

SHARED SERVICES CENTRE

Purpose

The Shared Services Centre (Shared Services) provides information and communication technology (ICT), procurement, publishing and records services, as well as tactical and transactional human resource and finance services to ACT Government agencies.

Shared Services consolidates these core administrative functions to achieve economies of scale, standardised and streamlined processes and an overall reduction in costs to the Territory. This enables agencies to better focus on their core business of providing services to the community.

Shared Services achieves its objectives by working in partnership with its clients to identify appropriate services, agree on service standards and agree on mechanisms for delivery that are efficient and cost effective.

2011-12 Priorities

Strategic and operational issues to be pursued in 2011-12 include:

- continuing to refine human resources and finance services based on customer feedback and ongoing assessment of processes;
- continuing to identify opportunities to rationalise and better manage the Government's software application portfolio in consultation with agencies, industry and other jurisdictions;
- analysing, developing and implementing improvements to the ACT Government's ICT capacity to meet the increasing ICT needs of agencies; and
- working closely and cooperatively with agencies and industry to ensure the efficient and successful delivery of the Government's capital works program and goods and services procurements.

Business and Corporate Strategies

Shared Services will implement a range of business and corporate strategies to achieve its goals and priorities in 2011-12 that include:

- continued refinement of Shared Services' activities to improve value for money to government, through benchmarking, use of performance measures and through analysis of further business opportunities;
- building capabilities through partnering with industry where practical and through participation in inter-jurisdictional initiatives;
- developing options to meet the needs of future Government requirements in HR systems, e-business and data storage;
- reviewing and improving Service Level Agreements (SLA's) with agencies;
- implementing new structures and practices to improve customer service liaison and partnerships across all areas of Shared Services; and
- operating as a customer service orientated entity subject to the requirements of government policy and legislation.

Estimated Employment Level

2009-10 Actual Outcome		2010-11 Budget	2010-11 Est. Outcome	2011-12 Budget
868	Staffing (FTE) ¹	936	893	980

Note:

- The 2011-12 increase in permanent staff is mainly due to increased agency Service Level Agreement ICT support staff, increased capital works project managers and the transfer of Territory Records staff to Shared Services, offset partially by decreased staff in Shared Services Human Resources and Shared Services Finance due to expected business process improvements.

Output Classes

	Total Cost ¹		Government Payment for Outputs	
	2010-11 Est. Outcome	2011-12 Budget ²	2010-11 Est. Outcome	2011-12 Budget ²
	\$'000	\$'000	\$'000	\$'000
Output Class 1: Shared Services ICT	133,963	127,513	4,606	5,107
Output 1.1: Shared Services ICT	133,963	127,513	4,606	5,107

Notes:

- Total cost includes depreciation and amortisation of \$12.481 million in 2010-11 and \$15.653 million in 2011-12.
- From 1 July 2011 this Output Class no longer includes Records Management and Publishing Services. These functions have been transferred to Output Classes 3 and 4 respectively.

Output Description

Shared Services ICT (formerly InTACT) is a shared ICT service organisation providing a complete range of ICT services to the Government, including infrastructure, applications support and development, ICT policy and ICT project services.

Shared Services ICT will provide:

- services to government agencies as outlined in Shared Services ICT catalogue of services and affirmed through various service level and support agreements;
- management of the government data and communications network;
- assistance to agencies on ICT security;
- management of the whole of government communications network;
- business systems support; and
- general service and help desk functions.

Output Classes cont.

	Total Cost ¹		Government Payment for Outputs	
	2010-11 Est. Outcome \$'000	2011-12 Budget \$'000	2010-11 Est. Outcome \$'000	2011-12 Budget \$'000
Output Class 2: Shared Services				
Procurement	16,648	18,457	1,576	1,602
Output 2.1: Shared Services				
Procurement	16,648	18,457	1,576	1,602

Note:

1. Total cost includes depreciation and amortisation of \$0.671 million in 2010-11 and \$0.665 million in 2011-12.

Output Description

Shared Services Procurement (formally Procurement Support Services) undertakes procurement activities on behalf of government directorates and agencies for infrastructure, capital works, goods and services. It advises the Government on procurement and related construction industry policy, is responsible for the development and implementation of the Government's procurement policy, administers a range of pre-qualification schemes, and establishes and manages Whole of Government contracts.

