

# Department of Corporate and Information Services

## EXPENSES AND APPROPRIATION SUMMARY

	2003-04 Estimate	2004-05 Budget
	\$000	\$000
<b>Output Group</b>		
Corporate Support Services	55 205	57 368
Property Management	39 176	40 676
<b>Total Operating Expenses</b>	<b>94 381</b>	<b>98 044</b>
<i>less</i>		
Depreciation and Amortisation	260	261
Agency Revenue (a)	11 190	11 328
Use of Cash Balances	356	82
Other Accrual/Non-cash Items	250	- 55
<i>equals</i>		
<b>Output Appropriation</b>	<b>82 325</b>	<b>86 428</b>
<b>Capital Expenditure</b>	<b>14</b>	
<i>equals</i>		
<b>Capital Appropriation</b>	<b>14</b>	

### Total 2004-05 Staffing: 605

(a) Operating Revenue less Output Revenue, Goods and Services Received Free of Charge and Profit/Loss on Disposal of Assets

## Agency Profile

### Overview

The Department of Corporate and Information Services provides centralised corporate support services to Government agencies. Services include financial and human resource administration, procurement, archives, information technology management and leased property management. Key functional responsibilities are:

- providing corporate support services for agencies, government business divisions and other Government bodies;
- providing archive services;
- maintaining corporate support systems to enable processing of Government transactions, such as accounts and payroll;
- providing information technology services to support Government business;
- developing remote area communication services; and
- managing leased property to support Government service delivery.

### Strategic Issues

- Recording of Corporate Services costs to agencies in their ledgers.
- Continue improvements to processes and systems, either by lowering the overall cost or improving the quality of providing corporate services.
- Expand role as a central resource to agencies for procurement services, managing period contracts and processing any penalty payments applicable under the 30 day payment of accounts policy.

- Assist agencies to meet record-keeping obligations by building on the Government's current records management framework, collect and preserve the Territory's archives, and provide maximum community access to the Territory's archival resources under the *Information Act*.
- Coordinate the implementation and reporting of eGovernment initiatives.
- Enhance the method of calculating, processing and disbursing Government payroll requirements to ensure an ongoing efficient service.
- Continue the significant role in identifying and promoting ways to improve the telecommunications facilities available to remote areas of the Territory.
- Participate in the implementation of Government's Indigenous Employment Career Development, Remote Workforce Development, and Willing and Able strategies. Enhance systems to improve monitoring the success of these initiatives. Establish effective partnerships with the Office of the Commissioner for Public Employment and other agencies in relation to the whole of government aspects of these strategies.
- Assist agencies to access adequate bandwidth to meet their business needs.

## Budget Highlights

- As part of the Government's Jobs Plan, recruit and manage around 360 apprentices across the Territory public sector over the next three years.
- Complete, in conjunction with the Department of Business, Industry and Resource Development and the Australian Information Industry Association, a Northern Territory information and communications technology industry strategic plan designed to deliver growth to the industry together with employment, investment and service benefits to the Territory.
- Complete the roll-out of the corporate credit card, recruitment management, human resource reporting and property management systems.
- Finalise the expansion of the electronic billing system across all products.

# Outputs and Performance

## OUTPUT COSTS

<b>Output Group/Output</b>	2003-04 Estimate	2004-05 Budget	Variation
	\$000	\$000	\$000
<b>Corporate Support Services</b>	<b>55 205</b>	<b>57 368</b>	<b>2 163</b>
Financial and Accounting Services	19 230	19 818	588
Contract and Procurement Services	3 202	3 249	47
Human Resource Services	23 024	24 769	1 745
Archives and Records Management Services	2 872	3 059	187
Information and Communication Technology Services	6 877	6 473	- 404
<b>Property Management</b>	<b>39 176</b>	<b>40 676</b>	<b>1 500</b>
Property Management	39 176	40 676	1 500
<b>Total Operating Expenses</b>	<b>94 381</b>	<b>98 044</b>	<b>3 663</b>

