



**DEPARTMENT OF
CORPORATE AND INFORMATION SERVICES**

2005 - 2006 ANNUAL REPORT



Purpose

The Department of Corporate and Information Services was established by an *Administrative Arrangement Order* on 19 October 1998 to provide a broad range of services to all NT Government agencies. These services currently include accounting, property, tendering, records management, fleet, human resources, printing, procurement policy and information technology services.

This Annual Report is prepared in accordance with *Section 28 of the Public Sector Employment and Management Act*. It presents the Minister for Corporate and Information Services with a summary of the activities of the department in 2005-2006.

The report provides insight into activities undertaken by the department towards achieving its business outcomes as identified in the 2005-2006 Budget. It also provides qualitative and quantitative commentary on progress towards achieving its goals.

The aim of the report is to provide Government, employees, organisations and individuals with an understanding of the department's objectives, measures of its performance and an insight into its future directions.

LETTER TO THE MINISTER

Chief Executive

Palm Court Building

8 Cavenagh Street, Darwin

Tel: (08) 8999 1700

Fax: (08) 8999 1710

Email: richard.galton@nt.gov.au

The Hon Elliot McAdam MLA
Minister for Corporate and Information Services
Parliament House
DARWIN NT 0800

Dear Minister

It is with pleasure that I present the Department of Corporate and Information Services' annual report for the year ending 30 June 2006, in accordance with the provisions of *Section 28* of the *Public Sector Employment and Management Act*.

In respect of my duties as an accountable officer pursuant to *Section 13* of the *Financial Management Act*, I advise that to the best of my knowledge and belief, the system of internal control within the agency provides reasonable assurance that:

- a) proper records of all transactions affecting the department are kept and the employees under my control observe the provisions of the *Financial Management Act*, the *Financial Management Regulations* and the *Treasurer's Directions*;
- b) in the interests of all government agencies the department, in accordance with the requirements of the *Financial Management Act*, has progressively enhanced internal control procedures and further developed its Accounting and Property Manual;
- c) there is no indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from the accounts or records;
- d) in accordance with *Section 15* of the *Financial Management Act*, the internal audit capacity available to the department is adequate;
- e) the financial statements included in the annual report have been prepared in accordance with *Part 2 Section 5* and *Part 2 Section 6* of the *Treasurer's Directions* where appropriate;
- f) all Employment Instructions issued by the Commissioner of Public Employment have been satisfied; and
- g) in respect of my responsibilities pursuant to *Section 131* of the *Information Act*, I advise that to the best of my knowledge and belief, the agency has implemented processes to achieve compliance with the archives and records management provisions as prescribed in *Part 9* of the *Information Act*.

Yours sincerely



RICHARD GALTON

Chief Executive

30 September 2006



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CHIEF EXECUTIVE'S REVIEW

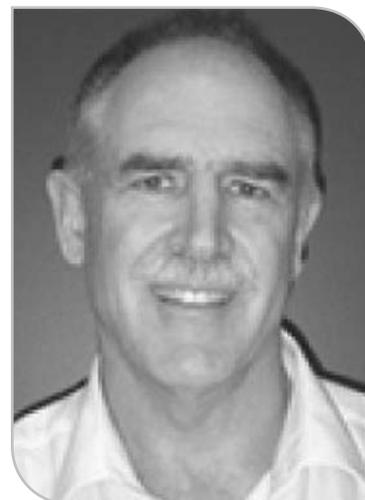
The last year has been another of measured achievement for the Department of Corporate and Information Services (DCIS) and I am pleased to be continuing the strategies outlined in our Corporate Plan 2005-2008. In 2005-2006 we farewelled Minister Henderson and welcomed Minister Burns as Minister for Corporate and Information Services.

With the aim of assisting agencies through improved levels of performance, the key strategic performance achievements for DCIS for 2005-2006 were:

- Development and implementation of new whole of government procurement directions.
- Introduction of significant procurement reform such as increasing procurement thresholds to \$50 000 and strengthening the relationship with industry and the links between policy and practice using the Procurement Review Board (PRB) and the Government Procurement Council (GPC).
- Development and presentation of a bid for \$265 million to the Australian Government including facilitation of development and submission of expressions of interest to enhance telecommunications in the NT.
- Implementation of the new telecommunications contract including significant bandwidth and enhanced service provision particularly for remote services.
- Advertisement, evaluation and successful negotiation of a value added new desktop computers contract with a contract value of \$150 million across all government agencies and including new jobs for the Territory.
- Finalised negotiations for Chinatown lease and confirmed tenants as the Department of Planning and Infrastructure (DPI) and Northern Territory Police, Fire and Emergency Services (NTPFES).
- Development and finalisation of a strategic plan for properties and revised guidelines for procuring of leased accommodation to facilitate more efficient and effective arrangements.

DCIS also introduced a range of initiatives to achieve efficiency savings for the government and improve our services to agencies. It is expected that these initiatives will achieve savings to the NTG in future years:

- Introduction of upgrades to the Government Accounting System (GAS) to introduce new features including a web-based interface.
- Implementation of more extensive use of Corporate Credit Cards (CCC) across Government introduced to promote efficient expenditure practices.
- Upgraded the Data Centre Mainframe to provide the NTG with a scalable computing model which is more responsive to changing agency demands.
- Introduction of staff and customer sensing providing greater engagement and opportunities for improvement.
- Introduction of Business Process Improvement (BPI) program to identify ways to streamline and refine existing processes across DCIS.



In addition DCIS was involved in a review of corporate services across Government that was managed by the Department of the Chief Minister (DCM) and NT Treasury (NTT): This review was not finalised at the time of reporting.

We examined our delivery of human resource services to our staff and elevated the strategic profile of our own people and development services with appointment of the Director People and Development to the Executive Board of Management and the function reporting directly to me.

Feedback from staff sensing throughout the year has indicated staff generally like working in DCIS with 63% citing flexible work practices and a family friendly environment as the reasons they like working in DCIS. A further 20% stated a strong sense of support from management, their inclusive style and approachability were major factors in their satisfaction with their work environment. This is a pleasing result and supports the efforts of all in relation to one key objective of our Corporate Plan.

In July 2005 DCIS was given responsibility for procurement policy and is leveraging off the management of both policy and tendering services to strengthen procurement across government. This has included working more closely with the Government Procurement Council to understand industry issues and facilitate greater consultation on changes to procurement and the Procurement Review Board to more effectively guide policy development and monitor policy activity.

The year ahead promises to be another period of strengthened operations and increased efficiency and effectiveness. On 1 July a number of the department's Executives moved into new roles within DCIS providing an exciting opportunity for sharing of skills, experience and introduction of new ways of doing business. The department welcomes Minister McAdam as Minister for Corporate and Information Services and looks forward to working closely with him.

So what does the year ahead hold for DCIS in our endeavours to continue to improve the service we provide? More system and process enhancements, increased levels of customer engagement and improved service delivery through:

- Continued focus on a program of BPI reviews that will examine major aspects of our operations.
- Implementation of a raised procurement threshold and continued improvements to procurement processes.
- Review of the new Procurement Directions to ensure consistent application and delivery of benefits.
- Continued pursuit of funding for enhanced telecommunications for remote communities through the Connect Australia funding package.
- Advancement of eGovernment strategies/initiatives including identification of synergies to be gained in providing online services within government and to the public.
- Development and adoption of customer shared service agreements with agencies clarifying roles and responsibilities and agreed service delivery standards.

CORPORATE OVERVIEW AND STRATEGY

Our Organisation

DCIS is a trusted provider of services to all Northern Territory Government (NTG) agencies including accounting, property, procurement, records management, fleet, human resources, printing, and information technology services (refer pages 35-66 for a more detailed overview of these services). The department has progressed, and is continuing to progress a range of initiatives designed to provide a cost effective service that addresses our customers needs.

As the NTG shared service provider we are a key link in:

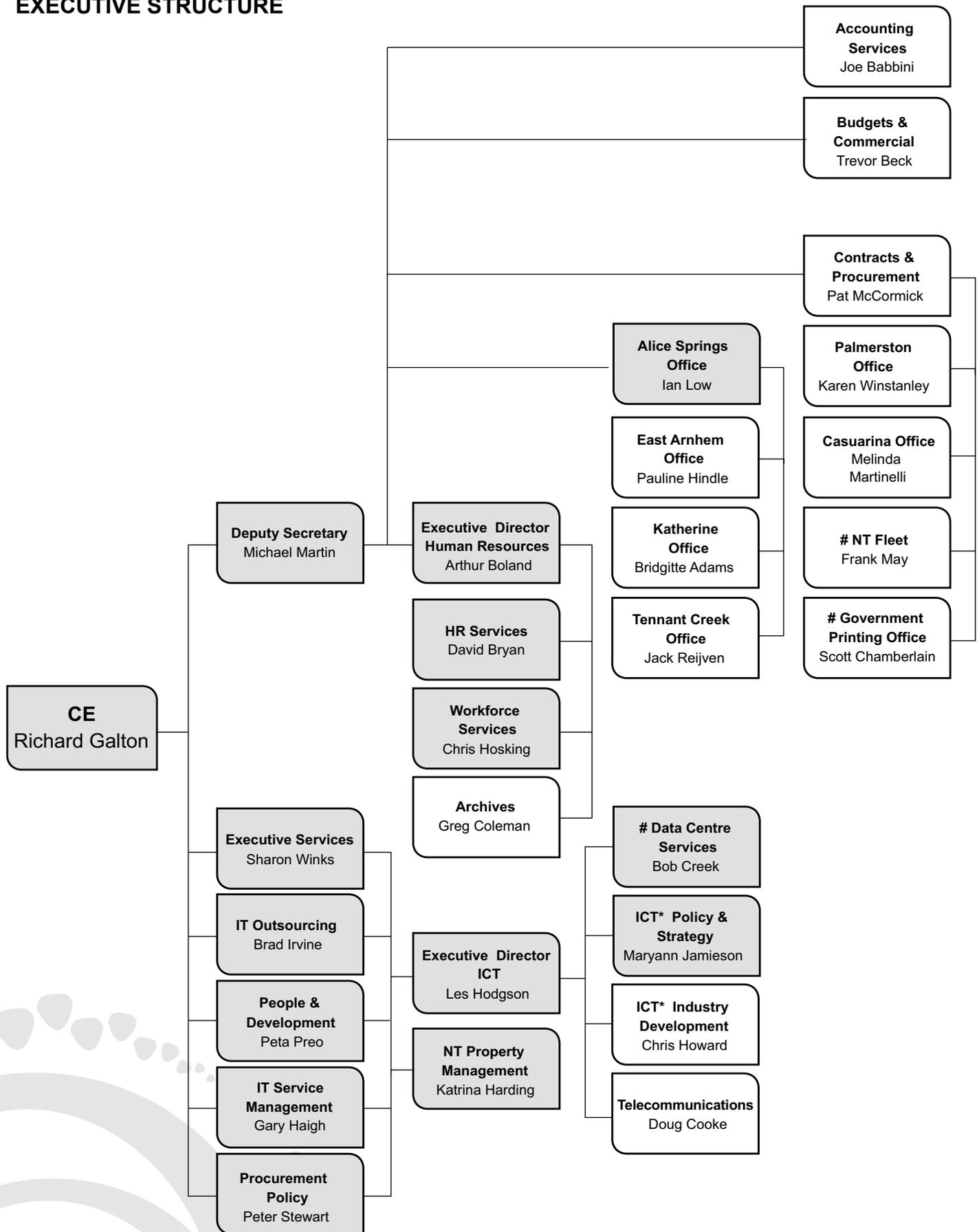
- The recruitment and employment of staff within the NT public sector (NTPS).
- Supporting programs designed to facilitate staff development across the NTPS.
- The procurement and payment of goods and services.

DCIS consists of four entities: the Department of Corporate and Information Services and three Government Business Divisions (GBD's) named Data Centre Services (DCS), NT Fleet and the Government Printing Office (GPO).

DCIS has over 700 staff delivering these services across the Territory including offices in Alice Springs, Katherine, Nhulunbuy, Tennant Creek, Palmerston, Casuarina and Darwin. Our total budget for 2005-2006 is just over \$100 million, excluding the GBD's (refer to page 8 for a breakdown across regions and services).

The following diagram represents a high-level view of the organisation's structure as at 30 June 2006, however the department undertook a reshuffling of key executives at the end of the financial year.

EXECUTIVE STRUCTURE



Government Business Divisions

* ICT = Information & Communications Technology

■ Represents Executive Management Team

Corporate Plan 2005–2008

The DCIS Corporate Plan 2005-2008 establishes a long-term view on focusing on our relationships, our people and effective and efficient processes whilst ensuring that DCIS values are met. These values include accepting personal responsibility, friendly and professional behaviour, personal growth and development, creativity and innovation. The DCIS Corporate Plan 2005-2008 provides strategies and performance measures for meeting our key objectives as set out below:

Our Objectives

- Professional relationships with our customers, suppliers and stakeholders.
- Capable and committed people that contribute to the achievement of outcomes.
- Effective and efficient business processes and systems that deliver value for money.

Performance Measures

- % of customers agree that we provide high quality service.
- % of customers agree we are customer friendly.
- % of customers say we have a good relationship with them.
- % of customers believe there is value in DCIS services.
- % of customers believe we have effective systems in place.
- % of customers agree that we help deliver better business outcomes.
- % of customers believe that we consult on changes that impact on them.

Business Plans

The DCIS Corporate Plan 2005-2008 provides the overarching strategies and direction for the department. It is supported by individual service's business plans that provide practical tasks and projects to be completed in the coming year that contribute to the overall departmental objectives. These business plans were developed in consultation with staff and stakeholders and progress is reported against planned initiatives to the Executive Board of Management on a monthly basis. This provides a regular update on key organisational goals and ensures a coordinated approach to our business initiatives.

In addition the Executive Board of Management receives twice yearly presentations on the proposed business plans and achievements to date. The Executive Board of Management membership is extended for these meetings to include all the DCIS Executive and key regional managers.

Our Vision:

Do whatever it takes.

Our Mission:

Providing agencies with improved solutions for better business outcomes.

Our Services

DCIS is a diverse organisation providing a broad range of shared corporate services including:

- Corporate support services to all government agencies, GBD's and other government bodies in the areas of human resources, accounting, procurement, leased property and procurement policy.
- Archive services to government and the community.
- Corporate support systems to enable processing of government transactions such as accounts, payroll, recruitment and records management.
- Information technology infrastructure and services to support government business.

Through its GBD's DCIS also provides printing services, fleet management and mainframe services to agencies.

Details of our service performance highlights for 2005-2006 and planned initiatives can be found in the DCIS service performance reports starting on page 35.

Our Budget

The DCIS group comprises four budget entities being the department and three GBDs.

Over the past seven years, the department has been involved in major outsourcing projects as well as implementing efficiencies through continued improvement in processes.

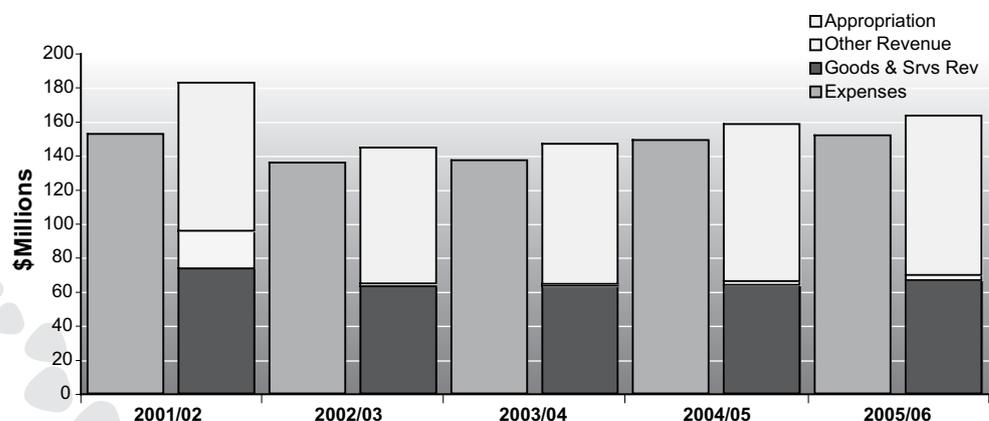
The group generally earns between 40% and 45% of its revenue from charges for services provided to agencies and government business divisions. It receives between 55% and 60% of its revenue as appropriation or output revenue from the Central Holding Authority for providing financial, human resources and IT services to general government.

