

# ABOUT THIS BUDGET PAPER

## Purpose and scope

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Budget Paper No. 3 *Budget Estimates* outlines the financial and service delivery functions of general government sector agencies. The objectives of this paper are to:

- support and explain appropriations from the Consolidated Fund
- meet the requirement under section 27AA (2)(c) of the *Public Finance and Audit Act 1983* to provide ‘information about the results and services and total expenses of each service group’
- support transparency and accountability by reporting against planned performance from the previous Budget, and explaining how resources have been allocated in the current Budget.

The scope of this Budget Paper extends to the general government sector and only includes agencies that are material within the sector. This Budget Paper includes:

- details of cluster and agency arrangements following recent machinery of government changes
- an overview of financial appropriations, the Government’s priorities and outcome budgeting
- details of recurrent expenses and capital expenditure by cluster and agency.

## Government’s priorities

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The Government’s priorities provide the overarching framework for the achievement of outcomes for the people of New South Wales. In April 2019, the newly elected Government announced fresh fundamental objectives to deliver great opportunities and quality of life for all citizens across New South Wales no matter where they live or what their circumstances may be.

The key policy priorities of the Government are:

1. **A strong economy, quality jobs and job security for workers of today and tomorrow:** To build the strongest economy in the region, providing the jobs and investment opportunities that will take NSW to the next level
2. **Highest quality education no matter where you live or what your circumstances may be:** To prepare the most dynamic, qualified and skilled workforce in the world
3. **Well-connected communities with quality local environments:** To deliver the infrastructure that connects communities and improves opportunity and quality of life
4. **Making government work better for you by putting the customer at the centre of everything we do:** To provide world-class services for every citizen, no matter where they live or what their circumstances may be
5. **Breaking the cycle of intergenerational disadvantage by fixing problems that have been in the too-hard basket for too long:** To focus on social reform in areas that have been longstanding challenges.

## Outcome Budgeting

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Outcome budgeting aims to align financial and performance reporting with governance and decision making. It is a framework to cover the entire Budget spend, with a suite of State Outcomes describing what the Government is seeking to achieve for the people of New South Wales. This approach encourages public sector agencies to manage and allocate resources in a way that is based on evidence of what works. It also encourages agencies to align their resources and service delivery toward achievement of these outcomes. In this way the State Outcomes, to which the clusters and agencies are directing their efforts, serve as an effective way of grouping service delivery, and each of the State Outcomes constitutes a service group for the purposes of s27AA(2)(c) of the *Public Finance and Audit Act 1983*.

### Changes to Outcome Budgeting reporting for 2019-20

Following the April 2019 announcement of machinery of government changes, the 46 State Outcomes reported in the 2018-19 Budget Paper were refined to better reflect the new cluster arrangements. This has resulted in a revised set of 38 State Outcomes for the 2019-20 Budget that have been re-allocated across the eight government clusters.

The Government will use the new State Outcome structure to develop Outcome and Business Plans for clusters that ensure government expenditure continues to be used efficiently and effectively to deliver outcomes for the people of New South Wales. Measures and indicators of cluster performance will be further refined in the early part of 2019-20 to ensure they fully align with the revised structure. As this realignment will result in a revised set of outcome indicators for the sector, measures and projections for existing indicators have not been included in this Budget Paper.

In the meantime, agency performance information continues to be reported across a range of other sources such as agency websites, annual reports and the Productivity Commission's Report on Government Services. The Government will build on this momentum and continue to drive an outcome focus across the sector, further integrating outcomes in strategic planning, budgeting and performance management.

## Cluster and agency arrangements

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Clusters are groups of entities with shared or related policy goals. The cluster arrangement aims to improve government services and outcomes for the community by:

- pursuing common objectives across agencies
- better integrating services
- helping to allocate resources between areas.

A cluster is not a legal or reporting entity. Individual agencies are separate legal entities that must prepare financial and annual reports.

### Changes to cluster and agency arrangements

In April 2019, the Government announced machinery of government changes to better align with its third term objectives, to deliver great opportunities and quality of life for all citizens across New South Wales, no matter where they live or what their circumstances may be.

The new cluster and agency arrangements will streamline how clusters operate and collaborate to serve communities across the State - whether it be customer service, education, stronger communities, transport, health or industry. From 1 July 2019, eight clusters will deliver the work of the Government.