### Key Variations

- Substantial increase in 2004-05 for Financial and Accounting Services output of \$0.2 million predominantly due to increases in mainframe usage for the Government Accounting System and additional systems administrator costs. The additional \$0.4 million is attributed to wages and other cost increases.
- Increased funding for Human Resource Services in 2004-05 relates to the Jobs Plan initiative to subsidise employment of 359 apprentices and trainees for \$1.47 million per annum over three years. There will be some cost incurred in transferring payroll processing arrangements from the current provider who will withdraw from processing on 1 July 2005.
- Reduction in the Information and Communication Technology Services output due to one-off Commonwealth projects in 2003-04 of \$0.39 million.
- Increase in Property Management of \$1.5 million relates to funding provided for upgraded accommodation. Due to development delays, funds are carried over from 2003-04 to 2004-05.

### Corporate Support Services

Provision of responsive, quality and cost-effective corporate services to Government agency customers.

#### Outcome

Cost-effective corporate support services for Government agencies.

### Financial and Accounting Services

Services include paid accounts, corporate credit cards, accounts receivable, corporate tax returns, asset management, financial systems and reporting.

Performance Measures	2003-04 Estimate	2004-05 Estimate
<i>Quantity</i>		
Creditor invoices processed	440 000	440 000
Debtor invoices processed	31 900	31 900
Assets recorded	18 100	18 200
Financial system	\$7.0M	\$7.2M
<i>Quality</i>		
Customer satisfaction	82%	>82%
Processing error	<0.5%	<0.5%
<i>Timeliness</i>		
Average days to process invoices	7	7
Average days to record assets	<10	<10
System availability	99%	99%
<i>Cost</i>		
Average price per creditor invoice processed	\$17	\$17
Average price per debtor invoice processed	\$85	\$85
Average price per asset recorded	\$72	\$72

### Contract and Procurement Services

Provision of contract and procurement services for the procurement of works, services and goods valued above \$10 000.

Performance Measures	2003-04 Estimate	2004-05 Estimate
<i>Quantity</i>		
Tenders managed	1 400	1 400
Tenders developed	450	450
<i>Quality</i>		
Customer satisfaction	82%	>82%
<i>Timeliness</i>		
Average days to issue tenders	7	7
Average days to prepare papers for Procurement Review Board	5	5
<i>Cost</i>		
Average price per tender managed	\$1 200	\$1 200
Average price to develop request for tender	\$2 850	\$2 850

## Human Resource Services

Payment of salaries, recruitment of employees, provision of employee support services, and management of the payroll system and reporting.

Performance Measures	2003-04 Estimate	2004-05 Estimate
<i>Quantity</i>		
Employees paid	16 300	16 300
Commencements/terminations processed	13 600	13 600
Pay variations processed – automatic	470 000	470 000
Pay variations processed – manual	260 000	260 000
Human resource system	\$5.8M	\$6.0M
<i>Quality</i>		
Customer satisfaction	84%	>84%
Processing error	<0.4%	<0.4%
<i>Timeliness</i>		
Electronic variations processed in applicable pay period	98%	98%
<i>Cost</i>		
Average price to pay an employee per annum	\$188	\$188
Average price per commencement/termination	\$280	\$280
Average price per pay variation processed – automatic	\$3	\$3
Average price per pay variation processed – manual	\$8	\$8
Average human resource system price per employee	\$348	\$348

## Archives and Records Management Services

Records management policies, standards and systems for agencies, and archival heritage services to the community.

Performance Measures	2003-04 Estimate	2004-05 Estimate
<i>Quantity</i>		
Employees with access to records policies and systems	16 300	16 300
Archives collections managed	2 400	2 450
<i>Quality</i>		
Customer satisfaction	81%	>81%
<i>Timeliness</i>		
Records management system availability and response time	100%	100%
Reference queries satisfied within agreed timeframe standards	90%	90%
<i>Cost</i>		
Average price per record policy and disposal authority issued	\$65	\$65
Average price of collections managed	\$561	\$560

## Information and Communication Technology Services

Management of outsourced information and communication technology services and the Government website. Development of policies and monitoring of information technology security in Government. Management of Commonwealth programs to improve communications facilities in remote communities.