"The Northern Territory Auditor-General's Office (NTAGO) is a long-standing client of the Government Printer and we rely on the services they provide to us throughout the year.

Our printing requirements demand high quality, quick turn round and confidentiality. These requirements are all met through a strong focus on client needs coupled with a high level of technical expertise. We also value the ability to ascertain the progress of our work by contacting the GPO at any time.

Over the many years of working with the GPO, the printing requirements of the NTAGO have been met without fail."

*Frank McGuiness,
Auditor General*



Our Achievements in 2005-2006

In 2005-2006 DCIS continued to initiate a range of activities designed to facilitate improved service delivery including:

- Whole of government procurement directions redeveloped and implemented in March 2006. The new directions provide a much simplified procurement process and improved consistency of policy.
- Prepared and presented a \$98 million bid to the Australian Government for enhanced telecommunications for remote NT communities as part of a bid for \$265 million out of the sale of Telstra.
- Chinatown finalised negotiations for NT Government 4500m² lease and proposed overall development with Government endorsement of DPI and NTPFES as tenants for Chinatown.
- Property leasing arrangements: developed and presented to Government a three to five year strategic plan including projected accommodation relocation costs and endorsement of revised guidelines for the procuring of leased accommodation.
- NT Fleet costs were benchmarked to assess whether there are more efficient ways of delivering this service and the report supported the continued provision of fleet services by DCIS.
- Implementation of the wider use of CCC across Government was actioned through requiring the use of credit cards for certain types and size of purchases.
- Improved efficiencies through examining options for procurement thresholds which led to the raising of thresholds from \$10 000 to \$50 000 to be implemented in 2006-2007.
- GAS upgrade which included development and implementation of system enhancements that improve ease of use and reporting.
- BPI unit identified ways to streamline and refine existing processes within Accounting Services, Recruitment and Work Injury Solutions.
- Implementation of the new telecommunications contract and evaluation, and signoff on the new desktop/helpdesk contract valued at \$150 million over five years and which is expected to create 170 new jobs in the NT.

Our Regional Offices

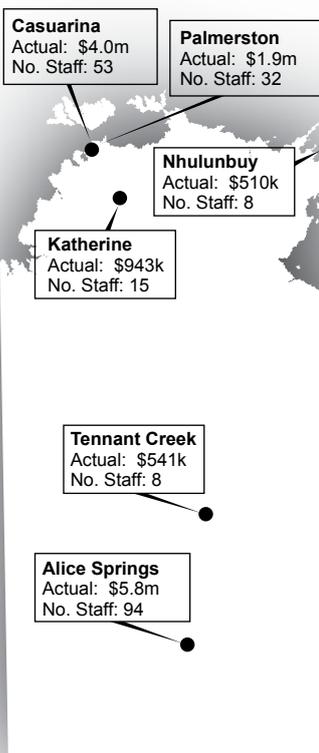
The size and nature of the DCIS regional offices enables subtle but distinct operational differences that cater for DCIS and client needs alike. Each office is the conduit for direct and indirect service delivery, and as such, flexible work practices and behaviours are essential.

The Alice Springs office delivers all the DCIS services, including extended human resource, finance, IT, NT Fleet and archival services. In contrast, the Nhulunbuy office provides some unique and personalised services such as managing the visiting officers' quarters and organising shared charters and vehicles for remote community visits.

The Alice Springs office directly supports the Tennant Creek office, as does Katherine the Nhulunbuy office. Each office delivers local accounts payable and accounts receivable services together with local recruitment services, however only the Alice Springs office delivers a local payroll service.

The regional accounts payable service differs from that delivered in the Darwin area in so far as the regions have a broader role in processing travelling allowance claims. All claims are calculated by DCIS and each travel booking is also confirmed by DCIS.

The Casuarina office provides payroll and accounting services to the Department of Health and Community Services (DHCS) and has played a partnership role in improving agency specific services, namely patient travel and the rostering system, Onestaff.



Regional Highlights for 2005-2006

Of particular note in the regions have been the following:

- Each regional office played a key role in the BPI projects. The Recruitment and Accounts Payable reviews in particular, received considerable regional input. The regional offices also played key roles in readiness for the implementation of initiatives such as the increase in CCC usage and the changing tender thresholds for procurement.
- The changes to GAS, including conversion to a web-based interface were successfully implemented across all regions with considerable involvement in testing and training.
- The Nhulunbuy office concluded an extended multi-skilling program and now operates in a very flexible manner. The Tennant Creek office has commenced a program to achieve the same benefits.
- The Katherine, Tennant Creek and Alice Springs offices now take responsibility for the local debt management function. The first six months operation has seen the number of outstanding invoices reduced, particularly DHCS based debts.
- In May the Katherine office also took on the responsibility for processing accounts payable for NTPFES. The change has improved efficiency and provided a local contact for queries and follow up.
- The Katherine office provided professional and timely support to our key stakeholders during the Katherine Flood in early April 2006, including maintaining communications and ICT support.

Whole of Government Strategies

Addressing alcohol issues in the Northern Territory

Although the department supports the Government in addressing this issue, DCIS did not formally contribute through any of its programs during 2005-2006.

Building Safer Communities

The NTG has made safer communities throughout the Territory a priority. Under the Building Safer Communities framework DCIS has contributed through the following means:

Telecommunications

NTG lodged a bid with the Australian Government for \$265 million for improved telecommunications in the NT in September 2005. The majority of this bid is for regional and remote infrastructure and services, including \$68m for telecommunications network infrastructure that would provide broadband services into 60 remote communities, \$30 million that would provide supported online access centres to support communities in accessing financial, government and social services through the Internet and \$70 million for a competitive fibre optic cable to Adelaide or other interstate destinations. The fibre optic cable would lower costs of interstate traffic making telecommunication services cheaper for businesses, the public and Charles Darwin University (CDU) as the Australian Academic Research network (AARnet) offers the opportunity for very high speed connection to the interstate campuses, research institutions and other destinations.

In 2005-2006 DCIS engaged Fujitsu under a new desktop/helpdesk contract for desktop/helpdesk services for government agencies. This new desktop contract has an industry development component which will provide for improved maintenance and service of IT equipment in remote communities, both for government agencies and for the community. By leveraging the government's ICT investment the new contract will provide for more timely services to communities at no additional cost to the community. This will help minimise the effect of one of the barriers to the uptake of ICT in remote communities - costly and lengthy delays in servicing and repairing ICT equipment. This will benefit business in these remote communities.

CORPORATE GOVERNANCE

Executive Board of Management

The Executive Board of Management provides leadership to DCIS in achieving the objectives and strategies outlined in the DCIS Corporate Plan 2005-2008. The Executive Board of Management also assists the CE to meet statutory responsibilities under the *Public Sector Employment and Management Act*, *Financial Management Act*, and Section 9 of the *Information Act*.

The Executive Board of Management is chaired by the CE and meets monthly to facilitate a co-operative approach to the delivery of organisational strategies and to monitor and review all aspects of agency performance. In the last year two of these meetings were hosted in regional offices. The minutes of the Executive Board of Management meetings are made available to all branch heads for discussion at team meetings with staff. Key decisions are also reported in the CE newsletters to staff.



Rear L to R Gary Haigh, Bob Creek, Katrina Harding, Chris Hosking

Front L to R Monique Roberts (acting for Peta Preo), Peter Stewart, Arthur Boland

Executive Board of Management Members Profile

As at 30 June 2006

Richard Galton Chief Executive

Richard joined DCIS as Chief Executive in August 2004. He has more than 30 years of experience, primarily in the Territory's public sector. He was previously Executive Director with the Department of Infrastructure, Planning and Environment and oversaw the successful transformation of the Territory's Power and Water Authority to a government owned corporation. Richard was Chief Executive of the Department of Sport and Recreation and the Work Health Authority and has held a range of senior management positions. He possesses civil engineering and business degrees, and is a Fellow of the Institute of Engineers, Australia and the Australian Institute of Company Directors.

Michael Martin Deputy Secretary

Michael has over 40 years in the NTPS in both Canberra and Darwin. He has held senior positions in the Departments of Transport and Works, NT Treasury and Territory Health Services before joining DCIS in December 2000 where he has worked as Deputy Chief Executive. He holds degrees in Arts, Commerce and Superannuation and is a Fellow of CPA Australia. Michael is a trustee of the NT Government Employee's Superannuation Fund, a Board Member of Menzies School of Health Research and a member of the CDU Audit and Risk Management Committee.

Arthur Boland Executive Director Human Resource Services

Arthur joined DCIS on its formation in October 1998 and has held a range of positions in the NTPS over his 25 year career. Arthur specialises in industrial relations advocacy, human resource, financial and information technology management. He was responsible for several commercial activities in the Department of Transport and Works before joining DCIS where he has responsibility for Human Resource Services. He holds a Bachelor of Arts and postgraduate qualifications in personnel administration.



Rear L to R Maryann Jamieson, Les Hodgson, David Bryan, Brad Irvine

Front L to R Richard Galton, Sharon Winks

Les Hodgson Executive Director Information and
Communications Technology

Les has spent much of the last 10 years in both broadband and strategic management roles. Working for Telstra, he developed and managed their cable TV business case, their retail strategy and the Broadbanding Australia business plan in 2000. In 2000, Les was Business Development Director for ADSL Broadband Networks Ltd. He joined NTPS as Executive Director ICT in 2002. Les has a degree in electrical engineering and a Graduate Diploma in Business Administration.

Ian Low Regional Director

Ian commenced as Regional Director Alice Springs in late 1999. He joined DCIS from Territory Health Services where he was General Manager Corporate Services for the Central Australia Region. Ian joined the NTPS some 10 years ago after moving from Canberra. In a 24 year career with the Australian Public Service, Ian worked in several departments and agencies, in both Melbourne and Canberra, where his background was in human resource management.

Katrina Harding Director Leased Property Management

Katrina has been with DCIS since its inception. She holds a Bachelor of Business (Accounting) with CPA qualifications and joined the NTPS in 1980 as a Finance Officer in Training. Following a short stint in system related areas as a computer auditor and systems support person, Katrina's roles within the NTPS have focused on financial and management accounting and in recent years property management.

Bob Creek Director Data Centre Services

Bob joined the NTPS as a survey draftsman in 1973. The computerisation of that industry led to his broader involvement in IT systems and service delivery. Since 1990 he has been associated with the management of ICT services and infrastructure. He holds a Masters in Public Sector Executive Management and is a member of the Australian Institute of Mapping Sciences. Bob is the Director of Data Centre Services.

Peta Preo Director People and Development

Peta joined the NTPS as a school leaver in 1990. Since then she has undertaken a variety of roles within the human resource field including payroll, recruitment, PIPS coordinator and human resource management and development. Peta joined DCIS when it formed in 1998 for a year and then moved onto other agencies including the Office of the Commissioner for Public Employment. She returned to DCIS in May 2002 working as a Senior Human Resource Advisor and Service Manager Short Courses. She commenced in the role of Director People and Development in March 2006.

Peter Stewart Director Procurement Policy

Peter has over 20 year's procurement experience establishing, managing and administering service and supply contracts, and contracts for large infrastructure projects in the public and private sectors. Peter worked in civil engineering, waste management and mining industries based in Queensland, Western Australia and South Australia before joining DCIS in October 2003 as Director Contract and Procurement Services. In the last year Peter has acted as the Director of Procurement Policy. Peter has qualifications in civil engineering, business management and exporting.

Brad Irvine Director IT Outsourcing

Brad has over 28 years technical and management experience in the ICT industry in the Northern Territory in both private and public sectors. He was engaged by DCIS in 1998 as a senior consultant to the Advanced Communications Strategy outsourcing initiative. In 1999, Brad joined DCIS as project manager of the Desktop/LAN Service outsourcing program and was appointed Director in 2002. Brad undertook the second round of desktop and helpdesk outsourcing in 2005-2006.

Garry Haigh Director IT Service Management

Garry has worked for the NTPS for over 25 years. He has extensive experience in the communications field and his most recent positions include IT Manager, Contract Manager and currently Director ITSM for DCIS. For approximately eight years, commencing in 1996, Garry worked in the private sector firstly as a Telecommunications Management Consultant and later as an Operations Manager, at the Darwin Communications Centre. Garry has completed a Graduate Certificate in Public Sector Management; a Certificate in Basic Electronics.

Sharon Winks Director Executive Support

Sharon joined DCIS in mid 2005 furthering a career that has taken her through the public and private sector and now into the NTPS. She has experience in the fields of risk, governance, business planning, review, evaluation and performance reporting gained at the Australian Government level and internationally as a management consultant for AusAID, the UNDP and World Bank. She has a Bachelor of Economics and a Masters of Business Administration majoring in human resource management.

Chris Hosking Director Workforce Services

Chris is a long-term Territory resident who joined the NTPS as a school leaver in 1986 and has had a varied career in a number of NTG agencies. Chris holds postgraduate qualifications in public sector management and his specific areas of expertise encompass HR more broadly and administration of major IT business systems. Chris joined DCIS upon its formation in 1998 and has worked in a variety of roles. He currently manages the Workforce Services Branch.

David Bryan Director HR Services

David has a varied work history in both the public and private sector. Originally trained as a microbiologist, he worked in a wide range of management positions in the food industry, moved into adult education in the early 1990s and joined the NTPS in 1998 where he has filled a variety of roles. He has a Bachelor of Teaching and a post graduate qualification in Public Sector Management.

Maryann Jamieson Director ICT Policy

Maryann joined DCIS in October 2005 from the private ICT sector where she had undertaken numerous consulting assignments for the NTPS over the past 10 years. Maryann has 20 years ICT experience in a range of roles commencing as a computer programmer and later specialising in ICT project management, systems integration and strategic consulting for private and public sector organisations. Maryann holds post graduate qualifications in ICT and management systems.

Information Management Committee

The Information Management Committee (IMC) is chaired by the Executive Director ICT and comprises the CE, Deputy Secretary, Executive Director Human Resources, Director Workforce Planning, Director Executive Support, Chief Finance Officer and the Directors of the four IT business units. The Committee is responsible for setting the ICT direction for the department and is the decision making body in relation to all DCIS ICT investments. The Committee met monthly throughout the year.

Audit Committee

The internal Audit Committee is chaired by the Deputy Secretary and has the following membership:

Member	Chief Executive
Member	Executive Director Human Resources
Member	Risk Management Services, Dept of Chief Minister
Observer	Auditor General's Office

The Audit Committee determines and monitors the internal audit program. The program is developed from recommendations arising from a risk assessment program and general operational reviews of overall internal controls. The Committee meets every quarter.

The Audit Committee examines all recommendations from both external and internal audits and reviews. The Committee monitors progress against each recommendation until they have been implemented or addressed. The Audit Committee has also oversights the reviews, which are required under the conditions of the ICT outsourcing contracts. This year's audits can be viewed in Appendix A.

Information and Knowledge Sharing

Senior Officers Forum

During 2005-2006, DCIS continued to host senior officers forums involving approximately 60 executives and senior managers within the department. The forums are an outstanding success. They provide the opportunity for:

- Reinforcement of a shared vision for the strategic direction of DCIS.
- Developing a unified approach to the new corporate values and objectives.
- Networking between Darwin and regional based staff.
- Demonstrating the corporate values of friendly and professional behaviour and opportunities for creativity and innovation.

In December 2005 DCIS used the seniors officers forum as a key component of the action to address the feedback received during the staff sensing and women in leadership focus groups. The senior officers reviewed the feedback from staff, prioritised concerns and developed proposed actions to address. The results of the senior officers forum and the actions taken over the following months were reported to the Executive Board of Management and to staff through the CE newsletter.

Risk Management Plan

DCIS Executive undertakes a risk assessment at a high level every 18–24 months. As previous assessments have not identified any high level risks the next assessment will be undertaken in September 2006.

