administer medications in private homes. The Medication Assistance skill set enables care workers to assist with medication administration, which must be applied strictly in accordance with legislation, regulations, government policy and industry guidelines. Enrolment in the skill set is available to industry workers holding a relevant Certificate III qualification or above.

VET FEE-HELP

The VET FEE-HELP student loan scheme, funded by the Australian Government, allowed TAFE NSW to expand students’ access to higher level vocational qualifications.

VET FEE-HELP student loans allow eligible students to:

- defer all or some of their commercial tuition fees for Diploma level and above qualifications
- defer all or some of their student fees for NSW Government-subsidised training places in Diploma, Advanced Diploma and selected Certificate IV qualifications.

In 2015, TAFE NSW enrolled more than 32,000 commencing students eligible for support under the Commonwealth VET FEE-HELP loan scheme.

In 2015, the following VET FEE-HELP eligible enrolments were supported by VET FEE-HELP loans:

- more than 20,700 commercial enrolments
- more than 6,700 government-subsidised enrolments.⁴⁹

⁴⁶ NCVER VOCSTATS *Government-funded students and courses 2015*

⁴⁷ TAFE NSW administrative data

⁴⁸ TAFE NSW institute administrative data

⁴⁹ TAFE NSW – Commonwealth Higher Education Information Management System.

International education

TAFE NSW enrolments of international students in VET qualifications in 2015 increased by 3.8 per cent – from 4,115 in 2014 to 4,273 in 2015.⁵⁰

Enrolments in higher education qualifications by international students increased by 50.9 per cent – from 175 in 2014 to 264 in 2015.⁵¹

TAFE NSW manages international projects in countries across the Asia-Pacific and the Middle East, including:

Institution	Location	TAFE NSW Institute
Huangzhang Vocational School	China	Hunter
Indonesia Patisserie School	Indonesia	Hunter
Kunming Metallurgy College	China	Hunter
Skillston	Pakistan	Hunter
Tianjin Light Industry Vocational Technical College	China	Illawarra
Qinglong Province	China	New England
Global Academy of Tourism and Hospitality Education	Nepal	North Coast
Beijing College of Politics and Law	China	Northern Sydney
Guangdong Industry and Technical College	China	Northern Sydney
Guangdong Mechanical and Engineering College	China	Northern Sydney
KinderWorld/Pegasus	Vietnam	Northern Sydney
Shanghai Business School	China	Northern Sydney
Shenzhen Polytechnic	China	Northern Sydney
Shunde Polytechnic	China	Northern Sydney
Shanghai Commercial Accounting School	China	South Western Sydney
Shanghai Commercial School	China	South Western Sydney
Shanghai Nanhu Vocational College	China	South Western Sydney
Xi'an International University	China	South Western Sydney
Zhangjiagang Vocational Education Centre	China	South Western Sydney
Korea Polytechnic	Korea	Sydney
Maharashtra State Board of Technical Education	India	Sydney
Multistrada Tyres	Indonesia	Sydney
Wuxi International Childcare Centre	China	Western
Bahrain Origin Consulting Group	Kingdom of Bahrain	Western Sydney
Fiji National University	Fiji	Western Sydney
Five Stars Education	Thailand	Western Sydney
Hong Kong YMCA College of Continuing Education	Hong Kong	Western Sydney
INTI International College	Malaysia	Western Sydney
LIQVID e-learning services	India	Western Sydney
Ningbo City College and Ningbo Foreign Affairs School	China	Western Sydney

⁵⁰ TAFE NSW administrative data

⁵¹ Australian Education International TAFE NSW administrative data (December 2015)

TAFE NSW is a partner in the *International Student Welcome Desk* at Sydney Airport, which opened in July 2015 for an initial pilot period of 12 months. The service aims to make international students feel more supported on arrival in NSW. It is staffed by local and international student volunteers, who greet international students, distribute maps and guides, and give advice about studying and living in Australia. TAFE NSW – Sydney Institute designed and delivered training to more than 150 volunteers in late 2015 and 2016.⁵² Due to the success of the welcome desk, Study NSW is continuing the service in 2016-17. It is funded by TAFE NSW, StudyNSW, Destination NSW, and other key education partners including the NSW Department of Education, English Australia and most NSW universities.

TAFE NSW – Sydney Institute will deliver competency based training to teachers from Korea Polytechnic over three years. In 2015 and 2016, 204 teachers attended teacher training in Seoul, South Korea and another 100 attended training in Sydney to complete their training and assessment certificate. A two and a half day management program was held in Sydney, which was attended by 120 Directors and Managers from across South Korea with another 80 expected later in 2016.⁵²

TAFE NSW – South Western Sydney Institute delivered a customised training program to 43 students from the International Business College in Denmark in February and March 2016.⁵² Training was delivered at the Liverpool College, with the students undertaking units of competency in economics, English studies, marketing and Australian studies that were linked to the achievement of their Baccalaureate in Denmark.

Compliance and quality audits

Vocational education and training

During 2015-16, TAFE NSW maintained 13 Registered Training Organisation (RTO) registrations to provide vocational education and training, pursuant to the *National Vocation and Education and Training Regulator Act 2011 (Commonwealth)*, with the national VET regulator, the Australian Skills Quality Authority (ASQA).

While all 13 TAFE NSW RTOs functioned under TAFE NSW, each operated separately in 2015-16. The 13 registrations were held by the:

- ten TAFE NSW institutes
- TAFE NSW distance education provider, OTEN
- TAFE NSW – Commission
- Adult Migrant English Service (NSW).

During 2015-16, 12 RTOs operated as providers of education and training with enrolled students. There were no students directly enrolled at the 13th RTO in 2015-16. The TAFE NSW – Commission RTO was registered with ASQA's agreement to facilitate TAFE NSW student access to the Australian Government's VET FEE-HELP student loan scheme, enabling them to defer tuition and student fees for qualifications at Diploma level and above or selected Certificate IV qualifications.

The 10 TAFE NSW institutes and OTEN were first registered as RTOs in either 1998 or 1999, while the TAFE NSW – Commission RTO was first registered in 2008. The Adult Migrant English Service (NSW) first registered as an RTO in 2014.

ASQA undertakes two distinct types of audits—registration audits and compliance audits.

ASQA may conduct a registration audit to assess whether a RTO is compliant with the relevant standards when the RTO applies for initial or subsequent registration as an RTO or when the RTO applies to be listed on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS). Audits may also be conducted when an RTO or CRICOS provider applies to make changes to its list of nationally recognised qualifications and units of competency offered (the training provider's scope of registration).

⁵² TAFE NSW institute administrative data

ASQA did not undertake any re-registration audits of TAFE NSW RTOs in 2015-16. However, of the 13 RTOs currently registered:

- three are due for re-registration in 2017:
 - > Open Training and Education Network
 - > TAFE NSW – Western Sydney Institute
 - > Adult Migrant English Service (NSW)
- seven are due for re-registration in 2018, including the TAFE NSW – Commission RTO
- the remaining three are due for re-registration in 2019.

ASQA conducts compliance audits on a proactive basis to assess an RTO's ongoing compliance with the standards required for registration. This may occur if ASQA receives one or more serious complaints against the RTO, and/or a recommendation by a Manager, Regulatory Operations, for example due to the outcome of a finalised registration audit.

In 2015-16, two compliance audits were conducted of:

- TAFE NSW – Northern Sydney Institute (October 2015)
- TAFE NSW – Western Sydney Institute (November 2015)

Northern Sydney Institute was found to have no compliance issues, while Western Sydney Institute reported having compliance issues with Standard 1(15) – Assessment of the *Standards for Registered Training Organisations (RTOs) 2015*. By July 2016, Western Sydney Institute reported having rectified the issues.

In late 2015, ASQA also conducted one out-of-schedule on-site compliance audit of an offshore third party provider of a TAFE NSW RTO in Beijing. The compliance audit found no non-compliances.

Consistent with the TAFE NSW history of compliance, on 1 July 2014 ASQA renewed the delegation of regulatory responsibility of 12 of the 13 TAFE NSW RTOs until 30 June 2019. Delegation of regulatory responsibility permits the RTOs to update or change the provider's scope of registration without needing to submit an application to ASQA.

The delegation of regulatory responsibility of the Adult Migrant English Service (NSW) commenced on 10 November 2014 and is due to conclude on 9 January 2019.

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 was successfully reregistered as a higher education provider for another seven years with the TEQSA without any conditions.

In 2016, TAFE NSW Higher Education was successful in accrediting the Bachelor of Property Valuation for seven years, unconditionally.

Ten new higher education course accreditation applications were also submitted to TEQSA.

The TAFE NSW Higher Education Governing Council oversees all TAFE NSW Higher Education operations including approving course applications to be submitted to TEQSA for accreditation. The Academic Board is responsible for higher education academic policy development, oversight of TAFE higher educational quality and processes and maintaining appropriate control over the administration of higher education curriculum to ensure the educational objectives of TAFE NSW Higher Education are achieved.

An independent auditor conducted an Academic Governance Review of TAFE NSW Higher Education. The report was tabled to the governing bodies and the recommendations implemented.

Six higher education risk management activities have been identified for reporting in 2016. These activities form part of the responsibilities of the Higher Education Quality Assurance and Standards Committee.

Further details of these activities can be found in the Reviews section of the Performance Report.

Modernising our 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.

On 16 June 2016, the Minister for Skills, the Hon. John Barilaro MP announced that the Government had agreed that TAFE NSW could commence market testing to find a more effective student enrolment system. The new system is expected to be in place in late 2018.

In the meantime, 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.

In early August 2015, TAFE NSW commenced development and implementation of standardised student enrolment processes as an interim workaround to improve the accuracy of 2015-16 revenue data. This included developing an internal control system with segregation of duties across finance, administration and workflows and the delivery of staff training and resources.

In March 2016, all institutes undertook an internal audit and attested that they had complied with the processes prescribed by the project.

In April 2016, TAFE NSW commissioned a post implementation review of these attestations and the extent to which the standardised processes had been implemented at four TAFE NSW institutes. The review report released in May 2016 contained:

- recognition of the high level of commitment and effort by staff to implement standardised enrolment processes
- advice of some inconsistencies in how standardised enrolment processes had been implemented, caused in part by institutes' different organisational structures
- recommendations to improve implementation, such as the need to establish a central framework for approval and dissemination of policies and enabling procedures and extend standardisation across all areas of operations
- better practice examples observed at the four institutes.

During 2015-16, TAFE NSW also developed a roadmap for the TAFE NSW information technology business strategy over the next three years to better support students and teachers.

Work was undertaken to improve the user experience of the TAFE NSW website, meet Smart and Skilled obligations and reporting requirements and transform TAFE NSW digital delivery strategy and platforms.

TAFE NSW also started preparations to transfer centralised information technology services from the NSW Department of Education to a cloud-based environment managed by TAFE NSW, which is designed to enhance delivery.

Innovating to improve quality and customer focus

Working with industry to maintain teaching excellence

The majority of TAFE NSW courses are developed based on nationally recognised training packages, which are developed by industry to meet the identified training needs of specific industries or industry sectors. National training packages are made up of nationally endorsed standards, guidelines and qualifications for training, assessing and recognising people's skills.

TAFE NSW has a significant role in building the skills base of the future workforce, taking a future focus to plan training to meet TAFE NSW customer needs and

the skills requirements of the economy over the next decade and beyond.

TAFE NSW undertakes comprehensive economic, social demographic and labour market research and data analysis at the state and regional level to inform evidence-based planning and to align training delivery to industry priority areas on a national, state and local level.

The organisation consults with industry leaders, peak bodies, associations and state and national regulators, monitoring changes and new and emerging skills needs. Institutes monitor and respond to local industry needs on an ongoing basis.

Industry Liaison Units

TAFE NSW established Industry Liaison Units to provide a point of contact for national and state employers and industry bodies from different sectors to ensure TAFE NSW teaching and learning is up to date and meets emerging industry skills and productivity needs.

The units are staffed by a network of specialists from each vocational stream.

Industry Liaison Unit	Industry Coverage	Institute base
Energy	Electricity Generation, Electricity Supply, Electrotechnology and Gas Supply	Hunter
Manufacturing	Aeroskills, Chemical, Hydrocarbon and Refining, Furnishing, Laboratory Operations, Manufactured Mineral Products, Manufacturing, Metal and Engineering, Plastics, Rubber and Cable making, Sustainability, Textiles, Clothing and Footwear	Illawarra
Transport and Logistics	Transport and Logistics, Maritime, Aviation and Rail industries	New England
Community Services and Health	Aged Care, Alcohol and Other Drugs, Community Development and Humanitarian Work, Disability Services, Early Childhood, Family Relationships, Social Housing, Youth Work, Volunteering Aboriginal and Torres Strait Islander Health, Allied Health, Dental, Enrolled Nursing, First Aid, Health Services Assistance, Massage, Medical Practice Assisting, Mental, Optical, Pathology, Population Health, Sterilisation	North Coast
Service Skills	Beauty, Sport, Fitness and Recreation, Floristry, Funeral Services, Hairdressing, Retail (including Wholesale and Community Pharmacy), Tourism, Travel and Hospitality	Northern Sydney
Automotive and ForestWorks	Automotive Retail, Service and Repair and Automotive Manufacturing Forestry growing, harvesting and haulage, pulp and paper manufacturing and forestry products	Riverina
Construction and Property Services	Plumbing, Carpentry, Joinery, Bricklaying, Plastering, Scaffolding, Roof tiling, Painting and Decorating, Wall and Floor Tiling, Roof Plumbing, Gas Fitting, Demolition and Building Surveying Security, Cleaning, Surveying and Spatial Information, Waste Management, Swimming Pool and Spa Service, Pest Management and Energy Assessment	South Western Sydney

Industry Liaison Unit	Industry Coverage	Institute base
Innovation and Business Skills	Business Services, Entertainment, Financial Services, Live Performance, Music, Printing and Graphic Arts, Screen and Media, Visual Arts, and Crafts and Design	Sydney
Agrifoods and Skills DMC (Resources and Infrastructure)	Agrifoods, Agriculture, Horticulture and Conservation, Animal Care and Management, Australian Meat Industry, Food Processing, Racing and Seafood Coal Mining, Metalliferous Mining, Civil Infrastructure, Quarrying and Drilling	Western
Innovation and Business Skills and Government Skills Australia	Information and Communications Technology, Integrated Telecommunications, Libraries, Information and Cultural Services and Training and Education Local Government, Water, Public Sector and Public Safety Qualifications for Translators and Interpreters Foundation Skills including vocational access, Foundation Skills Training Package and the Access Employment Education and Training Framework	Western Sydney

New ways to deliver training

Technology is having a profound impact on the nature of work and the jobs needed to support the economy in the future. Students and employers want convenient training that is accessible anywhere and at any time.

In 2015-16, TAFE NSW diversified programs and services through more flexible delivery options, including online, blended and workplace delivery.

TAFE NSW is expanding the organisation's geographical reach using mobile training units, connected learning centres, specialist centres, campuses and through digitally enabled technology.

The TAFE NSW delivery profile continued to shift from traditional classroom delivery to include more flexible and blended learning models, in response to student and employer demand and technological changes. This trend is expected to continue as more students and employers seek enhanced flexibility.

Distance and online learning platforms

TAFE NSW offers high quality online and distance education services and qualifications through options such as *TAFE NSW Online*, OTEN, and *TAFEnow* based in the TAFE NSW – North Coast Institute. These online qualifications are highly valued by industry and the wider community in Australia and overseas.

In 2016-17, TAFE NSW will consolidate its digital strategy and services with a new TAFE NSW digital headquarters to be established in a regional centre. The 13 TAFE NSW online platforms and offerings will be brought together so that students can access the best available content on a single platform incorporating advanced simulations and virtual reality.

TAFE NSW OTEN is the largest non-classroom based education provider in Australia, with more than 105,000 enrolments in over 320 courses in 2015.⁵³ OTEN's distance education model uses online learning systems, social networking, blogs and wikis in addition to real-time online and telephone support. Students are able to enrol and start training when and where it suits them, whether they live or work in Sydney, rural NSW, interstate or overseas, and progress through the course at their own pace.

TAFEnow is TAFE NSW – North Coast Institute's specialised online learning channel. Students can start within hours of enrolling, set their own timetable, and study where and when they want. In 2015, *TAFEnow* had more than 4,000 enrolments by students from across Australia and overseas.⁵⁴

Online course materials are specially designed and mobile friendly. Students are able to take control of their own learning and access simulated and virtual workplaces. They are supported through their studies by a team of student advisors at a dedicated contact centre. Students can connect by phone or chat six days a week.

TAFEnow's 'MyPortal' is seamlessly integrated with the learning management system, so that students are able to connect with each other in real time, share ideas and connect socially as part of their learning experience.

TAFE NSW – Western Institute's *Western Connect* was launched in 2011 to offer a wider range of training choices to meet the growing needs of regional industry and students in remote locations across the Western region. In 2015, there were 4,155 enrolments in the flexible, online and blended delivery study options through *TAFE Western Connect*.⁵³

⁵³ TAFE NSW administrative data

⁵⁴ TAFE NSW institute administrative data

Workplace and simulated learning

Courses at TAFE NSW may include work placements and simulated workplace training to support students to develop skills relevant to their sector.

In 2015, the Trades and Technology Faculty at TAFE NSW – Illawarra Institute trialled a new blended learning model for the Certificate IV in Building and Construction. The program is delivered flexibly across multiple locations through a combination of online resources, web conferencing and evening classes. The course design puts the students in control of their own learning and enables people already in the workforce to continue to upgrade their skills. Enrolments in the flexible delivery Certificate IV course have grown to include students from Wollongong, Nowra and Goulburn since the start of 2015.⁵⁵

Ten Diploma of Beauty Therapy students at TAFE NSW – South Western Sydney Institute gained valuable skills in opening their own business.⁵⁵ The Liverpool Beauty and Health Careers Business Incubator helped students develop a business plan, logo and obtain public liability insurance. The project was funded by the Sydney Community Foundation and Dermalogica and presented by the Institute and Liverpool Neighbourhood Connections.

In September 2015, TAFE NSW – Sydney Institute sent a team of nine Optical Dispensing students and one teacher to Nepal through the Institute's own *Going Global* program. The program provides students with the chance to participate in an international study tour to gain real world experiences and enhance their learning. The students worked in an eye camp helping Nepalese people with vision impairments. The team treated more than 10,000 locals in an isolated south west regional area of Nepal.⁵⁵

TAFE NSW – South Western Sydney Institute partnered with Evolve Housing to provide a practical, hands-on experience for painting and decorating students using a Western Sydney property. The project enabled students to hone their building and construction skills while restoring the house to liveable condition. Two young men who previously lived in transitional housing were able to stay in the property for six months.

⁵⁵ TAFE NSW institute administrative data

Fit for purpose assets and facilities

TAFE NSW is working to maximise use of its assets to build the organisation's capacity to deliver flexible, high quality and contemporary training and extend the organisation's reach and accessibility.

In 2015-16, TAFE NSW provided accessible training across NSW, through:

- campus facilities
- on-the-job training
- dedicated specialist training facilities
- flexible learning centres to provide access in more areas
- mobile training units and pop-up facilities
- digital and mobile platforms
- or a combination of these.

In the coming years, TAFE NSW will accelerate its investment in a modern blended training framework that provides quality, flexibility and convenience to employers and students. This will include 12 Connected Learning Centres to provide alternative access in more areas. TAFE NSW is developing a Strategic Asset Management Plan, including state-wide reinvestment in modern facilities for learning and teaching that incorporate the latest industry-standard technology and equipment. To do this, TAFE NSW will recycle, repurpose or sell buildings, facilities and properties that are vacant or no longer fit-for-purpose.

In June 2016, a \$13.1 million upgrade to the TAFE NSW – Hunter Institute Plant, Heavy Vehicle and Auto Electrical Training Centre at the Kurri Kurri Campus was opened. The training centre was designed in collaboration with industry to replicate a modern automotive workplace, with state-of-the-art training workshops and the latest testing, diagnostic equipment and machinery. It is now one of the largest and most high-tech dedicated automotive training facilities in Australia.

In October 2015, classes started at TAFE NSW – Western Sydney Institute's new Health and Student Services Centre at Nepean College on the Kingswood campus. The centre provides purpose-built facilities for training in skills shortage areas, including optical dispensing, dental assisting, sterilisation, nursing and audiometry. Facilities include three hospital wards, a dental wing and optical dispensing unit, soundproof audiometry facilities and a sterilisation services laboratory. The building also features an integrated e-learning centre, interactive workspaces and support services.

TAFE NSW – North Coast Institute is bringing automotive skills to school students in remote areas using a mobile training van equipped with relevant tools. The van is used to deliver TVET courses at Byron Bay High School and Woodenbong and to support on-the-job learning of regional automotive apprentices. The Institute further expanded its mobile services to include a van equipped with the facilities needed to deliver hospitality training in communities that do not have access to a TAFE NSW campus.

Expanding from the success of the Barangaroo Skills Exchange, TAFE NSW – Western Sydney Institute is overseeing a similar pop-up training facility to support the \$3.4 billion transformation of Darling Harbour. Training started in October 2015 at the Darling Harbour Skills Exchange. The onsite training hub will develop the skills of construction workers in courses that include safety, WorkCover licensing, language, literacy and numeracy, apprentice mentoring, and social sustainability (such as social equity, social responsibility and cultural competence). The Skills Exchange is a partnership between Lendlease and TAFE NSW.

Flexible access to learning services

In 2015-16, TAFE NSW continued to expand ways for students to access learning services.

TAFE NSW – Western Institute continued to expand its Student Hubs. The Hubs are one-stop shops for students, giving them easy access to support and course information, counselling, disability support, library services, online tutorials, webinars and other necessary tools – no matter what their location or the time of day. Student Hubs are located in Orange, Parkes, Bathurst, Dubbo and Wilcannia and more Hubs at Mudgee, Warren and Cobar are under construction. In February 2016, the Institute also introduced a Virtual Hub to provide additional support for students irrespective of their physical location.

Aboriginal trainees completing the Certificate III in Civil Construction at TAFE NSW – North Coast Institute were able to make the most of downtime, thanks to the Google Class platform. The trainees were working on the Oxley Highway upgrade, and used iPads to interact with teachers, access modules and complete assessments. This flexible delivery model allowed training to continue when work on the highway was stalled due to heavy rain.

Feedback on our services

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

The NCVER Student Outcomes Survey 2015 conducted in mid-2015 indicated that 88.5 per cent of TAFE NSW VET graduates were satisfied with the overall quality of training. The TAFE NSW graduate satisfaction rate was also higher than the national average for all TAFE institutes in Australia (87.7 per cent) and higher than the rate of providers across Australia (86.7 per cent).

The NCVER Survey of Employer Use and Views of the VET System 2015 found that 96.0 per cent of employers were satisfied with the overall quality of TAFE NSW nationally recognised training. The TAFE NSW employer satisfaction rate was higher than the national average for all TAFE institutes in Australia (93.8 per cent).

The TAFE NSW Graduate Destination Survey⁵⁶ found that 90.5 per cent of TAFE NSW Higher Education graduates completing their course in 2015 were satisfied with the quality of their course (selecting either strongly agree or agree).

⁵⁶ The TAFE NSW Graduate Destination Survey surveyed students who completed their higher education course in 2015. The survey was conducted on 23 March 2016, and was based on the Australian Graduate Survey.