Under the cluster realignment, the following current departments will cease and their functions will transition to the new cluster arrangements by 1 July 2019:

- Finance, Services & Innovation
- Industry
- Planning & Environment
- Family and Communities, and
- Justice.

Figure 1: The new Government clusters from 1 July 2019



## Administrative arrangements

Since 1 July 2018, several Administrative Arrangements Orders have been made to provide for new Ministerial and agency arrangements and responsibilities.

These include:

- Administrative Arrangements (Administrative Changes – NSW State Archives and Subsidence Advisory NSW) Order 2018 - Commenced 1 July 2018
- Administrative Arrangements (Administrative Changes – Greater Sydney Commission) Order 2018 - Commenced 1 July 2018
- Administrative Arrangements (Administrative Changes – Western City and Aerotropolis Authority) Order 2018 - Commenced 9 November 2018
- Administrative Arrangements (Administrative Changes – NSW Fair Trading) Order 2018 - Commenced 21 December 2018
- Administrative Arrangements (Administrative Changes – Ministers) Order 2019 - Commenced 2 April 2019
- Administrative Arrangements (Administrative Changes – Ministers) Order (No.2) 2019 – Commenced 1 May 2019.

The recently announced changes to the machinery of government will be enacted when the Administrative Arrangements (Administrative Changes – Public Service Agencies) Order 2019 as amended by the Administrative Arrangements (Administrative Changes – Public Service Agencies) Amendment Order 2019, takes effect on 1 July 2019.

The 2019-20 Budget Paper reflects the above listed administrative arrangements including those to be enacted under the *Administrative Arrangements (Administrative Changes – Public Service Agencies) Order 2019* and the proposed consolidation of Roads and Maritime Services functions within Transport for NSW.

An overview of the administrative changes to the Government clusters from 1 July 2018 up to and including 1 July 2019 is outlined in the following table:

Cluster	Administrative arrangements changes
<b>Customer Service cluster</b>	<p>The Department of Customer Service is established under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019.</p> <p><b>Transfers into the Customer Service cluster</b></p> <p>The persons employed by the Department of Finance, Service and Innovation transfer to the Department of Customer Service, except where noted.</p> <p>The Data Analytics Centre transfers from the Treasury to the Department of Customer Service.</p> <p>The following parts of the Department of Premier and Cabinet transfer to the Department of Customer Service:</p> <ul style="list-style-type: none"> <li>• Office of the Customer Service Commissioner</li> <li>• Behavioural Insights Unit</li> <li>• Government Communications Branch</li> <li>• those persons employed in the Digital, Content and Sponsorships Branch who are principally involved in administering the nsw.gov.au website.</li> </ul> <p>The NSW Registry of Births, Deaths and Marriages transfers from the Department of Justice to the Department of Customer Service.</p> <p>The Liquor, Gaming and Racing Division of the Department of Industry transfers to the Department of Customer Service.</p>

Cluster	Administrative arrangements changes
<p><b>Education cluster</b></p>	<p>Under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, the following changes are effective 1 July 2019.</p> <p><b>Transfers into the Education cluster</b></p> <p>The persons employed in the Department of Industry who are principally involved in the administration of legislation allocated to the Minister for Skills and Tertiary Education (including the provision of support for the portfolio responsibilities of that Minister) transfer to the Department of Education.</p> <p><b>Transfers out of the Education cluster</b></p> <p>Aboriginal Affairs NSW transfers from the Department of Education to the Department of Premier and Cabinet.</p>
<p><b>Planning, Industry and Environment cluster</b></p>	<p>The Department of Planning, Industry and Environment is established under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, amended by the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Amendment Order 2019</i>, effective 1 July 2019.</p> <p><b>Transfers into the Planning, Industry and Environment cluster</b></p> <p>The persons employed in the Department of Planning and Environment and the Department of Industry transfer into the Department of Planning, Industry and Environment, except where noted.</p> <p>The persons employed in the Office of Environment and Heritage transfer to the Department of Planning, Industry and Environment, except where noted.</p> <p>The persons employed in the Office of Local Government transfer to the Department of Planning, Industry and Environment.</p> <p>The persons employed in the Department of Premier and Cabinet who are principally involved in the administration of legislation allocated to the Deputy Premier, Minister for Regional New South Wales, Industry and Trade (including the provision of support for the portfolio responsibilities of that Minister) transfer to the Department of Planning, Industry and Environment.</p> <p>The following parts of the Department of Finance, Services and Innovation transfer to the Department of Planning, Industry and Environment:</p> <ul style="list-style-type: none"> <li>• those persons who are principally involved in the administration of legislation allocated to the Minister for Water, Property and Housing (including the provision of support for the portfolio responsibilities of that Minister)</li> <li>• Property and Advisory Group</li> <li>• Manly Hydraulics Laboratory</li> <li>• Heritage Stoneworks.</li> </ul> <p>The persons employed in the Office of Sport who are principally involved in the administration of the <i>Sydney Olympic Park Authority Act 2001</i> transfer to the Department of Planning, Industry and Environment (excluding those persons principally involved in the exercise of venue management functions).</p>