Key Performance Indicators

This year has seen a revision of KPIs to align with the DCIS Corporate Plan 2005-2008 moving away from the more traditional quantitative measures (numbers, statistics) to focus more on the qualitative and timeliness measures. This was evident in the staff sensing and customer sensing initiatives where qualitative information was the focus. There are also new indicators from some of our services that reflect on their particular initiatives and strategies.

Our internal monthly reporting has also been further refined to address the key objectives and measures in our Corporate and Business Plans. Reporting to the Executive Board of Management on a monthly basis has been tailored to highlight those areas of significant activity, performance concerns and corresponding corrective action. This has assisted the executive monitoring efficiencies and seeking opportunities to further develop processes to achieve more effective service outcomes.

KPIs comparing actual against target for the 2005-2006 year are reported extensively in service performance reporting beginning on page 35.

Benchmarking

In last year's report it was mentioned that DCIS had embarked on a benchmarking exercise with Charles Darwin University (CDU) through the sponsorship of a post graduate scholarship.

Significant progress has been made during the past 12 months with a number of meetings between DCIS managers, CDU academic supervisors and the post graduate student. Five services were identified to be measured and benchmarked. These are:

- Accounts Payable.
- Accounts Receivable.
- Asset Accounting.
- Payroll Services.
- Recruitment.

Survey questionnaires have been sent to Queensland, Western Australia and our own agency and details for the month of May have been sought. In addition telephone conferences have been held with the other two jurisdictions involved. A conceptual paper on the merits of benchmarking has been prepared by the post graduate student.

Annual Report

The 2005-2006 Annual Report has been prepared to align with DCIS Corporate Plan 2005-2008 objectives, being professional relationships, capable people, effective and efficient processes.

This report has followed on from past years in working with the service areas to report in a manner that relates to their customers and provides some individual service presentations.

Financial Statements

Financial statements for each of the four budget entities are included in this report commencing page 67. The audited statements for the three government business divisions received unqualified audit opinions.

Budget

The budget process within DCIS is undertaken within the parameters set by NT Treasury. These cover changes in outputs as well as inflation and efficiency factors. Within this environment, managers are asked to review their staff requirements considering both anticipated transaction volumes and productivity targets within their services. The budget is developed using the staff numbers and levels advised by managers. During the last year DCIS was pleased to have undertaken more work, particularly in the processing services, whilst still working within budget and existing staff numbers.

Our overall aim is to provide services at competitive prices. The department has also taken the opportunity to refine key processes and thereby increase efficiencies. Pricing is reviewed annually by the CE and Chief Finance Officer in conjunction with service managers. DCIS consulted NT Treasury on the methodology driving the pricing structure. The price list for July 2005 can be viewed at Appendix B.

Policy and Standard Operating Procedures

A comprehensive list of standard operating procedures have been developed and are constantly reviewed and updated as improvements are made to policy, processes, procedures and systems.

In 2006 DCIS policies were updated and included on the redeveloped staff only Intranet site for increased discoverability. Updated policies/processes were also included in the CE Newsletter.

Delegations

Financial, human resource and procurement delegations were all reviewed during the year and made available to staff through the Intranet.

Accounting and Property Manual

The Accounting and Property Manual was reviewed and updated in line with changes to relevant Acts, audit recommendations and improvements to processes. Over the last 12 months, all sections of the Accounting and Property Manual have been reviewed and updated to align with current policy and procedures. In particular a *Commercial Accounting* chapter has been added and *Budgeting and Reporting* split into two separate chapters. Also in June 2006 DCIS amended Section 19 *Procurement* to reflect the new changes in that area.

Statutory Accountability

DCIS is required to comply with the *Financial Management Act*, *Superannuation Act*, *Public Sector Employment and Management Act* and other employment related legislation such as the *Anti-Discrimination Act* and *Work Health Act*. Through the DCIS Corporate Plan 2005-2008 staff are made aware of DCIS' corporate governance system and the relevant statutes and training in these matters is included in the department's staff development plan.

Information Act

DCIS has a whole of government responsibility for *Section 9* of the *Information Act*. A post implementation review of the *Information Act* in DCIS was conducted during the year and processes are being implemented to achieve compliance with the records and archives provisions as prescribed in *Part 9* of the *Information Act*. Freedom of Information (FOI) activity has been reported to the Information Commissioner and this information is incorporated in the Commissioner's Annual Report. DCIS only had one FOI request in 2005-2006 and it was resolved in a timely manner. It also reports on the responsibilities exercised by the Archive's Service in accordance with the records and archives provisions of *Part 9* of the *Information Act*.

Ombudsman Office

In 2005-2006 DCIS had three complaints related to procurement matters lodged with the Ombudsman and formally investigated. One matter was lodged twice, firstly under DCIS and then under PRB. The other matter also related to procurement. DCIS undertook corrective action as a result of these complaints.

OUR PERFORMANCE

A snapshot of DCIS performance for 2005-2006.

Key Performance Achievements

- Developed and implemented new whole of government procurement directions.
- Introduced significant procurement reform such as increasing procurement thresholds to \$50 000 and focused on strengthening the relationship with industry and the links between policy and practice using the PRB and GPC.
- Developed and presented a bid for \$265 million to the Australian Government including facilitation of development and submission of expressions of interest to enhance telecommunications in the NT.
- Implemented the new telecommunications contract including significant bandwidth and enhanced service provision particularly for remote services.
- Advertised, evaluated and successfully negotiated a value added new desktop contract with a contract value of \$150 million including new jobs for the Territory.
- Finalised negotiations for Chinatown lease and confirmed tenants as DPI and NTPFES.
- Developed and finalised a strategic plan for properties and revised guidelines for procuring of leased accommodation to facilitate more efficient and effective arrangements.
- Managed 2005-2006 budget by maintaining staffing and introducing system and process enhancements to increase efficiency.
- Introduced upgrades to GAS to introduce new features including a web-based interface.
- Implementation of wider use of CCC's across Government to promote efficient expenditure practices.
- Upgraded the Data Centre Mainframe to provide a scalable computing model which is more flexible to changing agency demands.

Financial Highlights

- The three GBD's continued to make a surplus and therefore returned funds of some \$7 million to government through the payment of dividends and tax.
- DCIS' budget allocation increased by \$7 million during the year as submissions for additional funding were accepted by NT Treasury and Government.
- DCIS was able to achieve its two percent productivity dividend despite an increasing workload which translated into producing more output with reduced resources.
- Payments of some \$36 million were made to property developers and landlords within the Territory for the use of office accommodation for all agencies.
- DCIS increased its revenue from GBD's by \$7 million over budget which had a favourable impact on DCIS' expenditure capacity.

OUR PROFESSIONAL RELATIONSHIPS

'Professional relationships with our customers, suppliers and stakeholders'

"It is that time of year again and I would like to, on behalf of NTPFES, thank you and your team at DCIS Asset Management for a very successful year of asset management, a job well done. During 2005-2006 I found your team to be very approachable and always addressed any queries the agency had in a very timely manner and where necessary clarification was always sought. We feel confident that any complex issues are dealt with in accordance with Treasurer's Directions and the correct advice has been received. Additionally during the year and particularly end of year, asset reconciliations were received in a timely manner with minimal reconciling items and any issues or queries were dealt with promptly by your staff. Again my thanks to you and your staff. Kind Regards Chief Accountant NT PFES"

One of the key priorities for DCIS in our Corporate Plan 2005-2008 is to enhance our relationships with our customers. Over the last year we have progressed a number of initiatives which are explained in more detail below.

Customer Sensing

During 2005-2006 DCIS developed a tailored customer framework designed to provide key performance indicators, targets and tools to measure our performance in terms of customer relationships and the services provided to customers. The framework was endorsed by the Executive Board of Management in May. The DCIS customer framework includes a range of targeted tools for collecting customer feedback.

DCIS has a broad customer base including Chief Executives, corporate service managers, business managers, individual employees, Ministers and so on. While it would seem efficient to treat all customers the same, research shows that individuals and groups of customers may have different needs and wants. Emerging trends show that customers value services differently as recognised by DCIS management whilst compiling the DCIS Corporate Plan for 2005-2008.

The customer sensing framework therefore has been designed using different methods of gathering feedback. The aim of the framework is to link together these methods, keep some consistency in feedback gathering and ensure it is reported and acted upon appropriately. The first step, customer sensing, is targeted at agency Executives and includes a small written survey and face to face focus groups designed to identify possible areas for improvement and develop jointly agreed action plans. DCIS piloted this process in June 2006 and incorporated valuable feedback to ensure the methodology matches both ours and agency needs. The customer framework and evaluation tools will be fully implemented in 2006-2007.

Accounting Services Initiatives

A major focus for Accounting Services in 2005-2006 has been developing a sound appreciation of our customers business needs. To facilitate this Accounting Services have out posted five staff to key areas of client organisations to better understand their requirements and the way DCIS provide services. In particular, DCIS have provided DCM with three very skilled staff to help in their finance area.

Other Accounting Services initiatives where DCIS has fostered good relationships with our customers are:

- Assist Legislative Assembly by including specific data into the accounts payable module reference field to enable the agency to extract reports and reconcile assembly members travel allowances more easily.

- Consulting with all clients to review their debt management requirements, which has led to the development of individual credit policies for each agency.
- Continuing to offer initial advice and information sessions to a specific customer agency to review and improve their Fringe Benefit Tax management processes and procedures.
- Continuing tax forums where clients are given advice and have the opportunity to raise and discuss taxation issues.
- Automating the process of credit card management for NTPFES to align with the way the rest of the government processes their transactions.

Human Resource Services Initiatives

DCIS Occupational Health and Safety developed a draft OHS framework for the Public Sector Consultative Council - OHS Sub-Committee. This framework incorporates a commitment by agencies to establish Australian Standard 4801 OHS Management Systems, revise the *Public Sector Employment and Management Act* reporting requirements, and establish health and safety representatives through individual negotiation with all agency CE's.

In the last year DCIS OHS also entered into formal partnership agreements with most agencies. These agreements clearly define the roles and responsibilities of the parties and the agreed level of services to be provided to our clients.

As an adjunct to the Early Intervention strategy, in 2005-2006 Work Injury Solutions has introduced key performance indicators to ensure contact within 48 hours with any employee who submits a Workers' Compensation Claim. 100% compliance with this strategy has enabled the engagement of rehabilitation intervention long before the claim has been assessed.

Information Technology Services Initiatives

Considerable benefits were gained for Territorians and the NT ICT Industry from the NTG Telecommunications contract, which commenced July 2005. Included in the industry development component of this whole of government contract was a requirement for a 21% share of revenue to go to local NT ICT businesses. The contract is expected to provide \$65 million in benefits to Territorians, including 170 new jobs over the life of the contract.

As part of its commitment to NT ICT industry development, DCIS also conducted the annual NTG "Agency to Industry Briefings". Leading NTG agencies provided the local industry with an overview of agency ICT requirements and strategic directions. This year's forum was fully booked with feedback surveys recording a >90% satisfaction rating by attendees.

"I refer to the 'Developing your Leadership Potential' workshops held in Darwin and Alice Springs during National Youth Week, 1-9 April 2006. I would like to thank you and Training and Employment Programs team for making these workshops possible. Youth Week is achieving significant outcomes in improving youth participation, and it is only with the support of other Northern Territory Government agencies and the community sector that this national initiative will continue to contribute to the general wellbeing of young Territorians."

Extract from a client letter addressed to DCIS CE, Richard Galton from DCM Executive Director, Sharron Noske on 29 April 2006.

Planned Initiatives for Our Relationships

The department will continue to implement the customer sensing framework including the feedback survey tools and focus groups. This engagement will form the basis of discussions around the development and adoption of customer shared service agreements. These agreements will clarify with customers roles and responsibilities and agreed service delivery levels. They will also highlight service initiatives to be delivered by DCIS to agencies to assist supporting their core business including:

- Establishing Finance Manager Forums to facilitate greater consultation and sharing of information with finance staff across all agencies. The forums will provide DCIS the opportunity to explore new initiatives with agencies and share innovative ideas.
- Work with agencies on ways to increase their use of myHR.
- In conjunction with Telstra, deliver an information package, through innovative means to remote Indigenous communities highlighting the telecommunications choices available to customers in remote communities.
- Introduce a customer feedback questionnaire to measure performance in customer satisfaction relating to timeliness for printing services.

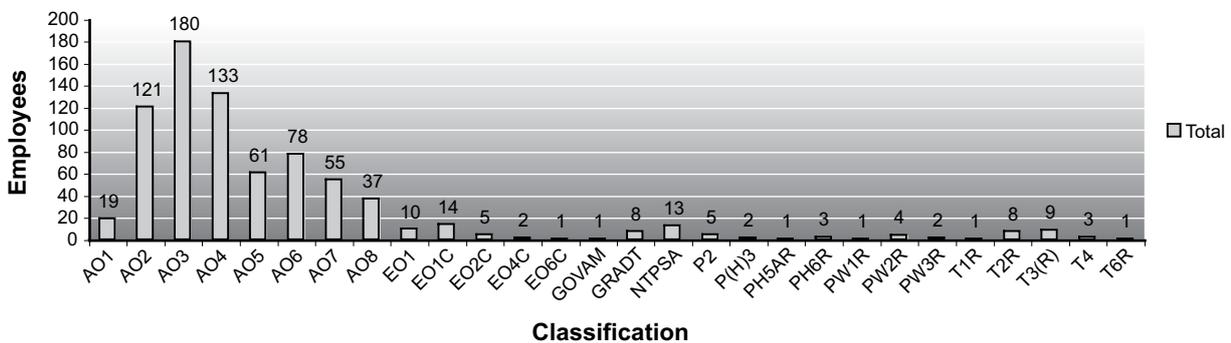
OUR CAPABLE PEOPLE

DCIS consists of over 700 staff across a range of disciplines. The majority of staff are at the AO3 and AO4 classifications with 36-45 year olds being the largest group of females while 46-55 year olds the largest group of males.

'Capable and committed people that contribute to the achievement of outcomes'

See the following graphs for more details:

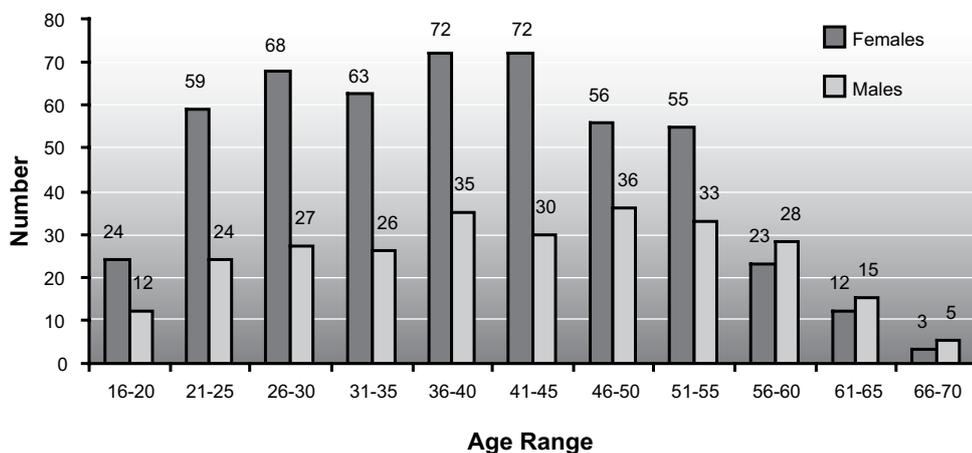
All DCIS staff by classification (Headcount)



Source: Personnel Information Payroll System - DCIS - 07.09.06

The graph below displays the gender ratio through age brackets, between females to males employed by DCIS. As well as the women in leadership study this type of statistical analysis assists DCIS in identifying staff in different age categories, which helps recognise any future succession planning requirements. It also assists DCIS in recognising the value of gender specific initiatives, such as women in leadership strategies, that can also target those of a particular age bracket.

Age distribution of DCIS employees by gender



The development and dissemination of our DCIS Corporate Plan 2005-2008 has increased the focus on our people in 2005-2006 and the role they play in underpinning our professional relationships and improving our business processes.

In 2005 DCIS undertook a Human Resources and Organisational Development Review for the purpose of determining corporate needs; an appropriate organisational structure, resourcing and skills mix to support DCIS people development. The review resulted in recommendations to increase the capability and effectiveness of our People and Development (P&D) unit. P&D act as business partners with sections across DCIS providing advice and support to managers on a range of people and organisational issues. The changes and increased focus on skilling our people have also seen the Director of P&D join the Executive Board of Management and report directly to the CE.

