



NSW
Skills
Board

NSW SKILLS BOARD

**ANNUAL
REPORT
2021**



NSW Skills Board Annual Report 2021

The Honourable Dr Geoffrey Lee MP
Minister for Skills and Tertiary Education
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Minister

In accordance with the provisions of the *Annual Reports (Statutory Bodies) Act 1984*, it is our pleasure to submit a copy of the 2021 Annual Report of the NSW Skills Board, which covers the work of the Board from 1 July 2020 to 30 June 2021.

Yours sincerely



Philip Marcus Clark AO, Chair NSW Skills Board



Gregory Byrne Whitby AM KSG, Member NSW Skills Board

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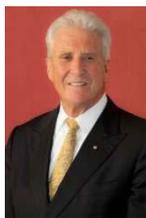
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Contents

Chair's overview	3
Role of the Board	5
Governance and Board members	6
Board Members.....	6
Board meetings	13
Corporate governance structure.....	14
Year in review.....	16
Board member projects	16
Research projects.....	17
Smart and Skilled	18
VET Delivered to Secondary Students (VETSS).....	19
NSW Training Awards	19
NSW VET Review	20
Industry engagement.....	21
Financial statements	22
Appendix 1: Report of Operations	42
Index.....	48

Chair's overview



The NSW Skills Board formally met five times during 2020-2021. In addition, the Board held numerous virtual meetings with employers to gain further insight into skills and training activity and needs in key sectors, in both regional and metropolitan areas.

The Board has continued to work closely with the Hon Dr Geoff Lee MP, Minister for Skills and Tertiary Education. The Minister established five priorities for the Board and requested that the Board focus on those priorities, which we have done:

- Skilling for Recovery: NSW's skilling response to COVID-19
- Renewed co-designed approach to industry and business engagement
- VET / University combined courses that combine advanced knowledge with practical experience
- Practical implementation of Department of Education data insights
- Pathways

The Board supported the Minister in providing strategic advice regarding the NSW VET Review priorities and implementation. Professor Peter Shergold AC and Mr David Gonski AC were commissioned to lead a Review on the NSW vocational education and training sector in 2020. The NSW Government released the final report of the Review on 18 March 2021. The Government accepted all five recommendations of the Review, which identify the following proposals to strengthen the NSW economy, by ensuring that we have the skills required to grow and prosper:

1. Establish the NSW Institute of Applied Technology (IAT)
2. Establish Careers NSW
3. Improve breadth and quality of vocational education made available in NSW high schools
4. Improve strategic and purposeful industry engagement in VET
5. Establish an income contingent loan scheme

The Board met with Professor Shergold and Mr Gonski in October 2020 to provide input to the Review. We also met with Professor Shergold at an extraordinary meeting on 14 April 2021 following the release of the final report to discuss the recommendations and the Board's role in implementing those recommendations, particularly regarding industry engagement. The Board developed and commenced implementation of a revised industry engagement strategy.

In 2020-21 the Board continued its research program, which provides a contemporary and valuable evidence base to support NSW Government policy initiatives and provides data on VET Issues, operations and outcomes.

A number of Board members retired on 31 December 2020 and new members were appointed by the Minister. I thank my current and former Board members for their significant contributions during what has been a difficult year for everyone.

The Board are grateful for the support provided by the Skills Board Secretariat, NSW Department of Education.

A handwritten signature in black ink, appearing to read 'P. M. Clark', written in a cursive style.

Philip Marcus Clark AO
Chair, NSW Skills Board

Role of the Board

The NSW Skills Board was established in 2013 to provide independent advice to the NSW Government on the vocational education and training (VET) system in NSW, and on how best to meet the skills and training needs of NSW industry, employers, regions and the economy. The Board is responsible for overseeing the VET system in NSW.

Aims and objectives

The Board's functions are specified in section 6 of the *NSW Skills Board Act 2013*, and are to:

- (a) provide the Minister with an independent, strategic perspective on the vocational education and training system in New South Wales
- b) oversee major reform of the vocational education and training system in New South Wales and its implementation, including reform that maintains the TAFE Commission as the major provider of vocational education and training, accessible across New South Wales
- c) monitor and advise the Minister on the performance of the vocational education and training system in New South Wales, including financial performance, fiscal sustainability, levels of training activity and the achievement of State priorities
- d) advise the Minister on the allocation of the State and Commonwealth vocational education and training funding and the New South Wales vocational education and training budget
- e) collect and analyse labour market intelligence, in particular intelligence on skills shortages and future skills and workforce development needs in New South Wales
- f) coordinate the development of strategic skills plans that reflect the priorities and directions of the New South Wales Government regarding vocational education and training
- g) oversee quality assurance in the vocational education and training system in New South Wales
- h) ensure the availability of accurate consumer information on vocational education and training in New South Wales and appropriate consumer protections
- i) commission and conduct enquiries and research into any matter relevant to the functions of the Board
- j) advise on strategies for more effective educational pathways between secondary school, vocational training and higher education in New South Wales
- k) consult widely with reference groups and other representative bodies and persons in the vocational education and training industry
- l) investigate and advise the Minister on any matter relating to training, skills development and higher education referred to the Board by the Minister or on its own initiative
- m) perform such other functions conferred or imposed on it by or under this or any other Act.

Governance and Board members

Board Members

Members of the NSW Skills Board are appointed by the Minister for Skills and Tertiary Education and NSW Cabinet. Members have significant experience and expertise in skills and tertiary education, business and industry, indigenous education and employment, government, economics and finance.

There were two sets of Board members in 2020-21. From July to December 2020, the Board was composed of six members and an ex-officio member. Most of these Board members had served the Board since the establishment of the NSW Skills Board in 2013 until the end of their term of appointment in December 2020. Following this, six new Board members were appointed. From January to June 2021, the Board was composed of eight Board members and an ex-officio member.

Board members for the period of July to December 2020 were:

- Mr Philip Clark AO, Chair
- Ms Helen Zimmerman, former President of the International Education Association of Australia
- Mr Mark Goodsell, Head – NSW, National Director – Manufacturing for the Ai Group
- Mrs Kay Hull AO, former Australian politician
- Mr David Liddiard OAM, CEO David Liddiard Group
- Mrs Marie Persson, AQF Review National Panel member
- Mr Martin Graham, ex-officio

Board members for the period of January to June 2021 were:

- Mr Philip Clark AO, Chair
- Ms Helen Zimmerman, former President of the International Education Association of Australia
- Professor Paul Chandler, Honorary Professor UNSW
- Ms Robyn Delander, CEO of Health & Safety Advisory Service Pty Ltd
- Ms Jillian Kilby, CEO, The Infrastructure Collaborative
- Hon Fiona Nash, former Senator for NSW
- Mr Gregory Whitby AM KSG, Executive Director, Catholic Education Diocese of Parramatta
- Mr Steven Worrall, Managing Director, Microsoft Australia
- Ms Chloe Read, ex-officio



Philip Marcus Clark AO (Chair)

Phil has served as Chair of the Board since the Board's inception in 2013. He was Managing Partner and CEO of Minter Ellison. Prior to joining Minter Ellison, Phil was Director and Head of Corporate with ABN Amro Australia and prior to that he was Managing Partner of Mallesons Stephen Jaques.

Phil is a member of the JP Morgan Advisory Council and currently serves on listed and private company boards, including as Chair of Shopping Centres Australasia Property Group.

Phil serves on government, university and community boards and advisory boards, including as

Chair of Trustees of Royal Botanic Gardens and Domain Trust, Chair of the Australian Antarctic Science Foundation, and Chair of the NSW Public Purpose Fund.

Phil has a BA, LLB from Sydney University and an MBA from Columbia University. He was awarded an Honorary Doctor of Laws by the University of Wollongong in 2019.

Phil was appointed a Member of the Order of Australia (General Division) in 2007 for his contribution to the development of national law firms and encouraging corporate involvement in community programs.

Phil was also appointed an Officer of the Order of Australia (General Division) in 2019 for distinguished service to education, research and infrastructure investment, and to the not-for-profit sector.



Helen Zimmerman

Helen has served as member of the Board since 1 December 2018. Since 2 March 2021 she has been on a leave of absence. Helen has worked in leadership roles in Australian public and private education for over 40 years. From 2005 to 2018 she was a senior executive of Navitas Limited, a global education provider. Helen was previously Managing Director of the ACL Group of companies, the largest private provider of English language education in Australia.

At both ACL and Navitas Helen was a leading advocate for international and domestic education policy and regulatory issues across the English language, vocational and higher education sectors. From May 2017 until April 2021, she was the Chair of the Australian Government's Tuition Protection Service Advisory Board and from January 2020 Chair of the VSL Tuition Protection Fund and HELP Tuition Protection Fund Advisory Boards.