Performance Measures	2003-04 Estimate	2004-05 Estimate
<i>Quantity</i>		
Users with access to desktop facilities at any one time	9 630	9 630
Agency information technology support hours	38 000	38 000
<i>Quality</i>		
Customer satisfaction	81%	>81%
<i>Timeliness</i>		
Compliance with contract agreements	100%	100%
<i>Cost</i>		
Average price per user (desktop)	\$290	\$290
Average price per hour of support	\$75	\$75

## Property Management

Management of leased properties, security and cleaning services, which meet the service demands of Government agencies.

### Outcome

Cost-effective lease and facility management services to agencies.

Performance Measures	2003-04 Estimate	2004-05 Estimate
<i>Quantity</i>		
Leased portfolio properties	136	136
Area leased	170 000m <sup>2</sup>	170 000m <sup>2</sup>
<i>Quality</i>		
Customer satisfaction	80%	>80%
<i>Timeliness</i>		
Rental payments made one month in advance	100%	100%
<i>Cost</i>		
Average rental cost <sup>1</sup>	\$248	\$250

<sup>1</sup> 14 000 square metres of car parking space is not included in the calculation of the average price measure.

# Statement of Financial Performance

	2003-04 Estimate	2004-05 Budget
	\$000	\$000
<b>OPERATING REVENUE</b>		
Taxation Revenue		
<i>Grants and Subsidies</i>		
Current	214	539
Capital		
<i>Sales of Goods and Services</i>		
Output Revenue	82 325	86 428
Other Agency Revenue	10 806	10 615
Interest Revenue		
Miscellaneous Revenue	170	174
Goods and Services Received Free of Charge		
Profit/Loss on Disposal of Assets		
<b>TOTAL OPERATING REVENUE</b>	<b>93 515</b>	<b>97 756</b>
<b>OPERATING EXPENSES</b>		
Employee Expenses	36 828	37 318
<i>Administrative Expenses</i>		
Purchases of Goods and Services	56 863	60 035
Repairs and Maintenance	230	230
Depreciation and Amortisation	260	261
DCIS Services Free of Charge		
Other Administrative Expenses		
<i>Grants and Subsidies</i>		
Current	200	200
Capital		
Community Service Obligations		
Interest Expense		
<b>TOTAL OPERATING EXPENSES</b>	<b>94 381</b>	<b>98 044</b>
<b>NET OPERATING SURPLUS</b>	<b>- 866</b>	<b>- 288</b>
<b>AGENCY REVENUE FOR APPROPRIATION PURPOSES</b>	<b>11 190</b>	<b>11 328</b>
(Operating Revenue less Output Revenue, Goods and Services Received Free of Charge and Profit/Loss on Disposal of Assets)		

# Statement of Financial Position

	2003-04 Estimate	2004-05 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and Deposits	2 088	2 006
Receivables	2 003	2 003
Prepayments	2 845	2 845
Inventories		
Advances and Investments		
Land and Improvements	3 448	3 262
Plant and Equipment	504	429
Other Assets		
<b>TOTAL ASSETS</b>	<b>10 888</b>	<b>10 545</b>
<b>LIABILITIES</b>		
Deposits Held	379	379
Creditors and Accruals	1 985	1 930
Borrowings and Advances		
Provisions	6 160	6 160
Other Liabilities		
<b>TOTAL LIABILITIES</b>	<b>8 524</b>	<b>8 469</b>
<b>NET ASSETS</b>	<b>2 364</b>	<b>2 076</b>
<b>EQUITY</b>		
<i>Capital</i>		
Opening Balance	2 304	550
Equity Injections/Withdrawals	- 1 754	
Reserves		
<i>Accumulated Funds</i>		
Opening Balance	2 680	1 814
Current Year Surplus/(Deficit)	- 866	- 288
<b>TOTAL EQUITY</b>	<b>2 364</b>	<b>2 076</b>