The last year has also seen the development of the DCIS HR Strategic Plan 2006-2008 which focuses on developing committed people capable of delivering DCIS objectives in a constantly changing and challenging environment. Further contributions to the development of our people are discussed below.

Staff Training and Development Initiatives

DCIS staff training and development initiatives have been developed and implemented in line with the government and corporate directions in order to maximise the potential to meet corporate objectives through a skilled and capable workforce. A number are summarised below with more than 600 staff participating in DCIS specific training.

- The DCIS orientation program provides new employees with an overview of the department, it's strategic direction, core business and outcomes sought. The program covers topics such as the code of conduct, appropriate behaviours in the workplace, IT, OHS and safety and work life balance.
- Support Program and Information Network Sessions (SPIN) covering, DCIS's fraud control policy, merit selection, performance management, communication, the performance planning process, probation and change management.
- Senior Officers Forum.
- Recruitment and Selection Refreshers.
- Managing Employee Performance.
- Employee Assistance Program information sessions.
- Occupational Health and Safety information sessions.
- Public Sector Management Program (PSMP) - nine DCIS participants.
- Studies assistance was provided to 35 staff to undertake studies ranging from certificates and diploma's to bachelor qualifications. DCIS strongly supports employees gaining relevant skills through further study.
- Staff rotation - Staff rotations are at level either within the department, the NTPS or into the private sector. Rotations are considered a developmental opportunity where staff learn new skills and expand their horizons. To date, 20 staff have accessed the rotation opportunity, 55% of which rotated externally to DCIS but within the NTPS while, 45% rotated internally in DCIS.

"I started with the Data Centre (DCS) as an apprentice and was given an array of opportunity and support in relation to gathering added experience in office administration. I have always been greatly encouraged and supported by my supervisors to attend courses to enhance my job prospects.

I worked my way through various administrative levels from AO1 to AO5 and have had full support and encouragement for the entire time I have been employed by DCS.

I have found that Management encourage staff to attend training courses to enhance skill levels, the environment is friendly and supportive, DCS support work life balance and encourage safety in the workplace. All these attributes contribute to my thoughts about staying with DCS as an employer and not transferring to another Agency or Business Unit."

Lia Chin
EPASS2 Project Officer

Support Program and Information Network (SPIN)

The SPIN Program aims to assist DCIS staff in their practical development as well as allow opportunities to network with people from other sections of DCIS.

The program includes monthly "networking" sessions, which are aimed at two different groups. The strategic group (AO6 and above) provides an opportunity for senior staff to discuss topical management issues and the operational group (up to AO5), provides an opportunity for operational and supervisory staff to maximise hands on development and knowledge sharing.

Graduates and Trainees

The 2005-2006 year saw DCIS take in five graduates and 14 apprentices with one National Indigenous Cadet.

The 2006 DCIS Graduates, Lukas Sigut, Emily Xu, Jason McClelland, Andrew Brunton and Arul Seevaratnam were tasked with a group project to plan, design and produce a DVD about DCIS that would communicate the DCIS Corporate message and compliment the DCIS Orientation Program. The graduates were given a small budget and a short timeframe in which to complete the project. The final product was presented to the June Executive Board of Management and was very well received. It is now available on the staff only Intranet site for everyone to view/download.

Performance Planning Process

The performance planning process provides a mechanism for employees and managers to review the previous year and plan for their year ahead. This includes a review of their job description, identifying key projects/tasks and assessing the need for professional development.

New templates, forms and guidelines were developed in 2005-2006 to make the process more user friendly in accordance with feedback gained on the previous year's performance planning process. Information sessions were provided to all staff on the new process and techniques appropriate to holding effective performance planning discussions.

Staff Sensing

Over the past five years DCIS has used an electronic staff survey to evaluate staff satisfaction and identify areas for improvement. In 2005, the Executive Board of Management decided that DCIS should adopt an alternate approach to gathering information from staff about the health of the organisation.

This process took the form of staff sensing focus groups where people from within DCIS were trained as facilitators to extract key themes that were of significant importance to staff through a series of questions. Staff that participated in the groups were chosen by a process of random selection and self nomination. Focus groups were held in Darwin, Katherine and Alice Springs and included over 100 staff.

Staff sensing feedback in 2005-2006 focused on assessing the satisfaction of staff with DCIS as an employer. Overall the feedback was positive with 63% of staff citing flexible work practices and a family friendly environment

"I am part of the Sales and Service team at the Government Printing Office. I have been working as Client Services Officer for the past thirteen years.

I am responsible for sales and services for a portfolio of clients. This responsibility includes meeting clients, converting their briefings into technical specifications, carrying out and supervising their printing projects from start to finish using either in-house resources or by out-sourcing.

I have been presenting an overview of GPO at the orientation program for all new recruits or transferees to DCIS. I also run plant tours of GPO for all our clients to give them a better understanding of the very complex printing process. At the end of tour, more than often, I get comments from clients "so now we know how it is done and how long it takes".

I enjoy working with people and especially meeting their challenge of sometimes very demanding delivery time lines.

Staff at the GPO have a "can do" attitude and I am very proud to be a member of such a team."

Kuldip Singh
Sales and Service Officer,
Government Printing Office.

as the reasons they like working in DCIS and a further 20% stating a strong sense of support from management, inclusive style and approachability were key factors in staff satisfaction.

As with all organisations staff also highlighted areas for improvement. 44% of staff felt recruitment took too long, whilst training was hard to get and sometimes not used well in the workplace and staff were not well recognised and thanked for their efforts. A further 39% raised concerns around managers in DCIS including lack of effective communication and management of poor performance.

As a result of this comprehensive engagement with a range of staff the following priority issues for action arising from staff sensing were identified and addressed in the last year:

“Working in Asset Accounting has been great over the last three years and have enjoyed every minute. Assets is such a great place to work as the team is unique, fun and we all like to have a joke once in a while. Assets is different to the other areas I’ve been involved with, as the work is challenging and has a wide variety of tasks such as day to day financial tasks, special projects to stock takes. Assets have also given me the chance to develop my financial skills. The best part of working with Asset Accounting is going to regional areas and conducting stock takes.”

Dennis Olsen

Priority	How
Need to improve internal communication flow.	<ul style="list-style-type: none"> Information share sessions are incorporated into regular meeting frameworks (eg guest speakers at staff morning teas). Circulation of good news stories in CE’s newsletter. Publicise decisions of executive meetings including brief articles in the CE’s newsletter. Rotational position made available on the Executive Board of Management.
Need to address retention of lower level staff (A01 - A03), especially in the bureau services area.	<ul style="list-style-type: none"> Payroll School initiative implemented.
Inconsistent standard procedures and lack of specific induction.	<ul style="list-style-type: none"> All new staff attend DCIS Orientation Program which is reviewed annually (formal review). Additional orientation programs organised and run.
Temporary positions not always filled and recruitment not completed in timely manner.	<ul style="list-style-type: none"> Exception reporting on lengthy recruitment processes reported to CE weekly and tabled monthly at Executive Board of Management.
Staff recognition	<ul style="list-style-type: none"> Implementation of CE Rewards and Recognition Scheme as a staff recognition initiative. Greater awareness and importance of recognition given to staff achievements through CE’s newsletter.
Managing poor employee performance	<ul style="list-style-type: none"> Promotion of P&D function and the support and resources available to supervisors and managers. Minimum of four Managing Poor Performance Workshops per year with targeted nominations for attendance.
Provision of IT related adequate services with reasonable timeframes	<ul style="list-style-type: none"> Developed tighter framework for change management. Provided training on new features. Ensure all staff know to contact the service provider in the first instance.

Women in Leadership

Following Government approval of the Women in Leadership and Management Policy in January 2005, OCPE began a pilot project looking at implementing some of the recommendations from the paper and diagnosing potential cultural barriers to women in management. DCIS divisions of Finance and Information Technology participated.

Seven interviews and nine focus group sessions were conducted, primarily concentrating on two questions: why do you think women are under represented at senior levels in your agency? and, what do you think needs to happen for this to change? DCIS executives were also asked to provide any advice on career management in the NTPS. Almost 10% of DCIS employees (78 people) were involved in the investigation.

Five of the most important problems identified were then workshopped at the DCIS Senior Officers Forum to identify possible strategies to address these problems. Actions to address undertaken in 2005-2006 included:

- Raising awareness of availability of flexible work arrangements and other programs such as mentoring, job rotations, networks and work life balance. P&D have actively engaged with staff and managers to increase usage of these initiatives.
- Providing greater exposure to Executive activities and departmental decision making such as Executive Board of Management and other Executive committees through targeting of women to participate and greater sharing of responsibilities.

CE Rewards and Recognition Scheme

Recognising staff for the work they do is one of the most important things we can do to help make DCIS an “employer of choice” and to promote behaviours in-line with our Corporate Plan objectives and our vision of ‘Do whatever it takes’.

In January 2006, the Executive Board of Management approved the DCIS Rewards and Recognition Scheme as a formal mechanism for recognising and showing appreciation to our staff in response to feedback from the staff sensing focus groups. Following a nomination process advertised in the CE’s newsletter and through discussions at Executive Board of Management the following staff/teams were awarded a commendation certificate:

- The Government Printing Office (GPO) production team - for budget publication in the leadup to Cyclone Monica.
- Bridgitte Adams and Patrick Bannan (Katherine Office) - professionalism in providing corporate support to agencies during the Katherine flood.
- Accounts Payable team (Palm Court) - collective demonstration of their commitment and persistence to achieving organisational objectives.
- Staff Sensing Facilitators - Delivery of a key corporate initiative.

In addition, Bridgitte Adams and Patrick Bannan from the Katherine office were awarded the CE Award for outstanding performance.



Director of Executive Services Sharon Winks (centre) presenting Bridgette Adams and Patrick Bannan from the Katherine office with the CE Award for outstanding performance.

Social Initiatives

As part of the department's focus on developing the capabilities of our people, contact and networking have been promoted through a number of social initiatives.

The CE produces a newsletter each month that is sent to everyone in DCIS. It enables staff to know what is happening within DCIS. In the last year each newsletter featured a team profile; this gives everyone an insight into various teams in the organisation and what they do. The team profiles cover personal interests, work and roles and are avidly read.

The first get together of the "Over 30's Club" was held this year. The "Over 30's Club" is a new initiative that will be celebrated annually to give recognition to DCIS employees with over 30 years of service. The morning tea provided an opportunity to network and recognise the contribution of our longer term employees.

Occupational Health and Safety

Occupational Health and Safety (OHS) and injury management within DCIS is driven by an OHS Steering Committee which oversees the activities of a network of OHS sub committees representing all workplaces. Chaired by the Executive Director Human Resources, the committee convened three times during the year to review performance against its OHS Management System (OHSMS).

OHS performance features for 2005-2006 includes:

- The OHSMS has been audited against Australian Standard 4801 "Occupational Health and Safety Management Systems". The audit paves the way for continual improvement to OHS functionality within DCIS.
- All DCIS staff attended OHS training, focusing on the elements of the OHSMS and regulatory obligations under the *Work Health Act*.
- Early intervention implemented as soon as an employee manifest signs of injury. Treatment may include workplace or job modifications and referral to medical or allied health professionals.

There were 42 recorded incidents in 2005-2006, resulting in six lost time injuries for the financial year. Workers' Compensation costs have been reduced by approximately \$80 000 compared with the previous year.

"As part of my apprenticeship I spent six months working in the JES Unit. I really enjoyed my time working in the work unit and learnt a lot. Carolyn, my supervisor taught me all the workings of the JES Unit, and as a result have gained valuable knowledge of how the business of job evaluation works, I was then given my own list of duties.

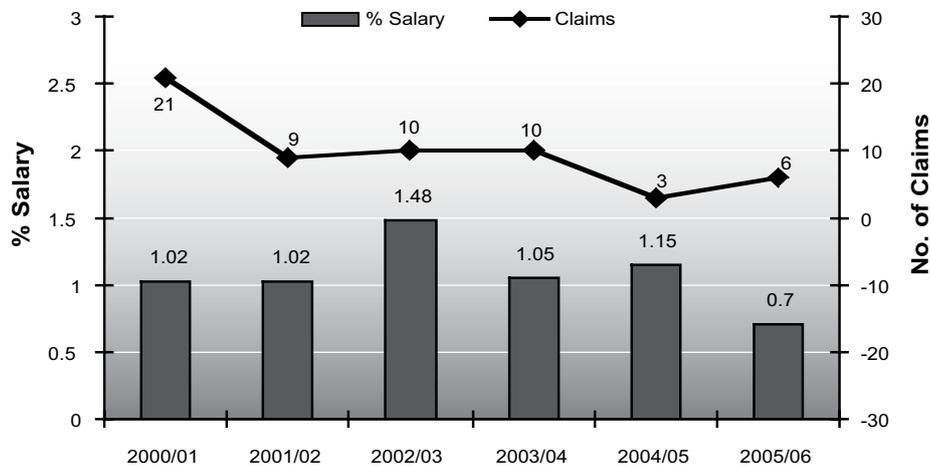
As an apprentice it gave me a great feeling of importance within the team, the confidence to be able to work independently and the skills to be able to communicate better with a diverse range of people and customers from all different levels within government. A big part of my job was to liaise with customers regarding the products and jobs, and organise JES Panels. My time in the JES Unit has given me a lot of knowledge and experience about how the NT Government works and importantly how DCIS goes about its business.

Thanks, Chris and Carolyn for all the support you've both given me in those six months we got to work together and I know I'll use the knowledge and experience you've both given me in the future."

*Comments provided by
Joanne Geaney
NTGT Apprentice*

The graph shows new claims and costs as a percentage of salary cost for DCIS staff only. Whereas the number of claims rose marginally, total claim costs this year are at there lowest for at least six years.

DCIS Claim numbers & total costs as % salary



Promotion Appeals

During the same reporting period there were five promotional appeals lodged. This is the same as the previous financial year. Three appeals were disallowed, one was allowed with DCIS directed to confirm the appellant's appointment and one lapsed.

Treatment in Employment / Grievances

Five treatment of employment reviews were lodged during the reporting period 2005-2006. This is one less than the previous reporting period. In one case, DCIS actions were confirmed, one was withdrawn, one was declined to be reviewed by OCPE and two were resolved internally by DCIS.

DCIS received two grievances from the same employee, one was on termination of probation, which was found in favour of the agency and another on treatment in employment was unresolved at year end with a response from OCPE pending.

DCIS had one case of discipline for bullying and harassment where the employee lost two increment levels as a penalty, this is currently being challenged through a Discipline Appeal Hearing which has not been held as yet.

Planned Initiatives for Our People

As a result of both the Corporate Plan and the Strategic HR Plan, P&D has identified a range of strategies and initiatives designed to strengthen our people in the coming year, including:

- Continuing to focus on assisting staff to realise their potential through staff rotations. A formalised rotation policy has been implemented within DCIS and is managed from P&D.
- Continuing SPIN for supervisors as an interactive information sharing and networking opportunity for new, potential supervisors and current supervisory staff. Sessions in 2006-2007 will focus on change management and customer service initiatives.
- Implementation of a competency framework for our middle managers based on current NTPS and nationally benchmarked systems that will highlight key skills in managing staff.
- Continued implementation of the succession planning framework and toolkits for managers to enable managers to identify strategies that are suited to their business unit needs to ensure business continuity.
- Continuation of staff sensing to gauge the health of the organisation through the use of facilitated focus groups with DCIS staff members across all regions.
- Recognising the outstanding achievements of DCIS staff through the CE Rewards and Recognition Scheme on a biannual basis.

"I work in Asset Accounting, and the team is made up of energetic and enthusiastic members which make working here excellent. Combined with our monthly morning teas, the atmosphere is always bright and bubbly. The experience that I have gained from working here is excellent for finance and research purposes. Our clients are friendly and easy to get along with which makes contacting them a pleasure."

Cindy Nielsen

OUR PROCESSES

One of the key priorities for DCIS in our Corporate Plan 2005-2008 is to enhance the effectiveness and efficiency of our business processes. Over the last year we have progressed a number of initiatives which are explained in more detail below.