Cluster	Administrative arrangements changes
<b>Planning, Industry and Environment cluster (cont)</b>	<p>The following parts of the Department of Family and Community Services transfer to the Department of Planning, Industry and Environment:</p> <ul style="list-style-type: none"> <li>• those persons who are principally involved in providing support to the New South Wales Land and Housing Corporation</li> <li>• those persons who are principally involved in providing support to the Aboriginal Housing Office (including the Board of the Aboriginal Housing Office)</li> <li>• those persons who are principally involved in asset management.</li> </ul>
<b>Premier and Cabinet cluster</b>	<p>The Greater Sydney Commission Staff Agency was established as a Public Service executive agency related to the Department of Premier and Cabinet under the <i>Administrative Arrangements (Administrative Changes - Greater Sydney Commission) Order 2018</i>, effective 1 July 2018.</p> <p>Under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, the following changes are effective 1 July 2019:</p> <p><b>Transfers into the Premier and Cabinet cluster</b></p> <p>Aboriginal Affairs NSW transfers from the Department of Education to the Department of Premier and Cabinet.</p> <p>The Heritage Division and the Culture Policy Branch transfer from the Office of Environment and Heritage to the Department of Premier and Cabinet.</p> <p>The persons employed in the Office of Environment and Heritage or the Department of Planning and Environment to enable the Historic Houses Trust to exercise its functions are transferred to the Department of Premier and Cabinet.</p> <p>The persons employed in the Treasury who are principally involved in the administration of legislation allocated to the Special Minister of State, Minister for Public Service and Employee Relations, Aboriginal Affairs, and the Arts (including the provision of support for the portfolio responsibilities of that Minister) transfer to the Department of Premier and Cabinet.</p> <p>The persons employed in the Department of Planning and Environment who are principally involved in the administration of legislation allocated to the Special Minister of State, Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts (including the provision of support for the portfolio responsibilities of that Minister) transfer to the Department of Premier and Cabinet.</p> <p>The persons employed in the Barangaroo Delivery Authority Staff Agency transfer to the Infrastructure NSW Staff Agency</p> <p>The persons employed in the UrbanGrowth NSW Development Corporation Staff Agency transfer to the Infrastructure NSW Staff Agency</p> <p><b>Transfers out of the Premier and Cabinet cluster</b></p> <p>The Western City and Aerotropolis Authority Staff Agency was established as a Public Service executive agency related to the Department of Premier and Cabinet under the <i>Administrative Arrangements (Administrative Changes – Western City and Aerotropolis Authority) Order 2018</i>, effective 9 November 2018. The Western City and Aerotropolis Authority transfers to the Treasury cluster effective 1 July 2019.</p>