Shared Services Procurement will provide:

- procurement and associated risk management services to agencies, including delivering capital works projects on behalf of agencies;
- the buyers and sellers information service;
- the Government contracts register;
- supplier pre-qualification arrangements; and
- the secretariat to the Government Procurement Board.

Output Classes cont.

	Total Cost ¹		Government Payment for Outputs	
	2010-11 Est. Outcome \$'000	2011-12 Budget ² \$'000	2010-11 Est. Outcome \$'000	2011-12 Budget ² \$'000
Output Class 3:				
Shared Services Human Resources	19,973	27,332	0	2,309
Output 3.1: Shared Services Human Resources	19,973	27,332	0	2,309

Notes:

1. Total cost includes depreciation and amortisation of \$0.438 million in 2010-11 and \$1.016 million in 2011-12.
2. From 1 July 2011 this Output Class includes Records Management previously reflected in Output Class 1 and Territory Records transferred from the Department of Territory and Municipal Services.

Output Description

Shared Services Human Resources (formally Human Resources Services) provides tactical and transactional human resource services to directorates and agencies as well as records management services.

Shared Services Human Resources will provide:

- payroll and personnel services, including tax payments and salary packaging;
- recruitment services;
- advice and technical support on health and safety management;
- support in the management of employee relations processes;
- injury management services for small agencies;
- coordination and facilitation of ACT Public Service wide training and development;
- statutory and human resources management reporting;
- organisational position and data management;
- a full range of record management, mail room and courier activities to the majority of government directorates; and
- the broad range of functions listed in the *Territory Records Act 2002* through the operations of the Territory Records Office.

Output Classes cont.

	Total Cost ¹		Government Payment for Outputs	
	2010-11 Est. Outcome \$'000	2011-12 Budget ² \$'000	2010-11 Est. Outcome \$'000	2011-12 Budget ² \$'000
Output Class 4:				
Shared Services Finance	12,385	15,462	0	528
Output 4.1: Shared Service Finance	12,385	15,462	0	528

Notes:

1. Total cost includes depreciation and amortisation of \$0.329 million in 2010-11 and \$0.322 million in 2011-12.
2. This Output Class includes Publishing Services from 2011-12. Publishing Services was previously included in Output Class 1.

Output Description

Shared Services Finance (formally Finance Services) provides tactical and transactional finance services to directorates and agencies as well as publishing services.

Shared Services Finance will provide:

- accounts payable and some accounts receivable functions;
- general ledgers;
- a fixed assets register;
- the development and maintenance of the Oracle E-Business Suite;
- cash flow management and bank reconciliations;
- tax payments, including returns and advice;
- financial reporting services; and
- in-house print and electronic publishing.

Accountability Indicators

	2010-11 Targets	2010-11 Est. Outcome	2011-12 Targets
Output Class 1: Shared Services ICT			
Output 1.1: Shared Services ICT			
a. Costs compared to peer organisations' costs, as benchmarked by an independent organisation ¹	Within 5%	Within 5%	Within 5%
b. Email availability across government during core business hours ²	99%	99%	99%
c. Service requests made via the Service Desk are resolved within Service Level Agreements timeframes ³	85%	90%	85%
d. Average time taken for telephone service requests to be answered by a Service Desk officer	20 seconds	21 seconds	20 seconds
f. Number of successful attacks on internally hosted ACT Government web sites ⁴	n/a	n/a	0
Notes:			
1. The independent benchmarking is undertaken annually.			
2. Established by determining up-time of each core network component across core business hours (Monday to Friday 7.30am to 6.00pm).			
3. Established by determining how quickly requests made to Shared Services ICT Service Desk are resolved in comparison to agreed Service Level Agreement timeframes.			
4. New Measure.			
	2010-11 Targets	2010-11 Est. Outcome	2011-12 Targets
Output Class 2: Shared Services Procurement			
Output 2.1: Shared Services Procurement			
a. Proportion of Government funded annual capital works program supported with project procurement services ¹	90%	90%	90%
b. Quality Management Systems Compliance with <i>ISO9001:2008</i> -number of Category 1 non-conformance findings ²	<2	<2	<2
Notes:			
1. This measure covers the proportion of the Government funded annual capital works program supported with project director services by Shared Services Procurement. This excludes capital works associated with land development, housing, capital upgrades, capital ICT works, capital grants and Property, Plant and Equipment due to nature of these specific capital works activities. Whilst individual projects may be completed during the year, the total proportion is measured annually.			
2. This measure covers compliance with the Shared Services Procurement Business Management System (BMS) which describes the processes that are undertaken to ensure that quality services are provided, utilising the principles of <i>ISO9001:2008</i> .			
	2010-11 Targets	2010-11 Est. Outcome	2011-12 Targets
Output Class 3: Shared Services Human Resources			
Output 3.1: Shared Services Human Resources			
a. Service requests made via the Integrated Customer Service (ICS) system resolved within 5 working days	90%	96%	90%
b. Data for Annual Reports and the Workforce Profile are supplied to the Chief Minister's Department in accordance with the agreed timeframe	100%	100%	100%
c. Performance Standards in Recruitment Services for permanent and temporary vacancies service specifications achieved ¹	95%	97%	95%
Note:			
1. Represents the overall average of performance standards in recruitment service specifications being achieved.			

