

Department of Treasury and Finance

Corporate Plan 2007-08

Contents

Introduction	4
Assisting the Government to meet its Objectives	5
Our Corporate Planning Processes	5
Vision, Mission and Values	7
Our Vision	7
Our Mission	7
Our Values	7
Our Critical Success Factors	8
Our Stakeholders	8
What we want to achieve	
Desired Agency Outcomes	9
Key issues facing us	
Our Strategic Challenges	9
How we will achieve our Desired Agency Outcomes	
Our Key Strategies	9
Our Output Groups and Outputs	11
2007-08 Operating Plan	11
Output Group 1: Financial and Resource Management Services	12
Major Issues and Initiatives for 2007-08	13
Output Group 2: Economic and Fiscal Policy Advice	14
Major Issues and Initiatives for 2007-08	15-16
Output Group 3: Revenue and Regulatory Management Services	17
Major Issues and Initiatives for 2007-08	18-19
Output Group 4: Community Assistance	20
Corporate Support: Corporate Support Division	21
Major Issues and Initiatives for 2007-08	22
Office of the Secretary	23

Introduction

The Corporate Plan is our primary planning tool, providing the framework for developing future strategies, objectives and work practices for all staff.

The development of the Corporate Plan is strongly linked to the achievement of Government Outcomes through our commitment to the Government to deliver Outputs to meet the intended Outcomes. This ensures that the allocation of resources is directed to priority areas of the Government. As a result, there is a close alignment between the Corporate Plan, the Budget papers (as they relate to the Department) and the Department's Annual Report.

The corporate planning cycle also ensures that both management and staff work together to frame our strategic direction and determine how we are going to achieve our goals. As part of the corporate planning cycle, we monitor and measure our performance (on a quarterly basis) to ensure that we continue to meet (or exceed) agreed performance criteria.

As in previous years, the 2007-08 Corporate Plan focuses on achieving the Government's objectives of sound financial management, industry development, partnership agreements and the development of Tasmania *Together* while, at the same time, delivering on our core activities and responsibilities for Government.

I am pleased to present the 2007-08 Department of Treasury and Finance Corporate Plan.

D W Challen
SECRETARY

September 2007

Assisting the Government to meet its Objectives

As a Department, we are responsible for implementing strategies to achieve the Government's economic and financial objectives. We are the central agency responsible for the management of Government resources.

We provide the Government with objective advice on the economic and financial management of the State, perform financial analysis, monitoring and reporting functions, undertake best-practice tax collection and a number of service, regulatory and compliance activities on behalf of the Government, and implement Government policy.

We also make a major contribution to the achievement of the following major Government Outcomes:

- Tasmania *Together*;
 - enhancing economic growth; and
 - improving the business operating environment.
- Fiscal Strategy;
 - sound management of the State's finances;
 - a sustainable Budget position; and
 - reduction in debt and liabilities.
- Industry Development Plan;
 - maximising opportunities for employment through increased local content; and
 - providing support and financial incentives for local industry.

Our Corporate Planning Processes

This Corporate Plan and the corporate planning processes that underpin it are the means by which we ensure that our activities and initiatives are focussed on achieving the Government's objectives. The Corporate Planning process is an integral part of the way we conduct our business. It is our primary planning tool.

Our Corporate Planning processes are driven by the continuous review of our vision, mission and values as well as of our outcomes and critical success factors, to ensure that the allocation of resources is directed to priority areas of the Government.

Corporate Planning therefore provides the framework for developing integrated and focused strategies, objectives and work practices for all staff.

Our Corporate Planning Cycle is illustrated opposite.

**Senior Management Conference
(October)**

Strategic direction setting for
the coming year

**Treasurer's Endorsement
(June-July)**

The Corporate Plan is finalised and
subsequently endorsed by the Treasurer.

**Branch Planning
(October - November)**

The development of Branch
Operating Plans. These
underpin the Corporate Plan.

**Review of Branch
Operating Plans (May)**

This ensures that our activities remain
focused on the achievement of the
Government's current objectives and
priorities, and can be funded.