Cluster	Administrative arrangements changes
<b>Premier and Cabinet cluster (cont)</b>	<p>The following parts of the Department of Premier and Cabinet transfer to the Department of Customer Service:</p> <ul style="list-style-type: none"> <li>• Office of the Customer Service Commissioner</li> <li>• Behavioural Insights Unit</li> <li>• Government Communications Branch</li> <li>• those persons employed in the Digital, Content and Sponsorships Branch who are principally involved in administering the nsw.gov.au website.</li> </ul> <p>The persons employed in the Department of Premier and Cabinet who are principally involved in the administration of legislation allocated to the Deputy Premier, Minister for Regional New South Wales, Industry and Trade (including the provision of support for the portfolio responsibilities of that Minister) transfer to the Department of Planning, Industry and Environment.</p>
<b>Stronger Communities cluster</b>	<p>The Department of Family and Community Services and Justice is established under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019.</p> <p>The Department of Family and Community Services and Justice combines the functions of the Department of Family and Community Services and the Department of Justice except where noted.</p> <p><b>Transfers into the Stronger Communities cluster</b></p> <p>The persons employed in the former Department of Family and Community Services and the Department of Justice transfer into the Department of Family and Community Services and Justice, except where noted.</p>
<b>Treasury cluster</b>	<p>Under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, the following changes are effective 1 July 2019:</p> <p><b>Transfers into the Treasury cluster</b></p> <p>The Western City and Aerotropolis Authority Staff Agency was established as a Public Service executive agency related to the Department of Premier and Cabinet under the <i>Administrative Arrangements (Administrative Changes – Western City and Aerotropolis Authority) Order 2018</i>, effective 9 November 2018. The Western City and Aerotropolis Authority transfers to the Treasury cluster from the Department of Premier and Cabinet cluster effective 1 July 2019.</p> <p>The following parts of the Department of Finance, Services and Innovation transfer to the Treasury:</p> <ul style="list-style-type: none"> <li>• NSW Procurement</li> <li>• those persons who are principally involved in the administration of legislation allocated to the Minister for Finance and Small Business (including the provision of support for the portfolio responsibilities of that Minister).</li> </ul> <p>The following parts of the Department of Industry transfer to the Treasury:</p> <ul style="list-style-type: none"> <li>• those persons who are principally involved in the administration of legislation allocated to the Minister for Jobs, Investment, Tourism and Western Sydney (including the provision of support for the portfolio responsibilities of that Minister)</li> <li>• the Office of the Small Business Commissioner</li> <li>• NSW Trade and Investment.</li> </ul>

Cluster	Administrative arrangements changes
<b>Treasury cluster (cont)</b>	<p><b>Transfers out of the Treasury cluster</b></p> <p>The Data Analytics Centre transfers to the Department of Customer Service.</p> <p>The persons employed in the Treasury who are principally involved in the administration of legislation allocated to the Special Minister of State, Minister for Public Service and Employee Relations, Aboriginal Affairs, and the Arts (including the provision of support for the portfolio responsibilities of that Minister) transfer to the Department of Premier and Cabinet.</p>

An overview of the entities ceasing to operate as a result of the administrative changes from 1 July 2018 up to and including 1 July 2019 is outlined in the following table:

Entity	Details
<b>Barangaroo Delivery Authority Staff Agency</b>	<p>The Barangaroo Delivery Authority Staff Agency is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019. The persons employed in the Barangaroo Delivery Staff Agency transfer to the Infrastructure NSW Staff Agency.</p>
<b>Department of Family and Community Services</b>	<p>The Department of Family and Community Services is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019.</p> <p>Its functions will generally be undertaken by the Department of Family and Community Services and Justice, which will provide support to Ministers in the Stronger Communities cluster in the administration of legislation allocated to them. On 1 July 2019, persons principally involved in providing support to the New South Wales Land and Housing Corporation, the Aboriginal Housing Office (including the Board of the Aboriginal Housing Office) or asset management transfer to the Department of Planning, Industry and Environment.</p>
<b>Department of Finance, Services and Innovation</b>	<p>The Department of Finance, Services and Innovation is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019.</p> <p>Its functions will generally be undertaken by the Department of Customer Service, which will support Ministers in the Customer Service cluster in the administration of legislation allocated to them. On 1 July 2019:</p> <ul style="list-style-type: none"> <li>• persons principally involved in the administration of legislation allocated to the Minister for Water, Property and Housing, the Property Advisory Group, the Manly Hydraulics Laboratory and Heritage Stoneworks transfer to the Department of Planning, Industry and Environment</li> <li>• NSW Procurement and persons principally involved in the administration of legislation allocated to the Minister for Finance and Small Business (including the provision of support for the portfolio responsibilities of that Minister) transfer to the Treasury.</li> </ul>