Research and environmental scans

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

Name	Nature and purpose of project	Total cost over life of project (\$ excluding GST)	Completion date
Digital Experience Research	U1 Group conducted research on the customer experience of searching for and enrolling in online courses across the 13 digital entities operated across the TAFE NSW network. The research concluded that the inconsistencies across the multiple platforms impeded successful enrolment by prospective students.	\$20,834	2015-16
Digital Business Case Options	Hawkless Consulting provided a financial and economic appraisal ratio to validate the options presented in the TAFE NSW Digital Business Case, including the net present value and benefit cost.	\$23,250	2015-16
TAFE NSW Information Communications Transition Strategy Review	Forrester examined the TAFE NSW Information and Communications Technology transition strategy arising from the TAFE NSW separation from the NSW Department of Education. The research analysed market trends to plan for the TAFE NSW future-state enterprise architecture and services procurement model.	\$49,500	2015-16
TAFE NSW – Western Institute Economic Impact Research	The project, conducted by the Western Research Institute, examined TAFE NSW – Western Institute's value to its regions in terms of economic impact from its operations, capital expenditure and student expenditure. It also analysed the present value to the region of human capital for TAFE NSW – Western Institute graduates at Certificate III, IV, Diploma and Advanced Diploma level, including Aboriginal and Torres Strait Islanders.	\$38,410	2015-16
Greater Western Sydney Skills Barometer Research	The Greater Western Sydney Skills Audit was conducted by Loneragan Research on behalf of Western Sydney Institute and Western Sydney Business Connection. The study interviewed 456 businesses in the region with a goal of understanding the skills needs of regional employers. The survey included a broad spread of respondents across business size and industry.	\$8,000 ⁵⁷	2015-16
Sydney's Skills Outlook	Claire Field & Associates assessed the future employment trends of the Sydney CBD and surrounding suburbs and the consequent skills needs of Sydney's employers for TAFE NSW – Sydney Institute. The report also presented the findings of that assessment and includes recommendations on the changes TAFE NSW can make to ensure that it is positioned to deliver skills for the jobs of the future in the Sydney CBD and Inner South.	\$30,000	2015-16

⁵⁷ The Western Sydney Business Connection co-sponsored the Greater Western Sydney Skills Barometer Research, and provided additional funding to the figure shown..

Reviews and improvements

TAFE NSW conducted a range of reviews in 2015-16 to manage performance, risk and compliance, and provide quality assurance in line with the organisation's commitment to continuous improvement and public accountability. Reviews were conducted at network, institute and local levels as required.

Internal audit

The TAFE NSW Internal Audit Unit undertakes various legislative, process and compliance reviews. These reviews cover IT systems and institute operational systems and controls. Audit reports are tabled at the TAFE NSW Audit and Risk Committee.

Internal Audit also provides regular status reports to the Audit and Risk Committee on the progress of audits and implementation of audit recommendations.

Performance management

For 2015, TAFE NSW had performance agreements in place at institute levels as part of the organisation's commitment to lifting TAFE NSW leadership capability to drive innovation, high performance and change.

Institute level performance agreements set out the responsibilities and expectations of Institute Directors to achieve successful outcomes and increase the skills base and productivity of the NSW economy. The performance agreements also contain a set of performance measures that are reviewed at least annually.

From 2016-17, TAFE NSW will renew its planning and reporting framework in line with the NSW Government's *Vision for TAFE NSW* and the *One TAFE* structure.

TAFE NSW developed a strategic plan for the next six years, setting out the organisation's business goals, priorities and performance expectations in line with the Vision. The *TAFE NSW Strategic Plan 2016-2022* will be supported by a series of functional strategies and an annual business plan.

The annual business plan will set out the organisational strategies and budgetary requirements to achieve the Strategic Plan. All strategies will be further broken down into a portfolio of programs and projects under the *TAFE NSW Modernisation Portfolio* for implementation purposes.

Performance and development plans will also be developed for senior staff members ensuring clear delegation of roles, responsibilities and accountabilities aligned to the new corporate strategies. TAFE NSW will conduct monthly performance monitoring against an agreed list of key performance indicators to ensure that the planned outcomes are achieved.

Employee surveys

TAFE NSW conducted an Organisational Health Survey in late March 2016. It provided an in-depth evaluation of workforce attitudes at TAFE NSW. The survey results provide an indication of current strengths and development needs in terms of leadership, direction, values, mindsets, management and modernisation. The findings have been used to identify changes that will help achieve the NSW Government's *Vision for TAFE NSW*. TAFE NSW will target organisational health improvements with a program of initiatives pursuing the priority themes identified by staff: leadership, clarity of direction, financial accountability, adoption of ideas, innovation and reward and recognition.

The People Matter Employee survey is co-ordinated by the Public Service Commission and provides an important opportunity for all NSW public sector staff to provide feedback on many workplace issues. The survey asks staff about experiences with their own work and working with their team, managers and the organisation.

The Public Service Commission uses the survey results to report on the overall performance of the public sector to inform different types of sector-wide workforce management initiatives and implement evidence based improvement strategies. Staff feedback in previous surveys was influential in the design and implementation of current work within the sector on positive, respectful and productive workplace cultures. It has also shaped the thinking and initiatives around how TAFE NSW can drive greater diversity and inclusion across the workforce.

TAFE NSW will use the survey results to identify areas of good practice and to make improvements where needed.

Higher education

TAFE NSW convenes a Higher Education Quality Assurance and Standards Committee to ensure that continuous improvement is implemented across all TAFE NSW Higher Education programs.

TAFE NSW Higher Education's internal review and improvement process incorporates regular moderation and review of results, and reviews of course delivery and content to ensure consistency in delivery and assessment across different classes and campuses at the end of each semester.

Many benchmarking exercises are also conducted with external academic partners across all higher education programs to improve aspects of course delivery such as student support and assessment design.

TAFE NSW Higher Education convenes course advisory committees annually. These committees have a majority of external members such as employers, and review curriculum and learning outcomes to ensure:

- relevance of course content for students and industry
- graduate employability
- compliance with regulatory and academic standards.

In 2015-16, TAFE NSW Higher Education undertook an external review of academic governance arrangements to refine processes to better meet regulatory standards. Recommendations from the review report were accepted and implemented in June 2016.

In addition, TAFE NSW established two communities of practice which allow course and higher education coordinators within institutes to share ideas, strategies and best practice and problem solve to support quality assurance.

Details of other TAFE NSW reviews can be found as follows:

- *Performance Report under*
 - > *Keeping pace with change*
 - *A Vision for TAFE NSW*
 - *Meeting the changing needs of our customers*
 - > *Delivering skills critical to the workforce and the NSW economy – students' transitions to employment or further study*
 - > *Operating as a sustainable business*
 - *Compliance and quality audits*
 - *Modernising our business systems*

- *Financial Report under Payment of accounts*
- *Appendices under*
 - > *Management – NSW TAFE Commission Board*
 - > *Other requirements*
 - *Risk management, insurance and internal audit*
 - *Complaints.*

Institute reviews

Institutes have also commissioned reviews of specific aspects of their strategy and operations to improve performance and the customer experience.

In early 2016, TAFE NSW – Western Institute established a standardised process to manage potential complexities and risk when establishing new commercial business arrangements, including overseas. The framework includes an assessment tool to screen likely opportunities, particularly arrangements with third party organisations to auspice training delivery. Staff training and a pilot of the assessment tool commenced in July 2016 and work is progressing on a new financial and legal risk review template.

TAFE NSW – Illawarra Institute and Charles Darwin University partnered to complete the mandatory independent assessment validation of each organisation's training and assessment training products in the second half of 2015. The independent validation found the Institute assessment system was compliant but identified improvements, leading to development of an action plan.

In 2015-16, TAFE NSW – Hunter Institute reviewed its overall online digital learning strategy to:

- investigate and identify a proactive strategy to attract new business
- maximise repeat business and ongoing student engagement in regard to e-learning and the Virtual College
- identify best practice
- plan for the redesign of a solution to ensure online learning meets or exceeds the needs of the individual.

TAFE NSW – Western Sydney Institute commissioned Western Sydney University to review the trade training offered by the Institute in 2015-16 and advise on its future sustainability and growth. Apprenticeship trade training is a core part of Western Sydney Institute's business. Many factors including increased competition in some trade areas, the impact of technology in teaching and learning in VET, cost pressures and the changing regulatory and policy environment for the VET sector are impacting more broadly on the ways in which the Institute needs to operate in order to meet the expectations of students, employers and other key stakeholders. The review is expected to be completed by August 2016.

Awards

TAFE NSW graduates are work-ready. Many of them have been recognised on the national and world stage for the quality of their skills, as has TAFE NSW as a leading training provider.

NSW Training Awards

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

TAFE NSW students were successful in winning 10 of the 17 awards on offer at the 2015 NSW Training Awards, hosted by the NSW Minister for Skills in September 2015.

Student and organisation award candidates were drawn from across NSW. The TAFE NSW winners were:

Individual awards

Category	Name	TAFE NSW Institute
Apprentice of the Year	Brodie Oakes	South Western Sydney
Vocational Student of the Year	Sebastian Barkoczy	Sydney
School Based Apprentice/Trainee of the Year	Brenden Williamson	Sydney
Aboriginal and Torres Strait Islander Student of the Year	Shaquille Robinson	Sydney
VET Trainer/Teacher of the Year	Troy Everett	Illawarra

Industry excellence awards

Category	Name	TAFE NSW Institute
Excellence in Electrotechnology	Geoffrey Bragg	New England
Excellence in Trade Skills	Troy Hindmarch	Illawarra
Phil Darby Memorial Award	Eh Ler Taw	South Western Sydney
Special Award for a Woman in a non-traditional trade or vocation	Nicole Paxman	Riverina
Top Apprentice in Vehicle Trades	Trent Schumi	Hunter

Australian Training Awards

Winners from the 2015 NSW Training Awards progressed to the 2015 Australian Training Awards event, held in Hobart in November 2015.

Student Brenden Williamson from TAFE NSW – Sydney Institute was successful in winning the national Australian School-based Apprentice of the Year Award.

Staff member Lyn Wilson from TAFE NSW – Sydney Institute was successful in winning the national Excellence in Language, Literacy and Numeracy Practice Award.

WorldSkills International

The biennial WorldSkills Competition brings together the best and brightest students from around the world to compete in their chosen vocational areas. The competition gives students the opportunity to showcase their talent and grow and develop their skills. Competitors have the opportunity to win gold, silver and bronze medals for their countries.

The 43rd WorldSkills Competition was held in Sao Paulo, Brazil from 12-15 August 2015. More than 1,100 national champions from 52 member countries came together to compete for gold in 50 skill areas. TAFE NSW was well represented in the Australian “Skillaroo” team, with 15 out of the 25 team members having completed training at TAFE NSW.

Two TAFE NSW students took home medals:

- Harlan Wilton, TAFE NSW – Western Sydney Institute, Silver medal in Web Design
- Sam Spong, TAFE NSW – Illawarra Institute, Bronze medal in Bricklaying.

Another eight TAFE NSW students were awarded a Medallion of Excellence for achieving an overall score of 500 or above:

- Kallon McVicar, TAFE NSW – Illawarra Institute, Welding
- Nicholas Roman, TAFE NSW – Illawarra Institute, Joinery
- Emma Hillier, TAFE NSW – South Western Sydney, Fashion Technology
- Adele Di Bella, TAFE NSW – Northern Sydney Institute, Pâtisserie and Confectionery
- Samantha Johnson, TAFE NSW – Northern Sydney Institute, Restaurant Service
- Blair Watters, TAFE NSW – Hunter Institute, Car Painting
- Beau Kupris, TAFE NSW – South Western Sydney, Refrigeration and Air Conditioning
- John Reminis, TAFE NSW – Illawarra Institute, Bakery.

TAFE NSW Gili Awards

TAFE NSW celebrated both the 2015 and 2016 annual TAFE NSW Gili Awards in 2015-16.

The Gili Awards honour the achievements of TAFE NSW students, staff and institutes that have positively contributed to Aboriginal communities through VET. Gili is an Eora word meaning *to shine*.

The Gili Awards also recognise the importance of providing quality education and training to Aboriginal people.

2015 Gili Awards

The 25th annual Gili Awards were held on 22 October 2015 at the Sydney Institute's Ultimo campus. Award winners were selected from 13 categories across TAFE NSW:

Category	Award winner/program	TAFE NSW Institute
Encouragement Awards	Greg Flanders Shania Narsamma Nioka O'Leary	Sydney Riverina New England
Achievement Awards	Paige Hall Peter Jensen Wesley Williams-Boney	Hunter South Western Sydney Riverina
Award for Academic Excellence	Margaret Stewart	Western
Apprentice of the Year	Allan Carnley	Hunter
Trainee of the Year	Kara Walker	Hunter
TVET Award	Talisha Kuras	Western
Aboriginal Staff Award	Kim Curtis	New England
Non-Aboriginal Staff Award	Matt White	Western
Bruce Kendall Award for Recognition of Service to TAFE NSW	Jason Hoskins	Sydney
Industry Partnership Award	Energy Industry Indigenous Pre- Apprenticeship Program	Sydney
Community Engagement Award	Wagga Indigenous Training & Employment Program	Riverina
Youth Engagement Award	4 On The Floor	Riverina
Award for Institute Innovation	Western Institute - Business Model	Western

2016 Gili Awards

The 26th annual Gili Awards were held on 26 May 2016 at the Star Room in Darling Harbour, Sydney. The Gili Awards coincided with National Sorry Day as part of Reconciliation Week.

Award winners were selected from 13 categories across TAFE NSW:

Category	Award winner/program	TAFE NSW Institute
Encouragement Awards	Aaron Phillipps Mary Mumbulla Samantha D'Elboux	Western Sydney Illawarra
Achievement Awards	Brett Allen Larissa Cooper Kristen Harford	North Coast Northern Sydney Illawarra
Award for Academic Excellence	Bronte Ayoub	Sydney
Apprentice of the Year	Dylan Bolch	Hunter
Trainee of the Year	Shaylyn Whyman	Western
TVET Award	Aliesha Prince Katherine (KC) Bradbury	New England Western
Aboriginal Staff Award	Lorraine Townsend	Western
Non-Aboriginal Staff Award	Craig Sommerville	New England
Bruce Kendall Award for Recognition of Service to TAFE NSW	Len Waters	New England
Industry Partnership Award	Coles First Step Employment Program	Sydney
Community Engagement Award	Toomelah Cemetery Project	New England
Youth Engagement Award	Dubbo Opportunity Hub	Western
Award for Institute Innovation	Aboriginal Learning Centre of Excellence	South Western Sydney

Industry awards

TAFE NSW institutes, students and staff won wide ranging industry acknowledgment, including awards from: the Australian Library and Information Association (ALIA); Tourism, Hospitality and Catering Institute of Australia; NSW Food Service Industry Association; Vibrant Visions in Design; Master Electricians Australia; National Association for Prevention of Child Abuse and Neglect; Masonry Contractors Australia; and the NSW Flower Growers Association.

TAFE NSW – North Coast Institute teacher Judy Atkinson was named Library Technician of the Year at the 2015 ALIA national conference. The TAFE*now* online Diploma of Library and Information Services course is the first course to gain Gold accreditation from the ALIA.

TAFE NSW – South Western Sydney Institute Community Services teacher Amrit Versha was presented with a national Play Your Part Award by the National Association for Prevention of Child Abuse and Neglect for being an inspiring advocate for children's safety and wellbeing in the migrant and refugee community. Amrit has worked with many refugee communities to ensure that migrant women, children and families are supported, empowered and connected to their community. The Learning Circle approach she developed is helping create preventative programs around issues such as domestic violence.

Other awards

TAFE NSW students, staff and institutes were presented with awards that recognise their contributions to communities in NSW, including:

- Barangaroo Skills Exchange, TAFE NSW – Western Sydney Institute, 2016 Western Sydney Leadership Dialogue Award for Productive Partnerships
- TAFE NSW – Hunter Institute in partnership with Hunter Councils, 2015 NSW Local Government Excellence in the Environment Award for Waste Avoidance and Reuse
- *Going Global* program, TAFE NSW – Sydney Institute
- 2015 Australian Multicultural Marketing Awards Education Award, TAFE NSW – Sydney Institute.

TAFE NSW – Sydney Institute won the 2015 Australian Multicultural Marketing Awards Education Award for its *Going Global* program, which enables students to undertake an international study tour. The national awards recognise multicultural marketing campaigns that are innovative and successful. In 2015-16, the *Going Global* program took 82 students overseas to locations such as Italy, the United Kingdom, Hawaii, New Zealand, and across Asia with visits to China, Korea, Nepal, Vietnam, Cambodia and Malaysia to apply their skills in an international context.⁵⁸

⁵⁸ TAFE NSW institute administrative data

NSW Premier's Awards for Public Service

On 17 November 2015, TAFE NSW was represented at the NSW Premier's Awards for Public Service by six finalists in four of the twelve award categories. The Awards recognise excellence in the delivery of public services to the NSW community.

Two of the TAFE NSW finalists took home team awards. TAFE NSW – Western Institute and its partners won the 'Building stronger and safer communities' category for the *Indigenous Police Recruitment Our Way Delivery* (IPROWD) program.

TAFE NSW – Western Sydney Institute and its partners were a joint winner in the category of 'Making NSW a better place to live' for the *Sydney Metro Northwest Pre-employment Program*.

The *Sydney Metro Northwest Pre-employment Program* achieved a 96 per cent program completion rate and 78 per cent of the long-term unemployed students gained employment as a result. The aim of the program was to break down barriers to employment by engaging students and employers in the training and mentoring process. Targeted training, professional development and mentoring were delivered by TAFE NSW – Western Sydney Institute in partnership with Transport for NSW, Breakthru People Solutions, Global Skills, Salini Impregilo JV, Workforce International and Thiess John Holland Dragados.⁵⁹

IPROWD helps Aboriginal people gain the qualifications, skills and training they need to enter the NSW Police Force. Graduates obtain a Certificate III in Vocational and Study Pathways which acts as an entry qualification to the NSW Police Academy.

Ninety per cent of Aboriginal applicants to the NSW Police Academy come through this pathway.

From 2011 to the end of 2015, almost 500 students had enrolled in the IPROWD program. From 2011 to the end of June 2016, almost 80 IPROWD students had gained a career with the NSW Police Force and many more obtained other full or part-time work.⁵⁹

IPROWD is a partnership between TAFE NSW, managed by Western Institute, the NSW Police Force, Charles Sturt University and the Australian Government. TAFE NSW plays an instrumental role in delivering the Certificate III in Vocational and Study Pathways, working with local communities, employing Aboriginal staff to mentor and train students, and managing, administering and coordinating the IPROWD project.

Further details of this program can be found in the Delivering skills critical to the workforce and the NSW economy section of the Performance report.

⁵⁹ TAFE NSW institute administrative data

Financial report



Financial requirements	53
Credit card certification.....	53
Funds granted to non-government community organisations	54
External costs incurred in production of the report.....	55
Payment of accounts.....	55
Audited financial statements 2015-16	58
Technical and Further Education Commission	58
TAFE Commission (Senior Executives) Staff Agency.....	109
Budget outline for 2016-2017.....	127

Financial requirements

Credit card certification



Corporate Credit Card Certification for the Year ended 30 June 2016

I certify that:

The TAFE credit card policy and guidelines for the issue, management and use of corporate credit 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 credit cards within TAFE NSW has been in accordance with NSW Government policy. The internal audit of credit card usage provides ongoing opportunities for continuous improvement.

Name	Jon Black
Position	Managing Director TAFE NSW
Signature	
Date	1 August 2016

Funds granted to non-government community organisations

Name of non-government community organisation	Nature and purpose of project	Clients targeted	Program area as per 2015-16 Budget paper No. 3 *	Amount granted (\$) excl GST
Cancer Council	New England Institute was a sponsor of the Cancer Council's Dancing with the Stars fundraising event in Narrabri to build exposure.	Clients targeted include local businesses, families and the community of Narrabri.	Health	\$2,727
Tamworth Country Music Festival	Sponsor of the 2016 Best of the Buskers competition at the annual Tamworth Country Music Festival in conjunction with TAFE NSW.	Tamworth and regional community. The event was attended by approximately 4,500 people.	Community	\$2,727
Sustainable North West	This annual regional environmental and sustainability event provided New England with an opportunity to promote food handling, cooking and hospitality courses.	Young people aged 18-24 years living in the Tamworth Regional Council area.	Youth	\$2,727
Tamworth Business Chamber	Sponsor of the Advancing Women Symposium Networking and promotion of opportunities to women in the New England and North West.	Women in Tamworth aged between 23-60 years, working part-time or full-time, considering undertaking training or a career change.	Women	\$2,727
Tenterfield Shire Council	Sponsor of the Tenterfield Business & Tourism Awards.	Support for businesses and individuals in the Tenterfield community.	Community	\$909

External costs incurred in production of the report

TAFE NSW did not incur any external costs producing this report.

Payment of accounts

Overdue accounts per quarter

All suppliers

	Current (i.e. within due date) \$'000	Less than 30 days overdue \$'000	Between 30 and 60 days overdue \$'000	Between 60 and 90 days overdue \$'000	More than 90 days overdue \$'000
Sept 2015	120,853	893	1,009	32	38
Dec 2015	104,134	1,226	213	49	55
March 2016	113,983	2,276	508	76	173
June 2016	113,153	4,311	905	105	104

Small business suppliers

	Current (i.e. within due date) \$'000	Less than 30 days overdue \$'000	Between 30 and 60 days overdue \$'000	Between 60 and 90 days overdue \$'000	More than 90 days overdue \$'000
Sept 2015	125	1	-	-	-
Dec 2015	123	-	-	-	-
March 2016	149	2	-	-	-
June 2016	219	9	-	-	-

Accounts paid on time within each quarter

All suppliers

Quarter	No. accts due for payment.	Accounts due for payment (\$'000)	Actual % of accounts paid on time (based on no. of accts)	Actual % of accounts paid on time (based on \$ amount of accounts)	No. of accts paid on time	Amount of accounts paid on time (\$'000)	No. payments for interest on overdue accounts	Interest paid on overdue accounts
Sept 2015	44,054	122,825	97.8%	98.4%	43,080	120,853	-	-
Dec 2015	45,178	105,677	96.8%	98.5%	43,747	104,134	-	-
March 2016	41,299	117,016	95.7%	97.4%	39,503	113,983	-	-
June 2016	48,425	118,539	95.3%	95.5%	46,144	113,153	-	-

Small business suppliers

Quarter	No. accts due for payment	Accounts due for payment (\$'000)	Actual % of accounts paid on time (based on no. of accts)	Actual % of accounts paid on time (based on \$ amount of accounts)	Amount granted (\$) excl GST	Amount of accounts paid on time (\$'000)	No. payments for interest on overdue accounts	Interest paid on overdue accounts
Sept 2015	60	126	93.3%	99.0%	56	125	-	-
Dec 2015	60	123	100.0%	100.0%	60	123	-	-
March 2016	80	151	98.8%	99.1%	79	149	-	-
June 2016	117	228	95.8%	96.1%	112	219	-	-

Issues affecting prompt processing of payments during the year

All Suppliers: The two key reasons preventing on time payment are invoices that do not reference a valid purchase order number and delays in the invoice being received by the Shared Services, Finance.

Initiatives implemented to improve payment performance

All Suppliers: Continued communication to vendors and business units to remind them of the correct payables processes and encourage them to email their invoices directly to the Shared Services, Finance.

