

Department of Corporate and Information Services

	2006-07 Estimate	2007-08 Budget
	\$000	\$000
Output Group		
Corporate Services	61 094	59 468
Office Leasing Management	43 208	45 303
Total Expenses	104 302	104 771
Output Appropriation	90 738	93 333
Capital Appropriation		

2007-08 Staffing: 586

Agency Profile

The Department of Corporate and Information Services provides centralised corporate services to Government agencies. Services include financial and human resource administration, procurement, information technology management, office leasing and archives.

Key functional responsibilities are:

- providing corporate services to agencies and government business divisions;
- maintaining corporate systems to enable processing of Government transactions, such as accounts and payroll;
- developing procurement policy and providing secretariat services to the Procurement Review Board;
- coordinating employment programs for graduates, new apprentices and Indigenous cadets;
- providing information technology services to support Government business;
- developing remote area communication services;
- leasing office accommodation and managing leased property to support Government service delivery; and
- providing records and archives services.

Strategic issues facing the agency in 2007-08 include:

- reviewing core business processes and systems to identify achievable productivity gains, consider future business requirements and determine appropriate corporate services for agencies and government business divisions;
- developing and coordinating change management strategies and implementation projects for any significant corporate services reforms that may result from the process reviews;
- enhancing financial and human resource reporting to agencies to better meet their management information and statutory reporting requirements;

- working in conjunction with the Office of the Commissioner for Public Employment to meet the processing requirements associated with enterprise bargaining agreements;
- continuing to monitor the transformation of the desktop/local area network (LAN) environment to ensure agencies continue to be provided with contemporary technology and support services over the life of the four-year contract;
- identifying opportunities to gain funding under the Australian Government's Connect Australia grants program that will progress development of communications infrastructure in the Territory, particularly in remote communities;
- continuing to promote and investigate ways to improve telecommunications facilities available to remote areas of the Territory;
- refining the whole of government strategic planning cycle for Government office accommodation, identifying opportunities for space rationalisation within existing leases and ensuring new requirements are adequately incorporated; and
- assisting agencies to comply with records management standards by providing appropriate systems, processes, advice and training.

Budget Highlights

- Coordinate across Government business process reviews of major corporate services, including accounts payable, accounts receivable, financial reporting, human resource reporting and payroll services.
- Assess the application of emerging information technologies that could lead to cost and service efficiencies across Government.
- Increase employee usage of the web-based interface to the Government's payroll system myHR to reduce paper-based transactions for employee entitlements and improve workflow efficiencies.
- Coordinate the Northern Territory Public Sector Traineeship Program with a focus on employing Indigenous apprentices in remote areas to build skills and local workforces. Provision of additional funding of \$1.6 million over the next three years to assist with the employment of 200 apprentices within Government. This program is part of the Jobs Plan initiatives, a \$21.3 million commitment over four years.
- Implement a staffing restructure for Payroll Services to reflect changes in work value and work load at an additional cost of \$0.45 million per annum.
- Commence office accommodation lease for 4500m² in Chinatown, Darwin.

Outputs and Performance

Output Group/Output	2006-07	2007-08	Variation
	Estimate	Budget	
	\$000	\$000	\$000
Corporate Services	61 094	59 468	-1 626
Financial and Accounting Services	19 583	19 246	- 337
Human Resource Services	26 541	26 976	435
Procurement Policy and Services	4 020	3 714	- 306
Information and Communication Technology Services	9 622	8 174	-1 448
Archives Services	1 328	1 358	30
Office Leasing Management	43 208	45 303	2 095
Office Leasing Management	43 208	45 303	2 095
Total Expenses	104 302	104 771	469

Key Variations

- Savings in 2007-08 for the Financial and Accounting Services output reflect the full-year effect of agencies using corporate credit cards for electronic and minor purchases.
- The increase in 2007-08 for the Human Resource Services output is a result of the staffing restructure for Payroll Services to reflect changes in work value and work load.
- The decrease in 2007-08 for the Procurement Policy and Services output reflects staffing reductions due to the introduction of a higher public tender threshold from \$10 000 to \$50 000.
- The decrease in 2007-08 for the Information and Communication Technology Services output relates to one-off projects and transition costs paid for the desktop contract in 2006-07.
- The increase in 2007-08 for the Office Leasing Management output reflects additional leasing costs for Chinatown in Darwin and higher leasing costs generally.