**Endorsement of Branch
Operating Plans (November)**

The draft Branch Operating Plans are
considered in detail. The
Department's budget for the coming
year is allocated across Branches.

**CORPORATE
PLANNING CYCLE**

**Budget Preparation
(April -May)**

Budget allocations are included in
the State Budget.

**Review of the Corporate Plan
(February, April, July, October)**

The Corporate Plan sets out a number
of milestones to be achieved. Progress
towards these are monitored and
reported against.

**Individual Work Plans
(February, July)**

Twice yearly, in February and July,
Branches establish individual work plans
for each staff member, based on the
Branch Operating Plan.

Vision, Mission and Values

The Department's vision and mission statements describe what we want to strive to achieve, our common objectives and our focus. Our values guide the decisions we make about how we achieve our objectives.

Our Vision

Be the best. Lead the way. Make a difference.

Our Mission

Improve the well-being of Tasmanians by providing:

- high quality advice to the Treasurer
- best practice financial, regulatory and client services
- leadership in economic and financial reform

Our Values

Treasury is a values-based organisation and our decisions and behaviour are guided by the following values:

- **Integrity** ... as it builds confidence, trust and self respect, and is the foundation of open and honest communication;
- **Excellence** ... as it challenges us to give our best and brings us recognition;
- **Respect** ... as it recognises the value of each of us and the contribution we all make;
- **Camaraderie** ... as it creates a fun and supportive place to be; and
- **Passion** ... as it inspires us to achieve great things.

We have recently re-defined our mission and vision to ensure that they accurately reflect what the Department's objective is and its future direction.

Our Critical Success Factors

We have identified four factors critical for our success that enable us to achieve the Government's objectives:

Communication

- We listen and respond thoughtfully.
- We take the time to learn about what is important to you.
- We explain the reasons behind all our decisions.
- We provide you with the information you need to meet your obligations.

Professionalism

- We are accessible, helpful and responsive.
- We are consistent in applying Government policy.
- We are highly competent and capable.

Reliability

- We respond to you in a timely manner.
- We meet key milestones.

Accountability

- We provide advice that is accurate, objective and consistent with legislation and Government priorities.

Our Stakeholders

Our key stakeholder is the Treasurer.

We also have a very important relationship with the following stakeholders, upon whom our ability to meet our objectives relies:

- the Premier and other Ministers;
- our staff;
- agencies, Government business enterprises, State-owned companies;
- the Australian Government, regulatory bodies, local government;
- taxpayers and their representatives;
- the community; and
- Parliament, Cabinet and ministerial advisers.

What we want to achieve in 2007-08

Our Desired Agency Outcomes

As a values based organisation, we are determined to achieve the following four outcomes in 2007-08:

1. The Treasurer and other key clients receive efficient and effective financial and asset management services.
2. The Government receives sound and timely economic and fiscal policy advice.
3. Statutory bodies receive high quality regulatory and revenue management services.
4. Services to our internal clients are provided efficiently and effectively.

Key issues facing us in 2007-08

Our Strategic Challenges

We have identified seven key issues or challenges facing us in 2007-08:

1. Using our values to support our people, and strengthen our organisation and relations with stakeholders.
2. Securing Tasmania's financial position in the face of major financial pressures and demographic change.
3. Improving the performance, efficiency and reliability of our systems and processes.
4. Influencing the outcome of economic and financial reforms impacting on Tasmania.
5. Playing a leading role in assisting the Government to implement its policy objectives and fulfil its national obligations.
6. Improving the effectiveness, efficiency and appropriateness of our regulatory frameworks and whole-of-government processes, taking account of community standards.
7. Contributing to the effective implementation of, major infrastructure developments.