In 2015-16, TAFE NSW undertook a review of the organisation's procure to pay cycle. The review included the use of data analytics and an assessment of TAFE NSW key controls to mitigate its procurement risks. A management improvement plan, focusing on standardisation of procurement practices across TAFE NSW is being developed to address the review's findings.

Audited financial statements 2015-16

Technical and Further Education Commission

Independent Auditor's Report



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 the Technical and Further Education Commission (the Commission), which comprise the statement of financial position as at 30 June 2016, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of the Commission and the consolidated entity. The consolidated entity comprises the Commission and the entity 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 2016, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41C 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 those standards are further 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 auditor independence requirements of:

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

I have also fulfilled my other ethical responsibilities in accordance with the Code.

The PF&A Act further 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, but precluding the provision of non-audit services.

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

Managing Director's Responsibility for the Financial Statements

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

In preparing the financial statements, the Managing Director must assess the ability of the Commission and the consolidated entity to continue as a going concern unless operations will be dissolved by an Act of Parliament or otherwise cease. The assessment must include, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibility 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 further description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. 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.



Aaron Green
Director, Financial Audit Services

14 November 2016
SYDNEY



Technical and Further Education Commission

Annual Financial Statements

for the year ended 30 June 2016

TABLE OF CONTENTS

Statement by the Managing Director of the Technical and Further Education Commission	2
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	7
1. Summary of Significant Accounting Policies	8
2. Expenses Excluding Losses	21
3. Revenue	23
4. Loss on Disposal	25
5. Other Gains / (Losses)	25
6. Prior Period Errors	26
7. Current Assets – Cash and Cash Equivalents	28
8. Current / Non-Current Assets - Receivables	29
9. Non-Current Assets – Property, Plant and Equipment	30
10. Intangible Assets	32
11. Restricted Assets	33
12. Fair Value Measurement of Non-Financial Assets	33
13. Current Liabilities – Payables	37
14. Current/Non-Current Liabilities – Provisions	37
15. Commitments for Expenditure	38
16. Contingent Liabilities and Contingent Assets	39
17. Reconciliation of Cash Flows from Operating Activities to Net Result	39
18. Non-cash Financing and Investing Activities	39
19. Administrative Restructures	40
20. Increase/ (Decrease) in Net Assets from Equity Transfers	41
21. Budget Review	42
22. Financial Instruments	43
23. Events after the Reporting Period	48

Technical and Further Education Commission
Statement by the Managing Director of the Technical and Further Education
Commission

for the year ended 30 June 2016

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 Financial Reporting Code for NSW General Government Sector Entities, 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.



Jon Black

Managing Director

Date: 14 November 2016

Technical and Further Education Commission
Statement of Comprehensive Income
for the year ended 30 June 2016

		Consolidated	Consolidated	Consolidated	Parent	Parent
		Actual	Budget	Restated ^a	Actual	Restated ^a
	Notes	2016	2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000	\$'000
Expenses excluding losses						
Operating expenses						
Employee related	2(a)	1,110,425	1,228,187	1,178,999	1,105,394	1,175,978
Personnel services	2(b)	1,999	-	-	6,487	2,909
Other operating expenses	2(c)	441,840	625,616	441,116	441,916	441,116
Depreciation and amortisation	2(d)	141,878	137,742	132,409	141,878	132,409
Total expenses excluding losses		1,696,142	1,991,545	1,752,524	1,695,675	1,752,412
Revenue						
Sale of goods and services	3(a)	601,364	528,970	614,936	601,364	614,936
Investment revenue	3(b)	9,517	9,547	10,332	9,517	10,332
Grants and contributions	3(c)	1,130,146	1,303,551	1,367,084	1,130,146	1,367,084
Acceptance by the Crown Entity of employee benefits and other liabilities	3(d)	53,223	62,136	60,638	52,756	60,526
Other revenue		5,527	1,593	3,216	5,527	3,216
Total revenue		1,799,777	1,905,797	2,056,206	1,799,310	2,056,094
Loss on disposal	4	(3,690)	-	(9,927)	(3,690)	(9,927)
Other gains / (losses)	5	(34,964)	-	(66,647)	(34,964)	(66,647)
Net result	17	64,981	(85,748)	227,108	64,981	227,108
Other comprehensive income						
<i>Items that will not be reclassified to net result</i>						
Net increase in property, plant and equipment revaluation surplus	9	17,834	-	294,485	17,834	294,485
Total other comprehensive income		17,834	-	294,485	17,834	294,485
TOTAL COMPREHENSIVE INCOME / (EXPENSE)		82,815	(85,748)	521,593	82,815	521,593

a. Some values are restated as a result of adjustments for prior period errors – refer to Note 6.

The accompanying notes form part of these financial statements.

Technical and Further Education Commission
Statement of Financial Position
as at 30 June 2016

		Consolidated	Consolidated	Consolidated	Parent	Parent
		Actual	Budget	Restated ^a	Actual	Restated ^a
		2016	2016	2015	2016	2015
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS						
Current Assets						
Cash and cash equivalents	7	609,429	415,388	742,487	609,429	742,487
Receivables	8	210,408	56,289	94,771	210,349	94,771
Total Current Assets		819,837	471,677	837,258	819,778	837,258
Non-Current Assets						
Receivables	8	4,311	3,285	4,441	4,311	4,441
Property, plant and equipment						
Land	9	688,347	715,334	707,659	688,347	707,659
Buildings	9	3,861,860	3,634,521	3,943,139	3,861,860	3,943,139
Plant and equipment	9	27,663	12,799	32,085	27,663	32,085
Total property, plant and equipment		4,577,870	4,362,654	4,682,883	4,577,870	4,682,883
Intangible assets	10	42,699	79,887	50,512	42,699	50,512
Other financial assets		446	446	446	446	446
Total Non-Current Assets		4,625,326	4,446,272	4,738,282	4,625,326	4,738,282
Total Assets		5,445,163	4,917,949	5,575,540	5,445,104	5,575,540
LIABILITIES						
Current Liabilities						
Payables	13	437,330	338,339	421,042	437,773	421,428
Provisions	14	85,754	109,192	90,061	85,258	89,684
Total Current Liabilities		523,084	447,531	511,103	523,031	511,112
Non-Current Liabilities						
Provisions	14	2,800	1,732	2,873	2,794	2,864
Total Non-Current Liabilities		2,800	1,732	2,873	2,794	2,864
Total Liabilities		525,884	449,263	513,976	525,825	513,976
Net Assets		4,919,279	4,468,686	5,061,564	4,919,279	5,061,564
EQUITY						
Reserves		3,002,475	2,801,388	3,067,717	3,002,475	3,067,717
Accumulated funds		1,916,804	1,667,298	1,993,847	1,916,804	1,993,847
Total equity		4,919,279	4,468,686	5,061,564	4,919,279	5,061,564

a. Some values are restated as a result of adjustments for prior period errors – refer to Note 6.

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 2016

Consolidated	Notes	Accumulated Funds \$'000	Asset Revaluation Surplus \$'000	Total \$'000
Balance at 1 July 2015		1,993,847	3,067,717	5,061,564
Net result for the year		64,981	-	64,981
Other comprehensive income				
Net Increase in property, plant and equipment revaluation surplus	9	-	17,834	17,834
Total other comprehensive income		-	17,834	17,834
Total comprehensive income for the year		64,981	17,834	82,815
Transactions with owners in their capacity as owners				
(Decrease) in net assets from equity transfers	20	(225,100)	-	(225,100)
Asset revaluation reserve balance transferred to equity on disposal of assets		83,076	(83,076)	-
		(142,024)	(83,076)	(225,100)
Balance at 30 June 2016		1,916,804	3,002,475	4,919,279
Balance at 1 July 2014		1,733,325	2,806,646	4,539,971
Net result for the year		227,108	-	227,108
Other comprehensive income				
Net Increase in property, plant and equipment revaluation surplus	9	-	294,485	294,485
Total other comprehensive income		-	294,485	294,485
Total comprehensive income for the year		227,108	294,485	521,593
Transactions with owners in their capacity as owners				
Asset revaluation reserve balance transferred to equity on disposal of assets		33,414	(33,414)	-
		33,414	(33,414)	-
Balance at 30 June 2015		1,993,847	3,067,717	5,061,564

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 2016

Parent	Notes	Accumulated	Asset	Total
		Funds	Revaluation	
		\$'000	Surplus	\$'000
Balance at 1 July 2015		1,993,847	3,067,717	5,061,564
Net result for the year		64,981	-	64,981
Other comprehensive income				
Net increase in property, plant and equipment revaluation surplus	9	-	17,834	17,834
Total other comprehensive income		-	17,834	17,834
Total comprehensive income for the year		64,981	17,834	82,815
Transactions with owners in their capacity as owners				
(Decrease) in net assets from equity transfers	20	(225,100)	-	(225,100)
Asset revaluation reserve balance transferred to equity on disposal of assets		83,076	(83,076)	-
		(142,024)	(83,076)	(225,100)
Balance at 30 June 2016		1,916,804	3,002,475	4,919,279
Balance at 1 July 2014		1,733,325	2,806,646	4,539,971
Net result for the year		227,108	-	227,108
Other comprehensive income				
Net increase in property, plant and equipment revaluation surplus	9	-	294,485	294,485
Total other comprehensive income		-	294,485	294,485
Total comprehensive income for the year		227,108	294,485	521,593
Transactions with owners in their capacity as owners				
Asset revaluation reserve balance transferred to equity on disposal of assets		33,414	(33,414)	-
		33,414	(33,414)	-
Balance at 30 June 2015		1,993,847	3,067,717	5,061,564

The accompanying notes form part of these financial statements.

Technical and Further Education Commission
Statement of Cash Flows
for the year ended 30 June 2016

	Notes	Consolidated Actual 2016 \$'000	Consolidated Budget 2016 \$'000	Consolidated Actual 2015 \$'000	Parent Actual 2016 \$'000	Parent Actual 2015 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee related		(1,097,194)	(1,199,051)	(1,147,793)	(1,097,418)	(1,145,416)
Other		(429,971)	(625,616)	(512,886)	(429,806)	(515,263)
Total Payments		(1,527,165)	(1,824,667)	(1,660,679)	(1,527,224)	(1,660,679)
Receipts						
Sale of goods and services		476,820	528,970	607,867	476,879	607,867
Interest received		10,679	9,547	4,769	10,679	4,769
Grants and contributions		1,130,146	1,303,501	1,367,084	1,130,146	1,367,084
Other		34,970	1,643	55,131	34,970	55,131
Total Receipts		1,652,615	1,843,661	2,034,851	1,652,674	2,034,851
NET CASH FLOWS FROM OPERATING ACTIVITIES	17	125,450	18,994	374,172	125,450	374,172
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sale of land and buildings, and plant and equipment		6,683	-	27,097	6,683	27,097
Purchases of land and buildings, and plant and equipment, and intangible assets		(55,191)	(81,872)	(75,191)	(55,191)	(75,191)
Other		-	(19,256)	-	-	-
NET CASH FLOWS FROM INVESTING ACTIVITIES		(48,508)	(101,128)	(48,094)	(48,508)	(48,094)
NET INCREASE/ (DECREASE) IN CASH		76,942	(82,134)	326,078	76,942	326,078
Opening cash and cash equivalents		742,487	497,522	416,409	742,487	416,409
Cash reserve transferred to the Crown Entity	20	(210,000)	-	-	(210,000)	-
CLOSING CASH AND CASH EQUIVALENTS	7	609,429	415,388	742,487	609,429	742,487

The accompanying notes form part of these financial statements.

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 one service group.

These financial statements for the period ended 30 June 2016 have been authorised for issue by the Managing Director on 14 November 2016.

(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
- the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

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.

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

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

(c) Statement of compliance

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

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

1. Summary of Significant Accounting Policies (continued)

(d) 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.

(e) 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 support 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.

(f) 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.

(g) 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 include donations and grants from the NSW Department of Industry, Skills and Regional Development (in 2014-15 from the NSW Department of Education) and from other bodies. They are recognised as income when the Commission obtains control over the assets comprising the grants and contributions. Control over grants and contributions is normally obtained upon the receipt of cash.

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 assets.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

1. Summary of Significant Accounting Policies (continued)

(g) *Income recognition (continued)*

iii. Rendering of services

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

iv. Investment revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*. Rental revenue from operating leases is recognised in accordance with AASB 117 *Leases* on a straight-line basis over the lease term.

(h) *Assets*

i. Acquisition of assets

Assets acquired are initially recognised at cost. 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.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition. See also assets transferred as a result of an equity transfer – Note 1(l).

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. 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.

1. Summary of Significant Accounting Policies (continued)

(h) Assets (continued)

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

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 12 for further information regarding fair value.

The Commission revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset does not differ materially from its fair value at reporting date. Revaluation of land was completed at 30 April 2015, and revaluation of buildings was completed at 31 December 2012. These revaluations were conducted using external independent assessments.

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.

When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated.

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 increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to revaluation surplus, except that, 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 the revaluation surplus in respect of the same class of assets, they are debited directly to the revaluation surplus.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

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

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

1. Summary of Significant Accounting Policies (continued)

(h) Assets (continued)

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

a. 2013 revaluation of buildings

Generally, TAFE buildings are designed for a specific limited purpose. In most cases these buildings and the land on which they sit have no feasible alternative use. In accordance with TPP 14-01 the Commission determines the fair value of its building assets using the depreciated replacement cost method, as there is no market-based evidence of fair value.

The 2013 revaluation of buildings was conducted as at 31 December 2012 using a mass valuation methodology and cost approach, consistent with the requirements of Australian Accounting Standards and NSW Treasury requirements. Under this methodology, the replacement cost of each building was calculated by determining the lowest cost in current prices, to replace the building with a modern equivalent to current facility standards, having regard to the building construction type and characteristics, the area of the structure, the specific functionality of the building's rooms and the locality of the property.

The depreciated replacement cost method applied assigns values to the specific components of building shell, fit-out, furniture, and site services for each TAFE building and landscaping for each site. These components are then depreciated separately in accordance with the depreciation policy and useful lives of assets. The building shell components of buildings of State Heritage significance are not depreciated, in accordance with NSW Treasury policy.

The Commission engaged qualified quantity surveyors from the Department of Finance, Services and Innovation to provide replacement cost details for TAFE buildings at 31 December 2012. Tender documents, construction contracts and industry data were used to calculate the replacement cost rates. In addition, a sample of replacement cost rates were tested against replacement cost rates provided by independent external quantity surveyors. The Commission evaluated the competencies, capabilities and objectivity of the valuation service providers prior to engagement.

The Commission conducted an assessment of buildings which resulted in a fair value movement increase of 8.23% between December 2012 and June 2015. The assessment performed relied on the Building Price Index (BPI), which was provided by Department of Finance, Services and Innovation. A further assessment was undertaken at 30 June 2016 applying the BPI and no movement in the fair value was required.

b. 2015 revaluation of land

Qualified valuers were engaged through the Department of Finance, Services and Innovation to undertake valuations for the Commission land and surplus sites as at 30 April 2015 consistent with the requirements of Australian Accounting Standards and NSW Treasury requirements.

The requirement for provision of service delivery by the Commission imposes restrictions on the use of land and it is considered to have no feasible alternative use.

Therefore, the Commission land has been valued at fair value based on existing use. The valuers used market evidence to determine the highest and best use land values and applied a discount factor on averaging 18% to these values, to adjust for the restricted use of the land. The valuation estimates of land values are supported by market based sales evidence. When the Commission land becomes surplus it is then available for feasible alternative uses. In this case the sites are valued at fair value based on the highest and best use.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

1. Summary of Significant Accounting Policies (continued)

(h) Assets (continued)

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

A project team was formed to conduct the 2015 revaluation of land. The team was overseen by a steering committee and project control group comprising of senior representatives of the Commission. The steering committee and project control group was responsible for oversight of all decisions related to the land revaluation. Additional oversight was provided by the Audit and Risk Committee.

Assessment of the land fair value movements between April 2015 and June 2015 was conducted by an independent valuer and it was concluded that there had been no material movement in values since revaluation date. The assessment performed relied on the valuer analysis of market based movements, which was provided by Land and Property Information in the Department of Finance, Services and Innovation.

A further assessment was undertaken at 30 June 2016 by Property NSW where land indexation was assessed. Upon assessment, no movement in the fair value of land was required.

iv. Impairment of property, plant and equipment

As a not-for-profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. As property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in the rare circumstances such as where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that AASB 136 modifies the recoverable amount test for non-cash generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

v. Depreciation of property, plant and equipment

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

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

Land is not a depreciable asset. Certain heritage assets including heritage buildings may not have a limited useful life because appropriate preservation policies are adopted. Such assets are not subject to depreciation. The decision not to recognise depreciation for these assets is reviewed annually.

The expected useful life ranges for assets remained unchanged from 2015 and are listed below. The actual useful life may be greater than the expected useful life for building assets.

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

vi. Major inspection costs

When each major inspection is performed, the labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

1. Summary of Significant Accounting Policies (continued)

(h) Assets (continued)

vii. Maintenance

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

viii. Leased assets

Operating lease payments are recognised as an expense on a straight line basis over the lease term. The Commission does not have any finance leases.

ix. 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.

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.

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.

The Commission's intangible assets are amortised using the straight-line method over a period of three to fifteen years.

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.

x. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any 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 where the effect of discounting is immaterial.

xi. Investments

Investments are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, transaction costs. The Commission determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

1. Summary of Significant Accounting Policies (continued)

(h) Assets (continued)

xi. Investments (continued)

Fair value through profit or loss - the Commission subsequently measures investments classified as "held for trading" or designated upon initial recognition "at fair value through profit or loss" at fair value. Financial assets are classified as "held for trading" if they are acquired for the purpose of selling in the near term. Gains or losses on these assets are recognised in the net result for the year.

Purchases or sales of investments under contract that require delivery of the asset within the timeframe established by convention or regulation are recognised on the trade date i.e. the date the Commission commits to purchase or sell the asset.

The fair value of investments that are traded at fair value in an active market is determined by reference to quoted current bid prices at the close of business on the statement of financial position date.

xii. Impairment of financial assets

All financial assets, except those measured at fair value through profit or loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the Commission will not be able to collect all amounts due.

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 effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

xiii. Derecognition of financial assets and financial liabilities

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 is recognised to the extent of the Commission's continuing involvement in the asset.

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

xiv. Other assets

Other assets are recognised on a historic cost basis.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

1. Summary of Significant Accounting Policies (continued)

(i) *Liabilities*

i. Payables

These amounts represent liabilities for goods and services provided to the Commission and other amounts. Payables are recognised initially at fair value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

ii. 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% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Commission has assessed the actuarial advice based on the Commission's circumstances and has determined that the effect of discounting is immaterial to annual leave.

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 present value in accordance with AASB 119. This is based on the application of certain factors (specified in NSWTC 15/09) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

1. Summary of Significant Accounting Policies (continued)

(i) Liabilities (continued)

ii. Employee benefits and other provisions

b. Long service leave and superannuation (cont'd)

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.

iii. 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.

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

(j) Fair value hierarchy

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. Under AASB 13, the Commission categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques 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 12 for further disclosures regarding fair value measurements of non-financial assets.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

1. Summary of Significant Accounting Policies (continued)

(k) *Equity and reserves*

i. 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(h)(iii).

ii. Accumulated Funds

The category "Accumulated Funds" includes all current and prior period retained funds.

iii. 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).

(l) *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' (refer Note 1(h)(i)) 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. Subject to below, in most instances this will approximate fair value.

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

(m) *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.

(n) *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. Restated 30 June 2015 comparative balances are disclosed in Note 6.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

1. Summary of Significant Accounting Policies (continued)

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

i. Effective for the first time in 2015-16

The accounting policies applied in 2015-2016 are consistent with those of the previous financial year except as a result of the following new or revised Australian Accounting Standards that have been applied for the first time in 2015-2016. The impact of these standards in the period of initial application includes:

AASB 2015-3 regarding withdrawal of AASB 1031 Materiality

This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing AASB 1031 to effectively be withdrawn. This change has been assessed by the Commission and there is no material impact.

AASB 2015-4 regarding amendments to AASB 128 Investments in Associates and Joint Ventures relating to financial reporting requirements for Australian groups with a foreign parent

This Standard amends AASB 128 to only require the ultimate Australian entity to apply the equity method in accounting for interests in associates or joint ventures, if either the entity or the group, or both the entity and group are reporting entities.

As NSW government reporting entities do not have a foreign parent, AASB 2015-4 does not have a material impact on NSW government agencies. AASB 128 will now only require the ultimate Australian entity to apply the equity method in accounting for interests in associates or joint ventures, if either the entity or the group, or both the entity and group are reporting entities.

As the Commission does not have a foreign parent, this standard is not applicable to the Commission.

The above standards have all been fully compiled into their respective standards, with the exception of AASB 2014-1 (Part E).

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

1. Summary of Significant Accounting Policies (continued)

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

ii. Issued but not yet effective

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

The following new Accounting Standards have not been applied and are not yet effective. Management cannot determine the actual impact of these Standards in the Commission's financial statements in the period of their initial application.

- *AASB 9 Financial Instruments*
- *AASB 15 Revenue from Contracts with Customers*
- *AASB 16 Leases*
- *AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation*
- *AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15*
- *AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)*
- *AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle*
- *AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101*
- *AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities*
- *AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15*
- *AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128*
- *AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107*
- *AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15*

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

2. Expenses Excluding Losses

(a) Employee related expenses

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Salaries and wages (including annual leave) ^a	877,588	944,219	873,759	943,390
Superannuation - defined benefit plans	16,992	19,791	16,949	19,673
Superannuation - defined contribution plans	75,522	78,606	75,132	78,456
Long service leave	36,231	40,845	35,807	39,361
Workers' compensation insurance	10,266	11,288	10,220	11,250
Payroll tax and fringe benefit tax	57,258	55,347	56,959	55,170
Other	36,568	28,903	36,568	28,678
Total employee related expenses	1,110,425	1,178,999	1,105,394	1,175,978

- a. An amount of \$0.4m of employee related expenses were capitalised during the year (2015: \$0.1m), and therefore excluded from the balances above.

(b) Personnel services

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Salaries and wages (including annual leave)	1,561	-	5,265	2,193
Superannuation - defined benefit plans	-	-	-	118
Superannuation - defined contribution plans	163	-	560	150
Long service leave	-	-	-	8
Workers' compensation insurance	42	-	95	38
Payroll tax and fringe benefit tax	112	-	446	177
Other	121	-	121	225
Total personnel services	1,999	-	6,487	2,909

Technical and Further Education Commission Notes to the Financial Statements

for the year ended 30 June 2016

2. Expenses Excluding Losses (continued)

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

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Auditor's remuneration - audit of the financial statements ^a	1,144	617	1,144	617
Operating lease rental expense - minimum lease payments	3,218	2,977	3,218	2,977
Maintenance ^b	34,342	35,245	34,342	35,245
Insurance	6,686	6,286	6,686	6,286
Consultants	1,837	-	1,837	-
Contractors	54,412	40,627	54,412	40,627
Cleaning	40,112	40,606	40,112	40,606
Agents fees	37,876	71,310	37,876	71,310
Management fees	67,729	64,575	67,729	64,575
Service expenses	71,439	50,686	71,439	50,686
Minor stores, provisions, plant and computing	48,205	50,252	48,205	50,252
Travel and motor vehicle expenses	13,018	11,733	13,018	11,733
Postage and telephone	6,423	6,815	6,423	6,815
Utilities	18,879	23,703	18,879	23,703
Printing	7,922	10,886	7,922	10,886
Other	28,598	24,798	28,674	24,798
Total other operating expenses	441,840	441,116	441,916	441,116

a. Total audit fees for the 2015-2016 year are \$893,000 (2014-2015: \$581,000) excluding GST.

b. Reconciliation – Total maintenance

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Maintenance expense - contracted labour and other (non-employee related), as above	34,342	35,245	34,342	35,245
Total maintenance expenses included in Note 2(c)	34,342	35,245	34,342	35,245

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

2. Expenses Excluding Losses (continued)

(d) Depreciation and amortisation expense

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Depreciation				
Buildings and improvements	127,774	117,152	127,774	117,152
Plant and equipment	7,817	8,533	7,817	8,533
	135,591	125,685	135,591	125,685
Amortisation				
Intangibles	6,287	6,724	6,287	6,724
Total depreciation and amortisation expenses	141,878	132,409	141,878	132,409

3. Revenue

(a) Sale of goods and services

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Student fees ^a	579,602	592,654	579,602	592,654
Course projects and materials	5,173	9,120	5,173	9,120
Other	16,589	13,162	16,589	13,162
Total sale of goods and services	601,364	614,936	601,364	614,936

a. Balances for 2015 have been restated due to prior period error adjustment per Note 6.