Helen served on the Jobs for NSW Board from 2015 to May 2019. She was Director, and then Chair of the Australian Business and Community Network, a not-for-profit organisation that connects business with high need schools and learners through mentoring and partnership programs from 2011 to late 2017. Helen has continued her association with ABCN as a member of the ABCN Foundation Council.

Helen was a member of the NSW Vocational Education and Training Board from 2002 to 2008. She has also been a Director of the National ELT Accreditation Scheme and of English Australia. In 2004 and 2005 Helen served on an industry advisory body, appointed by the then Minister for Education, Science and Training, to advise on strategic issues of national significance facing international education in Australia. From 2015 to March 2018 Helen was a member of the Victorian International Education Ministerial Advisory Roundtable and the NSW International Education Advisory Board.

Helen has served on the boards of a number of peak professional education associations and regulatory bodies. She was a foundation board member of the International Education Association of Australia (IEAA) in 2004 and was President from 2012-2014. Helen represented IEAA overseas and within Australia taking a strong role on collaboration, partnership and advocacy. She has over many years championed international student voices 'at the table'. In 2017 she was awarded the International Education Association of Australia's Distinguished Contribution Award for a colleague who has led initiatives to improve international education in Australia.

Helen has been an Honorary Senior Fellow of the LH Martin Institute of the University of Melbourne and is a Fellow of the Australian Institute of Company Directors.



Mark Goodsell

During his time on the Skills Board, Mark was Head – NSW, National Director – Manufacturing for the Australian Industry Group (Ai Group).

Mark has been with Ai Group since 1985, initially as an industrial relations adviser to the manufacturing, heavy engineering and construction sectors.

Ai Group is a peak industry association in Australia which along with its affiliates represents the interests of more than 60,000 businesses in a range of sectors including: manufacturing; engineering; construction; automotive; food; transport; information technology; telecommunications; call centres; labour hire; printing; defence; mining equipment and supplies and airlines.

Ai Group members operate small, medium and large businesses, representing over one million employees across a range of industries.

Mark was responsible for pursuing business and industry policy issues with both state and Commonwealth governments, including employment regulation, work health and safety, and workers compensation, regulatory and occupational licensing, state and regional development, innovation, skills formation and vocational education.

Mark is the Chair of the NSW Industry Capability Network (ICN).



Kay Hull AO

Kay Hull AO is a former Australian politician. She was a National Party member of the Australian House of Representatives from October 1998 to August 2010, representing the Division of Riverina, New South Wales. Kay was the first female NSW National to be elected to Federal Parliament and the first female Nationals Chief Whip.

Kay served on a range of parliamentary committees including: the Economics, Finance and Public Administration Committee; Aboriginal and Torres Strait Islander Affairs Committee; and Legal and Constitutional Affairs Committee. As Chair of the House of Representatives Standing Committee on Family and Community Services, Kay's report, Every Picture Tells a Story, created the initiative for substantial reforms to family law and the child support system.

Kay was appointed by the Australian Government to represent Australia on the International Parliamentary Union/UNAIDS HIV committee based in Geneva from 2008 to 2012.

Before entering Federal Parliament, Kay served on the Wagga Wagga City Council from 1991 to 1998, including five years as Deputy Mayor, and was Chair of the Council of Tourist Associations in NSW from 1995 to 1998. She was also a member of the Board of Tourism NSW from 1995 to 1998, and received the Rod Murdoch Award for Contribution to Tourism in NSW in 1998.

Kay has been a medium enterprise owner operator in the Motor Vehicles Trades and Services sector since 1978. She was awarded the Golden Crow Roll of Honour Award for contribution to the business community of Wagga Wagga in 2010, and received the Freedom of the City of Wagga Wagga in March 2011.

She convened the Parliamentary Cancer Network from 1999 to 2010, and has been a Board member of NSW Can Assist, a not-for-profit organisation from 2010 to 2016, President 2012 to 2016.

In October 2014, Kay was appointed as the Chair of the Australian National Advisory Council on Alcohol and Drugs by the Commonwealth Minister for Health. Kay was appointed the Chair of the Rural Industries Research and Development Corporation (AGRIFUTURES Australia) in August 2016 and reappointed in August 2019.

In 2020, Kay became a Member of the Telegraph Rural Task Force and the UNSW Riverina Medical School Board. She was awarded an AO in the Queen's Birthday Honours 2021 for distinguished service to rural and regional communities through health, skills development, and agricultural organisations.



David Liddiard OAM

David Liddiard OAM has devoted himself to youth welfare and development, Indigenous health and education and Indigenous employment and participation for over 30 years.

David was a successful sportsman, playing in the National Rugby League, was the recipient of the Dally M Rookie of the Year in 1983, played in two grand finals for the Parramatta Eels in 1983 and 1984 and won the Premiership in 1983.

In 1995 he founded the National Aboriginal Sporting Chance Academy (NASCA) which provides real opportunities for Indigenous youth in sport and education. Having seen first-hand what opportunities can be opened through sport, David has long promoted sport as a bridge to a brighter future.

David has spearheaded initiatives which provide practical support to businesses large and small with workplace participation strategies for Indigenous talent. He has worked with programs at both national, state and territory levels, which focus on economic leadership development and has presented at numerous forums, conferences and events.

David has led numerous educators and corporate CEOs on cultural immersion programs to remote Indigenous communities aiming to close the gap between Indigenous and non-Indigenous Australians through interactive cultural experiences and educational activities.

David's Board positions and recognitions include:

- Board Member of the RUOK Foundation (2016-2018)
- Director (Founder) CEO and Board Member of NASCA (1995-2018)
- Order of Australia medal 2014 for service to Indigenous youth, sporting and employment programs in the 2014 Australia Day honours
- NSW Outstanding Community Service Award 2012 Tribute to David Liddiard by the NSW Legislative Council
- The Gold Harold Award 2010 for services to Aboriginal health and education
- Churchill Fellowship 2009 research on Indigenous minority supplier diversity



Marie Persson

Marie Persson was a member of the National Panel reviewing the Australian Qualifications Framework (AQF).

Marie has broad experience in government policy, education and training reform, organisational development and leadership and management.

She has advised Australian State and Federal governments on national and international issues as well as the governments of China, India, Canada, South America and Germany.

Marie has held senior executive positions in the Australian public sector at state and national levels for over 20 years. From 2005 to 2010 Marie was the head of NSW TAFE and Community

Education, the largest education and training provider in Australia, with around 500,000 students and over 10,000 staff.

From 2008 to 2014 Marie was a member of the Federal Government's Board of Skills Australia and the Australian Workforce and Productivity Agency, which provided advice to the Australian Government on current, emerging and future skills and workforce development needs.

Marie is the recipient of several major awards recognising her skills and contributions including the NSW Telstra Business Woman of the Year, the Australian Telstra Community and Government Woman of the year and the International Literacy Year medal. In 2018 Marie received the Australian Lifetime Achievement in VET Award.

Marie has a Master of Education from the University of NSW, is a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Institute of Management. As a Board member and reviewer, she has brought her policy and leadership skills to the NSW Board of Studies, the YWCA, the NSW TAFE Commission, the University of Melbourne LH Martin Institute of Leadership and Management in Higher Education, as well as the Australian Government's Expert Panel on Australian Apprenticeships. In 2018 Marie was a member of the inaugural Monash Commission established to review the Australian tertiary sector. She was also a member of the National Panel reviewing the AQF.

Marie is currently a judge for the NSW Telstra Business Awards.



Professor Paul Chandler

Paul is a proud Bidjigal man and a distinguished scholar and Honorary Professor, University of NSW (UNSW). Paul completed his PhD at UNSW in 1993 and was the first Aboriginal person to complete a PhD at UNSW. He was awarded an Australian Research Council (ARC) Fellowship (UNSW) for work in human cognition and learning.

As an academic he was one of the Faculty's most popular lecturers and Paul's two undergraduate courses were the two most highly ranked in the Faculty.

Paul served two terms as Head of the School of Education at UNSW. He remains one of the most highly cited educational researchers in Australia and his research is widely used worldwide. Paul was formally recognised as one of the top 10 Australian scientists by the ARC.

Paul completed two terms as Dean, University of Wollongong (UOW) from 2007. He was the intellectual vision behind the \$44 million Early Start Project. He moved into the role of Executive Director of Early Start throughout the planning stages until the project was formally established. He remains the Foundation Chair of Early Start. Paul was appointed Pro-Vice Chancellor (Inclusion and Outreach) at UOW where he led their Reconciliation Action Plan and Inaugural Aboriginal Strategy.