How we will achieve our Desired Agency Outcomes in 2007-08

Our Key Strategies

The Department of Treasury and Finance is implementing the following initiatives in response to the above strategic challenges:

- completing the consultation with key stakeholders and implementing new State financial management legislation;
- implementing the harmonised Generally Accepted Accounting Principles - Government Finance Statistics (GAAP-GFS) reporting requirements for whole-of-government financial reporting;
- providing strategic policy, regulatory and financial advice to assist in achieving the Government's objective to maximise future broadband telecommunication opportunities and create greater competition in the telecommunications sector;
- supporting the Demographic Change Advisory Council's work program to identify emerging demographic issues and opportunities to address them;
- supporting the Ministerial Taskforce on Water and Sewerage in driving reform in Tasmania's water and wastewater sector;
- arguing Tasmania's case in the Commonwealth Grants Commission's major review of the fiscal equalisation process;
- providing support to the Government Prices Oversight Commission in assessing the extent of councils' compliance with guidelines for cost recovery set out in Urban Water and Wastewater Pricing Guidelines;
- providing support to the Tasmanian Energy Regulator in the transfer of regulatory functions to national regulatory bodies in accordance with the Australian Energy Markets Agreement;
- in liaison with other jurisdictions, implementing legislative and administrative payroll tax consistency by 1 July 2008 to reduce the regulatory burden on employers;
- implementing a contemporary Electronic Document Management System (EDMS) to enable the efficient and effective capture of, and access to, information; and
- developing and implementing an integrated communications plan to enhance effective stakeholder communications.

Our Output Groups and Outputs

Under the Output Methodology, we are responsible for the provision of goods and services (Outputs) within cost, quantity, quality and timeliness parameters specified by Government in order to achieve specified results (Outcomes).

Our Outputs are analysed and reviewed regularly through the Budget process, and reviews may result in changes to the specification of an Output or a decision to cease providing an Output. Reviews may also lead to changes in the focus for our planning.

OUTPUT GROUP 1: FINANCIAL AND RESOURCE MANAGEMENT SERVICES

Output 1.1 Budget Development and Management

Output 1.2 Financial Management and Accounting Services

Output 1.3 Shareholder Advice on Government Businesses

Output 1.4 Government Property and Accommodation Services

Output 1.5 Government Procurement Services

OUTPUT GROUP 2: ECONOMIC AND FISCAL POLICY ADVICE

Output 2.1 Economic Policy Advice

Output 2.2 Fiscal Policy and Regulatory Advice

OUTPUT GROUP 3: REVENUE AND REGULATORY MANAGEMENT SERVICES

Output 3.1 Tax Administration and Revenue Collection

Output 3.2 Regulation and Administration of Liquor and Gaming

Output 3.3 Government Prices Oversight and Energy Regulation

OUTPUT GROUP 4: COMMUNITY ASSISTANCE

Output 4.1 Bass Strait Islands Community Service Obligation

Output 4.2 Public Trustee Community Service Obligation

Output 4.3 Community Support Levy

Output 4.4 ANZAC Day Trust and Royal Society Papers

Output Group 1: Financial and Resource Management Services

The purpose of this Output Group is to ensure financial responsibility by managing public sector finances to assist the Government achieve its broader objectives. The focus of the Output Group is the provision of services to the Government related to Budget development and management, financial accounting, reporting and control, monitoring of the financial performance of agencies and government businesses and management of government contracts and government property. The Output Group also includes the provision of centralised management of selected key whole-of-government support services.

This Output Group directly contributes to the Agency Outcome – The Treasurer and other key clients receive efficient and effective financial and asset management services.

Activities undertaken within this Output Group include:

- managing the State Budget process, providing policy advice on budgetary issues and monitoring financial performance and the Fiscal Strategy;
- undertaking whole-of-government financial management and providing advice on financial management and reform;
- administering the Tasmanian Risk Management Fund;
- providing a range of services relating to the management of financial assets, borrowing and associated risk mitigation strategies, managing and providing information on the State Debt and ensuring appropriate submissions and presentations are made to the credit rating agencies;
- administering loans, grants, subsidies, concessions and guarantees to the public and other bodies;
- monitoring and providing advice on the performance of, and governance arrangements for, government businesses;
- supporting reforms and policies relating to the Government's ownership of businesses;
- administering Government-owned office buildings and the disposal of surplus Crown property;
- providing advice in relation to Government procurement activities and the administration of whole-of-government contracts; and
- providing advice to the Government on maximising opportunities arising from the State's telecommunications infrastructure, and facilitating National Electricity Market involvement for Tasmania.

