

Department of Corporate and Information Services

	2007-08 Estimate	2008-09 Budget
	\$000	\$000
Output Group		
Corporate Services	57 531	58 637
Office Leasing Management	45 900	47 654
Total Expenses	103 431	106 291
Output Appropriation	90 724	93 972
Capital Appropriation		4 571

2008-09 Staffing: 567

Agency Profile

The Department of Corporate and Information Services is the shared corporate services provider for Northern Territory Government agencies and business divisions. Services include financial and human resource administration, procurement, information technology management and office leasing.

Key functional responsibilities are:

- operating 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 information and communications technology (ICT) policy including telecommunications strategy for remote area communication services; and
- leasing office accommodation and managing leased property to support Government service delivery.

Strategic issues facing the agency in 2008-09 include:

- implementing significant corporate systems and business process changes across core service lines to improve efficiency and service quality through increased automation and standardisation of processes;
- developing strategies to support Closing the Gap initiatives including:
 - increasing the number of Indigenous people employed in the Northern Territory Public Sector (NTPS) administrative stream;
 - delivering cross-cultural training to NTPS employees; and
 - procurement strategies to support Indigenous employment.

- developing procurement policy and procedure which takes into account environmental sustainability;
- working with all service providers and property owners to achieve reduced carbon emissions associated with all services delivered under outsourced contracts and in leased accommodation;
- progressing strategies to enhance communications infrastructure in the Territory, particularly in remote communities; and
- assessing the application of emerging information technologies that could lead to cost and service efficiencies across Government.

Budget Highlights

- Implement a number of corporate system and process improvements as part of a multi-year program to streamline the provision of corporate services across Government, including:
 - enhance the functionality of the travel requisition systems (known as TRIPS) and roll out the system to all Government agencies;
 - introduce a new receipts processing system into revenue collection sites across Government;
 - revise and implement new credit management policies; and
 - improve system automation and process standardisation across both human resource and finance services.
- Coordinate the NTPS Traineeship Program with a focus on employing Indigenous apprentices in remote areas to build skills and local workforces. Additional funding of \$1.6 million over three years from 2007-08 to assist with the employment of 200 apprentices within Government as part of the Jobs Plan initiatives.
- 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.
- Develop a strategy to enhance the Territory's capacity in electronic service delivery in cooperation with relevant agencies.
- Continue the focus on achieving ICT project deliverables in accordance with outsourced contracts, in particular the implementation of voice architecture under the telecommunications contract.
- Prepare for the next round of ICT service contracts which are due to go to tender in late 2008-09.
- Develop a policy framework to ensure the leased property portfolio is managed strategically in accordance with performance standards and objectives, including energy efficiency and environmental sustainability.

Outputs and Performance

Output Group/Output	2007-08	2008-09	Variation
	Estimate	Budget	
	\$000	\$000	\$000
Corporate Services	57 531	58 637	1 106
Finance Services	18 638	19 460	822
Human Resource Services	26 258	26 796	538
Procurement Policy and Services	4 047	3 912	- 135
Information and Communication Technology Services	8 588	8 469	- 119
Office Leasing Management	45 900	47 654	1 754
Office Leasing Management	45 900	47 654	1 754
Total Expenses	103 431	106 291	2 860

Key Variations

- The increase in 2008-09 for the Finance Services and Human Resource Services outputs reflects the cost of implementing system and business processes as part of the Corporate Services Review.
- The decrease in 2008-09 for the Procurement Policy and Services output reflects the continuing reductions in staff due to the introduction of higher public tender thresholds.
- The decrease in 2008-09 for the Information and Communication Technology Services output largely reflects one-off Commonwealth grant funding of \$0.21 million in 2007-08.
- The increase in 2008-09 for the Office Leasing Management output reflects an increase in demand and cost for all grades of commercial accommodation.

Output Group: Corporate Services

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

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

Finance Services

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

Performance Measures		2007-08 Estimate	2008-09 Estimate
<i>Quantity</i>	Creditor invoices processed ¹	340 000	330 000
	Debtor invoices processed	32 000	32 000
	Assets recorded	17 000	17 000
	Financial system cost	\$7.1M	\$7.1M
<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	45	45
	Average days to record assets	10	10

¹ Creditor invoices include ledger transfers but exclude payments via corporate credit card. Reduction between years reflects higher use of corporate credit cards.