Paul retired from UOW in 2020 and moved into semi-retirement at UNSW. Paul is involved in research examining the psychological effects of bushfires on children and the effect of Per- and polyfluoroalkyl substances (PFAS) contamination on cultural practices at Wreck Bay. Paul is also an investigator with the \$300 million ARC Digital Child project and sits on their Advisory Board.

Paul also sits on various government and non-government Boards. In addition to the NSW Skills Board, Paul is the Chair of the My Forever Family NSW advisory committee and Chair of the Aboriginal Advisory Councils for both Adopt Change and Family Services Australia. He is a Director of Grand Pacific Health and recently was inducted as 'Uncle in Residence' at UOW.



Robyn Delander

Robyn is the Owner/CEO of Health & Safety Advisory Service (HSAS) Pty Ltd, a private RTO, with two campuses located in outer Western Sydney.

HSAS is a niche market training provider for a wide range of key civil, tunnel, rail, air and water infrastructure projects.

Projects include Port Botany Expansion, Northwest Rail Link, Sydney Water, NorthConnex, WestConnex, Sydney Metro, Parramatta Light Rail, Western Sydney Airport, Sydney Football Stadium Redevelopment and Schools at the Meadowbank Education and Employment Precinct.

Robyn previously worked at TAFE NSW as a faculty teacher and served in various corporate state-wide marketing and training consultancy positions with TAFE Plus. Other educational roles included a range of rural, regional, community and outreach programs across the early childhood, school aged, sport and recreation and higher education sectors.

Robyn maintains strong links with tier-one contractors and state regulators to remain at the forefront of implementing industry best practice training solutions across the breadth of NSW government funded projects.



Jillian Kilby

Jillian is the CEO of The Infrastructure Collaborative Pty Ltd, which was established a decade ago and provides advice to clients in Australia and the USA on how to progress infrastructure projects. Jillian is also an Australian John Monash Foundation Scholar and Fellow of the Institute of Engineers Australia working in both regional Australia and Silicon Valley.

In 2018 Jillian self-funded The Exchange, which is a regionally based social impact organisation that supports commercial success of start-ups and small businesses. The Exchange operates a community first coworking space and innovation hub from a renovated 1880s former Post Office in Dubbo. Its consulting arm 'The Exchange Ventures' offers facilitated workshops, design thinking, partnerships for regional program delivery and consulting to government on policy, skills, workforce attraction and retention.



Hon Fiona Nash

Fiona is currently the Strategic Adviser, Regional Engagement & Government Relations at Charles Sturt University. Fiona represented the National Party of Australia in the Australian Senate from 2005 to 2017. She was the Deputy Leader of the Nationals in the Senate from 2008 to 2017 and Deputy Leader of the Nationals from 2016 to 2017.

Fiona served as Minister for Regional Development, Regional Communications, Local Government and Territories, Regional Health from 2016 to 2017.

During her time in the Senate, Fiona served as: Chair, Australia and New Zealand Ministerial Forum on Food from 2013 to 2014; Chair, Rural and Regional Affairs and Transport Senate Committee from 2010 to 2011; and a Member, Rural and Regional Affairs and Transport Senate Committee from 2005 to 2013.



Gregory Byrne Whitby AM KSG

Greg has been Executive Director, Catholic Education Diocese of Parramatta since 2006. The Diocese consists of 80 schools in the Greater Western suburbs of Sydney, 43,000+ students and 5,000+ staff. Greg previously worked as Director of Schools, Catholic Education Office, Diocese of Wollongong (1999-2006). He had responsibility for 29 primary schools and 6 secondary schools where 16,000 students were taught.

Greg is currently the Acting Chair for Catholic Network Australia (CNA). He is also on the Australian Council for Educational Leaders NSW Branch Board (NSW ACEL); Director for Group Colleges Australia Board (GCA); Board member for the University of Sydney Teacher Education Advisory Board (TEAB). Greg is a Fellow of the Australian Council of Educational Leaders (ACEL); Fellow of the Australian College of Education (ACE); Member of the Australian Institute of Management (AIM); Member of the Australian Institute of Company Directors (AICD) - Apple Distinguished Educator; Fellow of Western Sydney University. Recipient of the AW Jones Oration Medal for Outstanding Australian Educator; recipient of the Papal Knighthood in the Order of St Gregory the Great; recipient of the Sir Harold Wyndham Medal (ACE); recipient of the AM – Member of the General Order of Australia.



Steven Worrall

Steven Worrall is Managing Director, Microsoft, and is responsible for the overall business in Australia. He ensures that the company meets the needs of its customers and the more than 11,000 partners and independent software vendors that sell or build on the Microsoft platform.

Steven joined Microsoft in March 2014 as Director, Enterprise and Partner Group responsible for driving business growth and building strong customer and partner relationships in the Australian Commercial and Public Sector markets. In this role, Steven worked with organisations to drive innovation and business improvement through the application of technology in many areas, including productivity solutions, mobility and cloud services.

Previously Steven worked for IBM for 22 years and held a number of marketing, sales and general management roles in the services, software and financing segments of the organisation. Most recently, he led IBM's software business in the Asia Pacific region where he built organisational capability in diverse markets across the region and drove the business towards more cloud delivered services.

Steven is a passionate advocate for diversity and inclusion with a particular focus on improving Indigenous inclusion and addressing wellbeing and mental health in the workplace. Steven is the founding Chair of Corporate Mental Health Alliance in Australia and the Microsoft Global Indigenous Employee Resource Group Executive Co-Sponsor. Steven is also committed to a sustainable and inclusive future and is a founding member of the Climate Leaders Coalition in Australia.

Steven holds an Honours degree in Electrical Engineering and a Master's in Business Administration. He is a member of the Australian Institute of Company Directors and lives in Sydney with his wife and three children.



Martin Graham

Martin Graham was A/Deputy Secretary Education and Skills Reform in the NSW Department of Education during the 2020/21 financial year. Martin has held senior positions in education and training in NSW, a sector in which he has worked since 1993 when he gained the position of Planning Assistant.

In almost thirty years in education across all sectors, Martin has led initiatives such as changes to the school leaving age and the Gonski school funding reforms. During 2020 Martin led the early childhood directorate, working with the State and Commonwealth governments and the sector to navigate the impacts of the pandemic.



Chloe Read

Chloe Read is the joint Deputy Secretary, Education and Skills Reform. Chloe has a strong background in public sector education, having worked in this setting for the last 18 years across Tasmania and New South Wales.

She joined the NSW Department of Education in 2014, and has worked in a number of senior roles, most recently as the joint Chief People Officer. With a background across policy, project, IT and leadership roles, Chloe brings business and technical knowledge and is focused on ensuring our schools and services have what they need to support world class education for all learners across the state of NSW.

Board meetings

There were five meetings of the Board in 2020-2021.

In addition, there were two out of session meetings where Board members provided approval by circular resolution. The out of session meetings are not counted toward the Board meetings.

Table 1: Attendance at Board Meetings

Member	Meetings eligible to attend	Meetings attended
Philip Clark AO	5	5
Helen Zimmerman*	2	2
Marie Persson	2	1
Kay Hull AO	2	2
David Liddiard OAM	2	2
Mark Goodsell	2	2
Martin Graham	2	1
Jillian Kilby	3	3
Steven Worrall	3	2
Fiona Nash*	1	1
Robyn Delander	3	3
Paul Chandler	3	3
Greg Whitby AM KSG	3	3
Chloe Read	3	3

***Note:**

Helen Zimmerman is on leave of absence for 6 months from 2 March 2021.

Fiona Nash was on leave of absence from 24 March to 21 June 2021.

Corporate governance structure

The NSW Skills Board's *Code of Conduct for Board Members* outlines the values, principles and standards of behaviour expected of Board members, its reference groups and committees. The NSW Skills Board is a NSW Government Board and is subject to relevant NSW Government guidelines and legislation.

The Code of Conduct has been developed to ensure best practice and high standards of corporate governance and conduct of the Board. The Code of Conduct was developed with regard to the ethical framework outlined in the *Government Sector Employment Act 2013*, the NSW Department of Premier and Cabinet's *Conduct Guidelines for Members of NSW Government Boards and Committees (2011)*, and Chapter 8 of the Model Code of Conduct, which is outlined in the NSW Public Service Commission's *Personnel Handbook (Version 13.3, 2013)*.

The Code of Conduct provides that a member must declare interests to the Board, including positions and pecuniary interests in corporations, partnerships or other businesses that may be relevant to the activities of the Board. Personal Interest Declaration forms are completed by all members annually to mitigate risks related to potential interests.

All Board members and secretariat staff are aware of their duties as officers and workers in accordance with the NSW *Work Health and Safety Act 2011*.

