

## **1. Finance and Support Group**

### **1.1 Executive Summary for ICT**

#### **(a) ICT Summary**

ICT has an increasing workload. To manage this, ICT has been given approval to recruit an additional person within the infrastructure support team. This person will primarily be focused on managing the enhanced helpdesk management system used by ICT. It is planned for this person to be available before the end of the year.

The teething issues of the new Metlink RTI system (and associated systems) have caused some disruption to ICT workflows causing delays and backlogs in responding to other business requests. We believe we are now on top of these issues and with good change management governance going forward; we plan to mitigate such incidents in the future.

Under the last major infrastructure upgrade less than 18 months ago, we upgraded all interoffice network connections, some of them with a five times capacity increase, but even these appear to be peaking. ICT is therefore looking at several options for better managing, or increasing, capacity at some of our sites.

ICT have upgraded existing projectors and installed new projectors in seven rooms within RCC. Some of the rooms also now have video conferencing and freeview capabilities. It is also planned to rollout similar facilities to Waterloo, Upper Hutt and Masterton offices in due course.

The new internal GIS (maps) with enterprise applications (Ozone, SAP, etc) interfaces, has been further enhanced with software developed as part of the national consortium of councils. This has greatly reduced development time and costs. The external facing GIS system is currently under development and, subject to business sign-off, it should be available by the end of the year. With the launch of this facility, other councils in the region have also expressed an interest in GW hosting their GIS sites.

Changing business technology, in particular smarter handheld devices, is generating a lot of technological change and demand, (both internal and external).

For the month of September GW received 423,000 inbound emails, of those 330,000 were spam and 1,500 had active viruses. We also sent 47,000 outbound emails.

#### **(b) Key results for the year**

- Concluded GIS licensing for all the councils in the region and deployed the upgraded internal GIS system.
- Re-developed and deployed GW's Intranet site (GWennie) successfully.
- Upgraded our SAP financial, HR and Plant maintenance system on time and on budget

- Completed the first phase of the Telecommunications Refresh project. The organisation's data and voice backbone has now been upgraded giving increased capacity and improved technology, whilst reducing operational costs.

(c) Looking ahead

The development of the Information Management Strategy continues with the development of policies and procedures, followed by designing the new classification structure for the Electronic Document and Record Management system (EDRMS, Hummingbird). This strategy will assist in meeting the government's requirements for public data online.

Complete Virtualisation of the outstanding servers.

Deploy a public GIS website complete with comprehensive data viewers (again, contributes towards the government's requirements for public data online)

(d) ICT financial reports

Last Year YTD Actual \$000	YTD Actual \$000	YTD Budget \$000	YTD Variance \$000	ICT Department Financial Performance Statement 3 Months ended 30 September 2011	Last Year FY Actual \$000	Full Year Forecast \$000	Full Year Budget \$000	Full Year Variance \$000
2	-	-	-	External Revenue	53	-	-	-
58	53	62	(9)	Investment Revenue	231	247	247	-
625	563	615	(52)	Internal Revenue	2,510	2,460	2,460	-
<b>685</b>	<b>616</b>	<b>677</b>	<b>(61)</b>	<b>TOTAL INCOME</b>	<b>2,794</b>	<b>2,707</b>	<b>2,707</b>	<b>-</b>
				less:				
401	357	386	29	Personnel Costs	1,391	1,527	1,545	18
211	384	313	(71)	Materials,Supplies & Services	1,166	1,346	1,377	31
1	-	2	2	Travel & Transport Costs	2	8	8	-
(42)	40	71	31	Contractor & Consultants	144	284	284	-
-	-	-	-	Grants and Subsidies Expenditure	-	-	-	-
68	68	73	5	Internal Charges	273	290	290	-
<b>639</b>	<b>849</b>	<b>845</b>	<b>(4)</b>	<b>Total Direct Expenditure</b>	<b>2,976</b>	<b>3,455</b>	<b>3,504</b>	<b>49</b>
9	1	23	22	Financial Costs	38	91	91	-
-	-	-	-	Bad Debts	-	-	-	-
(269)	(261)	(261)	-	Corporate & Department Overheads	(1,075)	(1,045)	(1,045)	-
281	218	269	51	Depreciation	812	1,075	1,075	-
-	-	-	-	Loss / (Gain) on Sale of Assets / Investments	-	-	-	-
<b>660</b>	<b>807</b>	<b>876</b>	<b>69</b>	<b>TOTAL EXPENDITURE</b>	<b>2,751</b>	<b>3,576</b>	<b>3,625</b>	<b>49</b>
<b>25</b>	<b>(191)</b>	<b>(199)</b>	<b>8</b>	<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>43</b>	<b>(869)</b>	<b>(918)</b>	<b>49</b>
281	218	269	(51)	Add Back Depreciation	812	1,075	1,075	-
-	-	-	-	Other Non Cash	-	-	-	-
(158)	(41)	-	(41)	Net Asset Acquisitions	(601)	(1,050)	(1,050)	-
-	-	-	-	Net External Investment Movements	-	-	-	-
<b>148</b>	<b>(14)</b>	<b>70</b>	<b>(84)</b>	<b>NET FUNDING BEFORE DEBT &amp; RESERVE</b>	<b>254</b>	<b>(844)</b>	<b>(893)</b>	<b>49</b>
158	41	-	41	Debt Additions / (decrease)	-	1,050	1,050	-
(76)	(10)	(132)	122	Debt Repaid	(436)	(527)	(527)	-
100	102	93	9	Net Reserves (Increase) / decrease	400	371	371	-
<b>330</b>	<b>119</b>	<b>31</b>	<b>88</b>	<b>NET FUNDING SURPLUS (DEFICIT)</b>	<b>218</b>	<b>50</b>	<b>1</b>	<b>49</b>

Last Year YTD Actual \$000	YTD Actual \$000	YTD Budget \$000	YTD Variance \$000	ICT Department Capital Expenditure Statement 3 Months ended 30 September 2011	Last Year FY Actual \$000	Full Year Forecast \$000	Full Year Budget \$000	Full Year Variance \$000
-	-	-	-	Total Asset Acquisitions	4	-	-	-
158	41	-	(41)	Capital Project Expenditure	565	1,050	1,050	-
-	-	-	-	Asset Disposal Cash Proceeds	-	-	-	-
<b>158</b>	<b>41</b>	<b>-</b>	<b>(41)</b>	<b>Net Capital Expenditure</b>	<b>569</b>	<b>1,050</b>	<b>1,050</b>	<b>-</b>
-	-	-	-	Investments Additions	-	-	-	-
<b>158</b>	<b>41</b>	<b>-</b>	<b>(41)</b>	<b>NET CAPITAL AND INVESTMENT EXPEND</b>	<b>569</b>	<b>1,050</b>	<b>1,050</b>	<b>-</b>

(e) ICT financial summary and variance analysis

Total Direct Expenditure for the ICT department is \$849k, which is close to the budget of \$845k. The annual subscription for the GIS costs has been paid earlier than expected, which offsets Personnel and Contractor budgets.

Total Income of \$616k is \$61k less than budget. Less PCs were required by the business than forecast, as well as lower phone recoveries while we review the phone recovery mechanism.

Net Capital Expenditure relating to the network is ahead of schedule causing the \$41k unfavourable variance.

ICT has forecast a saving of \$31,000 due to the Regional GIS initiative. Vacancies in the department are also driving an expected saving of \$18,000 for the year.

(f) ICT risk analysis

We have reviewed the risks relating to the ICT area and there are no material changes since the last review.