Cluster	Administrative arrangements changes
<b>Department of Industry</b>	<p>The Department of Industry is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019.</p> <p>Its functions will generally be undertaken by the Department of Planning, Industry and Environment, which will support Ministers in the Planning, Industry and Environment cluster in the administration of legislation allocated to them. On 1 July 2019:</p> <ul style="list-style-type: none"> <li>• persons principally involved in the administration of legislation allocated to the Minister for Jobs, Investment, Tourism and Western Sydney, the Office of the Small Business Commissioner and NSW Trade and Investment transfer to the Treasury</li> <li>• the Liquor, Gaming and Racing Division transfers to the Department of Customer Service</li> <li>• persons principally involved in the administration of legislation allocated to the Minister for Skills and Tertiary Education transfer to the Department of Education.</li> </ul>
<b>Department of Justice</b>	<p>The Department of Justice is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019. Its functions will generally be undertaken by the Department of Family and Community Services and Justice, which will support Ministers in the Stronger Communities cluster in the administration of legislation allocated to them. Persons principally involved in these functions transfer to the Department of Family and Community Services and Justice. On 1 July 2019, the NSW Registry of Births, Deaths and Marriages transfers to the Department of Customer Service.</p>
<b>Department of Planning and Environment</b>	<p>The Department of Planning and Environment is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019.</p> <p>Its functions will generally be undertaken by the Department of Planning, Industry and Environment, which will support Ministers in the Planning, Industry and Environment cluster in the administration of legislation allocated to them. On 1 July 2019, staff employed to enable the Historic Houses Trust to exercise its functions, and staff who are principally involved in the administration of legislation allocated to the Special Minister of State, Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts transfer to the Department of Premier and Cabinet.</p>
<b>Office of Environment and Heritage</b>	<p>The Office of Environment and Heritage is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019. The persons employed in the Office of Environment and Heritage transfer to the Department of Planning, Industry and Environment, except for the Heritage Division and the Culture Policy Branch which transfer to the Department of Premier and Cabinet.</p>
<b>Office of Local Government</b>	<p>The Office of Local Government is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019. The persons employed in the functions of the Office of Local Government transfer to the Department of Planning, Industry and Environment.</p>
<b>UrbanGrowth NSW Development Corporation Staff Agency</b>	<p>The UrbanGrowth NSW Development Corporation Staff Agency is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019. The persons employed in UrbanGrowth transfer to Infrastructure NSW Staff Agency.</p>

## Administrative arrangement implications

The new cluster and agency arrangements have implications for the content and presentation of this Budget Paper.

Effective 1 July 2019, the accounting and financial consequences flowing from the realignment to eight clusters include:

- Existing reporting entities cease and new ones established with resulting financial and annual reporting implications
- Cluster control relationships are amended with consequential consolidated financial reporting implications
- Assets and liabilities associated with transfers of function transfer from a former cluster to a newly established cluster with the transfers required to be recognised as at 1 July 2019.

The changes in administrative arrangements also have consequences for the presentation of budget information and budget allocations including:

- State Outcome reporting and individual outcome indicators for each cluster have not been presented this year given the impact of the machinery of government changes upon the outcome framework. The revised outcome structure including new State Outcomes and indicators will be embedded within each of the eight clusters following a thorough Outcome and Business Planning process in 2019-20
- Changes between years in recurrent expenses and capital expenditure for the new clusters, and for some principal departments, cannot be provided as the year on year change is distorted by the transfer of functions and agencies. Expense comparisons between years are provided where an agency has been transferred in its entirety
- Budget allocations are aligned with the new cluster control relationships.

## Cluster and agency appropriation arrangements

Coordinating Ministers for each cluster receive an appropriation for their principal department. Resources are then allocated to agencies within the cluster through grant funding with the support of Portfolio Ministers and the Secretary of each principal department.

The Legislature and a number of smaller agencies classified as special or independent offices are funded through separate appropriations to maintain their independence from government. The Crown Finance Entity also receives a separate appropriation for central functions of government.

## Entities that receive an appropriation for the 2019-20 Budget

Crown Finance Entity	Ministry of Health
Department of Customer Service	New South Wales Electoral Commission
Department of Education	Ombudsman's Office
Department of Planning, Industry and Environment	Office of the Children's Guardian
Department of Premier and Cabinet	Office of the Director of Public Prosecutions
Department of Family and Community Services and Justice	Public Service Commission
Independent Commission Against Corruption	The Legislature
Independent Pricing and Regulatory Tribunal	The Treasury
Judicial Commission of New South Wales	Transport for NSW
Law Enforcement Conduct Commission	

## Reporting of Budget data

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The financial statements in this Budget Paper are prepared on an accrual basis of accounting, in accordance with Australian Accounting Standards and the Uniform Presentation Framework.