The Board has developed an overarching legislative compliance framework. The framework lists relevant legislation where the Board has some obligation of compliance or accountability. The framework makes the Board's statutory and policy requirements transparent and provides evidence of the Board's endeavours to meet its obligations and ensure accountability for complying with obligations. The Board has also developed a comprehensive risk register, which includes both strategic and operational risks.

A Memorandum of Understanding (MOU) exists between the Board, the Department of Planning, Industry and Environment (DPIE) and the Department of Education (DoE), which establishes agreed areas of cooperation and accountabilities between the parties, and the provision of the annual allocation of funds and resources to the Board.

During 2020-21, the Board continued to be supported by a Secretariat in the Education and Skills Reform Branch within the NSW Department of Education.

The Board currently has two sub-groups.

Research Committee

Membership of the Research Committee at 30 June 2021 was as follows:

- Fiona Nash, Chair
- Paul Chandler, Member

Provider Reference Group

The Provider Reference Group (PRG) was not convened during 2020-2021, as the Board prioritised responding to the COVID-19 pandemic, went through changes in Board membership and considered the implications of the recommendations of the NSW VET Review. The PRG members met on 1 July 2021.

Industry Reference Group

The Industry Reference Group (IRG) was not convened during financial year 2020-2021, as the Board conducted virtual visits with employers and industry bodies. The IRG was disbanded on 7 July 2021 following discussions on how the Board would respond to the recommendations in the NSW VET Review.

Year in review

In 2020-21, the Board initially focused on: a renewed co-designed approach to industry and business engagement, better understanding of (barriers and enablers for) the VET programs delivered to secondary students and school-to-VET pathways, practical implementation of the Educational Pathways Data Project, combined university and vocational qualifications that deliver advanced knowledge with work-integrated learning and understanding and addressing the future skills needs of Greater Western Sydney including the Aerotropolis and Western Parkland City. In addition, the Board maintained its role in overseeing the NSW Government's Smart and Skilled program.

In response to the COVID-19 pandemic, the Board also commissioned and completed research projects relating to the labour and employment impacts of COVID-19 and potential skilling responses.

In the second half of the financial year, the Board's membership and priorities changed. The Board considered the implications of the recommendations of the NSW VET Review, in particular the recommendation to improve engagement with industry.

Board member projects

At the start of 2021, the Minister for Skills and Tertiary Education asked that Board members put forward ideas and proposals to improve vocational education and training in NSW. A number of ideas and proposals were discussed at the Board meetings on 4 March and 3 June 2021. These discussions between Board members and the Minister have led to the development of the following projects.

Information Technology (IT) traineeships

The Board acknowledges IT as a priority NSW industry, and IT roles as a growing area of skills shortage. Development of IT traineeships through a Group Training Organisation model was raised as a potential response to address the skills needs of the sector. Board members committed to promoting the IT traineeship model to employers. Discussions have also led to the Department of Education developing a NSW Government IT Traineeship program, with a planned launch in early 2022.

Business skills for women in construction

The Board identified a training gap for women running back office operations of family-run or other small construction businesses. This led to the development of the 'Business of Builders' initiative in collaboration with the Department of Education. The main aim of the initiative is to provide access to suitable Smart and Skilled funded short courses covering essential small business administration skills. The Department is developing a pilot, which may then support the development of a state wide roll out.

Women in construction trades

Board members provided advice to the Department of Education as it developed the 'Built for Women' program. Women represent just under 2% of construction trades and 12% of the entire construction workforce. The purpose of the program is to provide entry level skills for women so they are able to take advantage of job opportunities in non-traditional trades.

The program is part of the Department's Job Trainer program working with training providers across NSW. It provides 3,000 fee free training places to help boost female representation in non-traditional trades including, building and construction, engineering, manufacturing, electrotechnology, transport and logistics, automotive, plumbing and related services.

Research projects

Under the *Skills Board Act 2013*, the Board has a mandate to commission and conduct inquiries and research into any matters relevant to the functions of the Board. Several research projects commenced, continued or were completed during the reporting period. The projects active during 2020-21 are summarised below.

1. COVID-19 Labour Impact and Skills Response

In response to COVID-19, the NSW Skills Board engaged Boston Consulting Group (BCG) to undertake a rapid assessment of the likely impacts of the pandemic on the NSW economy. Having built an understanding of the critical risks to industry the Department worked with BCG and other agencies to design Skilling for Recovery; a program of specific skills interventions designed to fast track the recovery process.

In July 2020, the Commonwealth Government announced JobTrainer to retrain and upskill people into sectors with future job opportunities. The NSW Government aligned Skilling for Recovery with JobTrainer, matching Commonwealth funding resulting in a total investment of \$320M to support a rapid increase in fee-free training places for job seekers, school leavers and young people in areas of identified skills need and employment growth.

To date, over 120,000 people have enrolled in training through the JobTrainer program. The NSW and Commonwealth governments are currently in negotiations to extend the program to December 2022.

2. Student Outcomes Survey 2020 and 2021

In 2020-21, the Board continued to make significant investments into the NSW Student Outcomes Survey (SOS) to build on the previous findings from annual survey results. The survey continued to collect information on VET students' reasons for training, their employment outcomes, (dis)satisfaction with training, and further study outcomes. This work supports the Board's objective to develop robust measures for VET outcomes. The survey showed generally high satisfaction with training and with training providers, especially for students who completed their qualification. The survey outcomes will continue to be used as a critical dataset to inform NSW Government priorities and to support Smart and Skilled delivery.

Using the SOS data, the Department of Education has developed the VET Student Outcomes Snapshots, which contain a set of performance indicators for each Smart and Skilled provider to assist students to select a suitable provider.

3. Educational Pathways Pilot Program Evaluation

In 2020, the Board provided funding for the evaluation of the Educational Pathways Pilot Program (EPPP), which was conducted by Western Sydney University (WSU). The EPPP is a suite of ten initiatives designed to improve career pathways for young people - in particular, vocational

education and training pathways, and future employment outcomes for secondary school students in NSW. It aims to improve pathways for school students through: (1) enhanced careers advice, (2) greater uptake of School-based Apprenticeship and Traineeship (SBATs), and (3) support for disadvantaged and disengaged young people.

The EPPP initiatives are being piloted across 24 government schools in two regions: South West Sydney and the NSW North Coast. The external evaluation by WSU found that the EPPP was efficient and effective, and successful in achieving its main aims. Overall, the evaluation found that should the program continue or scale up, there is room for minor changes such as the merging of some initiatives for ease of implementation.

4. Educational Pathways (Data) Project

In 2020, the Board committed funding to update and enhance the capability of the Educational Pathways (Data) Asset. This project was commissioned in late 2017 by the Department of Premier and Cabinet, the Department of Industry and the Department of Education and aims to build an evidence-base for future policy reform. The Data Asset tracks the background, education and employment data of 3.5 million young people aged 15-24 in NSW over the period of 1996 to 2016. The Data Asset is designed to provide information that will improve young people's choices and help them make better informed decisions about education-to-employment pathways. The Data Asset will assist the Board by generating statistical insights into the pathways young people take from school and tertiary education to employment.

5. TAFE NSW COVID-19 Fee-Free Short Courses

At the start of the COVID-19 pandemic, the NSW Government announced the release of 36 fee-free short courses at TAFE NSW. The short courses were all available online and designed to assist anyone across the State who wanted to upskill or reskill during the pandemic. The response was unprecedented, with 97,479 enrolments. The most popular courses were those that fell into the category of Business Skills, followed by courses that focused on Microsoft Word and Excel. The Centre for Educational Statistics and Evaluation, Department of Education, conducted an evaluation of the short course program in early 2021 and shared their key findings with the Board. Such information plays a crucial role in keeping the Board apprised of rapid-response skilling initiatives and their efficacy.

Smart and Skilled

The Board continued to oversee the Smart and Skilled program from a strategic perspective.

1. Smart and Skilled 2020 Provider Allocations

Smart and Skilled training providers continue to be assessed on organisational capability, regulatory and contract compliance and capacity to offer qualifications in specified regions. However, during the year, provider allocations made for Skilling for Recovery (NSW's skilling response to the COVID-19 pandemic, delivered through Smart and Skilled) piloted a new approach. This approach incorporated student outcomes and indicators, activity in Skilling for Recovery priority qualifications, financial cap utilisation, regional impact of training and capacity to deliver to Skilling for Recovery target student cohorts to determine additional allocations. Subsequent adjustments to Smart and Skilled Financial Caps included student outcome and

indicators and supported the economic recovery from COVID-19.

2. Smart and Skilled Performance Monitoring

Performance monitoring was undertaken by the NSW Department of Education to support training providers in their continuous improvement of training delivery and to ensure providers are meeting their contractual obligations. The Smart and Skilled contract has enforceable sanctions for providers that are found to be non-compliant. In line with the Board's statutory function to oversee quality assurance in VET, the Board reviews Smart and Skilled performance monitoring data at every meeting. Details of terminated providers are publicly available on the Smart and Skilled website.

