

ASSET STRATEGY 2006 - 2009

PREFACE

An Asset Strategy enables agencies to establish the asset portfolio that most appropriately, effectively and efficiently meets their service delivery requirements. It provides the foundation for the development of the three detailed asset strategic plans – the capital investment plan, the asset maintenance plan and the asset disposal plan.

SERVICE DELIVERY

Our Results and Services Plan outlines the following services delivered by the Ombudsman:

- Investigate and resolve complaints
- Assess notifications, review the handling of complaints and monitor investigations
- Keep systems under scrutiny
- Advise or refer
- Hear appeals
- Review the implementation of certain legislation

A more detailed explanation of these services, service measures and planned results can be found in the Results and Services Plan, Corporate Plan and Team Business Plans.

ASSET PORTFOLIO AND LOCATION

Broadly speaking the Ombudsman has, as at 30 June 2006, physical assets with the written down value (WDV) of \$1.974 million. These assets are categorised as follows:

• Computer software & hardware	WDV	\$1,228,133
• Fixtures and fittings	WDV	\$266,320
• Leasehold improvements	WDV	\$337,113
• Office equipment	WDV	\$143,159

A significant proportion of physical assets have been purchased within the last two years and most within the last five years.

Our leasehold improvements assets relate to the costs incurred in relocating the office in 1999, undertaking fit out improvements due to OH&S concerns and for relocating the former Community Services Commission when it amalgamated with the Office in 2002.

Assets in the category “Computer software and hardware” include our case management systems (our core business tools), security infrastructure and our electronic document management system. In value terms, assets in the “computer software and hardware” category comprise over 60% of all our assets.

As a result of changes to government policy, we have been replacing leased equipment with purchased (owned) equipment. During the 2005 - 2006 financial year, we purchased 2 servers, 9 laptop computers and 171 personal computers after operating leases expired. We will replace notebooks, personal computers and printers in 2006 - 2007 as our remaining 4 operating leases are due to expire. Government policy requires us to hold our IT equipment for four years.

NSW Ombudsman policy number:	11a
Policy originally created:	31 August 2004
Last reviewed / updated:	31 August 2006
Version number:	3
Related policies:	Total Asset Management; Statement of Corporate Purpose, Results and Services Plan, Capital Investment Strategy, Asset Maintenance Strategy, Asset Disposal Strategy, Office Accommodation Strategy, Information Technology and Communications Strategic Plan

This strategy supersedes the strategy dated 29 August 2005.

All assets are at the one location at 580 George Street Sydney.

ASSET/SERVICE DEPENDENCY

Our core assets, particularly our hardware and software assets are critical in the delivery of our key services. For example, we use our case management systems to record, monitor and report on the work that we do. We analyse the data held to recommend changes to the way agencies do their work. It is therefore critical that our systems are sound and can deliver timely and accurate information.

ASSET UTILISATION AND CAPACITY

As part of our recent upgrade of our network, we factored some capacity for growth. In this context, our assets aren't being fully utilised. We expect that, at the current rate of expansion, we will reach capacity in about 3 - 5 years.

At present we have no issues with the capacity of our assets.

ASSET FUNCTIONALITY

With changes to the Ombudsman's jurisdiction over recent years we need to ensure that our assets, particularly our software and hardware assets, support our work at the levels required. In this regard, we have identified a number of projects in our Information and Communications Technology (ICT) Strategic Plan that will review systems functionality and if necessary be the basis of any funding request to NSW Treasury.

ASSET ACTION PROPOSED

1. Purchases computer and related assets

With recent changes to government policy, we have to and will need to purchase more computer and related equipment when current leases expire. We have received capital funding of \$95,000 in 2006 - 2007 for this purpose. We will need to seek funding to replace equipment in future years.

We are currently developing a schedule for replacing our older owned computer equipment and will seek funding in 2007 - 2008 for this purpose.

2. Corporate Plan/ICT Strategic Plan

We recently reviewed and updated our corporate plan. This plan contains strategies to improve our core business activities by reviewing and improving systems and processes that support those activities. We have identified a number of projects that, if implemented, will improve the services that we provide. Some projects can be done within existing resources and some will require funding.

The projects identified are still in the early stages of development, and as yet no detailed project plans or cost analysis have been undertaken. The Strategy and the Capital Investment Strategy will be amended to reflect the impact of decisions that are made.

The ICT strategic plan contains a number of projects that are in progress, including improvements to case management systems or upgrading software. The ICT strategic plan has identified a number of projects that including the replacement of equipment and continued work on systems improvements.

3. Maintenance Issues

The majority of our assets were purchased within the last five years. This means that most of our assets are relatively new. Maintenance has not been an issue at this point as most of our critical assets were

either under warranty or included in a program of preventative maintenance. Critical systems include the fire suppression and air conditioning systems in our computer room.

4. Disposal Issues

We only expect the disposal of minor assets over the duration of the Asset Strategy.

5. Office Accommodation

Our current accommodation meets our needs. We are within the government's target of 15 - 17m² per person, we plan to maintain this ratio. If staffing levels increase, we plan to demolish offices and adopt a more open plan environment.

6. Asset performance

Although our assets are performing at a satisfactory level, our corporate plan has identified strategies to improve them. These strategies are to be developed into more detailed plans and funding will be sought if required.

We have a number of ICT strategic plan projects in progress that are addressing asset performance issues.

BENEFITS OF ASSET ACTIONS PROPOSED

The benefits of pursuing the actions identified above are:

- better understanding of our asset base with criteria to assess ongoing performance
- better understanding of ongoing capital funding required to meet service delivery goals
- better understanding of maintenance needs, with possible increases in the life of our assets.

ASSOCIATED STRATEGIES

The following strategies are to be read in conjunction with this strategy:

- Results and Services Plan
- Total Asset Management 2006 - 2009
- Capital Investment Strategy 2006 - 2009
- Asset Maintenance Strategy 2006 - 2009
- Asset Disposal Strategy 2006 - 2009
- Office Accommodation Strategy 2006 - 2009
- Information and Communications Technology (ICT) Strategic Plan 2006 - 2010

OMBUDSMAN APPROVAL



Bruce Barbour
OMBUDSMAN