

Senate Standing Committee on Environment and Communications
Answers to Senate Estimates Questions on Notice
Supplementary Budget Estimates Hearings October 2016
Communications Portfolio
National Cultural Institutions

Question No: 69

National Cultural Institutions

Hansard Ref: Written, 01/11/2016

Topic: Shared Services

Senator Bilyk, Catryna asked:

QUESTIONS – FOR EACH OF

- 1 AUSTRALIAN NATIONAL MARITIME MUSEUM
- 2 BUNDANON TRUST
- 3 NATIONAL FILM AND SOUND ARCHIVE
- 4 NATIONAL GALLERY OF AUSTRALIA
- 5 NATIONAL LIBRARY OF AUSTRALIA
- 6 NATIONAL MUSEUM OF AUSTRALIA
- 7 NATIONAL PORTRAIT GALLERY
- 8 THE MUSEUM OF AUSTRALIAN DEMOCRACY

1. What progress has been made in implementing the proposal for shared services amongst the national cultural institutions?
2. What services are now provided centrally? What services are planned to be provided centrally in the current year 2016/17 and future years.
3. Was the organisation required to make a financial contribution to the services facility? How much was that contribution in the current year?
4. What savings have resulted from the implementation of the shared services facility in the organisation? What job losses have resulted from the implementation of shared services in the organisation?

Answer:

Australian National Maritime Museum

1. N/A.
2. N/A.
3. N/A.
4. N/A.

Bundanon Trust

1. N/A
2. N/A
3. N/A

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4. N/A

National Film and Sound Archive of Australia

1. At 1 July 2015, the National Film and Sound Archive of Australia (NFSA) had its payroll and records management services undertaken by the Attorney-General's Department (AGD) Service Centre. Following advice from AGD that it would no longer provide shared services from 1 July 2016, the NFSA brought the records management services back in house from 1 April 2016 and outsourced payroll services to Chandler Macleod Limited from 1 July 2016.
2. No NFSA services are provided centrally in an Australian Government shared services arrangement. Currently there are no services planned to be provided centrally in the current year 2016/17 or future years.
3. The NFSA paid \$110,275.83 to AGD for the provision of payroll and records management services in 2015/16.
4. No savings have resulted from the implementation of the shared services facility for the NFSA. With the transfer of payroll services to the AGD Service Centre and then the subsequent outsourcing to Chandler Macleod Limited, 1.6 FTE payroll positions have been lost.

National Gallery of Australia

1. None.
2. None.
3. Yes. The Gallery has not contributed this current financial year.
4. None.

National Library of Australia

1. As part of a 2014-15 Budget measure, certain corporate back office functions of the Library were to be undertaken by the Service Centre within the Attorney-General's Department, however, the Library continues to undertake these services as the Attorney-General's Department will not be a provider of these types of services. Longer term arrangements will be subject to ongoing review.
2. N/A
3. N/A
4. N/A

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National Museum of Australia

1. The initial proposal was for AGD to incorporate national cultural institutions' "back office" functions into their shared services centre. However, with the introduction of a wider public service move to shared services, AGD decided to close their shared services centre. The National Museum of Australia (NMA) then initiated discussions for the provision of some back office functions to other national cultural institutions. A five year MoU has now been established between the NMA and the Museum of Australian Democracy (MOAD).
2. Information Communications and Technology (ICT) and Records Management are to be provided to MOAD by the NMA under the terms of the MoU, which is currently in the implementation phase.
3. The NMA has contributed \$323,000 through the acquisition of capital equipment to establish its shared services centre.
4. Savings of \$272,000 were achieved through a reduction to the NMA's appropriation, aligned with the AGD shared services centre proposal, which ultimately did not proceed. Two NMA positions were made redundant in 2014-15.

National Portrait Gallery of Australia

1. The National Portrait Gallery completed the consolidation of back office functions with the Attorney-General's Department in April 2015. Shared services provided by the Attorney-General's Department included: payroll, accounts processing, records management, desktop support and corporate systems support.
2. The Attorney-General's Department advised the National Portrait Gallery in November 2015 that from 30 June 2016 it would no longer be a provider of shared services. The National Portrait Gallery currently receives payroll, desktop support and corporate systems support centrally from third party providers.
3. The National Portrait Gallery was paying \$24,005 per month for the shared services provided by the Attorney-General's Department.
4. The National Portrait Gallery was targeted with savings of \$80,000 per year ongoing for the 2014-15 measure – 'Smaller Government — collection agencies — consolidation of back office'. The implementation of shared services with the Attorney-General's Department resulted in the loss of one position.

Museum of Australian Democracy - Old Parliament House

1. Shared Services for Old Parliament House are currently provided by the Attorney-General's department. This agreement will cease in December 2016. From December 2016 Shared Services for ICT and Records Management will be provided by National Museum of Australia and Payroll will be provided by Treasury.
2. ICT, Payroll, Records Management.
3. Yes – \$512,500 for current provider and transition to new providers.

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4. Old Parliament House has utilised shared services with external providers since the agency was established in 2008. OPH was included in the budget measure MYEFO 2015 relating to consolidation of back office functions for cultural institutions and an additional Whole of Government Shared Services saving measure in May 2016, which resulted in a total reduction in appropriation of \$359,000 from 2015-16 to 2018-19 and the loss of 1 position through voluntary redundancy.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total
Collection Agencies Consolidation Back Office Functions PBS May 2015	-12,000	-100,000	-96,000	-96,000			-304,000
Shared Services Savings Measure PBS May 2016		-11,000	-22,000	-22,000			-55,000
Total Change	-12,000	-111,000	-118,000	-118,000	-	-	-359,000