Major Issues and Initiatives for 2007-08

The major issues and initiatives for 2007-08 in relation to this Output Group include:

Output 1.1 Budget Development and Management

In 2007-08, the Budget Development and Management Branch will:

- undertake a review of the State Government Concessions to examine the range of concessions provided by State Government agencies, and to provide an assessment of the efficiency, equity and simplicity of State Government concessions;
- present the 2008-09 Budget in accordance with the Australian Accounting Standards Board's AASB 1049 Financial Reporting by General Government Sectors reporting requirements for whole-of-government financial reporting;
- continue to improve the State Budget and the quality of Tasmania's Budget Papers; and
- continue to engage our stakeholders and ensure they receive effective and efficient financial and resource management services.

Output 1.2 Financial Management and Accounting Services

In 2007-08, the Government Finance and Accounting Branch will:

- complete the consultation with key stakeholders and implement new State financial management legislation, comprising a separate Financial Management Act and a separate Audit Act;
- implement the harmonised Generally Accepted Accounting Principles – Government Finance Statistics (GAAP-GFS) reporting requirements for whole-of-government financial reporting (including the General Government, Public Non-Financial Corporations and Public Financial Corporations Sectors);
- contribute to the development of the final two phases of the GAAP-GFS harmonisation project and other revised accounting standards;
- develop and promulgate accounting policy guidance in relation to the introduction of the new legislative requirements and revised accounting standards; and
- provide ongoing support to the Heads of Treasuries Accounting and Reporting Advisory Committee (HoTARAC) in its consideration of major accounting and public finance reporting issues, particularly in relation to contributing to the revision and development of Australian Accounting Standards applicable to the public sector.

Output 1.3 Shareholder Advice on Government Businesses

In 2007-08, the Shareholder Policy and Markets Branch will:

- enhance the governance arrangements for Government Business Enterprises and State-owned Companies;
- support the Government's "divest to reinvest" policy by selling three non-core Government-owned businesses that will enable the Government to transfer the proceeds to new infrastructure that is vital to Tasmania's future. The divestments, as announced in the 2007-08 State Budget are: the Southern Regional Cemetery Trust, the Printing Authority of Tasmania and the Hobart International Airport;
- coordinate the necessary arrangements to facilitate the effective transition to a competitive retail electricity market; and
- provide strategic policy, regulatory and financial advice to assist the Government's objective to maximise future broadband telecommunications opportunities.

Output 1.4 Government Property and Accommodation Services

In 2007-08, the Procurement and Property Branch will:

- continue the implementation of the Office Accommodation and Property Services Strategic Plan, with particular regard to the divestment of surplus and non-strategic government-owned office accommodation.

Output 1.5 Government Procurement Services

In 2007-08, the Procurement and Property Branch will:

- continue to identify and implement strategies to enhance the capacity of Tasmania's small-to-medium enterprises to competitively bid for the supply of goods and services to government;
- review and renew major strategic whole-of-government contracts; and
- tender the fund administration services contract for the Tasmanian Risk Management Fund.

Output Group 2: Economic and Fiscal Policy Advice

The purpose of this Output Group is to provide high quality policy advice on economic and fiscal issues with the focus on improving Tasmania's economy and business environment, and ensure the sustainability of the State's budget and fiscal position.

This Output Group directly contributes to the Agency Outcome – The Government receives sound and timely economic and fiscal policy advice.

Activities undertaken within this Output Group include:

- publishing annually a Competition Index to assess the competitiveness of Tasmania as a business location relative to the other states and territories in Australia and New Zealand. This assists the Government in identifying how it might best focus industry policy;
- publishing research on emerging social, economic and fiscal issues that Tasmania may face due to projected demographic changes. This will help governments, businesses and individuals prepare for future opportunities and challenges;
- providing advice to the Government on:
 - Tasmanian economic conditions and movements in key international, national and local economic indicators;
 - the progress of economic reform initiatives;
 - water and sewerage reform;
 - Tasmania's participation in national reform issues;
 - Australian Government State and State Local Government financial relations;
 - the regulation and taxation of gaming activities, and licensing of liquor sales;
 - public sector superannuation matters, including ensuring compliance with all relevant Australian Government legislation;
 - State revenue policy issues, including the impact of taxation measures; and
 - administering regulatory reform initiatives, including administration of the Subordinate Legislation Act 1992, the Legislation Review Program and mutual recognition arrangements.