(b) Investment revenue

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Interest revenue from financial assets not at fair value through profit or loss	9,517	10,332	9,517	10,332
Total investment revenue	9,517	10,332	9,517	10,332

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

3. Revenue (continued)

(c) Grants and contributions

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Vocational Education and Training Grants ^a	15,732	49,369	15,732	49,369
Other Public Sector agencies ^b	1,113,891	1,317,127	1,113,891	1,317,127
Commonwealth Government	354	376	354	376
Asset contributions (free assets or contribution to assets)	-	22	-	22
Donations and industry contributions	169	190	169	190
Total grants and contributions	1,130,146	1,367,084	1,130,146	1,367,084

- a. Contributors can place restrictions on the application of funds to assist in ensuring that the intended outcomes of the particular program are met. Examples of such conditions are the requirement to provide annual acquittals of expenditure or to return funds at the end of a specific period. Contributions of \$9.2m (2015: \$17.3m) with restrictions were received during the year. During the year, the Commission spent \$6.3m (2015: \$2.8m) on training in line with the conditions placed on these contributions. The Commission will spend a further \$17.4m (2015: \$14.5m) on such training to meet conditions placed on contributions received in the current and previous years.
- b. The Commission became a separate statutory body on 1 July 2014. In 2014-15, the Commission received a grant from the NSW Department of Education. In 2015-16, it received a grant from the NSW Department of Industry, Skills and Regional Development.
- c. Balances for 2015 have been restated due to prior period error adjustments per Note 6.

(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 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Superannuation - defined benefit	15,337	17,849	15,294	17,849
Superannuation on annual leave – defined benefit	836	971	836	971
Long service leave	36,231	40,845	35,807	40,733
Payroll tax	819	973	819	973
Total acceptance by the Crown Entity of employee benefits and other liabilities	53,223	60,638	52,756	60,526

Technical and Further Education Commission
Notes to the Financial Statements
for the year ended 30 June 2016

4. Loss on Disposal

		Consolidated	Consolidated	Parent	Parent
		2016	2015	2016	2015
	Notes	\$'000	\$'000	\$'000	\$'000
Loss on disposal of property, plant and equipment					
Proceeds from disposal		13,183	27,097	13,183	27,097
Written down value of assets disposed	9	(15,579)	(37,024)	(15,579)	(37,024)
Net loss on disposal of plant and equipment		(2,396)	(9,927)	(2,396)	(9,927)
Loss on disposal of intangible assets					
Written down value of assets disposed	10	(1,294)	-	(1,294)	-
Net loss on disposal of intangible assets		(1,294)	-	(1,294)	-
Total net loss on disposal		(3,690)	(9,927)	(3,690)	(9,927)

5. Other Gains / (Losses)

	Consolidated	Consolidated	Parent	Parent
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Impairment of intangibles ^a	(12,000)	(12,673)	(12,000)	(12,673)
Impairment of receivables ^b	(22,964)	(53,974)	(22,964)	(53,974)
Total other gains /(losses)	(34,964)	(66,647)	(34,964)	(66,647)

- a. The impairment of intangibles relates to the Student Administration and Learning Management System.
- b. The impairment of receivables relates primarily to the impairment of accrued income and student receivables as part of the review of student related information as outlined in Note 6.

Technical and Further Education Commission Notes to the Financial Statements

for the year ended 30 June 2016

6. Prior Period Errors

In October 2014, a new Student Administration and Learning Management (SALM) system was implemented across TAFE. Significant system implementation issues resulted in large volumes of manual processing, an inability to fully reconcile cash balances and difficulties in reconciling student enrolments with revenues recorded in the financial statements.

Improvement to the quality of student related information that resulted from a comprehensive review and data remediation exercise undertaken during 2016 identified a need to restate financial information as at 30 June 2015. Restated financial information as at 30 June 2015 is presented as if the errors had not been made.

The following prior period errors were identified and corrected:

- a. Student receivables were found to be \$70,355,000 higher than previously reported.
- b. Allowance for impairment was found to be \$54,000,000 higher than previously reported.
- c. Unearned revenues were found to be \$84,742,000 lower than previously reported.
- d. Sales of goods and services were found to be \$137,532,000 higher than previously reported.
- e. Grants and contributions were found to be \$17,295,000 higher than previously reported.
- f. Impairment of receivables was found to be \$54,000,000 higher than previously reported.

Adjustments were required to Grants and contributions in order to better align to the requirements of standard AASB1004. This review was only possible once the data remediation process was completed.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

6. Prior Period Errors (continued)

Consolidated ¹							
Statement of Financial Position – 30 June 2015	Previously reported figure for 2015 \$'000	Correction to Student receivables \$'000	Correction to Allowance for Impairment \$'000	Correction to Unearned revenues \$'000	Reclassification within revenue items \$'000	Total Restatement to 2015 reported amounts \$'000	Restated figure for 2015 \$'000
Current receivables							
Student receivables	36,183	a. 70,355	-	-	-	70,355	106,538
Less: Allowance for impairment	(265)	-	b. (54,000)	-	-	(54,000)	(54,265)
Total Current Assets	820,903	70,355	(54,000)	-	-	16,355	837,258
Total Assets	5,559,185	70,355	(54,000)	-	-	16,355	5,575,540
Current liabilities							
Unearned revenue	397,985	-	-	c. (84,472)	-	(84,472)	313,513
Total Current Liabilities	595,575	-	-	(84,472)	-	(84,472)	511,103
Total Liabilities	598,448	-	-	(84,472)	-	(84,472)	513,976
Net assets	4,960,737	70,355	(54,000)	84,472	-	100,827	5,061,564
EQUITY							
Accumulated funds	1,893,020	70,355	(54,000)	84,472	-	100,827	1,993,847
Total equity	4,960,737	70,355	(54,000)	84,472	-	100,827	5,061,564
Statement of Comprehensive Income – For the year ended 30 June 2015	Previously reported figure for 2015 \$'000	Correction to Student receivables \$'000	Correction to Allowance for Impairment \$'000	Correction to Unearned revenues \$'000	Reclassification within revenue items \$'000	Total Restatement to 2015 reported amounts \$'000	Restated figure for 2015 \$'000
Sales of goods and services	477,404	16,355	54,000	69,932	(2,755)	d. 137,532	614,936
Grants and contributions							
Vocational Education and training grants	32,074	-	-	14,540	2,755	e. 17,295	49,369
Other gains / (losses)							
Impairment of receivables	26	-	(54,000)	-	-	f. (54,000)	(53,974)
Net result	126,281	16,355	-	84,472	-	100,827	227,108
Total comprehensive income	420,766	16,355	-	84,472	-	100,827	521,593

1. The error applies equally to the parent entity. The consolidated figures have been presented above.

2. No restatement was required for any balance at 1 July 2014.

Technical and Further Education Commission Notes to the Financial Statements

for the year ended 30 June 2016

7. Current Assets – Cash and Cash Equivalents

	Consolidated	Consolidated	Parent	Parent
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	609,429	742,487	609,429	742,487
Total cash and cash equivalents	609,429	742,487	609,429	742,487

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
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents (per statement of financial position)	609,429	742,487	609,429	742,487
Closing cash and cash equivalents (per statement of cash flows)	609,429	742,487	609,429	742,487

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

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

8. Current / Non-Current Assets - Receivables

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Current:				
Sale of goods and services	13,157	16,465	13,157	16,465
Student receivables ^a	107,722	106,538	107,722	106,538
Other debtors	82,962	14,159	82,903	14,159
Prepayments	174	465	174	465
Accrued income	29,486	11,409	29,486	11,409
	233,501	149,036	233,442	149,036
Less: Allowance for impairment ^a	(23,093)	(54,265)	(23,093)	(54,265)
Total current receivables	210,408	94,771	210,349	94,771
Movements in the allowance for impairment:				
Balance at 1 July	(54,265)	(414)	(54,265)	(414)
Amounts written off during the year	54,121	22	54,121	22
Amounts recovered during the year	15	101	15	101
(Increase)/decrease in allowance recognised in profit or loss ^a	(22,964)	(53,974)	(22,964)	(53,974)
Balance at 30 June	(23,093)	(54,265)	(23,093)	(54,265)
	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Non-Current:				
Prepayments	4,311	4,441	4,311	4,441
Total non-current receivables	4,311	4,441	4,311	4,441

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

a. Balances for 2015 have been restated due to prior year adjustments per Note 6.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

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

Consolidated and Parent	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Total \$'000
At 1 July 2015 - fair value				
Gross carrying amount	707,659	6,837,083	179,510	7,724,252
Accumulated depreciation and impairment	-	(2,893,944)	(147,425)	(3,041,369)
Net carrying amount	707,659	3,943,139	32,085	4,682,883
At 30 June 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

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 2016	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Total \$'000
Net carrying amount at start of year	707,659	3,943,139	32,085	4,682,883
Additions	-	39,228	4,195	43,423
Disposals	(4,212)	(11,055)	(312)	(15,579)
Equity transfer of net assets	(9,600)	(5,500)	-	(15,100)
Transfer between Buildings and Plant and Equipment	-	488	(488)	-
Net revaluation increment less revaluation decrements	(5,500)	23,334	-	17,834
Depreciation expense	-	(127,774)	(7,817)	(135,591)
Net carrying amount at end of year	688,347	3,861,860	27,663	4,577,870

Technical and Further Education Commission Notes to the Financial Statements

for the year ended 30 June 2016

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

Parent	Land	Buildings	Plant and equipment	Total
At 1 July 2014 - fair value	\$'000	\$'000	\$'000	\$'000
Gross carrying amount	720,592	6,534,781	178,639	7,434,012
Accumulated depreciation and impairment	-	(2,809,745)	(141,097)	(2,950,842)
Net carrying amount	720,592	3,725,036	37,542	4,483,170
At 30 June 2015 - fair value				
Gross carrying amount	707,659	6,837,083	179,510	7,724,252
Accumulated depreciation and impairment	-	(2,893,944)	(147,425)	(3,041,369)
Net carrying amount	707,659	3,943,139	32,085	4,682,883

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	Land	Buildings	Plant and equipment	Total
Year ended 30 June 2015	\$'000	\$'000	\$'000	\$'000
Net carrying amount at start of year	720,592	3,725,036	37,542	4,483,170
Additions	-	64,788	3,149	67,937
Disposals	(8,120)	(28,831)	(73)	(37,024)
Net revaluation increment less revaluation decrements	(4,813)	299,298	-	294,485
Depreciation expense	-	(117,152)	(8,533)	(125,685)
Net carrying amount at end of year	707,659	3,943,139	32,085	4,682,883

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

10. Intangible Assets

Consolidated and Parent	\$'000
Software	
At 1 July 2015	
Cost (gross carrying amount)	
Accumulated amortisation and impairment	135,843
Net carrying amount	(85,331)
	50,512

Consolidated and Parent	
Software	
At 30 June 2016	
Cost (gross carrying amount)	118,508
Accumulated amortisation and impairment	(75,809)
Net Carrying amount	42,699

	Consolidated and Parent 2016 \$'000	Consolidated and Parent 2015 \$'000
Net carrying amount		
Net carrying amount at start of year	50,512	62,633
Additions (from internal development)	11,768	7,276
Impairment loss	(12,000)	(12,673)
Disposals	(1,294)	-
Amortisation (recognised in "depreciation and amortisation")	(6,287)	(6,724)
Net carrying amount at end of year	42,699	50,512

Parent	\$'000
Software	
At 1 July 2014	
Cost (gross carrying amount)	128,566
Accumulated amortisation and impairment	(65,933)
Net carrying amount	62,633

Consolidated and Parent	
Software	
At 30 June 2015	
Cost (gross carrying amount)	135,843
Accumulated amortisation and impairment	(85,331)
Net carrying amount	50,512

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

11. Restricted Assets

Funds totalling \$0.1m (2015: \$0.1m) held as investments in fixed interest bearing deposits are classified as "restricted assets". Most of these funds represent donations held by the Commission for student prize awards with interest earned on the investments used to fund awards.

12. Fair Value Measurement of Non-Financial Assets

The fair value measurement for land of \$688.3m (2015: \$707.7m) has been categorised as a Level 3 fair value based on the inputs to the valuation technique used. Refer to Note 12(c).

The fair value measurement for the Commission's buildings, demountables and specialised properties of \$3,861.8m (2015: \$3,943.1m) have been categorised as a Level 3 fair value based on the inputs to the valuation technique used. Refer to Note 12(c).

(a) Fair value hierarchy

Consolidated and Parent 30 June 2016	Level 1 Fair Value \$'000	Level 2 Fair Value \$'000	Level 3 ^a Fair Value \$'000	Total Fair Value \$'000
Property, plant and equipment (Note 9)				
Land	-	-	688,347	688,347
Buildings	-	-	3,861,860	3,861,860
Total property, plant and equipment	-	-	4,550,207	4,550,207
Consolidated and Parent 30 June 2015	Level 1 Fair Value \$'000	Level 2 Fair Value \$'000	Level 3 Fair Value \$'000	Total Fair Value \$'000
Property, plant and equipment (Note 9)				
Land	-	-	707,659	707,659
Buildings	-	-	3,943,139	3,943,139
Total property, plant and equipment	-	-	4,650,798	4,650,798

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

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

12. 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

	Land	Buildings	Total Recurring Level 3 Fair Value
	\$'000	\$'000	\$'000
Fair value as at 1 July 2015	707,659	3,943,139	4,650,798
Additions	-	39,228	39,228
Disposals	(4,212)	(11,055)	(15,267)
Equity transfer of net assets	(9,600)	(5,500)	(15,100)
Net revaluation increment less revaluation decrements	(5,500)	23,334	17,834
Depreciation	-	(127,774)	(127,774)
Transfer between Buildings and Property, Plant and Equipment	-	488	488
Fair value as at 30 June 2016	688,347	3,861,860	4,550,207

Consolidated and Parent

	Land	Buildings	Total Recurring Level 3 Fair Value
	\$'000	\$'000	\$'000
Fair value as at 1 July 2014	720,592	3,725,036	4,445,628
Additions	-	64,788	64,788
Disposals	(8,120)	(28,831)	(36,951)
Net revaluation increment less revaluation decrements	(4,813)	299,298	294,485
Depreciation	-	(117,152)	(117,152)
Fair value as at 30 June 2015	707,659	3,943,139	4,650,798

Technical and Further Education Commission Notes to the Financial Statements

for the year ended 30 June 2016

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

(c) Valuation techniques, inputs and processes

Level 3 – TAFE buildings and specialised properties

TAFE Buildings

i. Valuation techniques

Due to the size of the buildings portfolio a mass appraisal technique was used for the revaluation.

Replacement cost rates for the asset components were provided by the Department of Finance, Services and Innovation. The replacement cost rates were determined based on the cost of recently built buildings which were representative of the remainder of the portfolio. These replacement cost rates were tested against rates provided by independent external quantity surveyors. In order to determine the replacement cost of an individual building, adjustments to the replacement cost rates are made for location and special need requirements.

Management determined the useful lives and depreciation rates based on internal analysis, consultation with Department of Finance, Services and Innovation and recognised industry publications.

ii. Significant unobservable inputs

Replacement cost per square metre (linear metre for fencing) for the following components

Asset Component	Range (weighted average)
Building shell	\$350 - \$2,851 (\$1,789)
External services	\$324 - \$4,270 (\$910)
Soft landscaping	\$352 - \$352 (\$352)
Hard landscaping	\$54 - \$54 (\$54)
Fencing	\$230 - \$230 (\$230)
Demountable	\$118 - \$206 (\$144)

Other inputs

Inputs	Value
Weighted average remaining useful life	58 years
Total Gross floor area	1,795,279 sqm
Landscaping square metres per gross floor area of buildings	1.5 sqm
Total perimeter for all sites	185,043 m

iii. Sensitivity of the fair value measurement to changes in unobservable inputs

The estimated fair value would increase/(decrease) if the replacement cost per square metre for the asset components were higher/(lower).

Technical and Further Education Commission Notes to the Financial Statements

for the year ended 30 June 2016

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

(c) Valuation techniques, inputs and processes (continued)

Other buildings

i. Valuation techniques

Qualified valuers of the Department of Finance, Services and Innovation performed the valuation of the specialised buildings for the Commission. The current market buying prices cannot be observed for these specialised assets. The fair value of the asset is measured by its depreciated replacement cost.

ii. Significant unobservable inputs

Inputs – TAFE buildings	Value
Replacement cost per square metre	\$5,107 / sqm
Total gross floor area	19,424 sqm
Weighted average remaining useful life	28 years

iii. Sensitivity of the fair value measurement to changes in unobservable inputs

The estimated fair value would increase/(decrease) if the replacement cost per square metre for the asset components were higher/(lower).

Land

i. Valuation techniques

Qualified valuers were engaged through the Department of Finance, Services and Innovation to undertake valuations for TAFE land, surplus sites and other land.

The highest and best use is the current use due to the restrictions places on the land. The valuers used current market sales evidence to determine the current market value of the land without restrictions and then applied discount factors averaging 18% to these values, to adjust for the restricted use of the land.

For surplus sites land and other land there are no such restrictions and the market value is determined by analysing current market sales and evidence.

ii. Significant unobservable inputs

Inputs – TAFE sites	Value
Market value per square metre	\$0.03/sqm - \$2,000/sqm (\$193/sqm)
Total area of land	16,625,857 sqm

Inputs – Other	Value
Discount factor	0% - 20% (18%)

iii. Sensitivity of the fair value measurement to changes in unobservable inputs.

iv. The estimated fair value would increase (decrease) if the value per square metre were higher (lower).

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

13. Current Liabilities – Payables

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Accrued salaries, wages and on-costs	8,222	42,800	7,960	42,672
Creditors	122,927	50,382	122,927	50,382
Unearned revenue ^a	285,609	313,513	285,609	313,513
Group, payroll and fringe benefits tax	6,723	4,790	6,655	4,772
Personnel services provider	42	-	815	532
Other	13,807	9,557	13,807	9,557
Total current payables	437,330	421,042	437,773	421,428

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

a. Balances for 2015 have been restated due to prior year adjustments per Note 6.

14. Current/Non-Current Liabilities – Provisions

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Employee benefits and related on-costs:				
Current				
Annual leave ^a	33,631	33,557	33,258	33,301
Teachers' non-term vacation	7,076	10,378	7,076	10,378
Accrued payroll tax on annual leave and accrued salaries and wages	2,219	2,394	2,201	2,380
Annual leave on long service leave	9,358	9,603	9,336	9,562
Workers Compensation on long service leave	2,228	2,286	2,223	2,276
Payroll tax on long service leave	12,143	12,461	12,116	12,407
Superannuation on long service leave	8,466	8,688	8,447	8,688
Superannuation on annual leave	3,268	3,448	3,240	3,448
Other	7,365	7,246	7,361	7,244
Total current provisions	85,754	90,061	85,258	89,684
Non-Current				
Provision for payroll tax on long service leave	1,056	1,084	1,054	1,079
Annual leave on long service leave and annual leave	814	835	812	831
Workers' Compensation on long service leave	194	199	194	199
Other	736	755	734	755
Total non-current provisions	2,800	2,873	2,794	2,864

a. It is estimated that the provision for annual leave includes an amount of \$6.1 million that is expected to be taken after 30 June 2017 (30 June 2016: \$6.0 million).

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

14. Current/Non-Current Liabilities – Provisions (continued)

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Aggregate employee benefits and related on-costs				
Provisions - current	85,754	90,061	85,258	89,684
Provisions - non-current	2,800	2,873	2,794	2,864
Accrued salaries, wages and on-costs (note 13)	8,222	42,800	7,960	42,672
Total aggregate employee benefits and related on-costs	96,776	135,734	96,012	135,220

15. Commitments for Expenditure

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
(a) Capital Commitments				
Aggregate capital expenditure contracted for at balance date and not provided for:				
Not later than one year	13,118	17,234	13,118	17,234
Later than one year and not later than five years	7,373	2,829	7,373	2,829
Total capital commitments	20,491	20,063	20,491	20,063
(b) Operating Lease Commitments				
Future non-cancellable operating lease rentals not provided for and payable:				
Not later than one year	384	289	384	289
Later than one year and not later than five years	342	287	342	287
Later than five years	33	359	33	359
Total operating lease commitments	759	935	759	935
Total commitments (including GST)	21,250	20,998	21,250	20,998

The total of commitments for expenditure include GST input tax credits of \$1.9m (2015: \$1.9m) that are expected to be recovered from the Australian Tax Office.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

16. Contingent Liabilities and Contingent Assets

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.
- ii. Other
There is a contingent liability for refunds of revenue that has previously been recognised and was funded by VET FEE HELP loans. This liability is not accrued as it is difficult to forecast and deemed not material.

Contingent assets

The Commission is not aware of any contingent assets.

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

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Net cash used on operating activities	125,450	374,172	125,450	374,172
Depreciation and amortisation	(141,878)	(132,409)	(141,878)	(132,409)
Allowance for impairment	(34,964)	(66,647)	(34,964)	(66,647)
Decrease in provisions	4,380	17,990	4,496	18,376
Increase in prepayments and other assets	131,971	91,890	131,912	91,890
(Increase) in creditors	(16,288)	(47,983)	(16,345)	(48,369)
Net (loss) on sale of plant and equipment	(3,690)	(9,927)	(3,690)	(9,927)
Donated assets	-	22	-	22
Net result	64,981	227,108	64,981	227,108

18. Non-cash Financing and Investing Activities

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Assets received by donation	-	22	-	22
Liabilities and expenses assumed by the Crown Entity	(53,223)	(60,638)	(53,223)	(60,638)
Total non-cash financing and investing activities	(53,223)	(60,616)	(53,223)	(60,616)

Technical and Further Education Commission Notes to the Financial Statements

for the year ended 30 June 2016

19. Administrative Restructures

The Adult Migrant English School (AMES) was transferred into the Commission on the 1 July 2015.