Accountability Indicators cont.

	2010-11 Targets	2010-11 Est. Outcome	2011-12 Targets
Output Class 4: Shared Services Finance			
Output 4.1: Shared Services Finance			
a. Business Activity Statements completed in accordance with ATO deadline	95%	95%	95%
b. Fringe Benefits Tax Return submitted to the ATO in accordance with ATO deadline	95%	95%	95%
c. Monthly financial information available for use by agencies by 6 th working day of the month	95%	95%	95%
d. Annual financial statements completed and sent to agencies by 9 th working day of July	95%	95%	95%
e. Average time (i.e. working days) taken to enter accounts payable invoices into Oracle following receipt at Shared Services Finance from agencies	2	2	2

Changes to Appropriation

Changes to Appropriation - Controlled

	2010-11	2011-12	2012-13	2013-14	2014-15
Government Payment for Outputs	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2010-11 Budget	6,182	5,959	6,047	6,137	6,137
Technical Adjustment					
Transfer - Territory Records from the Department of Territory and Municipal Services	-	829	851	865	884
2011-12 Budget Policy Adjustments					
ACTPS Workers' Compensation and Work Safety Improvement Plan	-	814	825	-	-
Service Monitoring and Reporting	-	800	1,000	800	-
Data Centre Infrastructure	-	1,100	-	-	-
Whole of Government Digital Network Components Replacement	-	-	371	371	371
Revised Wage Parameters	-	44	90	91	92
2011-12 Budget Technical Adjustments					
Revised Indexation Parameters	-	-	-	-	105
2011-12 Budget	6,182	9,546	9,184	8,264	7,589

Changes to Appropriation - Controlled

	2010-11	2011-12	2012-13	2013-14	2014-15
Capital Injections	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2010-11 Budget	7,674	1,000	1,000	1,000	1,000
Technical Adjustment					
Rollover - Safeguarding Govt Business: Reducing the Risk of Communication Blackouts	416	-	-	-	-
2011-12 Budget Policy Adjustments					
Service Monitoring and Reporting	-	2,200	-	-	-
Data Centre Infrastructure	-	2,370	-	-	-
2011-12 Budget	8,090	5,570	1,000	1,000	1,000

Shared Services Centre Operating Statement

2010-11 Budget \$'000		2010-11 Est.Outcome \$'000	2011-12 Budget \$'000	Var %	2012-13 Estimate \$'000	2013-14 Estimate \$'000	2014-15 Estimate \$'000
Income							
Revenue							
6,182	Government Payment for Outputs	6,182	9,546	54	9,184	8,264	7,589
208	User Charges - Non ACT Government	298	220	-26	223	228	232
160,755	User Charges - ACT Government	177,746	171,794	-3	173,354	176,600	179,916
935	Other Revenue	945	1,249	32	1,272	1,297	1,322
168,080	Total Revenue	185,171	182,809	-1	184,033	186,389	189,059
Gains							
0	Total Gains	0	0	-	0	0	0
168,080	Total Income	185,171	182,809	-1	184,033	186,389	189,059
Expenses							
76,352	Employee Expenses	70,934	82,895	17	83,506	83,803	85,146
11,451	Superannuation Expenses	10,815	11,848	10	12,012	12,093	12,243
68,805	Supplies and Services	87,285	76,348	-13	76,938	78,454	79,590
17,873	Depreciation and Amortisation	13,919	17,656	27	19,707	19,707	19,278
16	Borrowing Costs	16	17	6	17	18	18
174,497	Total Ordinary Expenses	182,969	188,764	3	192,180	194,075	196,275
-6,417	Operating Result	2,202	-5,955	-370	-8,147	-7,686	-7,216
-6,417	Total Comprehensive Income	2,202	-5,955	-370	-8,147	-7,686	-7,216