# Statement of Cash Flows

	2003-04 Estimate	2004-05 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating Receipts</b>		
Taxes Received		
<i>Grants and Subsidies Received</i>		
Current	214	539
Capital		
<i>Receipts from Sales of Goods and Services</i>		
Output Revenue Received	82 325	86 428
Other Agency Receipts	10 976	10 789
Interest Received		
<b>Total Operating Receipts</b>	<b>93 515</b>	<b>97 756</b>
<b>Operating Payments</b>		
Payments to Employees	36 828	37 318
Payments for Goods and Services	56 953	60 265
<i>Grants and Subsidies Paid</i>		
Current	90	255
Capital		
Community Service Obligations		
Interest Paid		
<b>Total Operating Payments</b>	<b>93 871</b>	<b>97 838</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>- 356</b>	<b>- 82</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing Receipts</b>		
Proceeds from Asset Sales		
Repayment of Advances		
Sales of Investments		
<b>Total Investing Receipts</b>		
<b>Investing Payments</b>		
Purchases of Assets	14	
Advances and Investing Payments		
<b>Total Investing Payments</b>	<b>14</b>	
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 14</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing Receipts</b>		
Proceeds of Borrowings		
Deposits Received		
<i>Equity Injections</i>		
Capital Appropriation	14	
Other Equity Injections		
<b>Total Financing Receipts</b>	<b>14</b>	
<b>Financing Payments</b>		
Repayment of Borrowings		
Finance Lease Payments		
Equity Withdrawals	1 900	
<b>Total Financing Payments</b>	<b>1 900</b>	
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>- 1 886</b>	
Net Increase in Cash Held	- 2 256	- 82
Cash at Beginning of Financial Year	4 344	2 088
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>2 088</b>	<b>2 006</b>

# Data Centre Services

## EXPENSE AND REVENUE SUMMARY

<b>Business Line</b>	2003-04 Estimate	2004-05 Budget
	\$000	\$000
<b>Operating Revenue</b>	<b>18 766</b>	<b>16 060</b>
Data Centre Management	18 766	16 060
<b>Operating Expenses</b>	<b>15 403</b>	<b>15 362</b>
Data Centre Management	15 403	15 362
<b>Operating Result</b>	<b>3 363</b>	<b>698</b>

**Total 2004-05 Staffing: 35**

## Profile

### Overview

Data Centre Services delivers information technology services to all Northern Territory Government agencies.

Key responsibilities are:

- mainframe management;
- management of various whole of government information technology functions; such as Lotus Notes licences; and
- operation of the Chan Data Centre facility.

### Strategic Issues

- Future direction of, and management arrangements for, the Data Centre.
- Increasing trend for information technology business systems to move away from the mainframe computing environment to the mid-range server platform, with the resultant negative impacts on profitability and the long-term viability of mainframe services.

## Budget Highlights

A significant upgrade of the Storage Area Network will be undertaken due to high customer demand for this service.

## Performance

A reduction in revenue is anticipated as a key customer has advised it will remove its systems and servers from the Data Centre. A reduction in expenses is expected, largely resulting from software licence renegotiations and alignment of staff to the reducing client base.

## Data Centre Management

Manage the operations of the Government's mainframe, application services and other centralised computer processing facilities.

### Outcome

Client's critical business systems process in a computing environment that is flexible, reliable and secure, with high levels of access and availability.

Performance Measures	2003-04 Estimate	2004-05 Estimate
<i>Quantity</i>		
Billable mainframe (CPU) seconds processed per month	1.9M	1.7M
Mainframe software agreements managed	108	108
Servers managed	71	80
Oracle databases supported	27	25
Megabytes of Storage Area Network (SAN) per month	3.3M	4.3M
<i>Quality</i>		
Unplanned outages per month – mainframe services	0.1	0
Unplanned outages per month – mid-range services	4	3
<i>Timeliness</i>		
Response time for mainframe services (<5 seconds)	98.5%	98.5%
Performance report for mid-range services provided to clients each month	<10 days	<10 days
<i>Cost</i>		
Average price per billable mainframe CPU second	\$0.35	\$0.35
Average price per mainframe software agreement	\$45 000	\$45 000
Average management price per server	\$19 084	\$15 552
Average price per Oracle database	\$28 790	\$25 391
Average price per megabyte SAN utilised	\$0.02	\$0.01