Output Group: Corporate Services

Provision of cost-effective corporate services to Government agency customers.

The outcome is cost-effective corporate services for Government agencies.

Financial and Accounting Services

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

Performance Measures		2006-07 Estimate	2007-08 Estimate
<i>Quantity</i>	Creditor invoices processed ¹	350 000	340 000
	Debtor invoices processed	32 000	32 000
	Assets recorded	15 000	15 000
	Financial system cost	\$7.4M	\$7.4M
<i>Quality</i>	Processing error rate	< 0.5%	< 0.5%
	System availability	100%	100%
<i>Timeliness</i>	Creditor invoices processed < 8 days	> 90%	> 90%
	Average days to collect debts ²	35	35
	Average days to record assets	10	10

¹ Creditor invoices includes ledger transfers but excludes payments via corporate credit card.

² Relates to debts assessed as collectable.

Human Resource Services

Payment of salaries, recruitment of employees, provision of employee support services and management of the Personnel Information and Payroll System (PIPS) and human resource reporting.

Performance Measures		2006-07 Estimate	2007-08 Estimate
<i>Quantity</i>	Employees paid	17 700	17 700
	Commencements and terminations processed	13 000	13 000
	Human resource system cost	\$7M	\$7M
	Training delivered (half days)	5 000	6 000
<i>Quality</i>	Pay transactions processed:		
	– electronically via myHR	49%	58%
	– manually via PIPS	51%	42%
	Workers compensation claims processed within statutory time limits	100%	100%
	Training course satisfaction	90%	90%
<i>Timeliness</i>	Pay transactions processed in applicable pay period	98%	98%
	Job evaluation matters processed within 10 days	100%	100%

Procurement Policy and Services

Provision of contract, tendering and advisory services for the procurement of works, services and goods valued above \$50 000. Development of procurement policy and provision of secretariat services for the Government Procurement Council and the Procurement Review Board.

Performance Measures		2006-07 Estimate	2007-08 Estimate
<i>Quantity</i>	Tenders managed ¹	900	600
	Tenders developed ¹	300	200
<i>Quality</i>	Addenda issued ²	< 20%	< 20%
	Procurement Review Board rejection rate ³	< 5%	< 5%
<i>Timeliness</i>	Average days to issue tenders	7	7
	Average days to prepare papers for the Procurement Review Board	5	5

1 Reduction in tenders managed and developed is due to the change in threshold at which public tenders must be sought, from \$10 000 to \$50 000. The full-year effect of this change will be realised in 2007-08.

2 Addenda issued to tenders developed by Contract and Procurement Services (CAPS).

3 Number of papers prepared by CAPS for the Procurement Review Board not approved on first presentation, which provides an indication of the quality of business papers.

Information and Communication Technology Services

Management of outsourced information and communication technology (ICT) services, the Government website and monitoring of information technology security in Government. Management of Australian Government programs to improve communications facilities in remote communities. Development of ICT and records management policies and standards and provision of a records management system for agencies.

Performance Measures		2006-07 Estimate	2007-08 Estimate
<i>Quantity</i>	Laptops/workstations available at any one time	10 700	10 700
	Agency information technology support hours	38 400	38 400
	Average monthly user service calls to helpdesk	14 000	14 000
<i>Quality</i>	Agency score card for desktop services (out of 10)	7.5	7.5
	Outsourced services provided within agreed service levels	100%	100%
	Records management system availability	99%	99%
<i>Timeliness</i>	Severe desktop faults restored within the service level agreement (4 hours)	85%	90%
	Records management system work requests resolved within 2 days	100%	100%

Archives Services

Management of archives and provision of archival heritage services to the community.