**Shared Services Centre
Balance Sheet**

Budget as at 30/6/11 \$'000		Est.Outcome as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000	Var %	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000	Planned as at 30/6/15 \$'000
Current Assets							
40,196	Cash and Cash Equivalents	33,859	25,518	-25	23,639	22,169	21,070
35,598	Receivables	71,398	71,485	..	71,572	71,659	71,746
10	Inventories	11	11	-	11	11	11
0	Assets Held for Sale	281	281	-	281	281	281
752	Other	2,069	2,139	3	2,209	2,279	2,349
76,556	Total Current Assets	107,618	99,434	-8	97,712	96,399	95,457
Non Current Assets							
33,828	Property, Plant and Equipment	42,013	48,649	16	44,436	40,223	36,010
2,198	Intangibles	2,256	3,836	70	2,721	1,606	920
0	Capital Works in Progress	1,788	1,788	-	1,788	1,788	1,788
234	Other	225	225	-	225	225	225
36,260	Total Non Current Assets	46,282	54,498	18	49,170	43,842	38,943
112,816	TOTAL ASSETS	153,900	153,932	..	146,882	140,241	134,400
Current Liabilities							
21,957	Payables	62,253	62,301	..	62,342	62,376	62,410
267	Finance Leases	438	438	-	438	438	438
22,692	Employee Benefits	22,700	24,826	9	26,343	27,847	29,693
22,729	Other	12,446	12,626	1	12,806	12,986	13,166
67,645	Total Current Liabilities	97,837	100,191	2	101,929	103,647	105,707
Non Current Liabilities							
226	Finance Leases	320	320	-	320	320	320
1,813	Employee Benefits	1,931	1,967	2	1,994	1,999	2,000
2,039	Total Non Current Liabilities	2,251	2,287	2	2,314	2,319	2,320
69,684	TOTAL LIABILITIES	100,088	102,478	2	104,243	105,966	108,027
43,132	NET ASSETS	53,812	51,454	-4	42,639	34,275	26,373
REPRESENTED BY FUNDS EMPLOYED							
39,350	Accumulated Funds	50,030	47,672	-5	38,857	30,493	22,591
3,782	Reserves	3,782	3,782	-	3,782	3,782	3,782
43,132	TOTAL FUNDS EMPLOYED	53,812	51,454	-4	42,639	34,275	26,373

**Shared Services Centre
Cash Flow Statement**

2010-11 Budget \$'000		2010-11 Est. Outcome \$'000	2011-12 Budget \$'000	Var %	2012-13 Estimate \$'000	2013-14 Estimate \$'000	2014-15 Estimate \$'000
	CASH FLOWS FROM OPERATING ACTIVITIES						
	Receipts						
6,182	Cash from Government for Outputs	6,182	9,546	54	9,184	8,264	7,589
161,811	User Charges	178,892	172,870	-3	174,448	177,712	181,044
415,125	Other Revenue	418,249	429,739	3	438,869	449,422	460,192
583,118	Operating Receipts	603,323	612,155	1	622,501	635,398	648,825
	Payments						
75,603	Related to Employees	71,056	81,957	15	82,841	83,147	84,141
11,451	Related to Superannuation	10,815	11,848	10	12,012	12,093	12,243
69,290	Related to Supplies and Services	87,770	76,834	-12	77,436	78,964	80,110
16	Borrowing Costs	16	17	6	17	18	18
414,593	Other	417,487	428,743	3	437,854	448,387	459,137
570,953	Operating Payments	587,144	599,399	2	610,160	622,609	635,649
12,165	NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	16,179	12,756	-21	12,341	12,789	13,176
	CASH FLOWS FROM INVESTING ACTIVITIES						
	Receipts						
400	Proceeds from Sale of Property, Plant & Equipment	180	250	39	255	260	265
400	Investing Receipts	180	250	39	255	260	265
	Payments						
20,336	Purchase of Property, Plant and Equipment and Capital Works	20,752	25,155	21	13,697	13,731	13,744
20,336	Investing Payments	20,752	25,155	21	13,697	13,731	13,744
-19,936	NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES	-20,572	-24,905	-21	-13,442	-13,471	-13,479
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts						
7,674	Capital Injection from Government	8,090	5,570	-31	1,000	1,000	1,000
7,674	Financing Receipts	8,090	5,570	-31	1,000	1,000	1,000
	Payments						
641	Distributions to Government	641	1,652	158	1,668	1,678	1,686
110	Repayment of Finance Lease	110	110	-	110	110	110
751	Financing Payments	751	1,762	135	1,778	1,788	1,796
6,923	NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES	7,339	3,808	-48	-778	-788	-796
-848	NET INCREASE/ (DECREASE) IN CASH HELD	2,946	-8,341	-383	-1,879	-1,470	-1,099
41,044	CASH AT BEGINNING OF REPORTING PERIOD	30,913	33,859	10	25,518	23,639	22,169
40,196	CASH AT THE END OF THE REPORTING PERIOD	33,859	25,518	-25	23,639	22,169	21,070