Business Process Improvement (BPI)

A cornerstone of the 2005-2008 Corporate Plan is effective and efficient processes. In 2005, DCIS successfully piloted a BPI strategy in three key bureau areas (Recruitment Services, Accounts Payable and Work Injury Solutions) resulting in the redesign of core business processes that not only yielded improved efficiencies but produced more customer-centric service delivery to agencies. Some of the key BPI improvements include:

- Streamlining the reconciliation process in Accounts Payable eliminating 26 steps.
- Refining the workers compensation processes reducing the turn around time on claims expenditure from two weeks to two days.
- Enhancing management reporting to agencies on recruitment.
- Restructuring recruitment teams to provide a single point of contact to client agencies.

In keeping with its commitment to efficient and effective processes, DCIS has now established a permanent BPI Unit, tasked with the ongoing review of business processes to ensure continuous improvement is at the heart of the DCIS culture.

Business Continuity Plan

DCIS has developed a proposed Business Continuity Action Plan that will enable us to ensure that all priority services within DCIS will be able to function in a time of crisis. This plan sets out key roles and responsibilities of the business recovery team and service areas in the event of a cyclone, flood or pandemic.

The plan also records databases and contact lists for key stakeholders, suppliers and customers that may be required depending on the circumstance.

This Action Plan sets out clear instructions for an emergency communications strategy, alternate work locations and DCIS priority services as identified by service areas.

'Effective and efficient business processes and systems that deliver value for money'

Accounting Services

In response to the decision to use CCC for payments of up to \$500, substantial savings will be achieved by streamlining purchasing, payment processes and procedures, improving administrative efficiency and exercising more effective cash management. There has been a steady increase in the number of cards issued since Government's announcement and a rise of 5% in the number of credit card transactions over the three month period prior to implementation. At the end of 2005-2006 12% of all transactions were via credit card.

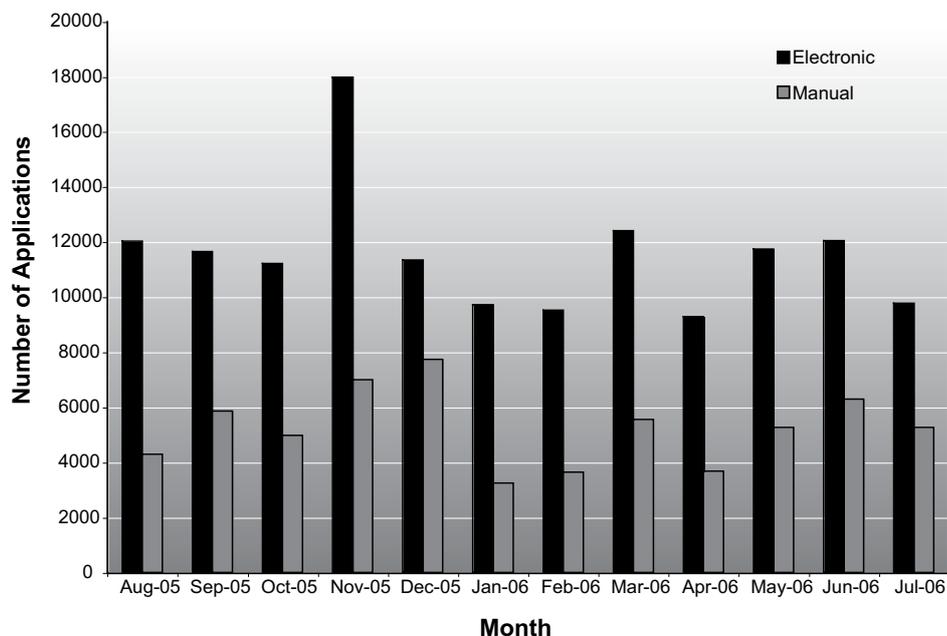
In 2005-2006 DCIS further enhanced and implemented the Travel Request Information Processing System (TRIPS) with a web-enabled, electronic workflow system for the entry and approval of movement requisitions. TRIPS is currently being utilised for 100% of DCIS requisitions and approximately 40% of the Department of Employment, Education and Training (DEET) requisitions. The system is intuitive, easy to use and eliminates manual travel requisitions. TRIPS has inbuilt business rules which improve the speed and efficiency for travel requests and their approvals, calculates travel allowances automatically and will soon have improved management reporting. Rollouts to other agencies will progress in 2006-2007 following a number of enhancements and presentations.

GAS was successfully upgraded to SSA Financial Management 2.0 on 8 May 2006. This was the conclusion of a two year project. The previous upgrade to GAS was in April 2000 and since this time the software has fallen several releases behind, making GAS difficult to support from a software vendor perspective. The GAS upgrade was a large project and required the updating of all interfaces to agency business systems. The GAS reports were re-written and the system is now web-based, making it more accessible and friendly to use. Extensive testing was conducted with client agencies in the first half of 2006 leading up to the "go live" date. After implementation, the 2006 end of financial year was conducted successfully in July and it is now business as usual with GAS. This new release of GAS also includes additional functionality that will meet the future needs of agencies.

Human Resource Services

In early 2006, HR Services received endorsement from the Coordination Committee to increase the uptake of myHR, which is a web-based employee self-service facility for the Personal Information and Payroll Systems (PIPS) mainframe. This facility was developed to improve the 'user friendliness' of PIPS for all government employees. Increased use of myHR reduces the dependency upon paper-based transaction systems for routine payroll transactions such as leave applications, overtime claims and higher duties allowances, as well as giving employees quick and easy access to their pay details. Moving employees to electronic processing for high volume payroll transactions reduces costs, improves timeliness and service delivery levels and extends the working life of PIPS.

The graph below shows the number of applications (monthly) being entered through myHR (electronic) compared to those entered directly onto PIPS (manual). This shows that in any one month a third to a half of all transactions are still being processed manually when they could be processed more efficiently electronically. DCIS will be working closely with agencies to improve this ratio in 2006-2007.



“I have enjoyed the challenge of taking on the role as PAPMS System Coordinator as it has allowed me to expand my knowledge to include the intricacy of the NTG’s payroll system. It completes the picture, because along with my knowledge of PIPS from my former roles it gives me the full story on how our HR system achieves its goals.”

Comments provided by Shannon Langman who has worked on the PAPMS system since its inception to the NTG.

In 2005-2006 improvements to payroll payment summary information included printing and enveloping by the GPO, resulting in a large saving of time and cost over previous years. All payment summaries were posted to employees with most received in the first week of the financial year, improving turnaround on previous years.

To assist NTPS staff the list of non-cash items available via salary packaging was reviewed and expanded in 2005-2006 to now include credit card reimbursement, uniforms, gym membership, union fees, tools of trade, professional fees, and airport lounge membership. In addition, there are now two types of novated lease methods available, full remuneration and partial remuneration.

In addition changes to salary sacrifice to superannuation in the last year included lump sum payments allowing a lump sum payment of long service leave, back pay, annual allowances, annual leave loading, recreation airfares and bonuses into superannuation. The sacrifice limit of 50% has now been relaxed for employees over the age of 50.

Information Technology Services

DCIS is responsible for developing policy and associated programs to improve the availability and use of telecommunications and broadcasting services for all Territorians, particularly those living and working in remote areas.

Through the year an additional 11 remote communities were enabled with Telstra's CDMA mobile services, and four more suburbs of Darwin and outer Darwin were enabled with ADSL broadband, as was the Tindal RAAF base.

Following on from last years program to alleviate poor reception in Darwin's northern suburbs, DCIS contacted a further 5000 households in the northern suburbs. Householders were invited to contact a technical expert for advice and a personal visit to help improve TV reception. Minor problems such as misaligned aerials and faulty cabling were often remedied on the spot and written reports provided to all households. To complete our understanding of the digital reception issues in Darwin, DCIS in partnership with the TV broadcasters undertook a survey of digital TV reception. The survey established that Darwin is well positioned for a painless transition to digital TV.

In 2006 DCIS received a statement of claim from Optus with work continuing to clarify and resolve.

Tendering Services

Whole of government procurement directions were redeveloped and approved by Government in early 2006 with implementation in March 2006. The new directions provide a much simplified procurement process and improved consistency of policy. They were developed in consultation with key stakeholders. In early 2006 DCIS spent considerable time marketing to and educating agencies and industry on the new directions.

Another major improvement in 2005-2006 was the decision to increase the tendering threshold from \$10 000 to \$50 000, to be implemented in 2006. The increased threshold has not changed since 1978, and is now more realistic and in line with other jurisdictions.

Planned Initiatives for Our Processes

- In 2006-2007 the BPI Unit will continue to work with the core bureau services areas of Accounting Services and HR Services to redesign and implement more streamlined, customer focused business processes across all service delivery areas. The Unit will also focus on priority areas for Government to ensure DCIS continues to maintain the highest standards in delivering shared corporate services.
- Accounting Services will introduce web-based online requisition using workflow, to enable users to complete a requisition for goods and services online, gain necessary approvals and update the GAS, which will automatically generate the purchase order.
- Accounting Services will investigate options for implementing an electronic invoice management system that will enable the management of invoices to payment stage. The proposed system will facilitate faster and more accurate processing through a workflow solution to better manage and track invoice status before and after payment. This will allow online access to clients to view account status, minimising queries to DCIS and improving information available to customers.
- HR Services will continue to liaise with various client agencies during 2006-2007 to increase uptake of the myHR online facility.
- IT Services will develop and implement the e-Government Strategy 2006-2010 and redevelop the whole of government ICT enterprise architecture framework to guide agencies and service providers in the development and management of ICT systems.
- The Business Improvement Centre will drive initiatives to improve ICT service delivery and increase the benefits from ICT contracts.
- IT Services will implement the electronic passport system (EPASS2) across Government to manage all Government employee identity and information and computer technology service requests ICT will further develop the move towards a single online point of access for agencies to access shared services.
- IT Services will continue to seek Australian Government funding to deliver communications infrastructure and services to remote areas and enhance competition in the wholesale telecommunications market in the Territory.
- Tendering Services will assist agencies to implement processes to support the raising of the procurement threshold from \$10 000 to \$50 000 and review the new Procurement Directions.



DCIS SERVICE PERFORMANCE REPORTING

DCIS reports against a range of indicators as they have been presented in the budget papers and that we use to manage and monitor our day-to-day activities. Our DCIS services, their key roles and responsibilities, performance highlights and initiatives for the forthcoming year are discussed in more detail below.

In looking at the performance results for 2005-2006, it should be noted that the structure has changed to align with the Corporate Plan 2005-2008. Service highlights and significant achievements for the year will be addressed under three categories of professional relationships, capable people and effective and efficient processes, where relevant.

ACCOUNTING SERVICES

Accounts Payable

- Pay supplier invoices
- Manage corporate credit cards
- Maintain a common vendor file
- Ensure GST compliancy

Asset Management

- Register/record assets
- Register financial and operational leases
- Undertake periodic stock-takes
- Co-ordinate the process of major and minor disposal
- Schedule and post monthly depreciation

Financial Reporting & Commercial

- Electronic provision of financial reporting, provision of data to assist in analysis and exception reporting between subsidiary and general ledger
- Commercial accounting services to some GBDs and general agencies

Accounts Receivable

- Raise invoices
- Debtor management
- Bank account reconciliations
- Receiver of Territory Monies
- Bank services

Taxation Services

- Facilitate payment of Payroll tax, Fringe benefits tax (FBT) and Pay as you Go Withholding's
- Complete GST/BAS returns and compliance

Financial Systems

- Manage and maintain a fully integrated system (GAS)
- Provide a system to report on business activity statements and agency financial data
- Provide system and security administration along with technical and user support
- Maintenance of operational general ledgers

470 871

Creditor/Debtor
invoices processed



100%

System
availability

Accounting Services Budget Performance Indicators

Over the last few years Accounting Services has continued to reduce costs through the introduction of more efficient processes such as maximising direct interfaces into GAS, automating reconciliations of bank accounts and assets, and increasing the use of CCC's for low value payments.

Performance Measures		2004-2005 Actual	2005-2006 Estimate	2005-2006 Actual
Quantity	Creditor invoices processed	448 144	440 000	438 846
	Debtor invoices processed	33 421	31 900	32 025
	Assets recorded	20 096	15 000	15 942
	Financial system cost	\$7.02M	\$7.77M	7.18M
Quality	Processing error rate	<0.06%	<0.5%	<0.5%
	Corporate credit card transactions as a proportion of total payments	Not assessed	9%	12%
Timeliness	% Creditor Invoices processed < 8 days	Not assessed	>85%	90%
	Days Invoices Outstanding	Not assessed	40	33
	Average days to record assets	10	10	10
	System availability	99%	100%	100%

Our People

Accounting Services recognise that a key to providing high level quality client service is developing our supervisory and leadership skills. To facilitate this in 2005-2006 Accounting Services has implemented a formal skills development program where key staff members are provided with opportunity to gain practical experience by supervising a team and theoretical knowledge by enrolling in a Certificate IV in frontline management, four staff members have gained their certificates since implementation. On the senior management front, four staff members have successfully attained graduate certificates in Public Sector Management, whilst nine positions have been jessed to recognise the increased complexities of the duties required. During the year Accounting Services have also managed to rotate 12 staff members internally across business units, other units within DCIS and to client agencies.

Accounts Receivable has decentralised the debt management responsibilities to our regional centres to further expand our skilled workforce and to ensure clients receive tailored services specific to their requirements. In particular DHCS debts were disseminated to Katherine, Tennant Creek and Alice Springs offices to align with hospital debt management requirements.

Our Processes

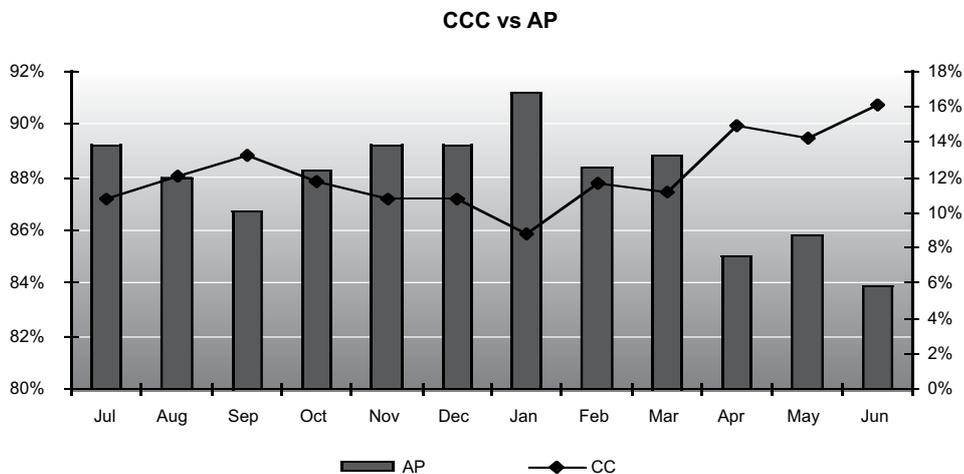
In 2005-2006 BPI reviewed the entire Accounts Payable process from top to bottom. Consultants from Fujitsu applied their BPI methodology with the assistance of key DCIS staff and agency consultation, to identify and introduce initiatives that would enable Accounts Payable to deliver a more efficient and cost effective payment process. The review identified numerous short, medium and long term initiatives, which will be implemented over the next one to two years.

Some of the key BPI initiatives identified for Accounts Payable include:

- Increase use of CCC's.
- Review fee for services.
- Identify single point of contact for DCIS and agencies.
- Review staff training program.
- Implement client education program.
- Increase regular regional meetings.
- Establish accounts payable forums.
- Develop staff outpost rotation.
- Eliminate non accounts payable processes.
- Establish Accounting Services Communication Unit.
- Update policy and procedures.

The introduction of the Electronic Credit Card Management System (ECMS) and the introduction of a Government mandate for use of CCC to pay for goods and services for amounts \$500 or less in March, has had an immediate impact of the payments coming through to Accounts Payable. In the last four months to June 2006, credit card applications have increased 15% and the number of payments made by CCC is up 12%.

The graph below gives a monthly snapshot of both payment methods as a % against total creditor transactions.