3. NSW Skills List

During 2020-21 the Board endorsed a number of additions to the Skills List. The additional qualifications were proven to support industry need, strong employment outcomes, met specific needs in regional and rural NSW and offer specialised skills. The Department continued its data-driven strategy for evaluating the performance of courses on the NSW Skills List. This involved consultations with stakeholders. The Board has continued to provide support through this process. As a result of the consultations, the Board endorsed more removals from the Skills List including placement of some of these qualifications onto a secondary pre-qualified list.

VET Delivered to Secondary Students (VETSS)

The Board continued its role in allocating a small proportion of VETSS funding to the NSW Schools Consortium, comprised of the three school sectors – the NSW Department of Education, the Catholic Education Commission, and the Association of Independent Schools – and the NSW Education Standards Authority. This funding supports improvements in the quality and expands the delivery of school-based VET and supports the development of curricula and resources to target areas of skills shortages.

NSW Training Awards

[The NSW Training Awards](#) are conducted annually by the Department of Education to recognise outstanding achievement in the vocational education and training sector. The Awards honour and reward the achievements of students, trainers and teachers, training organisations, as well as large and medium employers.

Due to COVID-19, the 2020 NSW Training Awards were held virtually. The online presentation via Facebook live was held on Friday, 9 October 2020. The streaming was a considerable success engaging more than 50,000 people across NSW.

The Board sponsored the NSW Training Awards as a Platinum Partner, including the NSW Vocational Student of the Year Award and Apprentice of the Year Award.

The 2020 Vocational Student of the Year was Jon Frost, with a Certificate IV in Information Technology Support. Jon's first role at Service NSW Taree involved educating the public on how technology could enrich their lives. This inspired him to take his passion for customer support and IT to the next level through VET.

As a full-time employee, Jon experienced time-management challenges studying online in a regional area. He often felt like giving up. However, his trainer provided after-hours assessment, broke tasks down to manageable chunks and kept him motivated by celebrating wins.

Jon formed strong links with his community through Rotary and grass roots engagement to champion and promote Service NSW's offerings. As a result, Jon was awarded the 2018 Service NSW' DNA CEO Award.'

After gaining his qualification, Jon was promoted to Service NSW's new Product Digitalisation Team. "Completing my certificate has changed my life and helped me realise my dream career. Through determination, focus and support, you can overcome barriers and achieve your goals."

The 2020 Apprentice of the Year was Joshua Nickl, with a Certificate III in Retail Baking (combined). Pastry is Joshua's life. He grew up in his parent's patisserie, so it's no surprise he's driven to follow in their footsteps.

Joshua has been privileged to train under some of the industry's best pastry chefs at work and under world-renowned Dammika Hatharasinghe at CIT who pushes him above and beyond.

In 2018 Joshua topped his CIT class and won Most Outstanding Apprentice of All Trades.

Joshua regularly competes in industry competitions achieving BAA's National Apprentice Pastry Chef of the Year, 2017. He dedicated his 'spare' time to train over 20 additional hours a week with The Australian Pastry Team. In 2019 they competed in France's Coupe Du Monde placing sixth – Australia's best result yet.

Constantly seeking improvement, Joshua travelled across Europe on a working holiday learning new pastry skill and making life-long industry connections. "As my career progresses, I'm excited to train and lead the pastry chefs of the future."

NSW VET Review

On 18 March 2021 the NSW Government committed to implementing the five recommendations made by Professor Peter Shergold AC and Mr David Gonski AC in their [review of the NSW VET sector](#). The Board has an important role in implementing Recommendation 4: improve strategic and purposeful industry engagement in VET by ensuring that employers can have a more influential role in planning and designing relevant educational and training courses and have greater involvement in providing on the job training and career advice.

The Review states that existing mechanisms for industry engagement do not appear to be working effectively. It notes that industry leaders do not believe that existing information channels provide them with an influential voice on VET in NSW.

The Review proposed the Skills Board conduct periodic surveys; organise policy-specific forums; establish and maintain an easily accessible website to allow NSW businesses to be kept informed and engaged, to put forward their points of view, to facilitate online discussion and to enhance their contribution to decision-making.

The Review also identifies a need for the Board to strengthen its industry engagement model, and focus on engaging directly with employers, training providers and industry associations at the grassroots level.

The Board invited Professor Shergold to an extraordinary meeting of the Board on 14 April 2021, to discuss the Review's recommendations.

The Board changed its industry engagement model in 2020 to better engage at the grassroots level. This approach has continued in 2021 and addresses some of the concerns raised by the Review. The Board is also developing an industry engagement plan as part of its response to recommendation 4 of the Review.

Industry engagement

The Board continued its industry engagement program through targeted consultation sessions in October 2020 and May 2021. Board members met virtually with representatives from a number of employers and industry organisations, which provided the Board with rich insights into skills issues affecting industry at the grassroots level.

In October 2020, sessions included a technology and innovation company, a manufacturer in a border region, an infrastructure advisory firm, a regional apprentice recruiter, community services providers and not-for-profits, the telecommunications industry association and its RTO, as well as TAFE NSW.

In May 2021, sessions included construction companies, an Aboriginal business entrepreneur, a community services peak body and a regional club. There was also a follow-up session with the telecommunications industry association and TAFE NSW.

The consultations covered a range of skills and training issues, including:

- the immediate skills/training needs of each business/industry
- whether COVID-19 has disrupted these skills and training needs
- whether the VET system meets the skills and training needs of NSW industries
- the long-term economic outlook and future labour demands of NSW industries
- plans for attracting new skilled workers
- how the VET system could better serve the future skills and training needs of particular industries.

A common theme arising from these sessions was the impact of the COVID-19 pandemic on exacerbating skills shortages for many businesses. This was partly a result of the rapid rebound in the economy after initial job losses in early 2020, with a return to low unemployment rates. A lack of overseas skilled workers, due to travel restrictions, also contributed to reducing the pool of available workers.

Information and insights from these sessions were used to inform advice to Minister, both on broader issues and employer-specific issues.

Financial statements

NSW Skills Board

For the period ended 30 June 2021

Contents

Independent Audit Report	23
Statement by Members of the Board	27
Primary Financial Statements	
Statement of Comprehensive Income	28
Statement of Financial Position	29
Statement of Changes in Equity	30
Statement of Cash Flows	31
Notes to and forming part of the Financial Statements	32



INDEPENDENT AUDITOR'S REPORT

NSW Skills Board

To Members of the New South Wales Parliament

Opinion

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

In my opinion, the financial statements:

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

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

The Board's annual report for the year ended 30 June 2021 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The members of the Board are responsible for the other information.

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

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

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

I have nothing to report in this regard.

The Board's Responsibilities for the Financial statements

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

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

Auditor's Responsibilities for the Audit of the Financial statements

My objectives are to:

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

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

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

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

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

A handwritten signature in black ink, consisting of the letters 'JMP' in a stylized, cursive font.

Jan-Michael Perez
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

21 October 2021
SYDNEY

NSW Skills Board

Financial Statements

30 June 2021

NSW SKILLS BOARD
STATEMENT BY ACCOUNTABLE AUTHORITY

Pursuant to section 7.6(4) of the Government Sector Finance Act 2018 ('the Act'), we state that these financial statements:

- have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the Act, the *Government Sector Finance Regulation 2018* and the Treasurer's directions, and
- present fairly the Board's financial position, financial performance and cash flows.



Philip Marcus Clark AO
Chair

Date: 18 October 2021



Gregory Whitby
Board Member

Date: 18 October 2021

Beginning of financial statements

NSW SKILLS BOARD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Actual 2021 \$000	Actual 2020 \$000
Expenses excluding losses			
Personnel services	2(a)	833	954
Other expenses	2(b)	1,699	1,268
Total expenses excluding losses		2,532	2,222
Revenue			
Investment revenue	3(a)	3	16
Grants and contributions	3(b)	2,153	2,200
Total revenue		2,156	2,216
Net result		(376)	(6)
Other comprehensive income		-	-
Total other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		(376)	(6)

The accompanying notes form part of these financial statements.

NSW SKILLS BOARD
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Notes	Actual 2021 \$000	Actual 2020 \$000
ASSETS			
Current assets			
Cash and cash equivalents	4	1,813	1,934
Receivables	5	-	226
Total current assets		<u>1,813</u>	<u>2,160</u>
Total assets		<u>1,813</u>	<u>2,160</u>
LIABILITIES			
Current liabilities			
Payables	6	330	301
Total current liabilities		<u>330</u>	<u>301</u>
Total liabilities		<u>330</u>	<u>301</u>
Net assets		<u>1,483</u>	<u>1,859</u>
EQUITY			
Accumulated funds	7	1,483	1,859
Total equity		<u>1,483</u>	<u>1,859</u>

The accompanying notes form part of these financial statements.