**Shared Services Centre
Statement of Changes in Equity**

Budget as at 30/6/11 \$'000		Est.Outcome as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000	Var %	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000	Planned as at 30/6/15 \$'000
	Opening Equity						
38,734	Opening Accumulated Funds	40,379	50,030	24	47,672	38,857	30,493
3,782	Opening Asset Revaluation Reserve	3,782	3,782	-	3,782	3,782	3,782
42,516	Balance at the Start of the Reporting Period	44,161	53,812	22	51,454	42,639	34,275
	Comprehensive Income						
-6,417	Operating Result for the Period	2,202	-5,955	-370	-8,147	-7,686	-7,216
-6,417	Total Comprehensive Income	2,202	-5,955	-370	-8,147	-7,686	-7,216
0	Total Movement In Reserves	0	0	-	0	0	0
	Transactions Involving Owners Affecting Accumulated Funds						
7,674	Capital Injections	8,090	5,570	-31	1,000	1,000	1,000
-641	Capital Distributions	-641	-1,652	-158	-1,668	-1,678	-1,686
0	Inc/Dec in Net Assets due to Admin Restructure	0	-321	#	0	0	0
7,033	Total Transactions Involving Owners Affecting Accumulated Funds	7,449	3,597	-52	-668	-678	-686
	Closing Equity						
39,350	Closing Accumulated Funds	50,030	47,672	-5	38,857	30,493	22,591
3,782	Closing Asset Revaluation Reserve	3,782	3,782	-	3,782	3,782	3,782
43,132	Balance at the End of the Reporting Period	53,812	51,454	-4	42,639	34,275	26,373

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs: the increase of \$3.364 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to the increase in funding for new initiatives in 2011-12 including Data Centre Infrastructure (\$1.1 million), ACTPS Workers' Compensation and work safety improvements (\$0.814 million), Service Monitoring and Reporting (\$0.8 million), and the transfer of Territory Records from the Department of Territory and Municipal Services Directorate to Shared Services (\$0.829 million), partially offset by the one-off funding received in 2010-11 for the Data Management Scoping Study (\$0.250 million).
- user charges – ACT Government:
 - the increase of \$16.991 million in the 2010-11 estimated outcome from the original budget is mainly due to an increase in ICT project management revenue due to higher than expected expenditure by agencies on ICT projects (\$11.280 million); an increase in capital works management fees due to a larger capital works program (\$3.210 million); and an increase in the consumption of ICT Services by agencies (\$2.570 million); and
 - the decrease of \$5.952 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to the elimination of one-off ICT project revenue (\$9.362 million) and capital works management fees (\$3.210 million) received in 2010-11; and the savings initiative in Shared Services Human Resources and Finance (\$1.999 million); partially offset by an increase in user charges in line with CPI and wage increases (\$5.479 million); an increase in Business Systems revenue (\$2.061 million) and ICT support staff revenue (\$0.640 million) due to increased SLA requirements by agencies, including an increase in the consumption of ICT Services by agencies (\$0.428 million); and increased user charges due to the transfer of Territory Records (\$0.226 million).
- employee and superannuation expenses:
 - the decrease of \$6.054 million in the 2010-11 estimated outcome from the original budget is mainly due to lower permanent staff levels for Shared Services ICT, Human Resources and Finance (\$6.765 million), partially offset by increased staff levels for Shared Services Procurement due to increased capital works (\$0.711 million); and
 - the increase of \$12.994 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to ICT permanent staff increases mainly through the conversion of contractors and increased SLA requirements by agencies (\$8.083 million); increased staff levels for Shared Services Procurement due to increased capital works (\$1.624 million); increased staff levels for Shared Services Human Resources due mainly to the ACTPS Workers' Compensation initiative and work safety improvement plans (\$0.656 million) and the transfer of Territory Records (\$0.653 million); increased staff levels for Shared Services Human Resources and Finance (\$2.416 million); and wage indexation increases (\$1.888 million), partially offset by the savings initiative (\$2.326 million).