Net assets / (liabilities) transferred were as follows:

	AMES
	As at 1 July
	2015
	\$'000
ASSETS	
Current assets	
Cash and cash equivalents	4,803
Receivables	8,534
Total current assets	13,337
Total assets	13,337
LIABILITIES	
Current liabilities	
Payables	5,471
Total current liabilities	5,471
Non-current liabilities	
Payables	3
Total non-current liabilities	3
Total liabilities	5,474
Net assets	7,863

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

20. Increase/ (Decrease) in Net Assets from Equity Transfers

	Consolidated 2016 \$'000	Consolidated 2015 \$'000	Parent 2016 \$'000	Parent 2015 \$'000
Cash reserves transferred to Crown entity (a)	(210,000)	-	(210,000)	-
Land and buildings transferred to Government Property NSW (b)	(15,100)	-	(15,100)	-
Total equity transfers	(225,100)	-	(225,100)	-

- \$210 million cash balance repatriated to Crown Finance Entity (CFE) via an equity transfer as part of the cash management policy reforms undertaken by Treasury.
- The National Art School land and buildings valued at \$15.1 million were transferred to Government Property NSW by equity transfer on 24 June 2016.

Technical and Further Education Commission Notes to the Financial Statements

for the year ended 30 June 2016

21. Budget Review

Net result

The Commission's net result of \$65m profit was a \$151m favourable variation over the budgeted loss of \$86m.

The major factors contributing to this variation are outlined below:

Employee related expenses were \$118m (or 10%) lower than budget. This was primarily due to:

- Smart and Skilled implementation and business rationalisation and reforms.
- Lower employee related on-cost obligations and actuarial adjustments.
- Offset by higher than anticipated voluntary redundancies.

Other Operating expenses were \$184m (or 29%) under the budget. This was primarily due to:

- Reduced training expenditures and consumables through increased utilisation of cost effective course delivery methods.
- Commonwealth reforms of VET Fee Help impacting agent commissions.
- Deferral of some strategic spending till 2016/17.

Total revenue was \$106m less than budget (or 6%). This was mainly driven by:

- Changed course mix towards lower revenue short courses.
- Reduced reliance on government support funding.

The result also reflected gain and losses related to the impairment of the student management software system relative to the budget and the divestment of a Petersham site.

Balance sheet

The Commission's total net assets are \$451m higher (or 10%) than the budget.

The major factors that have contributed to this movement are outlined below:

- Cash and cash equivalents is higher than budget reflecting the lower expenditure from business operations and the capital program, \$194m.
- Building assets were higher than the budget due to revaluation increment of \$299m applied at the end of the prior financial year which was not reflected in the budget.
- Offset by impairment of the student management software system that was not factored in the budget, \$12m.

Cash flow

Net cash flows from operation activities were \$106m higher than budget. This was driven by \$298m less in payments than originally was anticipated in the budget in line with lower expenditure in 2015-16. This was offset by lower receipts of \$191m which were aligned with lower revenue.

Net cash flows from investing activities were \$53m lower than expected due to slower expenditure under the capital program. In addition, the divestment of a Petersham site was not factored into the original Budget.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

22. Financial Instruments

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

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

The 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 2016 \$'000	Carrying Amount 2015 \$'000
Financial Assets	Note	Category		
Class:				
Cash and cash equivalents	7	N/A	609,429	742,487
Receivables ^a	8	Loans and receivables (at amortised cost)	199,304	88,547
Other financial assets		Loans and receivables (at amortised cost)	286	286
Financial Liabilities				
Class:				
Payables ^b	13	Financial liabilities measured at amortised cost	136,498	59,089
Parent				
Financial Assets	Note	Category	Carrying Amount 2016 \$'000	Carrying Amount 2015 \$'000
Class:				
Cash and cash equivalents	7	N/A	609,429	742,487
Receivables ^a	8	Loans and receivables (at amortised cost)	199,304	88,547
Other financial assets		Loans and receivables (at amortised cost)	286	286
Financial Liabilities				
Class:				
Payables ^b	13	Financial liabilities measured at amortised cost	136,498	59,089

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.

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.

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 is 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. Debtors that are not past due and less than six months past due (2016: \$97.5m; 2015: \$55.0m) have not been impaired and represent 81% (2015: 45%) of the total trade debtors. With the exception of the debtors that are impaired per Note 22b, most of the Commission's debtors have a good credit rating.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

22. Financial Instruments (continued)

(b) Credit Risk (continued)

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

Consolidated	Total ^{a,b}	Past due but not impaired ^{a,b}	Considered impaired ^{a,b}
	\$'000	\$'000	\$'000
2016			
< 3 months overdue	30,134	30,133	1
3 months - 6 months overdue	50,176	50,173	3
> 6 months overdue	23,388	299	23,089
2015			
< 3 months overdue	3,764	3,764	-
3 months - 6 months overdue	40,687	40,687	-
> 6 months overdue	68,029	13,764	54,265
Parent	Total ^{a,b}	Past due but not impaired ^{a,b}	Considered impaired ^{a,b}
	\$'000	\$'000	\$'000
2016			
< 3 months overdue	30,134	30,133	1
3 months - 6 months overdue	50,176	50,173	3
> 6 months overdue	23,388	299	23,089
2015			
< 3 months overdue	3,764	3,764	-
3 months - 6 months overdue	40,687	40,687	-
> 6 months overdue	68,029	13,764	54,265

a. Each column in the table reports "gross receivables".

b. 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.

(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 overdrafts, loans and other advances.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

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 by him) 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

Interest Rate Exposure

	Weighted average effective Int. Rate	Nominal Amount ^a \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non-interest bearing \$'000
2016					
Payables:					
Creditors	-	136,498	-	-	136,498
2015					
Payables:					
Creditors	-	59,089	-	-	59,089

Consolidated

Maturity dates

	< 1 yr \$'000	1 -5 yrs \$'000	> 5 yrs \$'000
2016			
Payables:			
Creditors	136,498	-	-
2015			
Payables:			
Creditors	59,089	-	-

- 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 table includes both interest and principal cash flows and therefore will not reconcile to the statement of financial position.

Technical and Further Education Commission

Notes to the Financial Statements

for the year ended 30 June 2016

22. Financial Instruments (continued)

(c) Liquidity risk (continued)

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
2016					
Payables:					
Creditors	-	136,498	-	-	136,498
2015					
Payables:					
Creditors	-	59,089	-	-	59,089

Parent

Maturity Dates

	< 1 yr \$'000	1 -5 yrs \$'000	> 5 yrs \$'000
2016			
Payables:			
Creditors	136,498	-	-
2015			
Payables:			
Creditors	59,089	-	-

- 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 table includes both interest and principal cash flows and therefore will not reconcile to the statement of financial position.

(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 2015. The analysis assumes that all other variables remain constant.

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.

(e) 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.

Technical and Further Education Commission Notes to the Financial Statements

for the year ended 30 June 2016

23. Events after the Reporting Period

On 13 July 2016, a modernised structure for TAFE NSW was unveiled by the Minister for Skills John Barilaro. Under the new model, the independent Institute structure of TAFE NSW will be replaced with a single, multi-campus TAFE NSW.

On 5 October 2016, the Commonwealth Minister for Education and Training, Senator Simon Birmingham, announced the VET FEE-HELP scheme would cease on 31 December 2016 and be replaced by a new VET Student Loans Scheme from 1 January 2017. An initial assessment of this announcement has commenced, and many details are yet to be made available, however it is possible that this change will have wide ranging and material impacts on TAFE NSW.

With the exception of the abovementioned, 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

Independent Auditor's Report



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 (Staff Agency), which comprise the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary 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 2016, 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 41C 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 those standards are further 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 auditor independence requirements of:

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

I have also fulfilled my other ethical responsibilities in accordance with the Code.

The PF&A Act further 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, but precluding the provision of non-audit services.

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

Managing Director's Responsibility for the Financial Statements

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

In preparing the financial statements, the Managing Director must assess the Staff Agency's ability to continue as a going concern unless the Staff Agency will be dissolved by an Act of Parliament or otherwise cease operations. The assessment must include, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibility 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 further description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. 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.



Aaron Green
Director, Financial Audit Services

14 November 2016
SYDNEY

Audited Financial Statements

Start of Audited Financial Statements



TAFE Commission (Senior Executives) Staff Agency

Annual Financial Statements

for the year ended 30 June 2016

TABLE OF CONTENTS

Statement by the Managing Director	3
Statement of comprehensive income	4
Statement of financial position	5
Statement of changes in equity	6
Statement of cash flows	7
1. Summary of significant accounting policies	8
2. Expenses excluding losses	12
3. Revenue	12
4. Receivables	12
5. Payables	13
6. Provisions	13
7. Increase / (decrease) in net assets from equity transfers	14
8. Financial instruments	15
9. Events after the reporting period	16

TAFE Commission (Senior Executives) Staff Agency
Statement by the Managing Director
for the year ended 30 June 2016

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 Financial Reporting Code for NSW General Government Sector Entities, 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 TAFE Commission (Senior Executives) Staff Agency; and
- 3 I am not aware of any circumstances, which would render any particulars included in the financial statements to be misleading or inaccurate.



Jon Black
Managing Director

Date: 14 November 2016

TAFE Commission (Senior Executives) Staff Agency

Statement of comprehensive income

for the year ended 30 June 2016

			For the period 10 December 2014 to 30 June 2015
	Notes	2016 \$'000	\$'000
Expenses			
Employee related	2	5,191	3,372
Total expenses		5,191	3,372
Revenue			
Personnel services	3a	4,488	2,783
Acceptance by the Crown Entity of employee benefits and other liabilities	3b	703	589
Total revenue		5,191	3,372
Net result		-	-
Other comprehensive income		-	-
Total other comprehensive income		-	-
Total comprehensive income		-	-

The accompanying notes form part of these financial statements.

TAFE Commission (Senior Executives) Staff Agency
Statement of financial position
as at 30 June 2016

	Notes	2016 \$'000	2015 \$'000
Assets			
Current assets			
Receivables	4	714	633
Total current assets		714	633
Total assets		714	633
Liabilities			
Current liabilities			
Payables	5	68	146
Provisions	6	628	471
Total current liabilities		696	617
Non current liabilities			
Non current provisions	6	18	16
Total non current liabilities		18	16
Total liabilities		714	633
Net assets		-	-
Equity			
Accumulated funds		-	-
Total equity		-	-

The accompanying notes form part of these financial statements.

TAFE Commission (Senior Executives) Staff Agency

Statement of changes in equity

for the year ended 30 June 2016

	Accumulated funds \$'000	Other reserves \$'000	Total equity \$'000
Balance at 1 July 2015	-	-	-
Net result for the year	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	-	-
Transactions with owners in their capacity as owners			
Increase / (decrease) in net assets from equity transfers			-
Balance at 30 June 2016	-	-	-
Balance at 1 July 2014	-	-	-
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 2015	-	-	-

The accompanying notes form part of these financial statements.

TAFE Commission (Senior Executives) Staff Agency

Statement of cash flows

for the year ended 30 June 2016

	For the Period 10 December 2014 to 30 June 2015	
	2016 \$'000	June 2015 \$'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 accompanying notes form part of these financial statements.

TAFE Commission (Senior Executives) Staff Agency

Notes to the financial statements

for the year ended 30 June 2016

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 2016 have been authorised for issue by the Managing Director on 14 November 2016.

(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 published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

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. However, certain provisions are measured at fair value (Note 6).

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.

(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 initially at fair value and subsequently at amortised cost using the effective interest rate method, less any allowance for impairment of receivables. 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.

TAFE Commission (Senior Executives) Staff Agency

Notes to the financial statements

for the year ended 30 June 2016

1. Summary of significant accounting policies (cont'd)

(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 benefits and other provisions

(i) 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% 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.

(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 present value in accordance with AASB 119. This is based on the application of certain factors (specified in NSWTC 15/09) to employees with 5 or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

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.

TAFE Commission (Senior Executives) Staff Agency

Notes to the financial statements

for the year ended 30 June 2016

1. Summary of significant accounting policies (cont'd)

(g) Employee benefits provisions and expenses (cont'd)

(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.

(h) 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 reports in the financial statements.

(i) New and revised Australian Accounting Standards and Interpretations

(i) Effective for the first time

The Staff Agency has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("the AASB"), which are relevant to, and effective for, the Staff Agency financial statements for the year ended 30 June 2016.

AASB 2013-9 (Part C), AASB 2014-1 (Part E) and AASB 2014-8 regarding amendments to AASB 9 *Financial Instruments*

AASB 2013-9 (Part C), AASB 2014-1 (Part E) and AASB 2014-8 amend AASB 9 *Financial Instruments*. AASB 9 is applicable for annual reporting periods beginning on or after 1 January 2018. Early adoption is not permitted under NSW TC 15/03 Mandates of Options and Major Policy Decisions under Australian Accounting Standards.

AASB 2015-3 regarding withdrawal of AASB 1031 *Materiality*

This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing AASB 1031 to effectively be withdrawn. This change has been assessed by the Staff Agency and there is no material impact.

AASB 2015-4 regarding amendments to AASB 128 *Investments in Associates and Joint Ventures* relating to financial reporting requirements for Australian groups with a foreign parent

This Standard amends AASB 128 to only require the ultimate Australian entity to apply the equity method in accounting for interests in associates or joint ventures, if either the entity or the group, or both the entity and group are reporting entities.

As NSW government reporting entities do not have a foreign parent, AASB 2015-4 does not have a material impact on NSW government agencies. AASB 128 will now only require the ultimate Australian entity to apply the equity method in accounting for interests in associates or joint ventures, if either the entity or the group, or both the entity and group are reporting entities.

As the Staff Agency does not have a foreign parent, this standard is not applicable to the Staff Agency.

The above standards have all been fully compiled into their respective standards, with the exception of AASB 2014-1 (Part E).

TAFE Commission (Senior Executives) Staff Agency

Notes to the financial statements

for the year ended 30 June 2016

1. Summary of significant accounting policies (cont'd)

(ii) Issued but not yet effective

The following new Accounting Standards have not been applied and are not yet effective. Management cannot determine the actual impact of these Standards in the Staff Agency's financial statements in the period of their initial application.

- *AASB 9 Financial Instruments*
- *AASB 15 Revenue from Contracts with Customers*
- *AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15*
- *AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9*
- *AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle*
- *AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101*
- *AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities*
- *AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15*
- *AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128*
- *AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107*
- *AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15*

TAFE Commission (Senior Executives) Staff Agency

Notes to the financial statements

for the year ended 30 June 2016

	2016 \$'000	For the period 10 December 2014 to 30 June 2015 \$'000
2. Expenses excluding losses		
Employee related expenses		
Salaries (including annual leave)	3,704	2,193
Superannuation - defined benefits plan	227	139
Superannuation - defined contribution plan	397	150
Long service leave	476	450
Workers' compensation insurance	53	38
Payroll tax and fringe benefit tax	334	177
Redundancies	-	225
	5,191	3,372
3. Revenue		
(a) Personnel services revenue		
Fee for personnel services	4,488	2,783
	4,488	2,783
(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:		
Superannuation - defined benefit	227	139
Long service leave	476	450
	703	589
4. Receivables		
Current receivables		
Debtors	714	633
	714	633

TAFE Commission (Senior Executives) Staff Agency

Notes to the financial statements

for the year ended 30 June 2016

For the
period 10
December
2014 to 30
June 2015

2016
\$'000

June 2015
\$'000

5. Payables

Current payables

Accruals - salaries and on costs	-	128
Payroll and fringe benefits tax	68	18
	68	146

6. Provisions

Current provisions

Annual leave (1)	333	254
Accrued payroll tax on annual leave and accrued salaries and wages	18	14
Annual leave on long service leave	70	54
Workers Compensation on long service leave	17	13
Payroll tax on long service leave	91	70
Superannuation on long service leave	67	49
Superannuation on annual leave	28	14
Other	4	3
	628	471

Non current provisions

Provision for payroll tax on long service leave	8	6
Annual leave on long service leave and annual leave	6	5
Workers' Compensation on long service leave	2	1
Superannuation on long service leave	2	4
	18	16

- (1) It is estimated that the provision for annual leave includes an amount of \$18k that is expected to be taken after 30 June 2017 (30 June 2016: \$21k).

TAFE Commission (Senior Executives) Staff Agency

Notes to the financial statements

for the year ended 30 June 2016

7. Increase / (decrease) in net assets from equity transfers

In 2016 there were no equity transfers. In 2015 the senior executives of the TAFE Commission were transferred to the Staff Agency as at 10 December 2014 as a result of an administrative restructure. Net assets and liabilities transferred to the Staff Agency were as follows:

	Transfer from NSW TAFE Commission	
	2016 \$'000	2015 \$'000
ASSETS		
Current Assets		
Receivables	-	-
Total Current Assets	-	-
Total Assets	-	-
LIABILITIES		
Current Liabilities		
Payables	-	-
Provisions	-	354
Total Current Liabilities	-	354
Total Liabilities	-	354
Net assets/ (liabilities)	-	(354)

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 operational activities of the Staff Agency do not expose it to a variety of financial risks such as credit, liquidity or market risk. The main risks arising from any financial instrument of the Staff Agency are outlined below together with the Staff Agency's objectives, policies and processes for measuring and managing the risks.

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	2016	2015
Class:			\$'000	\$'000
Receivables ¹	4	Loans and receivables (at amortised cost)	714	633
Financial Liabilities	Note	Category	2016	2015
Class:			\$'000	\$'000
Payables ²	5	Financial liabilities (at amortised cost)	-	128

¹ Excludes statutory receivables and prepayments (i.e. not within scope of AASB7)

² Excludes statutory payables and unearned revenue (i.e. not within scope of AASB7)

(b) Credit risk

Credit risk arises where a debtor or counterparty does not complete their obligations, resulting in financial loss to the Staff Agency.

Credit risk can arise from financial assets of the Staff Agency including outstanding receivables and committed transactions.

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. Personnel services debtors are employee related and therefore will not be past due or impaired for the 2016 financial year. All debtors are with NSW government agencies and no debtor balances are considered impaired as at 30 June 2016.

TAFE Commission (Senior Executives) Staff Agency

Notes to the financial statements

for the year ended 30 June 2016

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

	Weighted Average Effective Int. Rate	Nominal Amount	Interest rate exposure			Maturity dates		
			Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non- interest bearing \$'000	< 1 year \$'000	1 -5 years \$'000	> 5 years \$'000
2016								
Payables								
Accrued salaries, wages and oncosts		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
2015								
Payables								
Accrued salaries, wages and oncosts		128	-	-	128	128	-	-
		128	-	-	128	128	-	-

(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.

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 2016-2017

Operating Statement

\$,000

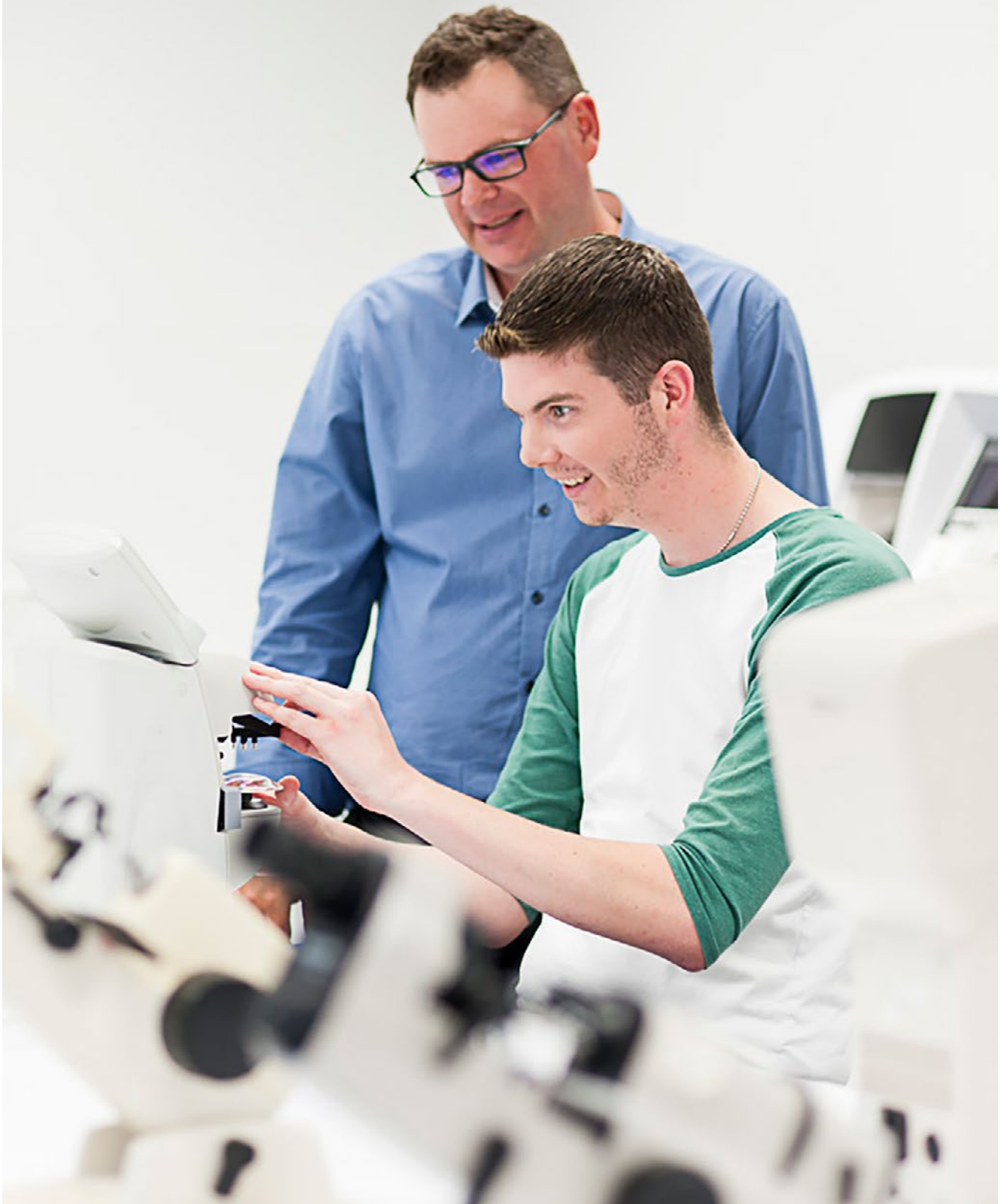
Total Revenue (Including Government Contributions)	1,729,377
Total Expenses Excluding Losses	1,816,750
Gain/(Loss)	(16,120)
Net Result	(103,493)

Balance Sheet

\$,000

Total Current Assets	610,831
Total Non-Current Assets	4,575,833
Total Asset	5,186,664
Total Current Liabilities	568,686
Total Non-Current Liabilities	2,873
Total Liabilities	571,559
Net Asset	4,615,105
Total Equity	4,615,105

Appendices



Management.....	130
NSW TAFE Commission Board	130
TAFE Commission (Senior Executives) Staff Agency	135
Senior executives.....	135
Organisation chart	140
Workforce.....	141
Human resources	141
Employee relations.....	141
Workforce diversity	142
Work health and safety	144
Inclusive strategies.....	144
Multicultural Policies and Services Program	144
NSW Carers (Recognition) Act 2010	149
Business resources	150
Land disposal.....	150
Major works.....	150
Consultants engaged	153
Overseas visits	154
Other requirements.....	155
Changes in legislation and significant judicial decisions.....	155
Privacy and Personal Information Protection Act 1998.....	155
Government Information (Public Access) Act 2009	155
Public Interest Disclosures	161
Government Resource Efficiency Policy.....	161
Risk management, insurance and internal audit.....	162
Internal audit and risk management policy attestation.....	163
Complaints and improvements	165
Digital information security attestation	167

Management

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

The TAFE NSW management structure is determined by sections 11-14 of the TAFE Act.