NSW SKILLS BOARD
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

	Accumulated Funds \$000	Total \$000
Balance at 1 July 2020	1,859	1,859
Net result for the year	(376)	(376)
Total other comprehensive income	-	-
Total comprehensive income for the year	(376)	(376)
Balance at 30 June 2021	1,483	1,483
Balance at 1 July 2019	1,865	1,865
Net result for the year	(6)	(6)
Total other comprehensive income	-	-
Total comprehensive income for the year	(6)	(6)
Balance at 30 June 2020	1,859	1,859

The accompanying notes form part of these financial statements.

NSW SKILLS BOARD
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Actual 2021 \$000	Actual 2020 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Personnel services		(782)	(937)
Suppliers for goods and services		(1,629)	(1,777)
Total payments		(2,411)	(2,714)
Receipts			
Interest received		3	16
Grants and contributions		2,153	2,200
Other		134	106
Total receipts		2,290	2,322
NET CASH FLOWS FROM OPERATING ACTIVITIES	8	(121)	(392)
NET INCREASE/ (DECREASE) IN CASH			
Opening cash and cash equivalents		1,934	2,327
CLOSING CASH AND CASH EQUIVALENTS	4	1,813	1,934

The accompanying notes form part of these financial statements.

NSW SKILLS BOARD

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting entity

The NSW Skills Board (the Board) is a NSW government entity and is controlled by the State of New South Wales, which is the ultimate parent. The Board was established under the *Skills Board Act 2013*. The Board is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

There is a Memorandum of Understanding (MoU) agreement between the Board and the Department of Education and between the Board and the Department of Planning, Industry and Environment relating to services provided as depicted in Note 2(a) and (b) of the financial statements.

These financial statements for the year ended 30 June 2021 have been authorised for issue by the NSW Skills Board Secretariat on behalf of the Board.

(b) Basis of preparation

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

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

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

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

(c) Going Concern

These financial statements have been prepared on a going concern basis. NSW Skills Board receives financial support from the Department of Education. At the date of this report there is no reason not to expect this financial support to continue.

(d) Statement of compliance

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

(e) Accounting for the Goods and Services Tax

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

- amount of GST incurred by the Board 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.

(f) 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.

(g) Changes in accounting policies, including new or revised AAS

The accounting policies applied in 2020-21 are consistent with those of the previous financial year except as a result of new or revised Australian Accounting Standards as follow:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)***i. Effective for the first time 2020-21***

AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) is effective for the first time in the financial year. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Service Concession Arrangements: Grantors (AASB 1059)

AASB 1059 is effective for NSW Skills Board from 1 July 2020. The NSW Treasury Policy and Guideline Paper TPP06-8: Accounting for Privately Financed Projects (TPP 06-8) was also withdrawn effective from 1 July 2020.

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

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

The adoption of AASB 1059 did not have any financial impact on Statement of Financial Position, Statement of Comprehensive Income and the Statement of Cash Flows for the financial year.

Several other amendments and interpretations also applied for the first time in the financial year 2020-21, but do not have an impact on the financial statements of the Board.

ii. Issued but not yet effective

NSW public sector entities do not early adopt new Australian Accounting Standards, unless NSW Treasury determines otherwise. The following new Australian Accounting standards have not been applied and are not yet effective:

- AASB 17 *Insurance Contracts (effective from 1 January 2021)*
- AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (effective from 1 July 2021)*
- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current (effective from 1 January 2022)*
- AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments (effective from 1 January 2022)*
- AASB 2020-5 *Amendments to Australian Accounting Standards – Insurance Contracts (effective from 1 January 2021)*
- AASB 2020-6 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current (effective from 1 January 2022)*
- AASB 2020-7 *Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions: Tier 2 Disclosures (effective from 1 January 2021)*
- AASB 2020-9 *Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments (effective from 1 July 2021)*
- AASB 2020-8 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2 (effective from January 2021)*

The Board has assessed the impact of the new standards and interpretations issued but not yet effective where relevant and considers the impact to be not material.

(h) Impacts and assessment of COVID-19 pandemic

The first case of COVID-19 was reported to the World Health Organisation as an unknown virus in late December 2019. After that the global infection rate increased dramatically throughout 2020, it caused uncertainty for the global economy, including NSW. Whilst the initial effects were being felt predominantly by the travel industry and education providers, the impact is now considerably broader and is creating significant uncertainty for supply chains and the global economy. This uncertainty is creating risks to organisations that they may not have encountered previously.

At the time of completion of the 2020-21 financial statements, the Skills Board has adopted the Department of Education's approach on assessing the impacts of COVID-19 on the Skills Board's operations, as the Skills Board secretariat staff are the Department of Education corporate employees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(i) Impacts and assessment of COVID-19 pandemic (continued)

Internal control environment

The existing internal control environment continues to operate effectively amid COVID-19 and the resulting shift to remote work. The department created a COVID-19 taskforce with representatives from various business units to holistically address the risks of COVID-19. Established systems, processes, policies and procedures, segregation of duties, independent monitoring and review, ethical culture, awareness of corrupt conduct and existing systems continue to allow staff to report corrupt conduct without fear of reprisal, collectively continuing to reduce the risk of fraud and corruption, including in a remote work environment.

Working from home and technology as a solution

Due to the COVID-19 pandemic, from 27 March 2020, all corporate staff within the department began working from home until further notice. School-based staff also worked from home for a short period in terms 1 and 2. Staff that provided critical functions that could not be delivered remotely were provided exemptions on a case-by-case basis. Since then, the department has adapted in a number of ways, including:

- Providing an intranet landing page for all documents and resources relating to working from home amid COVID-19;
- Producing a quick reference guide on best practice for cyber security, especially whilst working from alternative locations;
- Releasing a new flexible working policy;
- Producing documents and webinars for managers and employees on how to manage their responsibilities from home during the period;
- Developing a COVID-19 taskforce;
- Investing heavily in IT infrastructure, including hardware and software; and
- Publishing guidelines on digital approvals via email or through the use of digital signatures; and
- Various webinars and resources were made available to staff through the 'A-Great-Place-To-Work' initiative.

The department continues to invest and strengthen its digital infrastructure (e.g. providing staff with laptops and mobile phones with network connectivity) to support digital processes and workflows and further support staff members to work from remote sites. In early 2021, corporate staff within the department have been encouraged to work in the office environment for up to two days a week.

2. EXPENSES EXCLUDING LOSSES

	2021 \$'000	2020 \$'000
(a) Personnel services expenses include the following:		
Salaries and wages (including annual leave)	478	546
Superannuation - defined contribution plans	48	56
Payroll tax	29	40
Workers' compensation insurance	10	16
Board member fees and on-costs	268	296
	833	954

Recognition and Measurement**Personnel services**

The Board does not employ staff but uses the personnel services of the Department of Education. The costs of salaries, superannuation, annual leave, and sick leave are disclosed as personnel services.

Board Members fees and on-costs

Board member fees and on-costs include fees for Board member services plus superannuation, payroll tax and departmental on-costs. Board members are not entitled to any leave provisions.

	2021 \$'000	2020 \$'000
(b) Other operating expenses include the following:		
Auditor's remuneration – audit of financial statements	24	24
Administration fees	75	75
Consultancy and other fees	1,598	1,101
Sponsorship	-	50
Travel	-	14
Other operating	2	4
	1,699	1,268

Recognition and Measurement**Corporate service support charge**

For the year ended 30 June 2021, the Board compensated \$50,000 to the Department of Planning, Industry and Environment and \$25,000 to the Department of Education.

3. REVENUE**Recognition and Measurement**

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

	2021 \$'000	2020 \$'000
(a) Investment revenue		
Interest revenue	3	16
	3	16

3. REVENUE (Cont.)**Recognition and Measurement****Investment revenue**

Interest revenue is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For financial assets that become credit impaired, the effective interest rate is applied to the amortised cost of the financial asset (i.e. after deducting the loss allowance for expected credit losses).

	2021 \$'000	2020 \$'000
(b) Grants and other contributions		
Grants - Department of Education (research)	976	976
Grants - Department of Education	1,177	1,224
	2,153	2,200

Recognition and Measurement**Grants and contributions**

Grants received without specific performance obligations are treated according to AASB 1058.

Revenue from grants with sufficiently specific performance obligations is recognised as when the Board satisfies a performance obligation by transferring the promised goods. Revenue from these grants is recognised based on the grant amount specified in the funding agreement/funding approval, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as funding payments are usually received in advance or shortly after the relevant obligation is satisfied. Income from grants without sufficient specific performance obligations is recognised when the Board obtains control over the granted assets (e.g. cash).

