Corporate Services Benchmarking

Data collection and validation process

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# Reference data setup

* Synergy provides each agency with an Excel spreadsheet template for reference data setup.
* Each agency completes the template to specify their cost centre hierarchy.
* This information is used to process and calculate expense data, but is not used for reporting.
* Information provided includes cost centre group (division), cost centre classification (section), cost centre code and cost centre name.

# Cost category mapping

* Synergy provides each agency with an Excel spreadsheet template for cost category mapping.
* Each agency maps their general ledger codes to cost categories, which are consistent across the whole of government: Employer, Contractor, Consultant, Supplier, Other.

# Quality assurance

* Synergy undertakes data validation and quality assurance checks on the information provided by each agency, to ensure it will load cleanly into ClearCost. Examples are: removing duplicated values, ensuring text does not exceed the maximum number of characters.

# Expense data collection file generation

* Synergy runs a routine to generate four Excel spreadsheet templates for agencies. These templates are used to collect expense information. The four templates are: Account Code, Classification, Cost Centre and Expense Item.
* Each agency completes these spreadsheets.
* Synergy provides micro agencies with a simplified spreadsheet to collect their data. Data from micro agencies is loaded directly into the ‘data warehouse’ (and not into ClearCost).

# Cost to cost category allocation

* Synergy provides an Excel spreadsheet template to each agency for the allocation of costs to activities.
* For each corporate services activity classification, the agency defines how costs are to be split across activities, based on average staffing levels. This is either by percentage or count.
* Then, given the split specified for each activity classification, the agency defines the percentage split across cost category. At this point, for example, the agency may specify that no contractors were used for an activity.

# Activity expense allocation

* Synergy runs a routine to use the cost allocation information provided by the agency to split costs across activities and cost categories.

# Service expense allocation

* Synergy runs a routine to map expenses from activities to services.
* Direct corporate services activities map 1:1 to services.
* Major projects and pass-through activities map 1:1 to services.
* Corporate services overheads are split across services based on the same percentage ASL used for activity expense allocation.
* Pass-through costs are not reported. They are only used by the agency to check that total costs reconcile.
* Overall, for an agency, total cost for cost base = total cost for activities = total cost for services.

# Volumetrics data entry

* Synergy provides each agency with an Excel spreadsheet template to collect their volumetrics.
* Synergy specifies for each service the unit of measure. The agency enters the volumes.
* For financial years 2014/15 and 2015/16, Synergy collected a single volumetric for each service. Examples are: hours of effort, number of invoices.
* For financial year 2016/17, there will be a primary and a secondary unit of measure. The secondary unit of measure is new. The primary unit of measure may have changed. (See services catalogue).
* For financial year 2016/17 there will be a further breakdown for some services; for example, travel will be split into domestic and international. (See service catalogue).
* Hours of effort is calculated based on 6 (productive) hours/day x 220 days/year.