From 1 July 2019, the State applied AASB 15 *Revenue from Contracts with Customers* (AASB 15) and AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058) and AASB 16 *Leases* (AASB 16). The new accounting standards have been applied to 2019-20 estimates in the agency financial statements. The revised estimates for 2018-19 do not reflect the impact of the changes to the accounting standards.

This Budget Paper also presents a balance sheet and cash flow statement.

## Cluster-level financial aggregates

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Recurrent expenses and capital expenditure reported in this Budget Paper are ‘cluster-eliminated’ – that is, aggregated at the cluster level only. Transfers within the same cluster are eliminated out. Transfers into and out of the cluster are all included: any transfer from cluster A to cluster B will therefore appear in financial tables for both cluster A and B.

## How to read this budget paper

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This Budget Paper is structured into one chapter for each cluster, as well as a separate chapter for the Legislature. Clusters are groups of entities with shared or related policy goals. The eight clusters presented in this Budget Paper reflect the machinery of government changes that come into effect on 1 July 2019.

Each chapter sets out the Budget highlights for each cluster, as well as more detailed financial information.

Financial statements are presented for agencies established as at 1 July 2019 as well as those agencies abolished under the recent machinery of government changes.

### 1.1 Cluster Introduction

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Section	Description
<b>Introduction</b>	This describes the role, main activities and responsibilities of the cluster.
<b>Contribution to the Government’s Priorities</b>	The Government’s Priorities that the cluster is targeting to achieve.
<b>State Outcomes to be delivered by the cluster</b>	A short description of the State Outcomes the cluster is working towards.

## 1.2 2019-20 Budget Highlights

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This section describes significant new and ongoing initiatives of the cluster listed under each State Outcome. Realignment of State Outcomes is underway and pending this change some individual State Outcomes may not include highlighted expenditure at this time. For further detail on capital projects, see Budget Paper No. 2 *Infrastructure Statement*.

## 1.3 Machinery of Government

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This sets out the machinery of government changes that have impacted the cluster as a result of Administrative Arrangements Orders issued and enacted since 1 July 2018. The section also includes those changes effective on 1 July 2019.

## 1.4 Overview of cluster expenses by State Outcome

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This section includes doughnut charts depicting the amount and percentage of recurrent expenses and capital expenditure across each of the State Outcomes delivered by the cluster.

## 1.5 Agency Expense Summary

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This section lists recurrent expenses and capital expenditure for each agency in the cluster. The expenses by agency are further broken down by State Outcome.

## 1.6 Financial Statements

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Financial statements are presented for the eight clusters established as at 1 July 2019 as well as those abolished clusters.

Section	Description
<b>Operating Statement</b>	This lists the major categories of expenses and revenues for each agency.
<b>Balance Sheet</b>	This details the agency's assets, liabilities and net worth.
<b>Cash Flow Statement</b>	This details the cash impacts of agency activities, including the cash appropriations sourced from whole-of-government activities.

## Notes

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- The Budget year refers to 2019-20, while the forward estimates period refers to 2020-21, 2021-22 and 2022-23.
- Expenditure figures cited throughout refer to expenditure in the 2019-20 Budget year unless otherwise indicated.
- Expenditure figures cited as '2018-19 revised' refer to 2018-19 Budget updated projections as at 30 April 2019.
- Figures in tables, charts and text have been rounded. Discrepancies between totals and the sum of components reflect rounding:
  - values of \$1 billion and above are rounded to the nearest \$100 million unless specified
  - values below \$1 billion are rounded to the nearest \$100,000
  - estimates under \$100,000 are rounded to the nearest thousand
  - estimates midway between rounding points are rounded up
  - percentages are based on the underlying unrounded values.
- For the budget balance, parentheses indicate a deficit while no sign indicates a surplus.
- One billion equals one thousand million.
- The following notations are used:
  - n.a. means data is not available
  - N/A means not applicable
  - no. means number
  - 0 means not zero, but rounded to zero
  - ... means zero
  - \$m means millions of dollars
  - \$b means billions of dollars.
- Unless otherwise indicated, the data source for financial tables and charts is NSW Treasury.
- Unless otherwise indicated, the data source for the Introduction and Budget Highlights sections is the relevant agency or their cluster's principal department.