Major Issues and Initiatives for 2007-08

The major issues and initiatives for 2007-08 in relation to this Output Group include the:

Output 2.1 Economic Policy Advice

In 2007-08, the Economic Policy Branch will:

- progress the Demographic Change Advisory Council's work program to identify emerging demographic issues and opportunities to address them; and
- prepare advice to Government on strategies to sustain Tasmania's strong economic performance.

Output 2.2 Fiscal Policy and Regulatory Advice

In 2007-08, the Intergovernment and Financial Policy Branch will:

- support the State's continued compliance with its Council of Australian Governments (COAG) economic reform obligations;
- argue Tasmania's case in the Commonwealth Grants Commission's major review of the fiscal equalisation process;
- develop the ambulance service fee and associated arrangements for implementation on 1 July 2008 to move the Tasmanian Ambulance Service to a sustainable funding basis, as announced in the 2007-08 State Budget;
- support the Ministerial Taskforce on Water and Sewerage in implementing reform in Tasmania's water and wastewater sector;
- provide ongoing input into the negotiation of major Australian Government Specific Purpose Payments (SPPs);
- implement legislative and administrative payroll tax consistency, in liaison with other jurisdictions, in order to reduce the burden on employers; and
- continue to ensure that the State's taxation, gaming and superannuation legislation is effective and contemporary.

Output Group 3: Revenue and Regulatory Management Services

The purpose of this Output Group is to manage taxation revenue collection and certain regulatory services to assist the Government to achieve its objectives. The focus is on the efficient collection of revenue, the regulation of gaming and liquor licensing, and providing support to the Government Prices Oversight Commission and the Tasmanian Energy Regulator.

This Output Group directly contributes to the Agency Outcome – Statutory bodies receive high quality regulatory and revenue management services.

Activities undertaken within this Output Group include:

- administering taxation legislation and the associated collection of state revenue, including monitoring the compliance of taxpayers with state revenue legislation;
- administering various grants, subsidies and concessions to the Tasmanian community;
- regulating and controlling casino gaming, gaming machines, internet gaming, Keno, minor gaming and betting exchanges;
- administering gaming legislation, including providing support for the Tasmanian Gaming Commission in the exercise of its statutory functions under the Gaming Control Act 1993;
- regulating and administering liquor licensing and providing support to the Commissioner for Licensing and the Licensing Board of Tasmania to enable their statutory functions to be performed in accordance with the Liquor Licensing Act 1990; and
- providing support to the Tasmanian Energy Regulator and Government Prices Oversight Commission in the exercise of their statutory functions, which include the regulation of the electricity and gas industries and the conduct of independent pricing reviews on behalf of Government.

Major Issues and Initiatives for 2007-08

The major issues and initiatives for 2007-08 in relation to this Output Group include the:

Output 3.1 Tax Administration and Revenue Collection

In 2007-08, the Revenue Branch will:

- work with professional bodies to ensure improved awareness and consultation in relation to State taxation matters;
- undertake compliance activity following the abolition of mortgage duty from 1 July 2007, and planning for the abolition of conveyance duty on non-real business property from 1 July 2008;
- implement new payroll tax legislation from 1 July 2008 to harmonise payroll tax arrangements with other jurisdictions. This will require changes to systems and processes, delivery of a comprehensive education program, provision of advice to taxpayers and their representatives and the development of supporting rulings and guidelines;
- increase taxation compliance activity, through both audit and education, with the appointment of two additional tax auditors;
- implement a range of amendments to State taxation legislation identified in the annual Miscellaneous Amendments Bill; and
- consolidate the introduction of compulsory self-assessment of simple duty documents.