NSW TAFE Commission Board

The functions of the NSW TAFE Commission Board (the Board) are set out in section 12 of the Act, which include reviewing and making recommendations to the Minister on:

- policies related to the services provided by TAFE NSW
- the efficiency and effectiveness of TAFE NSW operations and management
- the setting of priorities for TAFE NSW commercial operations and the utilisation of commercial funds
- 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.

Members of the Board are appointed by the Minister under section 11 of the TAFE Act.

Board member qualifications and terms of appointment

The following people were current members of the NSW TAFE Commission Board as at 30 June 2016:

Board member	Current term of appointment	Positions held	Qualifications
Mr Terry Charlton (Chair)	5 June 2015 to 31 May 2018	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) Bachelor of Commerce (Economics and Accounting)
Mr Jon Black	Ex officio member: 7 December 2015 to present	Managing Director, TAFE NSW Member of the TAFE NSW Higher Education Governing Council Member of the TAFE NSW Higher Education Academic Board	Masters of Military Studies Bachelor of Arts (Economics/ Geo) Graduate, Australian Institute of Company Directors Graduate, United States Marine Corps Command and Staff College Graduate, Royal Military College Duntroon Adjunct Professor, Advanced Centre for Water Management (Faculty of Engineering)
Ms Carolyn Burlew	1 January 2016 to 31 December 2017	Deputy Chair, South Western Sydney Local Health District Board Member, Hunters Hill Ryde Community Services Board Independent Chair, Audit and Risk Committee, NSW Ombudsman Member, Audit and Risk Committee, Barangaroo Development Authority Member, Audit and Risk Committee, Transport for NSW Member, Pharmacy Council of NSW Independent Chair, Department of Justice, Audit and Risk Committee Independent Chair, Audit and Risk Committee, TAFE NSW Vice President, Fellow of the Institute of Public Administration Australia (IPAA) Member, National Council IPAA	Master of Public Administration Bachelor of Arts Diploma of Applied Science Fellow, Australian Institute of Company Directors Fellow, Institute of Public Administration Australia Paul Harris Fellow

Board member	Current term of appointment	Positions held	Qualifications
Emeritus Professor Joan Cooper	1 January 2016 to 31 December 2017	Higher Education Consultant Chair, Academic Board of TAFE NSW Higher Education Chair, Academic Board of York Institute (potential higher education provider working towards registration) Chair, Academic Board of ACT Institute of Higher Education (potential higher education provider working towards registration)	Bachelor of Mathematics (Honours) PhD. in Mathematics ("Some Investigations of Combinatorial Integer Matrices Using Cyclotomy")
Ms Ero Coroneos	1 January 2016 to 31 December 2017	Manager, Community and Social Strategy, Barangaroo South, Lend Lease. Convenor, Barangaroo South Community Partnership Associate Member, Australian Property Institute Associate Member, Governance Institute of Australia Graduate Member, Australian Institute of Company Directors Member, Women on Boards	Bachelor of Arts Advertising Federation of Australia Trainee Scholarship Master of Arts (Communications and Cultural Studies) Bachelor of Commerce (Land Economy) Bachelor of Laws (Honours) Accredited Mediator, LEADR, (Alternative Dispute Resolution) Graduate Diploma of Legal Practice Graduate Diploma of Applied Corporate Governance Graduate, Australian Institute of Company Directors
Professor Annabelle Duncan PSM	1 January 2016 to 31 December 2017	Vice Chancellor and Chief Executive Officer, University of New England, Armidale Member, University of New England Council Member, Universities Admissions Centre Board	Bachelor of Science Postgraduate Diploma of Science, (with credit) Master of Science Doctor of Philosophy Doctor of Science (Honoris causa)
The Hon. Morris Iemma	1 January 2016 to 31 December 2017	Chair, NSW Cancer Institute National Chair, Miracle Babies Foundation Commissioner South District, Greater Sydney Commission Chair, Riverwood Community Centre Vice President, St George Cricket Association President, Kingsgrove Cricket Club Committee member, Campbelltown/Camden Cricket Club Community Manager, Lantern Club (Mingara Leisure Group)	Bachelor of Economics Bachelor of Laws

Board member	Current term of appointment	Positions held	Qualifications
Ms Elizabeth McGregor	1 January 2016 to 31 December 2017	Director, TAFE NSW - North Coast Institute LH Martin Institute (volunteer role) Director, Coffs Harbour Technology Park	Graduate, Australian Institute of Company Directors Bachelor of Arts Graduate Diploma of Education Certificate IV in Training and Assessment Master of Education (in progress) Fellow, LH Martin Institute Member, Australian Education Union Member, TAFE Directors Australia Member, Australian Institute of Company Directors
Mr Craig Pudig (Deputy Chair)	1 January 2016 to 31 December 2017	Senior Advisory Counsel at Macquarie Group Ltd. Prior Global Head of Dispute Resolution and Litigation (for five years) Member of the Australian Centre for International Commercial Arbitration	Bachelor of Laws
Mr Duncan Taylor	1 January 2016 to 31 December 2017	Chair, Cooma Universities Centre 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 Immediate past president of the Isolated Children's Parents' Association of New South Wales	Bachelor of Laws (First Class Honours) Bachelor of Economic Graduate Diploma of Applied Legal Practice
Ms Justine Turnbull	1 January 2016 to 31 December 2017	Partner, Seyfarth Shaw Australia Director, Access Programs Australia Limited	Bachelor of Laws (Honours) Bachelor of Economics
Mr Todd Williams	1 January 2016 to 31 December 2017	CEO, Regional Development Australia, Hunter Region	INSEAD (the Business School for the World) course Harvard Business School, Executive Leadership course Diploma of Project Management and Engineering Master of Business Administration Fellow, Australian Institute of Company Directors Bachelor of Business, Industrial Relations and Human Resources

Former members' qualifications and terms of appointment

The following people were members of the NSW TAFE Commission Board for part of the 2015-16 period:

Former Board member	Term of appointment	Positions held	Qualifications
Ms Pam Christie	Ex officio member: 4 April 2011 to 2 November 2015	Former Managing Director, TAFE NSW Member of the TAFE NSW Higher Education Governing Council Member of the TAFE NSW Higher Education Academic Board	Bachelor of Arts Diploma of Education Graduate Diploma of Special Education Graduate Member, Australian Institute of Company Directors
Mr Mark McKenzie	11 December 2014 to 31 December 2015	Chief Executive Officer, NSW Irrigators Council	Diploma of Applied Science in Agriculture
Ms Melanie O'Connor	1 January 2014 to 31 December 2015	Managing Director, The Academy Network	Bachelor of Arts Diploma of Education Master of Business Administration
Mr Christopher Tooher	1 January 2014 to 31 December 2015	Executive Director, Sydney Festival Former Member, Audit and Risk Committee, TAFE NSW	Bachelor of Economics Associate Diploma in Accounting
Professor Andrew Vann	1 January 2014 to 31 December 2015	Vice-Chancellor, Charles Sturt University	PhD in Civil Engineering Systems Bachelor of Engineering (Honours) Graduate Certificate in Business Administration Fellow, Australian Institute of Management Fellow, Australian Institute of Company Directors Fellow, Institution of Engineers Australia
Mr Doug Wright AM	1 January 2014 to 31 December 2015	Australian Industry Group employee Member, TAFE NSW Higher Education Governing Council Director, WorldSkills Inc.	Bachelor of Arts Bachelor of Economics

Meeting attendance

The NSW TAFE Commission Board held 10 formal meetings between 1 July 2015 and 30 June 2016. Meeting attendance was as follows:

Board Member	Eligible to attend	Attended
Mr Terry Charlton (Chair)	10	10
Mr Jon Black	5	5
Ms Carolyn Burlew	10	10
Emeritus Professor Joan Cooper	5	3
Ms Ero Coroneos	5	5
Ms Pam Christie	3	3
Professor Annabelle Duncan	5	4
The Hon. Morris Iemma	5	5
Ms Elizabeth McGregor	5	5
Mr Mark McKenzie	5	4
Ms Melanie O'Connor	5	3
Mr Craig Pudig	10	9
Mr Duncan Taylor	5	5
Mr Christopher Tooher	5	5
Ms Justine Turnbull	10	9
Professor Andrew Vann	5	2
Mr Todd Williams	5	5
Mr Dough Wright AM	5	4

The quorum for a meeting is seven members.

TAFE Commission (Senior Executives) Staff Agency

Disclosure of a controlled entity

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

The Staff Agency was established to employ senior executives following the commencement of the *Government Sector Employment Act 2013* (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 2014-15 and 2015-16. These figures include the Managing Director, senior executives employed under the Staff Agency and other senior executives reporting directly to the Managing Director.

Number by band (equivalent) and by gender

As at June 2015

Band	Female	Male	Total
Band 4 or equivalent	-	-	-
Band 3 or equivalent	1	-	1
Band 2 or equivalent	9	6	15
Band 1 or equivalent	1	1	2
Total	11	7	18

As at June 2016

Band	Female	Male	Total
Band 4 or equivalent	-	-	-
Band 3 or equivalent	-	4	4
Band 2 or equivalent	7	4	11
Band 1 or equivalent	3	2	5
Total	10	10	20

Average remuneration by band

2014-15 Financial Year

Band	GSE Act remuneration range (\$)	TAFE NSW average remuneration (\$)
Band 4 or equivalent	430,451 - 497,300	-
Band 3 or equivalent	305,401 - 430,450	419,913
Band 2 or equivalent	242,801 - 305,400	276,187
Band 1 or equivalent	170,250 - 242,800	218,884

2015-16 Financial Year

Band	GSE Act remuneration range (\$)	TAFE NSW average remuneration (\$)
Band 4 or equivalent	441,201 - 509,750	-
Band 3 or equivalent	313,051 - 441,200	382,324
Band 2 or equivalent	248,851 - 313,050	285,566
Band 1 or equivalent	174,500 - 248,850	222,032

In 2015-16, 0.57 per cent of the TAFE NSW employee-related expenditure was related to senior executives, compared to 0.46 per cent in 2014-15.

These figures include the Managing Director, senior executives employed under the Staff Agency and other senior executives reporting directly to the Managing Director.

Senior executive positions and qualifications⁶⁰

Senior executive	Position title	Qualifications
Jon Black	Managing Director	Masters of Military Studies Bachelor of Arts (Economics/Geo) Graduate, Australian Institute of Company Directors Graduate, United States Marine Corps Command and Staff College Graduate, Royal Military College Duntroon Adjunct Professor, Advanced Centre for Water Management (Faculty of Engineering)
Glen Babington	Chief Operating Officer	Master of Business Administration Bachelor of Arts (Honours) Graduate, Australian Institute of Company Directors
Mark Easson	Chief Financial Officer	Master of Business Administration Bachelor of Commerce Chartered Accountant Member, Australian Institute of Company Directors
Mark Champion	A/Chief Information Officer	Bachelor of Science Graduate Diploma of Business Administration
Lucy Arundell	Chief Education & Training Officer R/Director, TAFE NSW Illawarra Institute	Bachelor of Arts Graduate Diploma of Information Management

⁶⁰ This table includes the Managing Director and senior executives that reported to the Managing Director for all or part of 2015-16.

Senior executive	Position title	Qualifications
Christine Warrington	A/Director, Hunter Institute	Bachelor of Adult Education (Honours) Diploma of Teaching (Technical) Member, Australian Institute of Company Directors
Dianne Murray	Director, Illawarra Institute	Master of Education Bachelor of Arts Diploma of Education (Vocational) Member, Australian Institute of Company Directors
Belinda Mackinnon	R/Director, Illawarra Institute	Graduate Diploma of Education Diploma of Training and Assessment Diploma of Teaching Certificate IV in Training and Assessment
Peter Heilbuth	Director, New England Institute R/Director, South Western Sydney Institute	Master of Philosophy (Education) Bachelor of Social Sciences, Politics (Honours) Bachelor of Arts Diploma of Project Management Diploma of Frontline Management Certificate IV in Assessment and Workplace Training
John Michael	R/Director, New England Institute	Bachelor of Education (Technical and Further Education) Diploma of Teaching Technical and Further Education Certificate IV in Assessment and Workplace Training Vocational Graduate Certificate in Education and Training for Sustainability Certificate in Building Course Certificate in Building Foreman and Clerk of Works - Post Trade Certificate in Carpentry and Joinery - Trade Carpentry and Joinery Trade Course OHS Certification - Basic scaffolding, Explosive Powered Tools OHS Construction Induction Training Certificate
Elizabeth McGregor	Director, North Coast Institute	Bachelor of Arts Graduate Diploma of Education Certificate IV in Training and Assessment Master of Education (Leadership) (in progress) Graduate, Australian Institute of Company Directors
Alison Wood	Director, Northern Sydney Institute	Master of Arts Education (TESOL) Bachelor of Science
Brenda Cleaver	R/Director, Northern Sydney Institute	Master of Education Graduate Certificate Executive Business Administration Graduate, Australian Institute of Company Directors Bachelor of Education Bachelor of Arts (Psychology) Certificate IV in Training and Assessment
Kerry Penton	Director, Riverina Institute	Bachelor of Education Diploma of Vocational Education and Training Graduate Certificate in Educational Leadership Graduate, Australian Institute of Company Directors Certificate IV in Workplace Training and Assessment

Senior executive	Position title	Qualifications
Paul Ingwersen	R/Director, Riverina Institute	Executive Master in Public Administration Graduate Certificate in Leadership in Vocational Education and Training Graduate, Australian Institute of Company Directors Certificate in English Language Teaching to Adults
Terri Connellan	R/Director, Riverina Institute	Master of Arts in Language and Literacy Graduate Diploma in Adult (Basic) Education Bachelor of Arts (Honours) Diploma of Education Certificate IV in Training and Assessment
David Riordan	Director, Sydney Institute	Master of Education Bachelor of Arts Diploma of Teaching Graduate Certificate in Management
Deborah Hyam	Associate Director Student Learning, Sydney Institute	Graduate Certificate in Adult Education Associate Diploma of Teaching
Peter Roberts	Director, South Western Sydney Institute	Master of Education (Adult Education) Bachelor of Arts Diploma of Teaching (Technical)
Robin Shreeve	Director, Western Sydney Institute	Master of Arts Bachelor of Arts (Honours) Adjunct Professor of Education at both Western Sydney University and Federation University Honorary Senior Fellow, LH Martin Institute
Kate Baxter	Director, Western Institute	Master of Professional Practice (Education) Bachelor of Social Work (Honours) Graduate Diploma of Vocational Education & Training Graduate Diploma Counselling Master of Social Administration Graduate, Australian Institute of Company Directors
Petra Koziollek	Chief Audit Executive	Master of Economics Bachelor of Business (Major in Accounting) Qualified Internal Auditor Chartered Accountant
Olga Popovic	Executive Director, TAFE Transformation	Bachelor of Business Certified Practising Accountant
Adam Cox	R/Executive Director, TAFE Transformation	Bachelor of Arts (Political Science)
Philip Clarke	Executive Director, TAFE Strategy and Finance	Master of Arts Bachelor of Social Science
Alison Taylor	Director, TAFE NSW Digital Transformation	Masters of Commerce Bachelor of Business Bachelor of Arts Graduate, Australian Institute of Company Directors
Barry O'Loughlin	Chief Financial Officer	Bachelor of Financial Administration Fellow, Certified Practising Accountants Australia

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* (the Minister for Skills).

The Managing Director leads, drives and shapes TAFE NSW strategic directions 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 team and manages diverse interests and priorities across TAFE NSW institutes and central support business units. The position is a member of the NSW TAFE Commission 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 all or part of 2015-16:

Institute Directors

TAFE NSW has 10 Institute Directors. Institute Directors are members of the TAFE NSW Executive Leadership team. Each leads a unique and dynamic VET provider, delivering services essential to the economic and social success of the region.

Chief Operating Officer

The Chief Operating Officer is a key strategic leader and advisor, responsible for enhancing the organisation's performance across key support areas: Modernisation Portfolio; People and Safety; Governance, Legal and Risk; Communications and Marketing; and Property and Logistics. The Chief Operating Officer has lead responsibility for the Modernisation Portfolio established to deliver the *One TAFE Modernisation Portfolio*. The Portfolio is designed to ensure TAFE NSW is well set up for the future to deliver the world-class training employers want and students need and transitions to a new operating model to ensure it can compete successfully in a contestable vocational education and training market.

Chief Financial Officer

The Chief Financial Officer is responsible for the provision of specialist financial services and business development advice to support the NSW TAFE Commission Board, Managing Director, and

Executive Leadership Team in meeting the *TAFE NSW Strategic Plan 2016-2022* and rolling Business Plan outcomes and satisfying its legislative, governance and regulatory requirements. The role undertakes policy and strategy analysis, performance monitoring and coordination of the financial input for business planning and major change initiatives for the business with a key focus on implementing best practice financial and associated enterprise resource planning systems within TAFE NSW.

Chief Education & Training Officer

The Chief Education and Training Officer is the senior executive responsible for providing systematic, consistent, approach across TAFE NSW to the provision of high quality teaching and learning outcomes at all levels of coursework. The role provides leadership of the TAFE NSW teaching and learning strategies to ensure that training and academic requirements are at the forefront of technology and new and emerging employment opportunities. The role provides technical advice on vocational educational and training opportunities to the NSW TAFE Commission Board and Government and contributes to the efficient and effective delivery of training and education while assisting the business to identify opportunities to grow commercial revenues and profitability.

Chief Information Officer

The Chief Information Officer provides vision and leadership for developing and assisting in the implementation of information technology initiatives that align with the business strategy and objectives. The role supports the planning and implementation of organisationally aligned information and communications technology (ICT) strategies and systems to enable the business process owners to improve operational effectiveness, service quality and maximise returns from ICT investments. The role is responsible for supporting the development and deployment of a new TAFE NSW digital learning system and applications to support innovation in the delivery of cost effective web-based education programs, for blended learning through TAFE NSW programs, and for standalone highly regarded and competitive web-based products.

Chief Audit Executive

The Chief Audit Executive provides leadership and direction of the audit and risk function to help TAFE NSW accomplish its objectives, by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, controls and governance processes. The role also provides risk based, objective and reliable assurance and advice.

Executive Director, TAFE Transformation

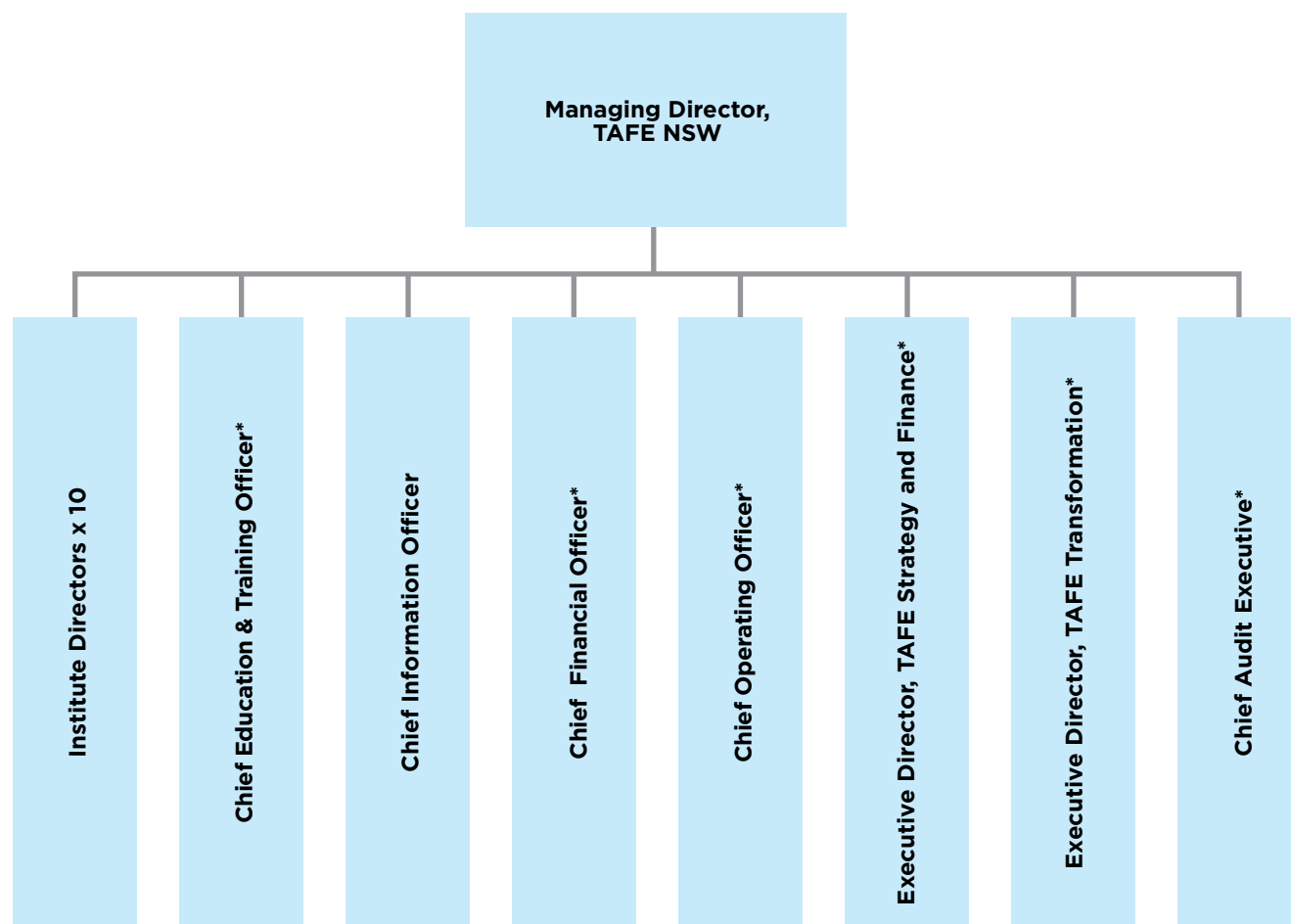
The role leads, drives and shapes TAFE NSW governance, workforce and business reforms so that TAFE NSW can grow as a contemporary public sector education business and be successful in a more contestable market under Smart and Skilled reforms, while fulfilling its role as the public VET provider.

Executive Director, TAFE Strategy and Finance

The role supports the Managing Director, the NSW TAFE Commission Board and TAFE NSW institutes in setting strategic directions for TAFE NSW, in resourcing these directions and in monitoring and reporting on the performance of institutes. The role provides effective leadership and management of TAFE NSW financial resources, strategic positioning and development, planning and resourcing, business analytics and accountability and strategic policies. The role ensures that all systems and processes are aligned to the corporate objectives and internal and external policy constraints.

Organisation chart

The following senior executive positions reported to the Managing Director for all or part of 2015-16



* The positions indicated reported to the Managing Director for part but not all of 2015-16.

Workforce

Human resources

Number of employees (Full time equivalent)

Service group	June 2013	June 2014	June 2015	June 2016
Teachers	9,642	8,853	6,624	5,948
Education support staff	4,205	3,978	3,578	3,712
Corporate services staff ⁶¹	1,029	1,034	975	928
Total	14,876	13,865	11,177	10,589

Source: NSW Public Sector Workforce Profile as at June each year.

Notes:

- Full time equivalent includes all permanent, temporary and casual employees active on census date, which occurs on the last payday in the financial year, as prescribed by the Public Service Commission.
- Due to rounding, the figures may not add up to the totals shown.
- The number of teachers fluctuates from one year to the next, as part-time and casual teachers may not have been working on the census date which falls towards the end of the semester.
- The total employees reported above varies from the budget papers. The budget figure is calculated based on an average rate of pay, while the annual report figure is based on workforce data collected on the census date.