Performance Measures		2006-07 Estimate	2007-08 Estimate
<i>Quantity</i>	Archives collections managed	2 610	2 900
	Archives issued to researchers	30 000	30 000
<i>Quality and Timeliness</i>			
	Research requests satisfied within 1 month	90%	90%

Output Group: Office Leasing Management

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

The outcome is cost-effective lease and facility management services to agencies.

Performance Measures		2006-07 Estimate	2007-08 Estimate
<i>Quantity</i>	Property portfolio leases	143	143
	Area leased (000m ²)	174	173
	Average cost per m ²	\$250	\$258
<i>Quality</i>	Leases renewed before expiry	80%	85%
<i>Timeliness</i>	Rental payments made on time	99.8%	99.8%

Operating Statement

	2006-07 Estimate	2007-08 Budget
	\$000	\$000
INCOME		
Taxation revenue		
Grants and subsidies revenue		
Current	435	283
Capital		
Output revenue	90 738	93 333
Sales of goods and services	11 094	10 274
Interest revenue	28	
Goods and services received free of charge		
Gain(+)/loss(-) on disposal of assets		
Other revenue	70	70
TOTAL INCOME	102 365	103 960
EXPENSES		
Employee expenses	40 085	40 337
Administrative expenses		
Purchases of goods and services	62 944	63 111
Repairs and maintenance	248	285
Depreciation and amortisation	601	601
DCIS services free of charge		
Other administrative expenses		
Grants and subsidies expenses		
Current	424	437
Capital		
Community service obligations		
Interest expense		
TOTAL EXPENSES	104 302	104 771
NET SURPLUS(+)/DEFICIT(-)	- 1 937	- 811

Balance Sheet

	2006-07 Estimate	2007-08 Budget
	\$000	\$000
ASSETS		
Cash and deposits	1 082	872
Receivables	3 243	3 243
Prepayments	2 485	2 485
Inventories		
Advances and investments		
Property, plant and equipment	6 493	5 892
Other assets		
TOTAL ASSETS	13 303	12 492
LIABILITIES		
Deposits held	333	333
Creditors and accruals	2 754	2 754
Borrowings and advances		
Provisions	6 346	6 346
Other liabilities		
TOTAL LIABILITIES	9 433	9 433
NET ASSETS	3 870	3 059
EQUITY		
Capital		
Opening balance	14 396	3 927
Equity injections/withdrawals	- 10 469	
Reserves	324	324
Accumulated funds		
Opening balance	1 556	- 381
Current year surplus(+)/deficit(-)	- 1 937	- 811
Accounting policy changes and corrections		
TOTAL EQUITY	3 870	3 059

Cash Flow Statement

	2006-07 Estimate	2007-08 Budget
	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating receipts		
Taxes received		
Grants and subsidies received		
Current	435	283
Capital		
Receipts from sales of goods and services		
Output revenue received	90 738	93 333
Other agency receipts	22 664	10 344
Interest received	28	
Total operating receipts	113 865	103 960
Operating payments		
Payments to employees	40 085	40 337
Payments for goods and services	63 184	63 396
Grants and subsidies paid		
Current	424	437
Capital		
Community service obligations		
Interest paid		
Total operating payments	103 693	104 170
NET CASH FROM OPERATING ACTIVITIES	10 172	- 210
CASH FLOWS FROM INVESTING ACTIVITIES		
Investing receipts		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
Total investing receipts		
Investing payments		
Purchases of assets		
Advances and investing payments		
Total investing payments		
NET CASH FROM INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES		
Financing receipts		
Proceeds of borrowings		
Deposits received		
Equity injections		
Capital Appropriation		
Other equity injections		
Total financing receipts		
Financing payments		
Repayment of borrowings		
Finance lease payments		
Equity withdrawals	10 500	
Total financing payments	10 500	
NET CASH FROM FINANCING ACTIVITIES	- 10 500	
Net increase(+)/decrease(-) in cash held	- 328	- 210
Cash at beginning of financial year	1 410	1 082
CASH AT END OF FINANCIAL YEAR	1 082	872