Output 3.2 Regulation and Administration of Liquor and Gaming

In 2007-08, the Liquor and Gaming Branch will:

- develop a long term liquor strategy to reduce negative impacts on the community arising from the inappropriate use of liquor;
- implement improvements to the Tasmanian Gaming Exclusion Scheme;
- continue to develop effective harm minimisation and consumer protection strategies in liquor and gaming;
- implement changes to the running and accreditation of responsible conduct of gambling courses;
- expand the risk-based approach to compliance in casinos and other gaming venues; and
- improve the customer interface in relation to liquor and gaming licence and permit applications including review of forms and processes.

Output 3.3 Government Prices Oversight and Energy Regulation

In 2007-08, the GPOC/OTTER Branch will:

- provide support to the Tasmanian Energy Regulator in the transfer of regulatory functions to national regulatory bodies in accordance with the Australian Energy Markets Agreement;
- provide support to the Government Prices Oversight Commission in assessing the extent of councils' compliance with guidelines for cost recovery set out in Urban Water and Wastewater Pricing Guidelines; and
- enhance the strategic planning approach to current liquor and gaming issues.

Output Group 4: Community Assistance

The purpose of this Output Group is to administer arrangements that provide targeted community support and subsidised assistance to various segments of the community.

Activities undertaken within this Output Group are:

- payment of the Community Service Obligation (CSO) in relation to the subsidised supply of electricity to Bass Strait Islands customers and the provision of concessions to pensioner customers on the Bass Strait Islands;
- payment of the CSO to The Public Trustee;
- the collection of funds, through the Department's Revenue, Gaming and Licensing Division, for the Community Support Levy. The Department of Health and Human Services provides administrative support for grant programs for the provision of services to compulsive gamblers and for the benefit of charitable organisations, delivers community education on gambling matters and funds activities in the category of other health services. The Department of Economic Development provides administrative support for the grant programs for sport and recreation organisations. The levy is distributed as follows:
 - 50 per cent for research, services for the prevention of compulsive gambling, treatment or rehabilitation of compulsive gamblers, and community education and other health services;
 - 25 per cent for the benefit of charitable organisations; and
 - 25 per cent for sport and recreation organisations.
- payment of an annual contribution to the Anzac Day Trust in accordance with the provisions of the *Anzac Day Observance Act 1929*. The funds are disbursed by the Trust to returned services organisations to assist in providing welfare benefits for their members and families; and
- payment to the Royal Society of Tasmania to assist with the printing of papers.

Corporate Support

In order to deliver the Outcomes and Outputs required of us by the Government, the Corporate Support Division and the Office of the Secretary provide significant internal support.

Corporate Support Division

The Corporate Support Division comprises the:

- Human Resource Branch;
- Information Systems Branch;
- Finance and Administration Branch; and
- Corporate Information Support Branch.

The Division provides the majority of our support services and is responsible for:

- human resource management;
- information and communications technology development and support services;
- corporate financial management services, including budgeting, accounting and asset management;
- administrative services, including facilities management and reception services; and
- corporate information support, including Internet and Intranet site management, library and records.

Main initiatives and tasks for 2007-08

In 2007-08, the Corporate Support Division will:

- replace our Records Management System;
- develop and implement an integrated communications plan to frame the Department's internal and external communications;
- finalise the disposal and archiving of legacy records, the assessment, processing and boxing of Human Resources records, and the commencement of the ongoing archiving of inactive records;
- promote Treasury as an Employer of Choice to assist in the recruitment and retention of quality staff;
- develop a Business Continuity Plan for the Department; and
- complete the migration of the Department's desktop operating system and Microsoft Office version from 2000 to XP/2003.

Office of the Secretary

The role of the Office of the Secretary is to:

- provide executive support to the Secretary, to other senior managers and to our major committees;
- provide secretariat services involving liaison between the Department, the Treasurer and his Office, the Executive Council, the Cabinet Office and Parliament; and
- manage the corporate planning process.

Main initiatives and tasks for 2007-08

The major issues and initiatives for 2007-08 in relation to this Branch include the:

- facilitation of our corporate planning process;
- coordination and production of our annual report; and
- coordination of our stakeholder survey.