Personnel policies and practices

TAFE NSW is a large, complex agency which is progressing through a period of significant change due to internal and external factors such as the introduction of Smart and Skilled and the separation of TAFE NSW from the NSW Department of Education.

During 2015-16, TAFE NSW continued revision of its human resource procedures to develop concise documents that provide for flexibility and local accountability within relevant legislative and industrial frameworks.

Employee relations

Enterprise agreements

TAFE NSW undertook enterprise bargaining for the four enterprise agreements that apply to its employees in 2015-16.

Fair Work Australia approved two enterprise agreements: the *TAFE Commission of NSW Institute Managers Enterprise Agreement 2015* and the *TAFE Commission of NSW Teachers in TAFE Children's Centres Enterprise Agreement 2016*.

TAFE NSW gained staff endorsement for the *TAFE Commission of NSW Administrative, Support and Related Employees Enterprise Agreement 2016* during 2015-16. This enterprise agreement was subsequently approved by the Fair Work Commission in August 2016.

TAFE NSW continued negotiations in relation to a replacement for the *TAFE Commission of NSW Teachers and Related Employees Enterprise Agreement 2013*.

More information on TAFE NSW enterprise bargaining is available from the website: www.tafensw.edu.au/enterprise-bargaining

Exceptional movements in wages, salaries or allowances

TAFE NSW had no exceptional movements in wages, salaries or allowances in 2015-16.

Consultation mechanisms

The TAFE NSW Peak Consultative Group, comprising of TAFE NSW and union representatives, met regularly during 2015-16 to discuss strategic issues affecting TAFE NSW staff. The main function of the TAFE Peak Consultative Group is to provide high level advice and informed stakeholder input in relation to the implementation of workplace reform.

TAFE NSW institutes continued to meet regularly with relevant unions through their Institute Consultative Committee to deal with matters that arise at a local level.

Conditions of employment

TAFE NSW employment practices are in accordance with industrial relations policies and practices provided for under Commonwealth and NSW legislation, policies and industrial instruments.

⁶¹ Including Institute and Central Support

Workforce diversity

The NSW Department of Education's [Workforce Diversity Plan 2012-2017](#) applied to TAFE NSW during 2015-16.

The *Workforce Diversity Plan* provides a strategic framework for building a workforce that reflects the diversity of our students and communities. The vision of the Plan is to create an organisation free from all discrimination, where staff are recruited and promoted on merit and are representative of the wider NSW community.

Equal employment opportunity groups as a proportion of the total number of TAFE NSW staff

Workforce Diversity Group	Benchmark / Target	2014-15	2015-16
Women	50.0%	60.7%	61.2%
Aboriginal and Torres Strait Islander people ⁶²	2.6%	2.7%	3.2%
People whose first language spoken as a child was not English ⁶²	19.0%	17.4%	17.2%
People with a disability ⁶²	N/A	3.6%	3.3%
People with a disability requiring work-related adjustment	1.5%	1.1%	0.9%

Source: NSW Public Sector Workforce Profile as at 30 June each year.

Notes: Representation of Equal Employment Opportunity (EEO) groups is calculated as the estimated number of staff in each group divided by the total number of staff. These statistics, except those for women, have been weighted to estimate the representation of EEO groups in the workforce, where EEO survey response rates were less than 100 per cent. The total number of staff is based on a headcount of permanent and temporary employees.

Index of distribution of equal employment opportunity groups across salary levels

Workforce Diversity Group	Benchmark / Target	2014-15	2015-16
Women	100	96	96
Aboriginal and Torres Strait Islander people ⁶²	100	101	96
People whose first language spoken as a child was not English ⁶²	100	94	95
People with a disability ⁶²	100	94	93
People with a disability requiring work-related adjustment	100	100	100

Source: NSW Public Sector Workforce Profile as at 30 June each year.

Notes: A distribution index of 100 indicates that the centre of the distribution of the EEO groups across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels.

Workforce diversity achievements

The *Government Sector Employment Act 2013* provides an enhanced focus on workforce diversity across the NSW public sector and ensures that workforce diversity is integrated into broader workforce planning processes.

⁶² Data on the actual number of staff who are Aboriginal, from Language Backgrounds Other Than English or have a disability are by self-disclosure, therefore may be an underrepresentation of the actual number.

Women

The NSW TAFE Commission Board sponsored eight female staff from central divisions and institutes to participate in the 2015 TAFE NSW Senior Leadership program.

Aboriginal staff

TAFE NSW celebrated and recognised the achievements of Aboriginal staff through the TAFE NSW Gili Awards. These awards, which are held annually, acknowledge the outstanding achievements, contributions and dedication of Aboriginal TAFE NSW staff and students.

The 2016 Gili Awards ceremony, held in May 2016, celebrated the achievements of Aboriginal staff and their programs which had contributed positively to Aboriginal communities through VET.

TAFE NSW also held the annual Aboriginal staff symposium with the theme 'Many Mobs – One TAFE' in May 2016. The symposium provided Aboriginal staff across the organisation with professional development in state and national initiatives, TAFE NSW strategic directions and showcased how Aboriginal cultural perspectives are being embedded in delivery to increase Aboriginal student engagement and employment outcomes.

Local Aboriginal Employment Strategies were developed in a number of regions, such as TAFE NSW – Western Institute's Stretch Reconciliation Action Plan and *2015-2018 Aboriginal Employment Strategy*.

In July 2015, TAFE NSW – Western Institute launched its *2015-2018 Aboriginal Employment Strategy*. The Strategy set an 11 per cent Aboriginal employment target within its workforce by 2018 across all levels of the organisation. The Strategy focuses on the areas of recruitment, retention, career advancement of Aboriginal staff as well as building staff cultural awareness and competency of Aboriginal people.

Traineeship strategies for Aboriginal peoples were developed and implemented to improve workforce outcomes.

Staff from Language Backgrounds Other Than English

TAFE NSW used local demographic data and student enrolment profiles to plan the recruitment of teachers, educational support staff and counsellors to support programs and services for their diverse student populations. Institutes employed bilingual teachers, counsellors and student support officers and maintained registers of volunteer bilingual staff to provide interpreting assistance for students.

TAFE NSW continued to support many professional learning opportunities for staff from culturally diverse backgrounds, including leadership and capability development forums.

Staff with a disability

TAFE NSW ensures it provides staff who have an identified disability with access to appropriate resources and facilities, including provision and training in the use of assistive technologies and specialised software. Staff and job applicants with an identified disability are provided with accessible rooms, and adjustments are made to ensure a safe and inclusive workplace.

Traineeship strategies for people with a disability were developed and implemented to improve workforce outcomes.

Equity and diversity awareness activities

TAFE NSW promoted and celebrated events to raise diversity awareness and to encourage inclusive practices, such as Multicultural Day, Harmony Day, Sorry Day, Mental Health Week, International Women's Day and R U OK? Day. TAFE NSW campuses involved students and community members in the celebrations to raise awareness of equity and diversity.

TAFE NSW supports and promotes an inclusive and respectful workplace through its professional development programs for staff, including Aboriginal cultural awareness and competency and supporting the Public Service Commission's *Aboriginal Senior Leadership Program* and network.

Workforce diversity strategies proposed for next year

In 2016-17, TAFE NSW will continue its commitment to create a workplace that is fair, inclusive, free of discrimination, and to promote a workforce that reflects the diversity of the students and the communities which it serves.

Strategies proposed for 2016-17 include:

- expansion of the TAFE NSW *Aboriginal Employment Strategy*
- initiatives to improve employment outcomes for employees from diverse backgrounds and to increase the number of Aboriginal employees
- building the capability of female employees with leadership potential through mentoring programs and participation in leadership development programs
- a review of recruitment practices to identify and remove any hidden barriers to employment opportunities for people from the lesbian, gay, bisexual, transgender and intersex community
- continued provision of traineeship programs for people with a disability and Aboriginal peoples.

Work health and safety

TAFE NSW has a memorandum of understanding with the NSW Department of Education to provide work, health and safety services. The Department's *Work Health and Safety Policy* applied to TAFE NSW in 2015-16.

During 2015-16, TAFE NSW continued to provide effective and efficient health and safety services to staff across the state. The overall number of injuries reported reduced, compared to the previous year.

	2011-12	2012-13	2013-14	2014-15	2015-16
Total Claims	861	651	515	415	346
Total Hours Paid	61,353	32,898	20,932	11,655	9021
No. Claims with Lost Time	352	242	190	110	81
No. Rehabilitation Cases	91	59	64	93	82
Insurer Costs	\$316,245	\$236,385	\$251,933	\$326,486	\$337,277
Average Cost Per Case	\$7,872	\$4,933	\$5,643	\$5,631	\$4,861

Source: NSW Department of Education, Corporate Services.

Notes: Excludes incident-only claims. Claim numbers reflect those reported within the financial year. Data provided for 2011 was impacted on by delays from the department's fund manager in processing claims for lost time reimbursement.

No prosecution action was taken against TAFE NSW in 2015-16 under the *Work Health and Safety Act 2011*.

Inclusive strategies

TAFE NSW, as the state's public VET provider, assists people experiencing disadvantage to access education and skill development services they need to join the workforce and participate fully in the community and economy.

TAFE NSW has a framework in place to meet these social obligations that sets out the types of services available to eligible individuals experiencing disadvantage.

Multicultural policies and services program

In 2015, TAFE NSW had more than 73,000 enrolments by students from Language Backgrounds Other Than English.⁶³

The [Department of Education and Communities Multicultural Plan 2012-15](#) guides TAFE NSW delivery of VET and higher education to students from culturally, linguistically and religiously diverse backgrounds.

TAFE NSW aims to support and meet the education and training needs of a culturally, linguistically and religiously diverse society, and promote community harmony and social inclusion through programs which counter racism, intolerance and discrimination. Specific activities include:

- the delivery of high quality English language programs and resources, including the *Adult Migrant English Program* to refugee and humanitarian entrant students, English for Speakers of Other Languages and Skills for Education and Employment
- learner support including specialist language, literacy and numeracy teaching
- promotion of tertiary pathways through overseas qualification recognition
- interpreter services to support communication
- provision of key documents in languages other than English and information campaigns in the ethnic press and radio

⁶³ NCVER VOCSTATS *Government-funded students and courses 2015*

- employment of specialist staff to enhance engagement including institute Multicultural Education Coordinators, specialist bilingual counselling staff, and community engagement coordinators training staff in cross-cultural awareness and cultural competencies including through internet based tools such as *Globesmart*
- community partnerships and consultation with relevant community organisations to promote intercultural understanding and community relations
- delivery of cultural awareness programs to community organisations, businesses and other agencies to promote inclusivity in the workplace and society more broadly
- antiracism activities, teaching resources and consultations forums with culturally and linguistically diverse communities
- research on effective educational strategies for diverse client groups.

In 2016-17 TAFE NSW will develop and implement a Multicultural Plan as required under the *Multicultural NSW Act 2000*. TAFE NSW will report against the new plan in the 2016-17 annual report.

Please note that details of TAFE NSW activities to support Aboriginal and Torres Strait Islander people can be found in the Performance section of the annual report.

Supports and programs

English language programs and resources

TAFE NSW delivered high quality English language programs to students from Language Backgrounds Other Than English. Programs range from beginner to vocational and advanced levels, to enable students to converse with others and participate in employment, to higher-level English language skills to undertake higher education studies.

Programs delivered by TAFE NSW include:

- *Adult Migrant English Program*
- *Skills for Education and Employment* which provides contextualised language training with embedded employability skills
- *NSW Adult Migrant English Service Skillmax* jobseeker courses
- Elementary English Language
- English for Vocational Purposes
- English for Further Studies
- Academic English
- *Settlement Language Pathways for Employment and Training*
- *Language Pathways for Employment and Training*
- Certificate in Spoken and Written English.

TAFE NSW – Riverina Institute negotiated an arrangement with the Red Cross which allowed asylum seekers arriving in Australia by boat to receive up to 10 weeks of English language tuition. The program was designed by the Australian Border Force and delivered by the Institute to help participants function independently in Australia, develop social connections and, if permitted, find employment. Asylum seekers in community detention or who held a Bridging E visa were eligible for the program if they had not previously accessed English as a Second Language training. The program was funded by the Department of Immigration and Border Protection.

TAFE NSW OTEN offers many courses from beginner to advanced levels. In 2015-16, courses were delivered to more than 584 English for Speakers of Other Languages (ESOL) students, of whom over 120 were Skills for Education and Employment students.⁶⁴ Individualised ESOL programs were set up in conjunction with Community Corrections for people on parole from Fairfield and Parramatta correctional centres.

⁶⁴ TAFE NSW institute administrative data

Support for students from refugee and humanitarian backgrounds

TAFE NSW works with government and non-government agencies to support students from refugee and humanitarian backgrounds. A wide range of internal and external supports were provided, including interpreter services, childcare services, mentoring and personal and career counselling.

TAFE NSW – Northern Sydney Institute delivered a mentoring program to support newly arrived Tibetan humanitarian entrants during their initial settlement in partnership with the Multicultural Health Service. Bilingual support was also provided for Tibetans in the *Adult Migrant English Program Special Preparatory Pathway Program*. The Institute is preparing for the arrival of more than 300 Tibetan humanitarian entrants and refugees from Iraq and Syria who are expected to settle in the northern Sydney area in 2016-17.⁶⁵

TAFE NSW – Illawarra Institute registered 35 students from refugee backgrounds in the *Work Development Order Program* which contributed to a reduction of more than \$25,000 in state debt fines.⁶⁶ The program allows eligible people to pay off their state debt fines by attending an approved educational or community engagement program.

Pathways to employment and further study

TAFE NSW designs and delivers targeted training programs that produce job-ready graduates and have a wide range of tertiary pathway arrangements in place. Pathways are promoted to students from culturally and linguistically diverse backgrounds, prospective employers, universities and the broader community.

TAFE NSW – North Coast Institute delivered a *Settlement Language Pathways for Employment and Training* entrepreneur program at the Coffs Harbour campus, funded by the *Adult Migrant English Program*. In the program, Certificate in Spoken and Written English units were delivered to students while they learned sewing skills. The students, who are on women-at-risk visas, were able to build their English language skills and their clothing production skills, enabling them to apply for a tender to make jockey silks and prepare clothing for retail outlets.

TAFE NSW OTEN partnered with Metro Assist Migrant Resource Centre for the *SkillME* project. *SkillME* is an employment support program funded by the NSW Government which helps skilled migrants and refugees gain recognition for overseas qualifications. The project tracks the holistic progress of clients in meeting their goals by reviewing training, housing, child care and mental health. By 30 June 2016, more than 40 students from *SkillME* had enrolled with OTEN.⁶⁶ Two customised employability and language skills courses were delivered by OTEN to enable the students to undertake further study. A new program is planned including vocational units to provide gap training.

TAFE NSW – Northern Sydney Institute partnered with the Australian Government's Trades Recognition Australia to assess electricians from overseas to get their skills and qualifications recognised for employment purposes and occupational licensing and gain an electrician's licence.

⁶⁵ Data from the Tibet Information Office, as quoted by NSW Health, Multicultural Health and Services at the Northern Sydney Refugee, Humanitarian Entrants and Asylum Seekers Forum.

⁶⁶ TAFE NSW institute administrative data

Social cohesion strategies

TAFE NSW promoted and celebrated a number of corporate events to raise diversity awareness and to encourage inclusive practices in 2015-16, including:

- Multicultural March
- Reconciliation Week
- National Aborigines and Islanders Day Observance Committee Week
- World Refugee Week
- Multicultural Day
- Harmony Day.

TAFE NSW promoted and participated in local community events and developed programs aimed at building cultural awareness, including offering cultural competence training for individuals and organisations.

In March 2016, TAFE NSW – Sydney Institute organised an exhibition titled *Refugee Expressions* to promote intercultural understanding and build intercommunal relations in partnership with the NSW Service for the Treatment and Rehabilitation of Torture and Trauma Survivors. The exhibition showcased more than 50 visual and video artworks and sculptures created by community and professional artists, many of whom are from refugee backgrounds. One component of the exhibition showcased the work of children exploring the themes of identity, belonging and displacement. More than 700 people visited the exhibition, including classes from across TAFE NSW, students, community groups and members of the general public.⁶⁷

Quality teaching and leadership

TAFE NSW is committed to ensuring that teachers and leaders have the knowledge and skills to deliver high quality teaching programs and services that meet the needs of students and clients from culturally diverse backgrounds. Racism, harassment prevention and cross cultural awareness sessions were part of staff inductions and ongoing staff training.

TAFE NSW conducted professional development activities to support teaching and administration staff to meet the needs of students and clients from culturally and linguistically diverse backgrounds.

TAFE NSW – South Western Sydney Institute conducted surveys after training activities to identify areas where teachers may need more training and held annual capability planning meetings with each team in the Institute. These initiatives allow staff to identify training and support needs on an ongoing basis, including in relation to cultural and linguistic diversity.

TAFE NSW – Sydney Institute developed an annual program of cultural and linguistic competency training to help teachers meet the needs of students from culturally and linguistically diverse backgrounds. Teachers attended workshops focused on promoting inclusive learning environments, inclusive teaching, trauma informed teaching, good practice for oral background learners and culturally inclusive practice. Workshops were presented by specialist guest speakers from refugee, migrant and trauma agencies and literacy and language experts from within the Institute.

⁶⁷ TAFE NSW institute administrative data

Employment of specialist staff

TAFE NSW employed community engagement staff, student support counsellors, Aboriginal co-ordinators, disability teacher consultants and education support officers, bilingual teaching and administration staff, bilingual disability assistants and maintained registers of bilingual staff to provide interpreting services.

Adult Migrant English Program students at TAFE NSW – Illawarra Institute are supported by specialist TAFE NSW staff and onsite delivery of specialist counselling services including Service for the Treatment and Rehabilitation of Torture and Trauma Survivors.

Liaison with the community

Institute staff are involved in inter-agency networks and regularly liaise with external organisations to deliver appropriate and effective training to culturally diverse clients, such as:

- migrant resource centres
- multicultural community groups
- refugee settlement staff and service providers
- translator and interpreter boards
- local *jobactive* employment service providers
- local businesses and employers
- local councils
- Government departments and service providers, such as Centrelink.

TAFE NSW – Sydney Institute developed and strengthened partnerships with youth, disability, multicultural and general government and non-government agencies and enterprises to create supported learner pathways for disadvantaged communities. The Institute is also involved in inter-agencies such as the Local Area Network Interagency, Sutherland Shire Multicultural Network, St George Migrant Resource Centre, Inner and Eastern Sydney Migrant Interagency, Sydney Chinese Services Interagency, Inner West Multicultural Interagency and Marrickville Multicultural Interagency.

TAFE NSW – Riverina Institute worked with community organisation Intereach Deniliquin to implement a local culturally and linguistically diverse engagement strategy to support refugees and people from Language Backgrounds Other Than English in the Deniliquin area. The Institute ran workshops with community groups in Wagga Wagga, Deniliquin and Griffith under the *Home Tutor Scheme Enhancement Program* to train staff and volunteers on communicating with culturally and linguistically diverse people.

Use of data and research

TAFE NSW conducts research and uses and analyses data to identify potential improvements in delivery, assessment and provision of services to students, such as:

- labour market reports
- data on migration patterns
- emerging training demands, including monthly enrolment and completions data
- student and client satisfaction surveys conducted in English and community languages
- student outcomes and learner engagement surveys
- activities of settlement services and coordinating bodies
- humanitarian priorities such as marginalised minority groups
- Department of Human Services and Immigration and Border Protection initiatives, changes and focus areas.

Counsellors and Digital Learning Services at TAFE NSW – Illawarra Institute created a ‘Weekly Check-in’ survey to enable learners to identify areas of dissatisfaction or difficulty. The check-in can be tracked in real time, ensuring problems are addressed quickly and effectively. Counsellors conduct weekly mentoring sessions with targeted groups and review check-in responses with learners.

In 2015-16, TAFE NSW – Hunter Institute developed partnerships with the University of Newcastle to conduct research on the education achievements of refugee students and their transition into tertiary studies. From July 2016, research will be undertaken in the areas of student engagement, outcomes and progress.

NSW Carers (Recognition) Act 2010

The *NSW Carers (Recognition) Act 2010* requires 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*, TAFE NSW provides flexible delivery and assessment options to allow students to study and be assessed 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, or who are carers. Institutes also employ specialist staff, trained to identify the needs of students and recommend additional internal and inter-agency services and resources.

TAFE NSW promoted the availability of the Australian 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. Information is provided to potential carers in response to inquiries about the flexible arrangements available.

The NSW Department of Education (the Department)'s *Workforce Diversity Policy* continued to apply to TAFE NSW during 2015-16. The policy is published on the Department's intranet site and is accessible to all TAFE NSW staff.

Staff with carer responsibilities were able to access the Department's *Employee Assistance Program*, an independent, confidential and free professional counselling service to support the health and wellbeing of employees.

TAFE NSW staff also had access to a dedicated page on the Department's intranet site providing information, online resources and useful links for staff who are carers, or who work with people who have carer responsibilities.

During 2015-16, up to 4,661 TAFE NSW staff (70.6 per cent of whom were women) accessed flexible work options. These include up to 2,760 staff taking short term absences to meet family and community responsibilities.

Consultation and liaison with carers

In 2015-16, the Department provided human resource services and support to TAFE NSW through a Memorandum of Understanding. The services provided to TAFE NSW by the Department included access to an *Employee Assistance Program* for TAFE NSW staff.

The Department's *Workforce Diversity Policy*, which applies to TAFE NSW, is consistent with the *NSW Carers (Recognition) Act 2010*. TAFE NSW works within the parameters of the Department's *Workforce Diversity Plan 2012-2017* and the *NSW Carers' Charter*.

The Department is represented on the NSW Carers Strategy project management group and established partnerships with NSW agencies to network and consult on policy and program development, including on behalf of TAFE NSW.

Human resources policies supporting carers

There were no changes to human resources policies that affected carers in 2015-16.

Business resources

Land disposal

In 2015-16, the net proceeds from the disposal of one TAFE NSW property amounted to \$6.5 million.

Ownership of the Petersham (West Street) site was transferred from TAFE NSW to the NSW Department of Education to establish a senior high school. The site was surplus to TAFE NSW requirements. The proceeds from the sale will be reinvested to improve Information and Communications Technology and upgrade services at other TAFE NSW campuses.

An application for access to documents concerning details of the property disposed of during 2015-16 may be made in accordance with the *Government Information (Public Access) Act 2009*.

Major works

The tables below list new, continuing and completed major works, including their cost as at 30 June 2016 and estimated dates of completion. It also includes details of any significant⁶⁸ delays, cancellations, or cost overruns.

New major works in 2015-16

Project description and location	Total expend. to 30 June 2016 ⁶⁹ ('000)	Estimated total cost ⁷⁰ ('000)	Start ⁷¹	Completion date ⁷² (actual or estimated)	Significant delays, cancellations or cost overruns
Hunter Institute Newcastle Campus – Customer Service and Industry Development Centre	\$0	Commercial in Confidence	2015	30 June 2018	-
Illawarra Institute – Growing Flexible Delivery - Information Technology Infrastructure	\$971	Commercial in Confidence	2015	30 June 2018	-
North Coast Institute - Coffs Harbour Education Campus, Applied Construction and Plumbing Technologies Hub	\$80	Commercial in Confidence	2015	31 December 2018	-
North Coast Institute – Port Macquarie Customer Contact Centre and Kingscliff Student Central	\$423	Commercial in Confidence	2016	30 June 2017	-

⁶⁸ “Significant” is defined as a delay of more than 12 months, or cost overrun of more than 10 per cent of the total expenditure.