- supplies and services:
 - the increase of \$18.480 million in the 2010-11 estimated outcome from the original budget is mainly due to increased contractor costs associated with difficulties in filling permanent ICT positions and increased ICT project activity (\$11 million); and an increase in project costs associated with increased ICT project activity (\$7.7 million); and
 - The decrease of \$10.937 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to reduced use of ICT contractors (\$11.662 million); elimination of one-off ICT project expenditure incurred in 2010-11 (\$6.018 million); and savings initiatives (\$0.456 million), partially offset by an increase in ICT Business Systems support expenditure (\$2.761 million) due to increased SLA requirements by agencies; an increase in ICT support costs associated with increased staffing (\$1.889 million); an increase in expenditure directly related to the Data Centre Infrastructure initiative (\$1.1 million) and the Service Monitoring and Reporting initiative (\$0.8 million); increased expenditure for Shared Services Human Resources due to the transfer of Territory Records (\$0.414 million); and the ACTPS Workers' Compensation and work safety improvement plan initiative (\$0.158 million).
- depreciation and amortisation: the decrease of \$3.954 million in the 2010-11 estimated outcome from the original budget is mainly due to the timing of asset purchases in 2010-11, particularly relating to completing Shared Services 2010-11 capital works projects and the Windows 7 rollout. The increase of \$3.737 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to the impact of depreciation and amortisation on Shared Services 2010-11 capital works projects and the Windows 7 rollout.

Balance Sheet

- cash and cash equivalents: The decrease of \$6.337 million in the 2010-11 estimated outcome from the original budget is mainly due to the timing associated with billing and receiving payments for capital works. The decrease of \$8.341 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to funding the Whole-of-Government Digital Network Components Replacement initiative (\$6.868 million) from cash reserves and timing associated with billing and receiving payments for capital works.
- receivables: the increase of \$35.8 million in the 2010-11 estimated outcome from the original budget is mainly due to timing associated with billing and receiving payments for capital works.
- other current and non-current assets: the increase of \$1.308 million in the 2010-11 estimated outcome from the original budget is mainly due to timing associated with the payment of significant software maintenance agreements including Oracle.
- property, plant and equipment: The increase of \$8.185 million in the 2010-11 estimated outcome from the original budget is mainly due to the timing of asset purchases in 2010-11, particularly relating to completing Shared Services 2010-11 capital works projects and the Windows 7 rollout. The increase of \$6.636 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to the net impact of new and completed capital works.

- intangibles: the increase of \$1.580 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to the impact of new capital works offset by the amortisation of the Procurement Business System.
- capital works in progress: the increase of \$1.788 million in the 2010-11 estimated outcome from the original budget is due to the timing of asset purchases in completing Shared Services 2010-11 capital works projects.
- payables: the increase of \$40.296 million in 2010-11 estimated outcome from the original budget is due to the timing associated with receiving and paying major supplier invoices for ICT and capital works projects.
- current and non current employee benefits: the increase of \$2.162 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to increased permanent staff numbers and wage increases.
- other current liabilities: the decrease of \$10.283 million in the 2010-11 estimated outcome from the original budget is due to timing associated with billing and receiving payments for capital works.

Cash Flow Statement

- The major variations within the Cash Flow Statement are explained in the Operating Statement notes above.