Other projects completed and implemented in 2005-2006 are:

- A list of common asset processes and procedures were posted on the DCIS web site to make information simpler and more accessible to customers.
- Introduction of Automated Receipts Processing System (RePS) which enables the Receiver of Territory Monies (RTM) to issue an electronic receipt which will automatically update both the Accounts Receivable module and the General Ledgers each night without manual intervention.

Planned Initiatives 2006-2007

- Establish Finance Manager forums to facilitate greater consultation and sharing of information with customers.
- Develop a competency-based framework for AO2 to AO4 in consultation with P&D unit.
- Conduct a full review of the team leader positions and the structures of Accounts Payable, Accounts Receivable and Banking Services to provide an organisational structure that will enable efficient process flow and delivery of valued client service.
- Create and re-locate the Vendor Compliancy unit to Palmerston. This is an initiative identified by the BPI process, which will consolidate and centralise the vendor creation process.
- Implement a surplus asset register on the DCIS web site for common office equipment that is no longer required by agencies. The intention of the register is to allow agencies to look for equipment that may be surplus in other agencies before purchasing, therefore maximising efficiency of asset allocation and reducing costs to Government.
- Implement changes to vendor file to accommodate ABN and AGS as vendor id's.
- Prepare business case for providing a self-serve terminal on 1st floor RTM to enable debtors to pay outstanding invoices via the web-based NTG Pay Online system.
- Implement user friendly web-based wizard solutions to enable agencies to perform ledger transfers between one another. The solution will utilise Software Development Kit currently used for processing payments and raising invoices.
- Implement bar code phase 2 to automate the information feed from the Barcode System to the Mainframe Fixed Assets module on GAS. Presently this is a manual process.
- Implement Payroll Tax automation stage 2. Complete development of an automated NT payroll tax calculation process based on the fortnightly pay record from the PIPS system. The benefits of this initiative lie in a reduction in monthly processing time and a streamlining of end of year processes. This will allow a greater commitment of resources to improved customer management, and more efficient processing of complex tax processing activities, in particular Fringe Benefits Tax.
- Investigate the feasibility of issuing invoices, statements and delinquency notices electronically directly to debtors as part of FormTrap phase 2.
- Implement web enabled "Corporate Online" system that allows the user to view and extract real time account information, drill down on statement transactions and view actual images of cheques processed.

HUMAN RESOURCE SERVICES

Payroll Services

Provides an administrative function for the payment and maintenance of salary and related entitlements including the maintenance of personnel records.

Recruitment Services

Provides an administrative function for processing job vacancies, issuing contracts and offers of employment, and staffing related processing such as higher duties and transfers. Includes performance reporting, relocation and consultancy advice.

Occupational Health and Safety (OHS)

Provides integrated OHS and Workers Compensation services in partnership with client agencies. Provides technical expertise and training, together with assistance in the development and implementation of OHS management systems that identify and treat OHS risk.

Training and Employment Programs

Deliver centralised training and development opportunities and venue management. Sector-wide coordination of NTG Employment Programs.

Salary Packaging

Executive Contract employment and Salary Packaging within the NTPS.

Injury Solutions (WIS)

Provides integrated workers compensation and injury management services in partnership with client agencies and TIO. WIS covers claims administration, the provision of rehabilitation and return to work programs, training and information for managers.

HR Systems

Manage the integrated personnel information and payroll system (PIPS), the *myHR* interface and the payment disbursement system (PAPMS). Includes system administration, technical and user support, reporting and training.

Job Evaluation System

Provide operational management, consultancy advice, coordination and transaction processing services for positions subject to evaluation under the NT Government's Job Evaluation System (JES).

17 697

Employees paid



795 832

Pay variations processed

Our Human Resource Services Performance Indicators

Performance Statistics	2003-2004	2004-2005	2005-2006
Quantity of new starters	5 603	6 243	5 343
Number of temporary and nominal moves	33 088	37 090	33 517
Price per temporary or nominal move	33	33	33
Price per new starter	520	520	520
Claims cost as a percentage of salary	1.2%	1.4%	1.07%
Unfunded Liabilities (Actuarial Report)	\$50.2m (4.94% salary)	\$53.6m (5.56% salary)	\$49.9m (4.24% salary)
Claims frequency per 100 employees	4.7	4.4	4.1
OHS service hours to agencies	12 973	15 261	16 605

Human Resource Services Budget Performance Indicators

Performance Measures		2004-2005 Actual	2005-2006 Estimate	2005-2006 Actual
Quantity	Employees paid	17 370	17 600	17 697
	Commencements and terminations processed	10 907	13 000	12 430
	Pay variations processed:			
	- automatic	449 000	490 000	533 448
	- manual	289 000	270 000	262 384
	Human resource system cost	\$5.4m	\$6.2m	\$6.74m
	Number of half days training delivered	4397	6500	6578
Quality	Processing error rate	<0.01%	<0.4%	<0.01%
	Pay transactions processed:			
	- electronically	New measure	33%	57%
	- manually	New measure	67%	43%
	Number of workers compensation claims processed in statutory time limits	New measure	98%	98%
	Training course satisfaction levels	New measure	85%	97%
Timeliness	Pay transactions processed in applicable pay period	98%	98%	98%
	Number of Job Evaluation System (JES) matters processed within 10 days	Not assessed	100%	100%

Our Relationships

During, 2005-2006, Training and Employment Programs continued its contribution to the personal and professional development of the NTPS. There were over 30 different courses offered, with new courses developed to meet the specific requirements of the NTPS including 'How to write a JAQ', Diploma of Government (Financial Services) and Diploma of Government (Contract Management).

The NTPS New Apprenticeship Program entered into the third and final year (2006) of the NTG 'Jobs Plan: Building the NT Workforce' public sector training initiative to employ an additional 200 apprentices. The program has seen significant success in meeting targets, including increasing employment and training opportunities in the NTPS by commencing over 360 new apprentices. The program has provided a range of qualifications from Business and Information Technology to Horticulture, Seafood (Aquaculture) Services, Conservation and Land Management, Health Support Services, Dental Assistant, Printing and Graphics, Automotive, Tourism, Laboratory Skills and Community Development.

The following table shows statistics over the past four years for all employment programs delivered by the unit:

Employment Programs	2003	2004	2005	2006
Total number of Apprentices (WOG) ²	53	119	123	127
Number of Indigenous Apprentices	6	56	45	31
School Based Apprenticeships	19	5	4	10
National Indigenous Cadetship Program ³	8	22	15	20
Graduate Development Program	15	22	22	24

DCIS OHS, have worked with various client agencies in 2005-2006 to commence audits of their OHS systems and processes using Australian Standard 4801. DCIS OHS undertook 4801 audits on DEET, DHCS, Darwin Port Corporation (DPC), Department of Primary Industries Fisheries and Mines (DPIFM), and NTPFES. In addition DCIS OHS have undertaken:

- Chemical and biological hazards awareness training to emergency services personnel.
- Accident and investigation training for Power and Water Corporation.
- Trial of an online incident reporting module with the product progressively introduced to clients during 2006.
- Work plan for DPI focusing on hazards identification and assessment.
- Noise reduction survey of the Royal Darwin Hospital for DHCS.

For Work Injury Solutions (WIS) progressing the early intervention strategy has been a major focus this year. Key client agency staff have been advised / trained in the advantages of addressing staff injuries as soon as they manifest. Contributing to a progressive reduction in the number and severity of new claims.

Our People

DCIS OHS continues to place a high value on the professional credentials of its personnel with most OHS professionals now having received formal accreditation in the form of a Diploma of Occupational Health and Safety.

A continued program of professional development has enhanced our capacity to deliver consistent, contemporary, best practice injury management. In-services by external allied health professionals have been enhanced this year with the establishment of an education officer position with responsibility for maintaining a high level of accuracy in the provision of claimant entitlements and consistency in processes across agencies.

WIS underwent a BPI review together with TIO, its partner in Workers' Compensation claims management. The aim of the review, conducted by

² These figures only include the apprentices/traineeships that are coordinated by the Employment Programs Unit. They do not include training programs such as prison officers in training and Power and Water apprentices.

³ The National Indigenous Cadetship Program (NICP) is a career development program for Indigenous people, which extends over several years (depending upon the length of study required to achieve their degree), therefore commencements in one year produce a commitment for a number of years.

an independent consultant, was to provide an overall assessment of the end-to-end business process and the role that each of the participating entities plays in the process outcome and provide recommendations for improvement.

The review included the key agencies of DHCS, DEET, Department of Justice (DoJ) and NTPFES and was successful in identifying issues, gaps and overlaps within the current workers compensation process model. The review findings will be published and implemented during 2006-2007.

A training and consulting unit was established in 2004-2005 within Human Resources (HR) Services to provide on-site support and advice for payroll and recruitment personnel. Recognising the need to identify and retain skilled personnel, the unit was responsible for conducting a Payroll Officer in Training (POITs) program aimed at recruiting and providing new personnel skills before commencement in payroll teams. This six week intensive training program aims to deliver fundamental skills to new employees. An initial intake in April 2006 involved eight recruits. Employees' progress is tracked using performance management plans as part of an extended 12 month probation period. Given the initial success of the program, further POITs intakes are planned for early 2006-2007. While to date the unit has focused primarily on payroll and recruitment, the scope of the unit will broaden in 2006-2007 to focus on supporting all HR Service offerings.

The streamlined base grade (AO1 and AO2) recruitment process, Entry Level Recruitment (ELR), has enjoyed continued success during 2005-2006. The process was mandated in February 2006 allowing agencies to access a central pool of applicants to fill base grade positions within the shortest possible time. During the financial year the unit oversaw 2598 referrals and completed 744 base grade appointments.

Our Processes

In 2005-2006 HR Services was involved in a number of activities to improve the efficiency and effectiveness of our processes including:

- The restructure and re-grouping of a number of key client agencies in the early part of 2005-2006 resulted in a large number of payroll transfers. This involved not only large amounts of data changes in PIPS, but resulted in reviewing client transactions at Darwin and various regional payroll offices.
- Based on the recommendations of an audit conducted in 2005-2006, all personnel files were moved onto the Government's document tracking system - TRIM. This aimed to strengthen existing procedures by providing a more rigorous tracking protocol for sensitive information. Access to TRIM, and appropriate training has been provided to all payroll personnel.
- Security improvements have been made within some work areas. This was undertaken at minimal cost and occurred in response to feedback from staff.

- On behalf of all NTPS agencies, DCIS streamlined the administrative process related to entering into National Indigenous Cadetship Program (NICP) Agreement. DCIS coordinates the recruitment for NICP candidates on behalf of all NTPS agencies. This process is undertaken annually with between 20 and 30 NICP cadets commencing each year in the NTPS.
- Conducted a review into all administrative jobs within schools throughout the NT, which now allows for a reliable standard for future benchmarking of similar positions within the schools system.
- Assisted in the implementation of the new JES manual during the year for all existing job evaluations.
- Developed a self-help individual training presentation for *myHR* and publishing on the Intranet to assist NTPS employees to get maximum value from this facility.
- Received sign off on PAPMS migration project and a post implementation audit was conducted. Findings of the audit were that all targets were met and no further issues were identified.

The integration of OHS with WIS Injury Management, resulted in improvements in performance including:

- Lowest number of annual new claims, since 1992. (802-622)
- Lowest number of annual ongoing claims, since 1992. (788-584)
- Lowest cost of claims as a percentage of salary, since 1992. (2% - 1.17%)
- Lowest unfunded liability as a % salary since 2002. (8% - 4.2%)

NB All data derived from Cumpston Sargeant Actuarial report 2005-2006

Planned Initiatives 2006-2007

- Work with client agencies on ways to increase their use of *myHR*.
- Survey agency JES evaluators to obtain feedback regarding participation rate issue.
- Implement new JES documents.
- Implement electronic recording of DCIS position files.
- Consider the benefits of providing an online booking system for Short Courses.
- Ensure successful transition of Short Courses under new panel contract arrangements.
- Document all HR system customised reports that have been programed throughout the last five years into a manual and provide to clients via the Intranet.
- Project implementation of the new automated Nurses Shift Responsibility allowance processing for payroll.



INFORMATION TECHNOLOGY SERVICES

Information Technology Service Management (ITSM)

- A fully managed IT service
- The overseeing and reporting of services provided by contractors
- Advice on IT contract terms and conditions
- Advice on the integration of technology into business processes in accordance with whole of government policies and standards
- Negotiation of IT contracts and management of disputes between agencies and ICT service providers

Information Communications and Technology (ICT) Policy and Strategy

- Development and maintenance of ICT policies, standards and procedures
- Management of whole of government ICT strategies and projects
- Provision of ICT security advice, approvals and incident response coordination and management of the central NTG Internet and intranet web sites

Data Centre Services(DCS)

- A mainframe computing facility to host and provide processing capacity for application systems, including CICS, DB2
- Manages server environments including Unix, and Windows NT, and a range of database systems including Oracle and Universal Database (UDB)
- Conducts application hosting for Web applications
- Provides a secure 24-hour monitoring server hosting environment in the NTG Data Centre

Communications Branch

- Provides whole of Territory focussed policy for the delivery of first class telecommunications to all Territorians. Policy initiatives aim to deliver improved mobile and fixed telecommunications, together with TV and radio broadcasting services, particularly in the remote areas of the NT

35 450

Support hours
to agencies



130

Servers managed

Our Information Technology Services Performance Indicators

Key Performance Indicators	Actual 2003-2004	Actual 2004-2005	Estimate 2005-2006	Actual 2005-2006
Quantity				
Agency support hours	40 325	37 657	45 000	42 700
Number of desktops managed	9236	9565	10 600	10 389
Communications grants	516	564	0	0
Number of Commonwealth and industry liaison meetings held	9	8	8	12
Number of managed broadcasting infrastructure facilities	6	5	5	5

Information Technology Services Budget Performance Indicators

Performance Measures		2004-2005 Actual	2005-2006 Estimate	2005-2006 Actual
Quantity	Users with access to desktop facilities at any one time	9895	10 600	10 638
	Agency information technology support hours	34 500	38 000	35 450
	Billable mainframe (CPU) seconds processed per month	1.92M	1.65M	1.88M
	Servers managed - mid-range services	87	110	130
	Databases hosted - mid-range services	94	120	357
	Gigabytes of Storage Area Network	5382	6000	6273
	Desktop password resets within 1 hour	New measure	90%	99%
	Average monthly user service calls to helpdesk	New measure	16 000	11 922
Quality	Unplanned outages per month-mainframe services	0	0	0
	Unplanned outages per month-mid-range services	3	3	5
	Sites connected to the wide area network (WAN)		450	464
	Agency score card for desktop services (out of 10)		7.8	8
	Severe desktop faults restored within the service level agreement (4 hours)		80%	85%
Timeliness	Service providers compliance with contract agreements (All contracts)	78.1%	80%	66%
	By contract: Messaging	78.1%	80%	91%
	By contract: Desktop	78.1%	80%	53%
	By contract: Telecommunications	78.1%	80%	51%
	Response time for mainframe services (<5 seconds)	98%	98%	98%
	Performance report for mid-range services provided to customers each month	<10 days	<10days	<10 days

Our Relationships

In May 2006, Ministers Burns and Toyne accompanied representatives of the NT ICT industry on a highly successful and informative "bush trip" into a number of remote Arnhem land communities. The objective of this trip was for the local ICT industry, with its ability to deliver a range of ICT services to remote communities, to understand the strategic directions of the communities and to offer ICT based initiatives that would provide ongoing community benefits.

In 2005-2006 the DCIS Industry Development Group implemented the NTG policy on the "Commercialisation of NTG owned Software Intellectual Property (IP)". This policy allows companies the ability to apply to the NTG to commercialise ICT applications or products owned by the NTG. This will help the ICT industry expand and develop with the potential to build sustainable export opportunities. The first applications have been received for this exciting NTG initiative.

In close consultation with the ICT industry DCIS successfully secured within the new desktop computer contract, a model for proactive maintenance and IT support for remote communities. As a value added component, the contractor will deliver a similar service to organisations and members of remote communities at no cost, except for parts. This closely aligns with the service delivery model DCIS developed through the year.