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		2007-08 Estimate	2008-09 Estimate
<i>Quantity</i>	Employees paid	17 700	17 900
	Commencements and terminations processed	13 000	13 300
	Human resource system cost	\$6.2M	\$6.2M
	Training delivered (half days)	6 000	7 000
<i>Quality</i>	Pay transactions processed:		
	– electronically via myHR	56%	58%
	– manually via PIPS	44%	42%
	Workers compensation claims processed within statutory time limits	100%	100%
	Training course participant satisfaction	90%	90%
<i>Timeliness</i>	Pay transactions processed in applicable pay period	98%	98%

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		2007-08 Estimate	2008-09 Estimate
<i>Quantity</i>	Tenders managed	747	780
	Tenders developed	228	235
	Across Government contracts administered	7	9
<i>Quality</i>	Addenda issued ¹	< 20%	< 20%
	Procurement Review Board rejection rate ²	< 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 Addenda issued to tenders developed by Contract and Procurement Services (CAPS).

² 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 services, the Government website and monitoring of information technology security in Government. Management of Commonwealth 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		2007-08 Estimate	2008-09 Estimate
<i>Quantity</i>	Laptops/workstations available at any one time	11 500	11 700
	Agency information technology support hours	38 400	38 400
	Average monthly user service calls to helpdesk (includes emails)	9 000	9 000
<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	100%	100%
	Records management system work requests resolved within 2 days	100%	100%

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		2007-08 Estimate	2008-09 Estimate
<i>Quantity</i>	Property portfolio leases	143	148
	Area leased (000 m ²)	173	172
	Average cost per m ²	\$258	\$280
<i>Quality</i>	Leases renewed before expiry	85%	85%
<i>Timeliness</i>	Rental payments made on time	99.8%	99.8%

Operating Statement

	2007-08 Estimate	2008-09 Budget
	\$000	\$000
INCOME		
Taxation revenue		
Grants and subsidies revenue		
Current	960	1 057
Capital		
Output revenue	90 724	93 972
Sales of goods and services	10 504	10 604
Interest revenue	16	
Goods and services received free of charge		
Gain(+)/loss(-) on disposal of assets		
Other revenue	70	70
TOTAL INCOME	102 274	105 703
EXPENSES		
Employee expenses	38 374	40 089
Administrative expenses		
Purchases of goods and services	63 895	65 005
Repairs and maintenance	285	302
Depreciation and amortisation	588	588
DCIS services free of charge		
Other administrative expenses		
Grants and subsidies expenses		
Current	289	307
Capital		
Community service obligations		
Interest expense		
TOTAL EXPENSES	103 431	106 291
NET SURPLUS(+)/DEFICIT(-)	- 1 157	- 588

Balance Sheet

	2007-08 Estimate	2008-09 Budget
	\$000	\$000
ASSETS		
Cash and deposits	1 118	1 118
Receivables	1 519	1 519
Prepayments	2 925	2 925
Inventories		
Advances and investments		
Property, plant and equipment	6 035	10 018
Other assets		
TOTAL ASSETS	11 597	15 580
LIABILITIES		
Deposits held	303	303
Creditors and accruals	2 461	2 461
Borrowings and advances		
Provisions	6 105	6 105
Other liabilities		
TOTAL LIABILITIES	8 869	8 869
NET ASSETS	2 728	6 711
EQUITY		
Capital		
Opening balance	3 928	4 135
Equity injections/withdrawals	207	4 571
Reserves	324	324
Accumulated funds		
Opening balance	- 574	- 1 731
Current year surplus(+)/deficit(-)	- 1 157	- 588
Accounting policy changes and corrections		
TOTAL EQUITY	2 728	6 711

Cash Flow Statement

	2007-08 Estimate	2008-09 Budget
	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating receipts		
Taxes received		
Grants and subsidies received		
Current	960	1 057
Capital		
Receipts from sales of goods and services		
Output revenue received	90 724	93 972
Other agency receipts	10 574	10 674
Interest received	16	
Total operating receipts	102 274	105 703
Operating payments		
Payments to employees	38 307	40 089
Payments for goods and services	64 180	65 307
Grants and subsidies paid		
Current	289	307
Capital		
Community service obligations		
Interest paid		
Total operating payments	102 776	105 703
NET CASH FROM OPERATING ACTIVITIES	- 502	
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		4 571
Advances and investing payments		
Total investing payments		4 571
NET CASH FROM INVESTING ACTIVITIES		- 4 571
CASH FLOWS FROM FINANCING ACTIVITIES		
Financing receipts		
Proceeds of borrowings		
Deposits received		
Equity injections		
Capital Appropriation		4 571
Other equity injections	112	
Total financing receipts	112	4 571
Financing payments		
Repayment of borrowings		
Finance lease payments		
Equity withdrawals		
Total financing payments		
NET CASH FROM FINANCING ACTIVITIES	112	4 571
Net increase(+)/decrease(-) in cash held	- 390	
Cash at beginning of financial year	1 508	1 118
CASH AT END OF FINANCIAL YEAR	1 118	1 118