# Statement of Financial Performance

	2003-04 Estimate	2004-05 Budget
	\$000	\$000
<b>OPERATING REVENUE</b>		
<i>Grants and Subsidies</i>		
Current		
Capital		
Community Service Obligations		
Sales of Goods and Services	18 688	16 000
Interest Revenue	78	60
Rent and Dividends		
Miscellaneous Revenue		
Profit/Loss on Disposal of Assets		
<b>TOTAL OPERATING REVENUE</b>	<b>18 766</b>	<b>16 060</b>
<b>OPERATING EXPENSES</b>		
Employee Expenses	2 289	2 172
<i>Administrative Expenses</i>		
Purchases of Goods and Services	11 835	12 093
Repairs and Maintenance		
Depreciation and Amortisation	1 246	974
Other Administrative Expenses		
<i>Grants and Subsidies</i>		
Current		
Capital		
Interest Expense	33	123
<b>TOTAL OPERATING EXPENSES</b>	<b>15 403</b>	<b>15 362</b>
<b>OPERATING SURPLUS BEFORE INCOME TAX</b>	<b>3 363</b>	<b>698</b>
Income Tax Expense	1 009	209
<b>NET OPERATING SURPLUS</b>	<b>2 354</b>	<b>489</b>

Data Centre Services

# Statement of Financial Position

	2003-04 Estimate	2004-05 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and Deposits	4 515	3 381
Receivables	1 249	1 249
Prepayments	963	933
Inventories	29	29
Advances and Investments		
Land and Improvements		
Plant and Equipment	329	1 350
Other Assets		
<b>TOTAL ASSETS</b>	<b>7 085</b>	<b>6 942</b>
<b>LIABILITIES</b>		
Deposits Held		
Creditors and Accruals	866	835
Borrowings and Advances		1 376
Provisions	2 684	952
Other Liabilities	6	6
<b>TOTAL LIABILITIES</b>	<b>3 556</b>	<b>3 169</b>
<b>NET ASSETS</b>	<b>3 529</b>	<b>3 773</b>
<b>EQUITY</b>		
<i>Capital</i>		
Opening Balance	1 792	1 792
Equity Injections/Withdrawals		
Reserves		
<i>Accumulated Funds</i>		
Opening Balance	560	1 737
Current Year Surplus/Deficit	2 354	489
Dividends Paid/Payable	- 1 177	- 245
<b>TOTAL EQUITY</b>	<b>3 529</b>	<b>3 773</b>

# Statement of Cash Flows

	2003-04 Estimate	2004-05 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating Receipts</b>		
<i>Grants and Subsidies Received</i>		
Current		
Capital		
Community Service Obligations		
Receipts from Sales of Goods and Services	18 596	16 000
Interest Received	78	60
<b>Total Operating Receipts</b>	<b>18 674</b>	<b>16 060</b>
<b>Operating Payments</b>		
Payments to Employees	2 288	2 204
Payments for Goods and Services	11 835	12 062
<i>Grants and Subsidies Paid</i>		
Current		
Capital		
Interest Paid	33	123
Income Tax Paid	479	1 009
<b>Total Operating Payments</b>	<b>14 635</b>	<b>15 398</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>4 039</b>	<b>662</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing Receipts</b>		
Proceeds from Asset Sales		172
Repayment of Advances		
Sales of Investments		
<b>Total Investing Receipts</b>		<b>172</b>
<b>Investing Payments</b>		
Purchases of Assets	317	167
Advances and Investing Payments		
<b>Total Investing Payments</b>	<b>317</b>	<b>167</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 317</b>	<b>5</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing Receipts</b>		
Proceeds of Borrowings		
Deposits Received		
Equity Injections		
<b>Total Financing Receipts</b>		
<b>Financing Payments</b>		
Repayment of Borrowings		
Finance Lease Payments	1 155	624
Dividends Paid	559	1 177
Equity Withdrawals		
<b>Total Financing Payments</b>	<b>1 714</b>	<b>1 801</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>- 1 714</b>	<b>- 1 801</b>
Net Increase in Cash Held	2 008	- 1 134
Cash at Beginning of Financial Year	2 507	4 515
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>4 515</b>	<b>3 381</b>