Computer usage in remote communities in the NT is often hampered by poor training and understanding of the technology. During the year DCIS secured significant funding to provide advanced training, to be delivered in remote communities beginning in the first quarter of the 2006-2007 financial year.

During 2005-2006 planning commenced for the next round of applications sourcing. A white paper was developed and released in December 2005 seeking agency and industry feedback on the future sourcing model. A consultancy was also let to review the Government's e-Government strategy and work commenced on developing the e-Government directions for the period 2006-2010, focused on the use of ICT to deliver improved services to NTG and Territorians.

In the last year DCIS worked in partnership with DCM to redesign and launch the NTG Internet site. The site uses a metadata system for accessing information that aligns closely to customer information needs and significantly improves accessibility and discoverability of NTG information and services.

Our Processes

On 6 October 2005, DCIS called for tenders from a pre-selected panel of companies to tender for the provision of desktop and helpdesk services. The contract of the then service provider to the NTG, Computer Science Corporation Australia Pty Ltd (CSC), expired on 29 June 2006.

After a thorough evaluation process, the contract was awarded to Fujitsu Australia. The new contract has vastly improved service levels and a modified scope of work that has reduced the cost of services, while increasing service performance. Fujitsu commenced transition from CSC at 16:22 on 29 June 2006.

As part of the new desktop and helpdesk services contract DCIS is establishing a Business Improvement Centre (BIC) to assist in the effective use of ICT to improve business outcomes for NTG agencies. The focus of the BIC is to align ICT solutions with business needs.

Telstra commenced the delivery of services under their five year Telecommunications contract that provides voice, data, mobile and Internet services to Government in 2005. The first year of the contract saw the increase in wide area network (WAN) bandwidth across the NTG by some eight fold, while increasing the number of connected sites by around 150, most of which are remote.

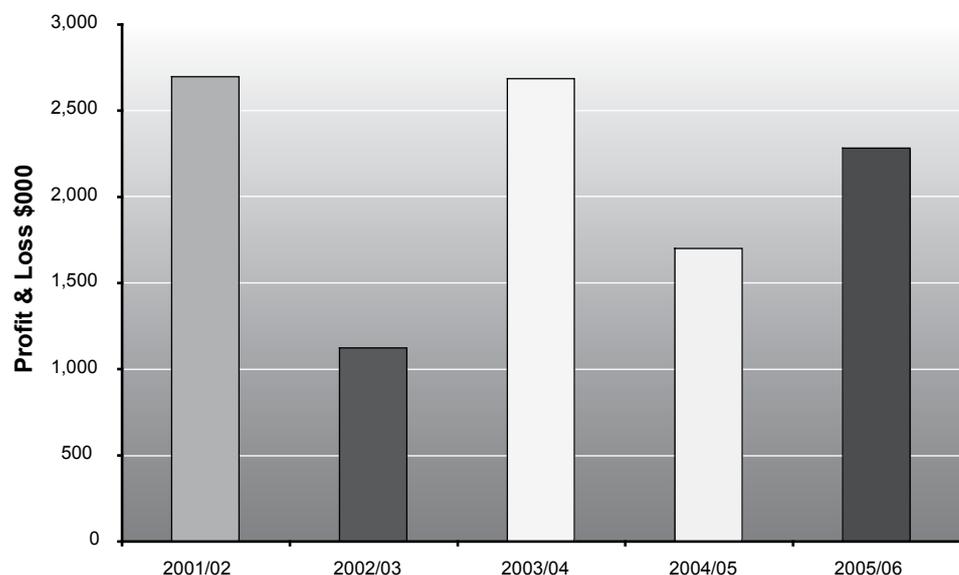
During the year a strategy was developed for Integrated Identity and Access Management (IAM) services for agencies. The IAM service will centralise the access credentials and identity information of users in one location, reducing costs whilst improving security. The strategy commenced implementation with the enhancement of the ePASS system to develop a Service Management Hub (SMH) to reduce complex issues for users of ICT

services. The SMH is a web-based self service facility that allows for the questioning of ICT services from service providers. The SMH went live on 29 June 2006 with the transition of the desktop contract. The second part of the IAM strategy was to develop a Request for Tender to procure an industry standard, robust and scalable package solution for the NTG ongoing IAM needs. The RFT was released in December 2005 and the replacement ePASS system will be implemented in 2007.

During the year Data Centre Services (DCS) replaced the mainframe with a more flexible zSeries mainframe. The zSeries mainframe provides the NTG with a scalable computing model which is more flexible to changing agency demands. DCS also undertook a proof of concept and awarded a contract to upgrade its large-scale storage system to cater for increasing demand for centralised data storage and back up services. The Storage Area Network (SAN) will complement the trend of agencies to move servers from client premises into a more secure 24/7 managed data centre environment. DCS also took part in an extensive review of Disaster Recovery and Business Continuity plans, and has developed a strategy to implement systems and infrastructure to ensure business continuity for the NTG and Territorians in the event of a disaster.

The following graph shows details of surplus after tax over the last five years, for Data Centre Services.

Surplus after Tax Years 2001 to 2006



Planned Initiatives 2006-2007

Based on feedback received in workshops and through agency discussions a number of initiatives including the following have been identified for implementation during 2006-2007:

- Develop the Request for Tender for the replacement of the Mainframe Applications contract.
- Implement a restructure within ITSM Contracts Management to enhance service delivery management and contract management across all contracts.
- Evaluate options for migrating the NTG to a single messaging product to enhance the use of collaboration tools enabling efficiencies.
- Continue to implement projects arising from the outsourcing contracts to deliver enhanced services to NTG agencies, including voice over IP telephony, advanced video conferencing and an upgrade of the Desktop fleet.
- Expand DCS utility computing capability through infrastructure upgrades.
- Expand and upgrade enterprise storage, which is a centralised disk and backup infrastructure for business application servers.
- Consolidate application hosting, through the upgrade of the virtual server environment.
- Pilot Linux technologies on the Government mainframe server.
- Upgrade the Chan data network.
- Implement uniform service management processes, procedures and tools in accordance with the IT Infrastructure Library (ITIL) framework.
- Review service definitions and customer shared service agreements across all services.
- Undertake a major review of the remote telecommunications strategy in light of the substantial and rapid changes in the industry.
- Deliver advanced IT training into remote communities.
- In conjunction with Telstra, deliver an information package, through innovative means to remote Indigenous communities highlighting the telecommunications choices available to customers in remote communities.
- Implement measures to reduce the risk associated with a NTG Data Centre Disaster Recovery Scenario.



PROPERTY LEASING SERVICES

- Secretariat and adviser to the Government Office Accommodation Committee (GOAC)
- Development of the Whole of Government Plan for leased accommodation for GOAC and Government consideration each year
- Provide office accommodation and warehousing facilities for NT Government employees
- Acting as the NT Government's real estate agent for agencies ensuring that lessor and lessee obligations are honoured by both parties
- Provide consultancy services to agencies on appropriate leasing strategies to meet agency need
- Negotiate and manage leasing arrangements and securing and managing security and cleaning service providers for leased properties
- Resolution through a help desk arrangement for building issues in NTG's leased properties

148

Properties leased

Property Leasing Services Budget Performance Indicators

Performance Measures		2004-2005 Actual	2005-2006 Estimate	2005-2006 Actual
Quantity	Property portfolio leases	143	148	148
	Area leased	171 000m ²	174 000m ²	175 000m ²
	Average Cost per m ²	\$231	\$245	\$241
Timeliness	Leases renewed before expiry	81%	80%	82%
	Rental payments made on time	99.00%	99.8%	99.80%
	Average Day Outstanding - Incomplete Maintenance Requests	Not assessed	Not assessed	70



175 000m²

leased area

Our Relationships

Industry forums were held to discuss the review of leased accommodation policy and to consult on changes proposed before implementation. Industry members who participated found the forums of great interest and expressed a desire for continued discussions of this nature. NT Property Management also assisted the DPI to consult with industry on proposed benchmarking strategies for achieving energy efficiency in government leased buildings.

The co-location leasing strategy for DoJ into the Old Admiralty House Tower was implemented and finalised. The project was one of the more complex office accommodation logistical management projects that NT Property Management has been involved in. It involved some 11 moves, three agencies and seven buildings to achieve the outcome.

The project was successfully achieved through a team approach between NT Property Management, DPI and DoJ. The project

management approach involving regular project co-ordination meetings with the developer was a key to the success of the projects delivery.

Construction of the Chinatown office tower and Darwin City Council car park commenced during the year. The tower is expected to be completed by 30 August 2007 and will accommodate NTPFES and the Land Information Group of DPI.

Property managers worked hard during the year to ensure that service contractors are delivering the performance levels required of the service contracts. A system of visiting buildings on a regular basis for inspection purposes to ensure building and service contract issues are monitored and addressed has had the added benefit of developing the important relationships with agencies and service providers.

Details of the accommodation supplied to non-government organisations is provided at Appendix F.

Our People

Significant focus on the development of skills capacity within the unit occurred during the year through formal training and on the job development. All property consultants and managers are required to hold a Certificate IV in Procurement in order to successfully undertake their duties.

Staff made significant contributions to the policy changes implemented during the year and were instrumental in ensuring a smooth transition to the new way that leased property is now acquired. The group has strong team focus to the delivery of leasing outcomes.

Our Processes

The Property Leasing review recommended a range of strategies for improvement including:

- The introduction of a new "NTG Leased Office Accommodation Policy".

Under the new arrangements, the procurement of Government office accommodation is acquired in accordance with the suite of Procurement Directions that applies to other Government supplies. There is no specific Procurement Direction for leased property unlike the replaced "procurement guideline 34".

There are however, matters of policy not specifically related to the method of procurement that have been addressed in the new Office Accommodation policy. The new policy provides for improved across Government planning, improved and streamlined processes and an improvement in the governance mechanisms in place. Agency Chief Executive Officers have also been made more accountable for their accommodation strategies.

- The establishment of a Government Office Accommodation Committee (GOAC) for the planning, approval and monitoring of more significant leasing strategies.
- Accommodation Standards in respect to all new leasing strategies. The standards provide benchmarks for the maximum grade of

accommodation for public servants, density of partitioning/offices and the average area required per employee. Leased accommodation strategies implemented by DCIS have consistently focused on balancing standards of accommodation with the department requirement to deliver a cost effective mix of leasing as demonstrated in the table below (as at June 2006):

Grade	Area Leased	NTG
Premium	13 073	12%
A Grade	56 759	33%
B Grade	58 635	32%
C Grade	14 218	7%
D Grade	849	-
N/A	27 363	16%
Total	170 897	100%

The first accommodation plan for WOG was also prepared for Government consideration, an event which will now occur annually and is designed to link into Government budgeting processes.

Planned initiatives 2006-2007

- Consideration to be given to NT Property Management being established as a GBD.
- Whole of Government Accommodation Plan (Mark II) supported by more detailed and well-considered agency plans.
- Improvement to service contract assessment methodology and service contract documentation.
- Review of the Information Technology System (LPMS) supporting NT Property Management.
- Development of customer shared service agreements with agencies.



PRINTING SERVICES

- The GPO delivers cost-effective printing and publishing services to Parliament and the NTG from a secure environment, specifically designed for efficient production of a diverse range of products and services.
- The GPO manages the reserve function printing requirements which includes Hansard, Bills, Acts, Regulations and Gazettes and all printing for Government agencies which includes annual reports, budget papers, ballot papers, stationery, business cards, pamphlets, brochures, posters, books, reports, publications and promotional material.

Printing Services Budget Performance Indicators

Performance Measures		2004-2005 Actual	2005-2006 Estimate	2005-2006 Actual
Quantity	Jobs undertaken	3638	3300	3118
	Proportion of printing sales outsourced	28%	22%	27%
Quality	Jobs reworked	0.10%	<0.10%	0.16%
Timeliness	Quotes provided within agreed timeframe	99%	99%	99%
	Jobs delivered within agreed timeframe	100%	99%	99%

Our Relationships

In 2005-2006 the GPO continued to foster professional relationships with all customers and suppliers. Agencies were visited regularly by the sales and service staff who continued developing relationships with key staff.

Throughout the printing process alternatives and advice are offered to customers whilst educating both new and existing customers of the processes associated with print procurement. Plant familiarisation tours were once again conducted in the last year with the sales and service team receiving excellent feedback. These educational tours give customers an insight into the printing technology utilised at the GPO and knowledge gained benefits them to fulfil their various print orders.

Our People

The GPO maintained effective staffing levels in the last year with sufficient skills and motivation to achieve its business objectives for this period.

Classifications were finalised for all GPO production staff in respect to the transition from the physical to technical stream.

19 staff attended training courses, seminars and conferences and staff were kept informed with monthly morning teas that also provided a platform to congratulate staff for their achievements which included 20 year service presentations to Ray Ellen, Denise Vincent, Barry Grant and Andrew Kent.

3 118

Jobs undertaken



16m

Impressions on paper a year

Our Processes

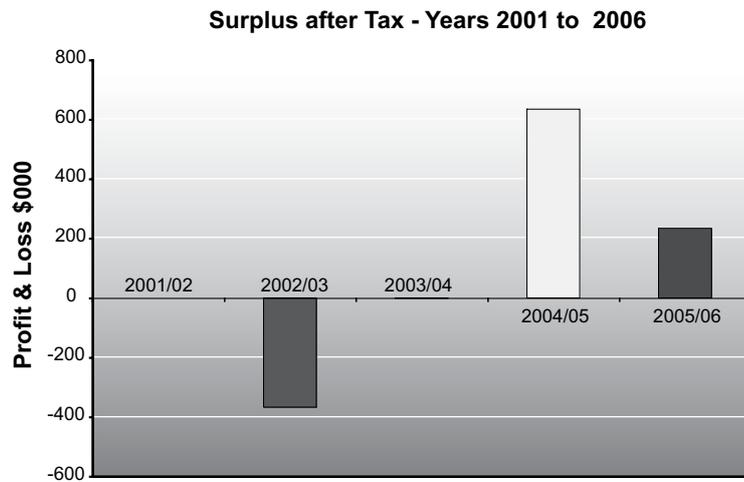
The GPO is committed to continued review, upgrade and replacement of its processes and equipment to guarantee its ability to provide the most cost effective and efficient service to our customers.

Self-funded major capital expenditure was to be undertaken during 2005-2006 however, due to the complexity of the tender requirements and the necessary research and evaluation work required to ensure the best value for money outcome to suit our business needs this was not completed last financial year. As a result, the equipment will be installed during the 2006-2007 period.

The Prism Print Management Information System was upgraded from version 16 to version 19 during the financial year, this minimised risk, guarantees business continuity and offered enhanced functionality in the financial and production modules.

The GPO continues to work in partnership with the private sector to provide our customers with the best outcome in the supply of their specific printing requirements. The GPO again recorded a surplus that can be attributed to maintaining relationships with customers and suppliers, operating with effective staffing levels and providing cost efficient service to our customers.

The following graph shows details of surplus after tax over the last five years from ordinary activities before related income tax expense.



The GPO continued to maintain healthy revenue despite the number of jobs decreasing slightly in 2005-2006 compared to the previous year. The GPO undertook 520 less jobs, or 14% less, on the previous year due to less spending by customers on printing.

Planned initiatives 2006-2007

- Continue to maintain relationships with customers and suppliers with regular contact and introduce a customer feedback questionnaire to measure performance in customer satisfaction relating to timeliness.
- Continue the replacement program with an emphasis on upgrading technology to deliver a more efficient service to our customers, which includes the installation of a large format folder and a computer for the plate imaging system.
- Complete review of assets and stock take to allow the GPO to update its asset register and write-off, dispose of or gift any identified redundant equipment.