Other significant variations relate to:

- other revenue: the increase of \$3.124 million in the 2010-11 estimated outcome from the original budget and \$11.490 million in the 2011-12 Budget from the 2010-11 estimated outcome are due to increased capital works activity and related GST implications.
- other payments: the increase of \$2.894 million in the 2010-11 estimated outcome from the original budget and \$11.256 million in the 2011-12 Budget from the 2010-11 estimated outcome are due to greater capital works activity and related GST implications.
- purchase of property plant and equipment: the increase of \$4.403 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to one-off funding for 2011-12 capital work initiatives, partially offset by completed 2010-11 initiatives.
- capital injection from government:
 - the increase of \$0.416 million in the 2010-11 estimated outcome from the original budget represents the rollover of funds due to the timing in finalising the Safeguarding Government Business - Reducing Communication Blackouts; and
 - the decrease of \$2.520 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to one-off funding for 2011-12 capital works initiatives partially offset by completed 2010-11 initiatives.
- distribution to government: the increase of \$1.011 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to the savings initiatives returned to government.

Statement of Changes in Equity

The major variations are explained in the notes above.

Shared Services ICT Operating Statement

2010-11 Budget \$'000		2010-11 Est.Outcome \$'000	2011-12 Budget \$'000	Var %	2012-13 Estimate \$'000	2013-14 Estimate \$'000	2014-15 Estimate \$'000
Income							
Revenue							
4,606	Government Payment for Outputs	4,606	5,107	11	4,639	4,480	3,739
208	User Charges - Non ACT Government	208	70	-66	71	73	74
113,050	User Charges - ACT Government	126,900	115,512	-9	118,284	120,522	122,813
185	Other Revenue	180	250	39	255	260	265
118,049	Total Revenue	131,894	120,939	-8	123,249	125,335	126,891
Gains							
0	Total Gains	0	0	-	0	0	0
118,049	Total Income	131,894	120,939	-8	123,249	125,335	126,891
Expenses							
41,051	Employee Expenses	36,083	42,073	17	43,334	43,817	44,578
5,949	Superannuation Expenses	5,425	5,749	6	5,985	6,068	6,150
61,492	Supplies and Services	79,958	64,021	-20	65,048	66,441	67,277
16,463	Depreciation and Amortisation	12,481	15,653	25	17,704	17,704	17,704
16	Borrowing Costs	16	17	6	17	18	18
124,971	Total Ordinary Expenses	133,963	127,513	-5	132,088	134,048	135,727
-6,922	Operating Result	-2,069	-6,574	-218	-8,839	-8,713	-8,836
-6,922	Total Comprehensive Income	-2,069	-6,574	-218	-8,839	-8,713	-8,836

Shared Services Procurement Operating Statement

2010-11 Budget \$'000		2010-11 Est.Outcome \$'000	2011-12 Budget \$'000	Var %	2012-13 Estimate \$'000	2013-14 Estimate \$'000	2014-15 Estimate \$'000
Income							
Revenue							
1,576	Government Payment for Outputs	1,576	1,602	2	1,653	1,681	1,706
0	User Charges - Non ACT Government	90	100	11	102	104	106
14,312	User Charges - ACT Government	17,522	17,230	-2	17,416	17,745	18,079
18	Other Revenue	33	36	9	36	37	37
15,906	Total Revenue	19,221	18,968	-1	19,207	19,567	19,928
Gains							
0	Total Gains	0	0	-	0	0	0
15,906	Total Income	19,221	18,968	-1	19,207	19,567	19,928
Expenses							
10,456	Employee Expenses	11,173	12,791	14	13,162	13,306	13,503
1,733	Superannuation Expenses	1,727	1,889	9	1,959	1,984	2,009
2,926	Supplies and Services	3,077	3,112	1	2,892	2,967	3,040
643	Depreciation and Amortisation	671	665	-1	665	665	236
15,758	Total Ordinary Expenses	16,648	18,457	11	18,678	18,922	18,788
148	Operating Result	2,573	511	-80	529	645	1,140
148	Total Comprehensive Income	2,573	511	-80	529	645	1,140

**Shared Services Human Resource
Operating Statement**

2010-11 Budget \$'000		2010-11 Est.Outcome \$'000	2011-12 Budget \$'000	Var %	2012-13 Estimate \$'000	2013-14 Estimate \$'000	2014-15 Estimate \$'000
Income							
Revenue							
0	Government Payment for Outputs	0	2,309	#	2,354	1,555	1,586
20,875	User Charges - ACT Government	20,875	24,564	18	23,683	24,108	24,541
732	Other Revenue	732	958	31	976	995	1,015
21,607	Total Revenue	21,607	27,831	29	27,013	26,658	27,142
Gains							
0	Total Gains	0	0	-	0	0	0
21,607	Total Income	21,607	27,831	29	27,013	26,658	27,142
Expenses							
15,068	Employee Expenses	14,580	17,759	22	17,126	16,692	16,927
2,249	Superannuation Expenses	2,202	2,530	15	2,443	2,400	2,427
2,882	Supplies and Services	2,753	6,027	119	5,952	5,927	6,073
438	Depreciation and Amortisation	438	1,016	132	1,016	1,016	1,016
20,637	Total Ordinary Expenses	19,973	27,332	37	26,537	26,035	26,443
970	Operating Result	1,634	499	-69	476	623	699
970	Total Comprehensive Income	1,634	499	-69	476	623	699