State contribution represents funding received by the Board from the Department of Education to fund the Board's operating expenses and research activities. The funding is recognised when it becomes payable by the Department of Education as per internal arrangements for budget allocations.

4. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	2021 \$'000	2020 \$'000
Cash at bank and on hand	1,813	1,934
	1,813	1,934

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

Cash and cash equivalents (per Statement of Financial Position)	1,813	1,934
	1,813	1,934

Refer Note 9 for details regarding credit risk and market risk arising from financial instruments.

5. CURRENT ASSETS - RECEIVABLES

	2021 \$'000	2020 \$'000
CURRENT		
Prepayments	-	181
Net GST receivable	-	45
	<u>-</u>	<u>226</u>

Details regarding credit risk of debtors that are neither past due nor impaired, are disclosed in Note 9.

Recognition and Measurement

All 'regular way' purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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

Subsequent measurement

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

Impairment

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

The Board recognises a loss allowance based on lifetime ECLs at each reporting date, if applicable.

6. CURRENT LIABILITIES - PAYABLES

	2021 \$'000	2020 \$'000
CURRENT		
Creditors/Accruals	275	241
Payables – Department of Education	35	54
PAYG tax payable	7	6
Net GST payable	13	-
	<u>330</u>	<u>301</u>

Details regarding liquidity risk, including a maturity analysis of the above payables are disclosed in Note 9.

Recognition and Measurement

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

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

7. EQUITY**Accumulated funds**

The category 'accumulated funds' includes all current and prior period retained funds.

8. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

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

	2021 \$000	2020 \$000
Net cash used on operating activities	(121)	(393)
Increase / (decrease) in receivables	(226)	204
Decrease / (increase) in payables	(29)	183
Net Result	<u>(376)</u>	<u>(6)</u>

9. FINANCIAL INSTRUMENTS

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

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

The Board 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 Board, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Board on a continuous basis.

(a) Financial instrument categories

Class:	Note	Category	Carrying amount	
			2021 \$000	2020 \$000
Financial Assets				
Cash and cash equivalents	4	Amortised cost	1,813	1,934
Receivables ¹	5	Amortised cost	-	-
Financial Liabilities				
Payables ²	6	Financial liabilities measured at amortised cost	310	295

Notes

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

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

(b) Derecognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial assets expire.

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

(c) Financial risks**i. Credit risk**

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

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

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

The Board considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Board may also consider a financial asset to be in default when internal or external information indicates that the Board is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Board.

Cash and cash equivalents

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 TCorp 11am unofficial cash rate, adjusted for a management fee to NSW Treasury.

Trade and other receivables

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

The Board applies the AASB 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all receivables.

Receivables are written off when there is no reasonable expectation of recovery.

9. FINANCIAL INSTRUMENTS (continued)**ii. Liquidity risk**

Liquidity risk is the risk that the Board will be unable to meet its payment obligations when they fall due. The Board 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 loans and other advances.

During the current and prior year, there were no defaults of borrowings. No assets have been pledged as collateral. The Board's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

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 the invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Board may automatically pay the supplier simple interest.

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

Maturity analysis and interest rate exposure of financial liabilities

	Weighted Average Effective Int. Rate %	Nominal Amount ¹ \$'000	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
2021								
<i>Payables</i>	-	310	-	-	310	310	-	-
		310	-	-	310	310	-	-
2020								
<i>Payables</i>	-	295	-	-	295	295	-	-
		295	-	-	295	295	-	-

iii. Market risk

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

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 and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Board 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 2020. The analysis assumes that all other variables remain constant.

9. FINANCIAL INSTRUMENTS (continued)**iii. Market risk (continued)***Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to interest rate risk arises primarily through the Board's interest bearing liabilities. The Board does not account for any fixed rate financial instruments at fair value through profit or loss or as at fair value through other comprehensive income or available-for-sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates (based on official RBA interest rate volatility over the last five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates:

	Carrying Amount \$000	Net Result \$000 -1%	Equity \$000	Net Result \$000 +1%	Equity \$000
2021					
Financial assets					
Cash and cash equivalents	1,813	(18)	(18)	18	18
Financial liabilities					
Payables	310	3	3	(3)	(3)
2020					
Financial assets					
Cash and cash equivalents	1,934	(19)	(19)	19	19
Receivables	-	-	-	-	-
Financial liabilities					
Payables	295	3	3	(3)	(3)

(d) Fair value measurement**i. Fair value compared to carrying amount**

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

10. RELATED PARTY DISCLOSURE

During the period, the Board incurred \$312,051 (2020: \$307,927) in respect of the key management personnel services that are provided by separate management entities, the Department of Planning, Industry and Environment and the Department of Education.

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

During the period, the Board entered into transactions with other entities that are controlled / jointly controlled / significantly influenced by NSW Government. These transactions (incurred in normal course of business) in aggregate are a significant portion of the Board's revenue and expenses, and the nature of these significant transactions are detailed below;

Entity	Nature of Transactions
Audit Office of NSW	Provides independent audit services on the Board's financial statements.
Department of Education	Provision of grants, accommodation and administrative services.
Department of Planning, Industry and Environment	Provision of administrative, secretariat support and operational assistance.

11. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The Board does not have any contingent liabilities or contingent assets as at balance date (2020: Nil).

12. COMMITMENTS

As at the reporting date there were no commitments outstanding (2020: Nil).

13. EVENTS AFTER REPORTING THE PERIOD

There are no events subsequent to the balance date that affect the financial information disclosed in this financial report.

End of financial statements.

Appendix 1: Report of Operations

The following report addresses additional reporting requirements of the *Annual Reports (Statutory Bodies) Act 1984* or the *Annual Reports (Statutory Bodies) Regulation 2015*.

Access

NSW Skills Board

105 Phillip St, Parramatta NSW 2150

Correspondence to the NSW Skills Board should be addressed to the Board at:

nswskillsboard.secretariat@det.nsw.edu.au

Business Hours: Monday–Friday 9am–5pm

Charter

The Board was established under the *Skills Board Act 2013*, replacing the Board of Vocational Education and Training (BVET). See Role of the Board on page 5.

Management and structure

Refer to Board Members on page 6.

Summary review of operations

Refer to The Year in Review on page 16.

Funds granted to non-government community organisations

No funds were granted to non-government community organisations.

Legal change

No amendments were made to the *Skills Board Act 2013* during the reporting period.

Economic or other factors

The COVID-19 pandemic has had limited impact on the achievement of the Board's operational objectives during the year in review, as the Board has been able to continue meeting virtually. The Board has also been able to meet virtually with employers and industry. Refer to Note 1(i) of the audited financial statements on impacts and assessment of COVID-19 pandemic.

Management and activities

See Year in Review on page 16.

Research and development

See Year in Review on page 17.

Human resources

There were eight board members as at 30 June 2021. There were no exceptional movements in wages, salaries or allowances. At 30 June 2021, the Board's secretariat comprised 4 equivalent full-time employees of the Department of Education, Education and Skills Reform Division, who are subject to the personnel and industrial relations policies and practices of the Department of Premier and Cabinet's guidelines.

The number of officers staffing the Secretariat by category is summarised as follows:

Salary Level	\$60,154- \$65,396	\$83,406- \$92,026	\$94,782- \$104,918	\$108,044- \$119,061	\$123,153.63 \$144,521
Female			1		2
Male					1

Numbers and remuneration of senior executives

The total number of executives employed at the end of the 2020-2021 financial year was 0.

Consultants*

Engagements ≥\$50,000 incl GST

Consultant	Costs \$	Title
The Social Research Centre	\$99,826.72	<i>NSW Student Outcomes Survey of VET Graduates 2019</i>
The Social Research Centre	\$263,313.81	<i>NSW Student Outcomes Survey of VET Graduates 2020</i>
National Centre for Vocational Education Research	\$119,240	<i>NSW Student Outcomes Survey of VET Graduates 2020</i>
Boston Consulting Group	\$584,375	<i>COVID-19 Labour Impacts and Skills Response Tranche 2</i>
University of Western Sydney	\$246,237.37	<i>Educational Pathways Policy Pilot Evaluation</i>
University of Sydney	\$87,936.42	<i>Three-year collaborative research partnership on VET reform in NSW – Fees for year 3 activities</i>
Tim Higgins	\$55,000	<i>Cost benefit analysis to support the development of a HECS-style VET Student Loans scheme</i>

Engagements <\$50,000 incl GST

Consultant	Total Cost	Title
National Centre for Vocational Education Research	\$30,470	<i>NSW Student Outcomes Survey of VET Graduates 2021</i>
Bruce Chapman	\$10,000	<i>Cost benefit analysis to support the development of a HECS-style VET Student Loans scheme</i>

* Note that these are actual payment figures and does not include amounts accrued at the end of the financial year.