⁶⁹ Total Expenditure is the actual expenditure as at 30 June 2016. The 2016-17 Budget Paper provided estimated expenditure as at 30 April 2016.

⁷⁰ The Estimated Total Cost for projects continuing in 2016-17 is as published in the 2016-17 Budget Paper 2.

⁷¹ Calendar year

⁷² The year of the completion dates as published in the 2016-17 Budget Paper 2.

Project description and location	Total expend. to 30 June 2016 ⁷³ ('000)	Estimated total cost ⁷⁴ ('000)	Start ⁷⁵	Completion date ⁷⁶ (actual or estimated)	Significant delays, cancellations or cost overruns
Northern Sydney Institute – Northern Beaches Campus Electrotechnology	\$59	Commercial in Confidence	2016	31 December 2017	-
Northern Sydney Institute - Ryde Campus, Hospitality Training Centre	\$72	Commercial in Confidence	2015	28 February 2017	-
Northern Sydney Institute - Ryde Campus, Hospitality Upgrade	\$49	Commercial in Confidence	2016	28 February 2017	-
Northern Sydney Institute – St Leonards Campus, Children's Services	\$56	Commercial in Confidence	2016	31 December 2017	-
South Western Sydney Institute Wetherill Park College – Engineering Consolidation	\$6	Commercial in Confidence	2015	30 June 2018	-
TAFE NSW Business Systems - Strategic Priority Applications Revivification and Consolidation	\$544	Commercial in Confidence	2015	30 June 2018	-
Western Institute – TAFE Western Connect Stage 2	\$5	Commercial in Confidence	2015	31 January 2020	-

Continuing major works

Project description and location	Total expend. to 30 June 2016 ⁷³ ('000)	Estimated total cost ⁷⁴ ('000)	Start ⁷⁵	Completion date ⁷⁶ (actual or estimated)	Significant delays, cancellations or cost overruns
Hunter Institute - Newcastle Campus Block D Refurbishment	\$3,465	Commercial in Confidence	2014	30 June 2019	-
Illawarra Institute – Wollongong Employer Services Centre	\$2,355	\$2,535	2015	31 August 2016	-
Mudgee TAFE – Consolidation	\$5,526	\$6,116	2013	31 December 2017	-
Nepean College Kingswood TAFE – Stage 5	\$14,084	\$15,361	2013	30 November 2016	-

⁷³ Total Expenditure is the actual expenditure as at 30 June 2016. The 2016-17 Budget Paper provided estimated expenditure as at 30 April 2016.

⁷⁴ The Estimated Total Cost for projects continuing in 2016-17 is as published in the 2016-17 Budget Paper 2.

⁷⁵ Calendar year

⁷⁶ The year of the completion dates as published in the 2016-17 Budget Paper 2.

Project description and location	Total expend. to 30 June 2016 ⁷⁷ ('000)	Estimated total cost ⁷⁸ ('000)	Start ⁷⁹	Completion date ⁸⁰ (actual or estimated)	Significant delays, cancellations or cost overruns
New England Institute – Country NSW Connected Learning – Stage 1	\$153	Commercial in Confidence	2014	30 June 2018	-
TAFE Customer Billing – Stage 2 (known as TAFE Revenue Management Project)	\$7,368	Commercial in Confidence	2014	30 June 2017	-
Taree TAFE – Facilities Upgrade	\$2,246	Commercial in Confidence	2012	31 November 2016	-
Ultimo TAFE – New Fashion Design Studio	\$2,129	Commercial in Confidence	2013	30 June 2017	-
Ultimo TAFE – Relocation of Building U	\$5,320	Commercial in Confidence	2013	30 June 2017	-
Western Institute – TAFE Western Connect Stage 1	\$536	Commercial in Confidence	2014	30 September 2017	-
Young TAFE – New Facilities	\$2,875	\$10,251	2013	30 March 2017	-

Completed works

Project description and location	Total expend. to 30 June 2016 ⁷⁷ ('000)	Estimated total cost ⁷⁸ ('000)	Start ⁷⁹	Completion date ⁸⁰ (actual or estimated)	Significant delays, cancellations or cost overruns
Northern Sydney TAFE – Dunbar Building Refurbishment – Stage 2	\$6,410	\$6,432	2012	30 October 2015	Completed
Nepean College Kingswood TAFE – Health and Support Services Facilities	\$11,093	\$10,974	2012	20 November 2015	Completed
Wetherill Park TAFE – New Transport Engineering Technology Centre	\$8,320	\$8,953	2013	20 April 2016	Completed ⁸¹
Tamworth TAFE – Community Services, Health, Plumbing and Disabilities Facilities	\$10,944	\$11,115	2012	6 November 2016	Completed

⁷⁷ Total Expenditure is the actual expenditure as at 30 June 2016. The 2016-17 Budget Paper provided estimated expenditure as at 30 April 2016.

⁷⁸ The Estimated Total Cost for projects continuing in 2016-17 is as published in the 2016-17 Budget Paper 2.

⁷⁹ Calendar year

⁸⁰ The year of the completion dates as published in the 2016-17 Budget Paper 2.

⁸¹ Outstanding payments will be made in 2016-17.

Consultants engaged⁸²

Consultants costing \$50,000 or more

Name of consultant	Title of project	Nature and purpose of project	Total cost in 2015-16 (\$ excluding GST)
Boston Consulting Group	TAFE NSW New Business Model	Consultancy services and support on TAFE NSW strategic planning	\$1,149,900
Ernst & Young	Revenue recognition and role based security	Review of the implementation of standardised student enrolment processes to improve the accuracy of 2015-16 revenue data, development of an internal control system and delivery of related staff training and resources	\$532,581
Incling	Customer Journey Mapping	Incling researched the 'customer journey' to better integrate TAFE NSW - Riverina Institute's student services and improve end-to-end customer service	\$90,900

Consultants costing less than \$50,000

Total no. consultants engaged	Total cost in 2015-16 (\$ excluding GST)	Type of consultancy
1	\$15,750	Management
2	\$48,280	Organisational Review

⁸² 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 improvements are currently being implemented by TAFE NSW as part of the *One TAFE Modernisation Portfolio*.

Overseas visits

The following overseas visits were undertaken by TAFE NSW personnel in 2015-16. The table below outlines the main purposes of the visits:

Purpose of visit	Description	No. visits
Conferences and professional development	Staff members who travel overseas to attend and/or present at conferences or participate in study tours	20
Educational exports	Staff members who travel overseas to manage partnerships, contracts, programs, quality assurance or assessment of students	49
Exchange programs	Staff members who travel overseas on a professional or teacher exchange program	-
International student recruitment	Staff members who travel overseas to recruit inbound full-fee-paying international students to TAFE NSW	24
Market development and client engagement	Staff members who travel overseas for international marketing purposes, development of business relationships, engagement with clients and contract management	41
Professional scholarship programs	Staff members awarded scholarships to further their professional skills and knowledge	2
Student excursions	Staff members who accompany students on excursions overseas to increase cultural understanding or attend commemoration ceremonies	22

TAFE NSW – North Coast Institute teacher, Natalie Denmeade, won a NSW Premier Teacher's Scholarship in early 2016. The scholarship allowed her to undertake a study tour to South Africa and Tanzania to examine how games and play could be used in an educational context to improve student attendance rates and class participation.

The organisations that Ms Denmeade visited use e-learning approaches and emerging technologies as part of learning and assessment. Mobile phones and low cost tablet devices are being considered in these countries as a scalable way to increase access to quality schooling by children in remote areas.

Other requirements

Changes in legislation and significant judicial decisions

Legislation

The Minister for Skills administers the following legislation relating directly to TAFE NSW:

- *Technical and Further Education Commission Act 1990*
- *Technical Education Trust Funds Act 1967*.

The *Technical Education Trust Funds Act 1967* was amended by the *Statute Law (Miscellaneous Provisions) Act 2015* to update a reference to the University of Technology Sydney.

Judicial decisions

There were no judicial decisions involving TAFE NSW decided during 2015-16 that had a significant new impact on the organisation's operations.

Privacy and Personal Information Protection Act 1998

TAFE NSW respects the privacy of our staff, students and members of the public who use our services.

As a NSW statutory authority, TAFE NSW must comply with the requirements of the *Privacy and Personal Information Protection Act 1998* (PPIP Act) and the *Health Records and Information Privacy Act 2002*.

In compliance with the provisions of the PPIP Act, TAFE NSW has policies and procedures in place to protect the personal information of staff and students.

One request for alteration of information under section 15 of the PPIP Act received in 2014-15 was taken for external review in 2015-16 with the NSW Civil and Administrative Tribunal. This request was withdrawn and dismissed on 24 May 2016.

Government Information (Public Access) Act 2009

Proactive release of government information

In accordance with the *Government Information (Public Access) Act 2009* (GIPA Act), TAFE NSW reviews its program for the proactive release of information annually in accordance with section 7(3) of the GIPA Act. Information is made publicly available except where there is an overriding public interest against disclosure or where doing so imposes unreasonable additional costs on TAFE NSW.

TAFE NSW took over managing requests made under the GIPA Act for TAFE NSW information from the NSW Department of Education from 1 July 2016. In the financial year 2015-2016 there were two new records relating to TAFE NSW considered to be of interest to the general public and added to the NSW Department of Education's disclosure log at www.dec.nsw.gov.au/about-us/information-access/information-guide/disclosure-log.

In 2015-2016 TAFE NSW reviewed its access to information publications and prepared a new information guide, published 1 July 2016 at www.tafensw.edu.au/information-access. This website explains how to make an informal and a formal application (under the GIPA Act) for access to TAFE NSW information. It also includes links to TAFE NSW open access information including TAFE NSW policy documents, a new TAFE NSW disclosure log and a link to the register of government contracts.

Access applications received and completed

Statistical data about completed access applications received by TAFE NSW during the reporting period 2015-16 is provided in the tables below. Provision of this information complies with clause 7(d) and Schedule 2 of the *Government Information (Public Access) Regulation 2009*.

Table A: Number of access applications by type of applicant and outcome* (completed and discontinued valid applications)

	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 (excluding invalid applications)	Invalid application withdrawn	Invalid never validated	Transferred to other agency	Total
Media	1	0	0	0	0	0	0	0	0	0	0	1
Members of Parliament	1	0	0	0	0	0	0	1	1	1	0	4
Private Sector business	0	0	0	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	0	0	0
Members of the public (application by legal representative)	0	2	0	0	0	0	0	0	0	0	0	2
Members of the public (other)	3	4	0	1	0	0	0	1	0	1	0	10
TOTAL	5	6	0	1	0	0	0	2	1	2	0	17

* Includes two applications received in 2014-15 reporting year and completed in 2015-16.

* 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.

There were 15 access applications completed in the 2015-16 reporting period, including withdrawn applications. These figures do not include applications received which were invalid or two applications received during the previous reporting period and completed in 2015-16. Seven matters received in the 2015-16 period and not completed are being carried forward to the next reporting year.

Of the 15 applications completed, access was provided in full five times, provided in part six times, and none were refused in full. Information was not held in one matter and three applications were withdrawn, two valid applications and one invalid application.

Table B: Number of access applications by type of application and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm or deny whether information is held	Application withdrawn (excluding invalid applications)	Invalid application withdrawn	Invalid never validated	Transferred to other agency	Total
Personal information applications*	3	6	0	0	0	0	0	0	0	1	0	10
Access applications (other than personal information applications)	2	0	0	1	0	0	0	2	1	1	0	7
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	5	6	0	1	0	0	0	2	1	2	0	17

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

* 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 Act)	6
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	6
Invalid applications that subsequently became valid applications	3
TOTAL	15

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

There were four access applications completed in the 2015-16 reporting period that 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 to which there is conclusive presumption of overriding public interest against disclosure). TAFE NSW did not refuse access to information in full, and refused in part four times under Schedule 1. Table D indicates that all were refused under 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	4
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	4

* 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).

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

Access was refused in part seven times and in full zero times for one or more public interest reasons 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	4
Law enforcement and security	0
Individual rights, judicial processes and natural justice	3
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0
TOTAL	7

* 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).

Table F: Timeliness*

	No. of applications
Decided within the statutory timeframe (20 days plus any extensions)	14
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
TOTAL	14

* Does not include withdrawn applications but includes invalid matters never validated.

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	2	0	2
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	1	0	1
Review by NSW Civil and Administrative Tribunal	0	0	0
TOTAL	3	0	3

* 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 was made by the Information Commissioner.

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	3
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0
TOTAL	3

* Review applications received in the reporting year

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	0
Applicant-initiated transfers	0
TOTAL	0

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*, 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.

Table J 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 for the period 1 July 2015 to 30 June 2016.

The following disclosures were received in previous years but not finalised until 2015-16.

Table J: Public interest disclosures in 2015-16

	Corrupt Conduct	Maladministration	Serious and Substantial Waste of Public Money	Government Information (GIPA) contravention	Local Government contravention	TOTAL
Disclosures received	-	-	-	-	-	-
Employees making a disclosure	-	-	-	-	-	-
Disclosures finalised	2	-	-	-	-	2

All disclosures were made by public officials in performing their functions as public officials.

Government Resource Efficiency Policy

All TAFE NSW institutes submitted 2014-15 NSW Government Resource Efficiency Policy (GREP) reports to the NSW Office of Environment and Heritage and published the data on institute websites.

TAFE NSW institutes will submit their 2015-16 GREP reports to the NSW Office of Environment and Heritage in the second half of 2016.

TAFE NSW – Northern Sydney Institute was awarded Gold Partner status with the NSW Office of Environment and Heritage *Sustainability Advantage* program for the second time in three years. The Gold Partner status is granted to organisations who have demonstrated outstanding environmental achievements, improvements and leadership throughout all levels and facets of their organisation. The Institute was the first educational institution in NSW to receive the Gold Partner status in 2012.

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

At TAFE NSW, risk is managed at both the corporate and institute level; both levels use a risk register to assist in monitoring risk. The Corporate Risk Register is reviewed by the risk owners, TAFE NSW Executive and the TAFE NSW Audit and Risk Committee. Policies and procedures are also in place for high risk areas such as the Gifts and Benefits Register and the Private Interest Register (previously known as the Pecuniary and Private Interest Register).

Internal Audit

TAFE NSW continues to resource its internal audit function as a co-sourced model, led by a Chief Audit Executive and a small team. Various third party internal audit service providers are used to provide access to valuable and diverse specialised skills as needed.

The unit's responsibility includes the oversight of assurance services and corruption prevention activities across TAFE NSW.

TAFE NSW is in the second year of a three year *Internal Audit Plan 2015-2017*. This Plan was developed through consultation, consideration of TAFE NSW risk registers and prior internal audit coverage and findings.

Since July 2015, outsourced Internal Auditors have completed internal audits of TAFE NSW information technology systems; institute operational systems and controls; as well as various legislative, process and compliance reviews. Some of these audits remain in progress.

Regular reports on the progress of audits and the implementation of audit recommendations are included on the agenda of the TAFE NSW Audit and Risk Committee.

Audit and Risk Committee

The TAFE NSW Audit and Risk Committee comprises one independent chair and two independent members. Two independent members retired from the Committee on 30 June 2016.

The Committee oversees and monitors the TAFE NSW governance, risk and control frameworks and external accountability requirements. Between July 2015 and June 2016, the 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*.

During 2015-16, the Committee met on nine occasions.

Committee member attendance was as follows:

Name	Position	Meetings Attended	Membership as at 30 June 2016
Carolyn Burlew	Independent Chair	9 of 9	Current
Warren Grimshaw	Independent Member	8 of 9	Retired 30 June 2016
Christopher Tooher	Independent Member	9 of 9	Retired 30 June 2016
Gregory Fletcher	Independent Member	2 of 2	Current (from May 2016)
Paul Apps	Independent Member	1 of 1	Current (from June 2016)

Insurance

The Treasury Managed Fund is the self-insurance scheme that provides funding for government agencies to assist with meeting the cost of the contributions. This includes comprehensive cover for TAFE NSW employees through worker's compensation and cover for stakeholders through public liability insurance. The scheme also covers all physical assets such as buildings and equipment as well as motor vehicles and other miscellaneous matters.

Internal audit and risk management policy attestation

Internal Audit and Risk Management Attestation Statement for the 2015-2016 Financial Year for the Technical and Further Education Commission.

I, Jon Black, TAFE NSW Managing Director am of the opinion that TAFE NSW has internal audit and risk management processes in operation that are compliant with the eight (8) core requirements set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*, specifically:

For each requirement, please specify whether compliant, non-compliant, or in transition

Core Requirements

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	In transition

Internal Audit Function

1.3	An internal audit function has been established and maintained	Compliant
1.4	The operation of the internal audit function is consistent with the International Standards for the Professional Practice of Internal Auditing	Compliant
1.5	The agency has an Internal Audit Charter that is consistent with the content of the 'model charter'	Compliant

Audit and Risk Committee

1.6	An independent and Audit and Risk Committee with appropriate expertise has been established	Compliant
1.7	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
1.8	The Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'	Compliant

Membership

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

	Name:	Start Term Date:	Finish Term Date:
Independent Chairman	Carolyn Burlew	29/09/2014	29/09/2018
Independent Member	Gregory Fletcher	20/05/2016	20 May 2019
Independent Member	Paul Apps	30/06/2016	30/06/2018
Independent Member	Warren Grimshaw	29/09/2014	30/06/2016
Independent Member	Christopher Tooher	29/09/2014	30/06/2016

Departures from Core Requirements – In transition

I, Jon Black, TAFE NSW Managing Director advise that the internal audit and risk management processes for TAFE NSW depart from the following core requirements set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*:

Core Requirement 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

Departure	Reason for departure and description of measures being implemented
In Transition	
Core Requirement 1.2	TAFE NSW is in the process of separating from the Department of Education following machinery of government changes that placed TAFE NSW within the Department of Industry. In addition, TAFE NSW is implementing a new One TAFE operating model that brings ten autonomous business units under one operating model. In these circumstances, TAFE NSW has the characteristics of a new agency. TAFE NSW is actively addressing the guidelines set out in TPP15-03 from the perspective of One TAFE NSW through a Risk Management Enhancement Initiative. This Initiative will require 12-24 months to fully embed. To achieve compliance, TAFE NSW is establishing an enterprise-wide risk management framework. This framework will build on and enhance existing risk management frameworks.



Managing Director, TAFE NSW (Sign and Date)

10-11-2016

TAFE NSW Contact Officer
Petra Koziollek, Chief Audit Executive
P: (02) 9217 4362

Complaints and improvements

Type of complaint	Resolution process	Unresolved prior to 30 June 2015	Received in 2015-16	Resolved in 2015-16	Carried over beyond 30 June 2016
Category 1 (General) A complaint about a service, procedure or system (e.g. delays, inefficiencies)	Remedy and systems improvement	126	762	838	50
Category 2 (Serious) A complaint about a person that could not be resolved by informal resolution (e.g. unreasonable or unfair behaviour)	Negotiation	29	235	233	31
Category 3 (Investigation) A more serious complaint alleging unlawful behaviour by a person (e.g. alleged breach of legislation, policy, procedure or contract)	Investigation	28	66	65	29

The nature of complaints received in 2015-16 varied, however key themes were:

- issues around enrolment, the processing of students results and completions, and issuing transcripts arising from the TAFE NSW Student Administration and Learning Management (SALM/*eb*s) system
- technical difficulties, including computer and internet access issues
- changes to NSW Government policies affecting vocational education and training
- the large number of training package changes, linked to a rise in complaints related to transitions, extensions and recognition of prior learning
- student access to resources, such as libraries and other learning resources
- miscommunication and difficulty accessing course and enrolment information
- allegations from students and staff about potential misconduct.

Complaints were addressed and resolved as quickly as possible.

In response to complaints, TAFE NSW made improvements to the customer experience such as:

- the release of upgraded SALM/*eb*s versions and workarounds to speed up enquiry and enrolment processes
- advice to customers about student fees, eligibility for fee concessions and exemptions, enrolment processes and fee repayment options
- reviews of refund and student induction procedures
- reviews of web content and design, leading to improvements in the user experience of websites
- preparations to transfer centralised IT services from the NSW Department of Education to a cloud-based environment owned and managed by TAFE NSW
- staff training, including on enrolment processes, communication, managing mental health in the workplace, appropriate workplace behaviour and customer care
- one-on-one tutorials with students to resolve and prevent technology access issues.

TAFE NSW – Northern Sydney Institute introduced a range of software programs to manage the increased number of customer enquiry and requests. These include LiveChat, queue management and customer enquiry and relationship management systems. The Institute also consolidated the enquiry management teams to more effectively handle the increased number of customer interactions and improve efficiency.

TAFE NSW – North Coast Institute reviewed customer engagement, student administration and site management. The Institute established two dedicated Customer Contact Centres at Port Macquarie Campus and Kingscliff Campus. The Centres are designed to provide customer service for five and a half days per week from 8am to 8pm by telephone, email or chat. Students can also visit Student Central at each North Coast Institute campus and access face-to-face support with services.



ATTESTATION STATEMENT

Digital Information Security Annual Attestation Statement For 2015-2016 Financial Year for TAFE NSW

I, Jon Black, am of the opinion that TAFE NSW had an Information Security Management System in place for the protection of information and core ICT services and systems, through the Department of Education, during the 2015-2016 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.

There is no agency under the control of TAFE NSW which is required to develop an independent Information Security Management System (ISMS) in accordance with the NSW Government Digital information Security policy.

Jon Black
MANAGING DIRECTOR TAFE NSW


26 July 2016

Department of Education (DoE) Contact Officer:

Stephen Loquet
CHIEF INFORMATION OFFICER
Information Technology Directorate
Phone – (02) 9302 7424
Fax – (02) 9302 7707

Contact us

TAFE NSW corporate office

Level 2, Building C, The Muse, Mary Ann Street, Ultimo NSW 2007

02 9212 8689

TAFE NSW institutes

TAFE NSW – Hunter Institute

266 Maitland Road, Tighes Hill NSW 2297

131 225

TAFE NSW – Illawarra Institute

3 Rowland Avenue, Wollongong NSW 2500

1300 766 123

TAFE NSW – New England Institute

13 Janison Street, Tamworth NSW 2340

1800 448 176

TAFE NSW – North Coast Institute

70 Widderson Street, Port Macquarie NSW 2444

02 6586 2222

TAFE NSW – Northern Sydney Institute

213 Pacific Highway, St Leonards NSW 2065

131 674

TAFE NSW – Riverina Institute

Corner Macleay and Coleman St, Wagga Wagga, NSW 2650

1300 823 374

TAFE NSW – South Western Sydney Institute

Building A, 500 Chapel Road, Bankstown NSW 2200

137 974

TAFE NSW – Sydney Institute

651 - 731 Harris Street, Ultimo NSW 2007

1300 360 601

TAFE NSW – Western Institute

1587 Forest Road, Orange NSW 2800

02 6393 5912

TAFE NSW – Western Sydney Institute

2 - 10 O'Connell Street, Kingswood NSW 2747

131 870

Business and service hours

TAFE NSW and institute business and service hours are generally 8.30 am to 5.00 pm. In addition, many Institute customer service centres and college libraries are open in the evenings during semester.



tafensw.edu.au

© TAFE NSW 2015-2016