Shared Services Finance Operating Statement

2010-11 Budget \$'000		2010-11 Est.Outcome \$'000	2011-12 Budget \$'000	Var %	2012-13 Estimate \$'000	2013-14 Estimate \$'000	2014-15 Estimate \$'000
Income							
Revenue							
0	Government Payment for Outputs	0	528	#	538	548	558
0	User Charges - Non ACT Government	0	50	#	50	51	52
12,518	User Charges - ACT Government	12,449	14,488	16	13,971	14,225	14,483
0	Other Revenue	0	5	#	5	5	5
12,518	Total Revenue	12,449	15,071	21	14,564	14,829	15,098
Gains							
0	Total Gains	0	0	-	0	0	0
12,518	Total Income	12,449	15,071	21	14,564	14,829	15,098
Expenses							
9,777	Employee Expenses	9,098	10,272	13	9,884	9,988	10,138
1,520	Superannuation Expenses	1,461	1,680	15	1,625	1,641	1,657
1,505	Supplies and Services	1,497	3,188	113	3,046	3,119	3,200
329	Depreciation and Amortisation	329	322	-2	322	322	322
13,131	Total Ordinary Expenses	12,385	15,462	25	14,877	15,070	15,317
-613	Operating Result	64	-391	-711	-313	-241	-219
-613	Total Comprehensive Income	64	-391	-711	-313	-241	-219

Notes to the Output Class Statements

Significant variations are as follows:

Shared Services ICT Total Expenses

- the increase of \$8.992 million in the 2010-11 estimated outcome from the original budget is mainly due to higher ICT project activity and higher than forecast contractor expenditure, partially offset by lower than forecast permanent staffing levels and reduced depreciation mainly due to the timing of asset purchases in 2010-11.

- the decrease of \$6.450 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to reduced use of ICT contractors (\$11.662 million), elimination of one-off ICT project expenditure incurred in 2010-11 (\$6.018 million), the transfer of Records Management and Publishing Services (\$7.913 million) to Shared Services Human Resources and Finance and the savings initiative (\$0.408 million). This has been partially offset by an increase in ICT permanent staff increases mainly through the conversion of contractors and increased SLA requirements by agencies (\$9.216 million), an increase in depreciation (\$3.750 million) due to the impact of capital works projects and the Windows 7 rollout, an increase in ICT Business Systems support expenditure (\$2.761 million) due to increased SLA requirements by agencies, an increase in expenditure directly related to 2011-12 initiatives (\$2.197 million) and an increase in ICT support costs associated with increased staffing (\$1.889 million).

Shared Services Procurement Total Expenses

- the increase of \$0.890 million in the 2010-11 estimated outcome from the original budget is mainly due to an increase in staffing and support costs associated with a larger capital works program.
- the increase of \$1.809 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to an increase in staffing and support costs (\$1.937 million) associated with maintaining a larger capital works program, partially offset by the savings initiatives (\$0.130 million).

Shared Services Human Resources Total Expenses

- the decrease of \$0.664 million in the 2010-11 estimated outcome from the original budget is mainly due to lower staff levels.
- the increase of \$7.359 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to the transfer of Records Management (\$5.135 million) from Shared Services ICT, the transfer of Territory Records (\$1.067 million), increased staffing levels (\$1.751 million) and the ACTPS Workers' Compensation and work safety improvement plan initiative (\$0.814 million). This has been partially offset by the savings initiative (\$1.408 million).

Shared Services Finance Total Expenses

- the decrease of \$0.746 million in the 2010-11 estimated outcome from the original budget is mainly due to lower staff levels.
- the increase of \$3.077 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to the transfer of Publishing Services (\$2.778 million) from Shared Services ICT and increased staffing levels (\$1.172 million). This has been partially offset by the savings initiative (\$0.836 million).