Disability Inclusion Action Plans

The Board adhered to the NSW Government's Disability Policy Framework through the Department of Education's Disability Inclusion Action Plan.

Land disposal

The Board does not own land or buildings.

Promotion

There were no overseas visits by Board Members or Secretariat staff in 2020-21.

Consumer response

The Board is open to, responds to and addresses any suggestions or complaints it receives. Any complaints up to 30 June 2021 to the Board are dealt with according to the Department of Education complaints handling policy.

Payment of accounts

All suppliers

Measure	September 2020	December 2020	March 2021	June 2021	Full Year
Invoices due for payment (Number)	7	3	4	3	17
Invoice paid on time (Number)	1	0	0	2	3
Percentage paid on time (%)	14.29%	0	0	66.67%	17.65%
Amount due for payment (\$)	\$903,833	\$155,048.63	\$234,681.53	\$202,836.16	\$1,496,399.32
Amount paid on time (\$)	\$72,260.79	0	0	\$128,964.95	\$201,225.74
Percentage paid on time (%)	7.99%	0	0	63.58%	13.45%
Number of payments of interest on overdue accounts (Number)	0	0	0	0	0
Interest paid on late accounts (\$)	0	0	0	0	0

Small Business

Measure	September 2020	December 2020	March 2021	June 2021	Full Year
Invoices due for payment (Number)	2	0	0	0	2
Invoice paid on time (Number)	0	0	0	0	0
Percentage paid on time (%)	0	0	0	0	0
Amount due for payment (\$)	\$65,000	\$0	\$0	\$0	\$65,000
Amount paid on time (\$)	\$0	\$0	\$0	\$0	\$0
Percentage paid on time (%)	0	0	0	0	0
Number of payments of interest on overdue accounts (Number)	0	0	0	0	0
Interest paid on late accounts (\$)	\$0	\$0	\$0	\$0	\$0

Time for Payment of accounts

All Suppliers

Quarter	Current Within Date	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	Greater than 90 days overdue
September 2020	\$72,260.79	\$87,936.42	\$743,635.79		
December 2020		\$75,240.00			\$79,808.63
March 2021			\$60,983.60	\$173,697.93	
June 2021	\$128,964.95			\$73,871.21	

* Delays in payments were predominantly due to the ongoing complications arising from machinery of government changes that resulted in the Skills Board's financial management taking place across two Departments' systems (Department of Education and Department of Planning, Industry and Environment) for the duration of the financial year.

Small Business

Quarter	Current Within Date	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	Greater than 90 days overdue
September 2020	\$0	\$0	\$0	\$0	\$0
December 2020	\$0	\$0	\$65,000	\$0	\$0
March 2021	\$0	\$0	\$0	\$0	\$0
June 2021	\$0	\$0	\$0	\$0	\$0

Risk management and insurance activities

Insurance policies to 30 June 2021 are the responsibility of Department of Education's Corporate Services division and are reported through the Department's Annual Report. The Board has a Risk Register, which covers both strategic and operational risks.

Disclosure of controlled entities and subsidiaries

The Board does not control any entities or have any subsidiaries.

Workforce Diversity

Board membership as at 30 June 2021 comprises of:

Existing Members and Term Expiry Dates

Name	Term Expiry
Prof Paul Chandler	31/Dec/2022
Mr Philip Clark AO	31/Jan/2022
Ms Robyn Delander	31/Dec/2022
Ms Jillian Kilby FIEAust GAICD	31/Dec/2022
Ms Fiona Nash	31/Dec/2022
Mr Gregory Whitby AM	31/Dec/2022
Mr Steven Worrall	31/Dec/2022
Ms Helen Zimmerman	30/Jun/2022

Board Composition

Percentage of Board members who are:	Current composition
1. Female	4 (50.00%)
2. Male	4 (50.00%)
3. Non Binary	0 (0.00%)
4. Gender - Prefer not to specify	0 (0.00%)
3. Culturally and linguistically diverse	0 (0.00%)
4. Aboriginal and/or Torres Strait Islanders	1 (12.50%)
5. People with a disability	0 (0.00%)
6. Young people	0 (0.00%)

The Board does not have direct employees - the Secretariat is staffed by employees of the Department of Education, Education and Skills Reform Division. The Board supports the Department of Education's Workforce Diversity initiatives.

Multicultural Policies and Services Program

The Board supports the Department of Education, Education and Skills Reform Divisions' multicultural policies and initiatives.

Agreements with Multicultural NSW

The Skills Board has not entered any agreement with Multicultural NSW under the Multicultural NSW Act 2000.

Work Health and Safety

There were no injuries or prosecutions under the *Work Health and Safety Act 2011* in the reporting period.

Budgets

The Board received a grant from the Department of Education for Board and Secretariat costs, as well as research activities, as reflected in the financial statements on page 22.

The Department of Education and the Board agreed on a Budget of \$1.177 million for Board and Secretariat costs for 2020-21. The Board also received a \$976,000 grant from the Department of Education to fund research activities.

Expenditure Area	Function of Budget Area	Total Budget 2020-21
Research Payments	Research Fund from National Agreement for Skills and Workforce Development	\$976,000
Employee related costs	Strategic advice to Board on all aspects of NSW VET system, project management and secretariat activities	\$694,234
Board Members Fees including On Costs	Independent advice to the NSW Government on the vocational education and training (VET) system	\$295,650
Board Meeting Expenses	Board Meeting, Reference Group and Regional Visit expenses	\$24,924
Secure Board Portal Software	Annual Subscription to secure portal for meeting papers and governance	\$15,756
Sponsorship	Support of the NSW Training Awards	\$50,000
Other Expenses	Audit fees, payments to Department under MoU, travel costs, administrative costs	\$112,553

Implementation of Price Determination of Independent Pricing and Regulatory Tribunal (IPART)

The Board is not subject to determinations of the Tribunal.

Government Information (Public Access) Act 2009

The Board does not process applications under the GIPA Act. The Department processes Government Information Public Access Applications made on the NSW Skills Board.

Public Interest Disclosures (PID)

Secretariat staff were notified of responsibilities under s6E (1) (b) of the *Public Interest Disclosure Act 2013*. No Public Interest Disclosures were made during the reporting period.

Public availability of annual reports

The Board's Annual Report and other Board publications and reports are available for viewing and downloading on the Board's website, https://www.training.nsw.gov.au/skills_board/research_publications.html

Printing and distribution requirements

As required by the Department of Premier and Cabinet, costs of production of the 2021 Annual Report have been kept to a minimum by restricted use of photos and graphs and eliminating external production costs.

Privacy management plan

The Board and Departmental staff supporting the work of the Board comply with *the Privacy and Personal Information Protection Act 1998*, which is managed by the Department and reported on in the Department's Annual Report.

Exemption - Risk Management and Internal Audit

The Board has an exemption from the core requirements of the *Internal Audit and Risk Management Policy for the General Government Sector* (TPP20-08) by Treasury. The Board satisfied the exemption criteria as a small agency for the reporting period.

ATTESTATION STATEMENT

Digital Information Security Annual Attestation Statement for the 2020-2021 Financial Year for the NSW Skills Board (Department of Education)

I, Son Ly, am of the opinion that the security controls in place to mitigate risks to the digital information of the NSW Skills Board were adequate. Information security management arrangements in place during the 2020-2021 financial year were consistent with the core elements set out in the *Digital Information Security Policy* of the NSW Public Sector.

There is no agency under the control of the NSW Skills Board which is required to develop an independent ISMS in accordance with the *NSW Government Digital Information Security Policy*.



Son Ly
Manager
NSW Skills Board Secretariat

18 October 2021

Index

A

Access.....	42
Aims and objectives	5
Attestation statement	47

B

Board meetings	13
Board member projects.....	16
Board Members.....	6
Budgets	45

C

Chair's overview.....	3
Charter	42
Corporate governance structure	14

F

Financial Statements.....	22
---------------------------	----

G

Governance and Board members	6
------------------------------------	---

I

Independent Auditor's Report	23
------------------------------------	----

Industry engagement.....	21
Industry Reference Group	15

N

NSW Training Awards	19
NSW VET Review.....	20

P

Provider Reference Group.....	14
-------------------------------	----

R

Report of Operations	42
Research Committee	14
Research projects.....	17
Role of the Board.....	5

S

Smart and Skilled.....	18
------------------------	----

V

VET Delivered to Secondary Students (VETSS).....	19
---	----

Y

Year in review	16
----------------------	----