PROCUREMENT SERVICES

Procurement Services encompasses:

Procurement Policy Unit	Tendering Services
<ul style="list-style-type: none"> Including the PRB Secretariat, transferred to DCIS from NT Treasury in July 2005 and is responsible for implementing procurement reforms and the development and review of policy guidelines 	<ul style="list-style-type: none"> A centralised tendering and procurement service for NT agencies for requirements valued above the threshold for public tendering of \$10 000 Establishment and administration of across government common use contracts Consulting services to customers at all stages of the procurement cycle including planning, specifying requirements, assessment and preparing recommendations

\$616m

In contract
value awarded

Procurement Services Budget Performance Indicators

Performance Measures		2004-2005 Actual	2005-2006 Estimate	2005-2006 Actual
Quantity	Tenders managed	1572	1500	1455
	Tenders developed	645	550	540
Quality	Tenders available online	99%	99%	99%
	Addenda issued	New measure	<20%	20%
	Rejections from PRB	7%	<5%	5%
	Complaints from Industry	2.2%	<2%	1.6%
Timeliness	Average number of days to PRB	6.6	>5	5.0
	Average days to issue tender	1.6	7	3.5
	Contracts prepared in days	3.2	4	3.0



1 329

Contracts
awarded

Our Relationships

Procurement Services maintains key interfaces with both agencies and suppliers to Government as well as key industry bodies through the Contracting and Procurement Services (CAPS) and the Procurement Policy branches of DCIS.

During 2005-2006, significant interaction with agencies and industry has been achieved through a rollout program of new procurement directions, which came into force in March 2006. The rollout consisted of presentations in all regional centres and the establishment of a helpline service and tailored individual awareness sessions on request.

Tendering Services continued to build its external relationships through comprehensive interaction with the NT Industry Capability Network (NTICN) and Contractor Accreditation Limited (CAL) and the Government Procurement Council (GPC). Internal relationships were strengthened by the formation of a Consulting Services Unit in June 2005 which is tasked with providing procurement advice and assistance to agencies through the Assist Helpline, regular meetings with key clients and assistance with all stages of procurement planning, specification, assessment, award and administration.

The 26 new procurement directions implemented in 2005-2006 replace the 38 former directions, 34 guidelines and the former policies and strategies document. The changes include more rigorous tender assessment requirements, based on six mandatory selection criteria, designed to increase accountability and fairness as well as achieving value for money and development of local industry; works contractors are now able to upgrade their CAL rating within 14 days if insufficient at the time of tendering; the method of engaging consultants has been brought into line with the process for other types of service provision. In addition revised PRB approval threshold for contract variation (the greater of 15 percent of contract value or \$50 000) provides a more realistic and practical formula. 2005-2006 saw the establishment of a procurement complaint mechanism through DBERD.

Another significant achievement in 2005-2006 was the raising of the tender threshold from \$10 000 to \$50 000. Some 48% of the annual volume of tenders awarded in 2005-2006 were valued under \$50 000 each, and represented only 2% of the total value of tenders awarded. Agencies will therefore procure goods and services estimated under \$50 000 by a minimum three quotation system within strict guidelines. It is anticipated that this change will realise savings to both government and industry into the future.

Work also commenced on the drafting of simpler tendering and contract terms and conditions.

The following table summarises procurement activity by agencies during the year in terms of number and value of contracts awarded as a result of the tendering process:

Agency Name	Contracts Awarded 2005-2006			
	Actual		Percent	
	No.	Value	No.	Value
Department of Health and Community Services	125	\$76 968 702	9.4%	12.5%
Power and Water	175	\$98 824 603	13.2%	16.0%
Department of Planning and Infrastructure	588	\$157 916 261	44.2%	25.6%
Department of Corporate and Information Services	60	\$196 469 505	4.5%	31.9%
All Other Agencies	381	\$86 324 886	28.7%	14.0%

The large value of the DCIS procurement this year is due to the awarding of a four year \$150million desktop and helpdesk services outsourcing contract to Fujitsu Australia. Although DCIS manages this contract the cost is shared by all Government agencies.

DCIS has worked towards improving the development of local industry in a number of ways. One initiative has been the establishment of mandatory across Government contracts for frequently purchased high-value supplies. These contracts provide value for money outcomes to Government through economies of scale. Through the competitive tendering process local industry is given the opportunity to secure long term valuable business providing the opportunity to grow and develop. So far contracts have been established for supply of photocopiers, bowser fuel, employee assistance programs and protective goods and clothing.

The responsibility of DCIS for the GPC has enabled broad consultation with industry on procurement issues including but not limited to policy development and the establishment of across Government contracts. Accordingly the membership base during the year has been broadened to include Unions NT and two additional members.

Our People

All of our permanent CAPS officers have now completed the Certificate IV in Government Procurement. It is CAPS policy that all staff meet this minimum requirement. A number of our staff have continued further and achieved the Advanced Diploma in Contract Management. Several staff have completed certificates in Frontline Management and Strategic Procurement. CAPS has an active OHS committee with qualified first aid and fire wardens. An enthusiastic committee also arranges social activities that this year included a successful and well-attended Christmas function.

CAPS actively supports the Office Skills Apprentice program. Each year two apprentices are selected, and over the years the success of this program has been evidenced by the permanent placement of most CAPS apprentices, some of whom have established promising careers within the NTPS.

Our Processes

During the year the Agency Procurement Requisitions Online (APRO) workflow system was successfully rolled out to all agencies and now completely replaces the former paper based requisition system. Development has also commenced on the next series of enhancements, including processing of Future Tender Opportunities (FTO) and Certificates of Exemption (COE).

CAPS continue to promote electronic evaluation tools (APET). The APET software is used internally by DCIS in the assessment of across Government tenders, and has also been used most successfully in a number of high profile tender evaluations including helpdesk, telecommunications and superannuation service provision.

Procurement training developed by DCIS Procurement Policy and delivered through DCIS Training and Employment Programs is an important strategy to assist Government in meeting its reform objectives. A new course in debriefing unsuccessful tenderers was developed during the year and is now part of the program. Accredited training in procurement now available to agencies includes the Advanced Diploma of Government (Strategic Procurement), Certificate IV in Government (Procurement), Diploma of Government (Contract Management) and the introductory procure goods and services course.

Planned Initiatives 2006-2007

- Implement a series of internal training programs for CAPS staff. This program of specific work-focussed sessions will be linked to our approved internal processes and will supplement the theoretical base already provided by accredited training. Procurement awareness modules will also be added to DCIS-wide induction programs, and also offered to agencies.
- Develop a workflow system and standard request for quotation documentation to enable agencies to record, track and report on their procurement activities below the new threshold. This will be essential to uphold accountability and compliance. The development of APRO for procurement above the threshold will continue, with the FTO and COE modules completed and rolled out, and a business case for further development completed.
- Consider opportunities to increase consultation and information sharing with industry groups, commencing with an address to industry participants during October Business Month 2006 and a series of workshops early 2007, in conjunction with DBERD, with industry on improving the understanding of tender processes.
- Continue the strategy of providing specialised procurement training with the development of two new short courses. DCIS Training and Employment will be piloting the first course on preparing tender specifications in September 2006, and a further course on tender evaluations in December 2006.

FLEET SERVICES

- Management of the NTG vehicle fleet for all NTG agencies, except NTPFES. This includes both light and heavy vehicles.

Fleet Services Budget Performance Indicators

Performance Measures		2004-2005 Actual	2005-2006 Estimate	2005-2006 Actual
Quantity	Number of light vehicles managed	2346	2385	2413
	Vehicles disposed	New measure	1000	1004
Quality	Age profile of light vehicle fleet < 2 years as a %	79%	78%	77%
	4 cylinder vehicles in fleet	New measure	40%	42%
Timeliness	Time between surrender of vehicle by agency and disposal as a % of target days	91%	85%	86%
	Vehicles offered for sale within 45 days	New measure	85%	85%

42%
Of fleet vehicles
are 4 cylinder



2 413
Managed
vehicles

Our Relationships

NT Fleet's primary goal is to minimise the operating costs of the Government's vehicle fleet by working closely with agencies towards acquiring a more modern fleet, which is fit for purpose, fuel efficient and environmentally friendly. Through NT Fleets effort there is now a trend developing towards more cost effective, fuel efficient 4 cylinder vehicles. Greenhouse gases, from NT Fleet managed vehicles, reduced from 298gm/km in 2003-2004 to 274.3gm/km in 2005-2006, while the number of 4 cylinder vehicles in the fleet increased from 40% to 42%, a trend NT Fleet will be pursuing in the forthcoming year. NT Fleet, in partnership with agencies, expects an increase to 50% over the next 12 months with further lowering of gas emissions and minimising of operating costs. NT Fleet worked closely with agencies towards acquiring the most suitable vehicles for effective service delivery.

Appendix D provides details of vehicles gifted/loaned in the last year.

Our People

NT Fleet conducts two seminars a year wherein regional staff come together to participate in workshops aimed at developing a common understanding and united approach on day-to-day issues. The knowledge sharing during these seminars is invaluable and contributes greatly to the development of staff.

NT Fleet encourage staff to further their education both through external and internal study. During the year, two staff completed undergraduate courses while a further two staff are currently undertaking undergraduate courses through the Charles Darwin University and one staff member is undertaking a postgraduate course in Public Sector Management.

Our Processes

In 2005-2006 fleet services improved its reporting capability and introduced new quarterly reporting to agencies, a one-page report providing a detailed summary of agency vehicle fleet. The report included information on fleet profile, utilisation, whole of life costs, operating costs, including fuel data and environmental statistics. The report has proven popular with agency management and is complemented by comprehensive detailed reporting on request.

The web-enabled programs 'requisitions online' and 'agency vehicle report' were launched and have been well received by customers. Training and enhancements will continue on these programs.

Implementation of the web-enabled programs, 'short term hire pool', 'pool vehicle booking system' and 'fuel usage reports' were delayed due to slippage in the implementation of 'requisitions online'.

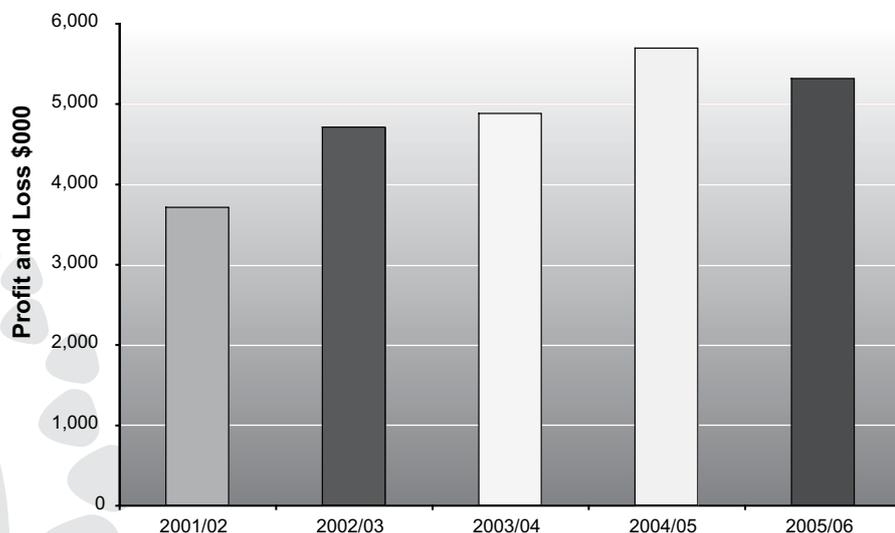
In addition in 2005-2006 NT Fleet benchmarked costs and operations against other jurisdictions. A comprehensive report highlighted the current cost effectiveness of operations. This benchmarking information was reported to the Government and will be reviewed again in five years time. This is an important tool for continually ensuring the cost effectiveness of NT fleet services.

On 30 June 2006 fleet service operated 2413 light vehicles. Of these 1067 were purchased to the value of \$34.6million against the 2005-0606 program. The age profile of the fleet reflects a modern cost-effective fleet with 1827 (77%) of the total fleet being < 2 years old.

For the year ended 30 June 2006, 1004 light vehicles were disposed for a GST exclusive value of \$18.8million. The number represents 50 more than the previous year. Returns on vehicle disposals have generally trended down on some models over recent months, which have contributed to lower than estimated disposal revenue.

The following graph shows details of surplus after tax over the last five years, after tax surplus for NT Fleet.

Surplus after Tax Years 2001 to 2006



Planned Initiatives 2006-2007

- Implementation of the web-enabled 'purchases online', 'short term hire', 'pool vehicle booking system' and fuel usage reporting, which collectively form part of the Customer Access and Reporting System. These systems will allow agencies to interact with NT Fleet more effectively, enabling better control over their vehicle fleet and costs.
- Implement a range of strategies from the 'Fleet Stages of Excellence' model. The selected strategies will improve effectiveness of service delivery and strengthen customer relationships.
- Continue to encourage where appropriate usage of four cylinder vehicles for government business.



RECORDS SERVICES

Records Policy and Systems	Archival Heritage
<ul style="list-style-type: none"> Provision of Government records management standards, procedures and systems to support the creation and effective management of full and accurate records for agency business requirements 	<ul style="list-style-type: none"> Collection, transfer and preservation of Territory archives and the provision of community access to the archives. Includes the oral history and NT History Grants programs

Records and Archives Services Budget Performance Indicators

Performance Measures		2004-2005 Actual	2005-2006 Estimate	2005-2006 Actual
Quantity	Employees accessing records policy and systems services	17 370	17 600	17 697
	Archives collections managed	2 515	2 550	2 756
	Archives issued to researchers	New measure	18 000	43 391
Quality	Availability of the TRIM system	99%	100%	97%
	Records management system in work requests resolved within 2 days	99%	95%	100%
Timeliness	Research requests satisfied within 1 month	New measure	90%	99%

43 391

Archives issued to researchers



17 697

Employees accessed Record Services

Our Relationships

In accordance with its obligations under *Section 137* of the *Information Act*, the service continued to monitor agency compliance with the records management standards and noted an improved commitment from agencies.

Advice and training in records management policies, procedures, systems, thesaurus development and records disposal was provided to agencies to further support the aim of achieving compliant records management across government in accordance with responsibilities under Part 9 of the *Information Act*.

Over 1000 customers visited the Darwin and Alice Springs research rooms. This is roughly the same level of visitation as last year. Customers were provided with access to 43 391 archival items, an increase of 7992 items over last year. This indicates an 18% increase in the amount of information provided to customers.

The archives office in Alice Springs completed its second year of operation in providing archival collection, preservation and community access services to Central Australia. The staff and the office have developed a positive community profile and have continued to attract considerable community interest.

The *Protocol for Access to Northern Territory Government Records by Aboriginal People researching their Families* was revised in consultation with Indigenous representative groups and reissued.

History Grants totalled \$50 000 and were awarded to 18 successful applicants. Recipient and grant details are at Appendix C.

Our Processes

Archives data and contextual information continued to be entered into the archives management system including the completion of 716 archives series lists and 807 series registrations. Full implementation of the system is targeted for completion in 2007-2008.

The Government's records storage contractors reported a continued increase in efficiency and utilisation of their services, 109 508 containers of Government records were in storage with the Darwin contractor compared to 97 921 the previous year, whilst 19 980 containers of government records were in storage with the Alice Springs contractor compared to 17 700 the previous year. This represents an 11% growth in both Darwin and Alice Springs.

Significant archival collections and oral histories were deposited in the archives including 241 collections/series of archives were acquired and made available, 29 oral history recordings were deposited and 21 transcriptions made available for community research. A total of 2756 archive collections were managed.

A software upgrade of the Government document and records management system was completed with a mixed success rate for agencies. Issues with the technical architecture and its impact on the new software version resulted in performance issues. The infrastructure for delivery of the Government document and records management system was subsequently redesigned to facilitate improved performance and delivery of the system across Government.

The planned revision and reissue of the Government corporate records disposal schedule and thesaurus and the implementation of a training program to assist agencies to comply with the records management provisions of the *Information Act* were not achieved due to resource constraints. These initiatives have been re-targeted for completion in 2006-2007.

Planned Initiatives 2006-2007

- Enter into a new contract for the supply and maintenance of the government document and records management system to provide improved licence and pricing arrangements for agencies.
- Transfer the government records and document management system to new server and database infrastructure and implement a software version upgrade to provide improved performance, functionality and efficiencies for agencies.
- In accordance with its obligations under the *Information Act*, the Archives Service will issue standards for the management of the Territory's archives and the Records Service will review the existing records management standards.
- Implement a training program to assist agencies to comply with the records management provisions of the *Information Act*.
- Revise and reissue the Government corporate records retention and disposal schedule and thesaurus.
- Continue to review documentation and enter data to complete implementation of the archives management system.
- Continue to analyse options and consider effective means for structuring archives and records management.