



Our ref: DHS/19/00522
Your ref: 7221750

Ms Nat Cook MP
Member for Hurtle Vale
PO Box 158
WOODCROFT SA 5162

Office of the Chief Executive
Level 8 North
Riverside Building
North Terrace
Adelaide SA 5000

GPO Box 292
Adelaide SA 5001

DX115

Tel: 08 8413 9050
Fax: 08 8413 9002

ABN 11 525 031 744

Sent by email: shadowhumanservices@parliament.sa.gov.au

Dear Ms Cook

I refer to your application under the *Freedom of Information Act 1991* (the Act), received by the Department of Human Services (DHS) on 8 January 2019, seeking access to:

Copies of any and all documents (including but not limited to physical and electronic material) regarding DHS or Ministerial Paper 18TDHS/1043.

Unfortunately, DHS was unable to make a determination on your application within the 30 days, therefore it is considered to be a 'deemed refusal' under section 19(2)(b) of the Act. However, DHS has continued to process your application outside of this timeframe. Section 19(2)(a) of the Act provides that an agency can release documents outside of the thirty-day timeframe, and this is still taken to be a determination under the Act.

Two documents were located that fit within the scope of your request and I have determined to release these documents in full. Please find enclosed a copy of the documents released, and a document schedule containing a brief description of each document and determination in summary form.

In accordance with the requirements of Premier and Cabinet Circular PC045, details of your FOI application, and the documents to which you are given access, may/will be published on the agency's disclosure log. A copy of PC045 can be found at <http://dpc.sa.gov.au/what-we-do/services-for-government/premier-and-cabinet-circulars>.

If you have any questions in relation to this matter, please contact Fiona Braendler, Senior FOI Officer, on telephone 8413 9094 or by email at DHSFreedomofInformation@sa.gov.au. If you disagree with publication, you will need to advise the Senior FOI Officer within two weeks of the date of this determination.

Yours sincerely

Matthew Schutz
ACCREDITED FOI OFFICER

15 / 04 / 2019

SCHEDULE OF DOCUMENTS – DHS/19/00522

Freedom of information application from Nat Cook MP seeking access to copies of any and all documents (including but not limited to physical and electronic material) regarding DHS or Ministerial Paper 18TDHS/1043.

No	Author	Date	Description of document	Determination	Reason
1.	Stephen Gredley, Financial Business Officer, Finance and Business Services	20/07/2018	Briefing – 18TDHS/1043 - Account Payment Performance - June 2018	Released in full	No exempt material
2.			Attachment 1 to Document 1 – Shared Services SA Invoice Payment Report for DHS – June 2018.	Released in full	No exempt material



TO MINISTER FOR HUMAN SERVICES

RE: ACCOUNT PAYMENT PERFORMANCE - JUNE 2018

Decision/action required by: 21/7/18

Reason: Submission required to be with the Minister by the 21st of each month to ensure compliance with TI 11

Recommendation	Response
1. Note that the revised Treasurer's Instruction 11 <i>Payment of Creditors' Accounts</i> requires public authorities to submit invoice payment reports to the Minister within 21 days of the end of each month.	Approved / Not Approved / <u>Noted</u>
2. Note the June 2018 Invoice Payment Report for the Department of Human Services (DHS).	Approved / Not Approved / <u>Noted</u>
3. Note that no interest was paid by DHS in June 2018.	Approved / Not Approved / <u>Noted</u>

<p>Comments:</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>	<p><i>Michelle Lensink</i></p> <hr/> <p>Hon Michelle Lensink MLC</p> <p>20 / 7 / 2018</p>
--	---

KEY POINTS

- 18,105 invoices were paid with a total value of approximately \$188.1 million,
- Over 99% of invoices were paid within 30 days, both in value and volume
- The department did not incur any late payment interest during June 2018.

For Official Use Only.

This document and its contents may contain confidential information and may be subject to legal professional privilege or public interest immunity. If you are not the intended recipient, any use, disclosure or reproduction is prohibited.

DISCUSSION

On 31st May 2018, Treasurer's Instruction (TI) 11, *Payment of Creditors' Accounts* was revised. The Chief Executive is now required to submit an account payment performance report to the Minister and the Department of Treasury and Finance (DTF) within 21 days after the end of each month. The report must include:

- The public authority's account payment performance by volume and value. This information is provided within the following time bands: within 30 days, 31 to 60 days and greater than 60 days (from the agency invoice received date).
- An analysis/explanation of the public authority's account payment performance including action taken or to be taken, particularly where invoices have not been paid within 30 days.
- Details of the total amount of interest paid and the number of creditors' invoices/claims on which interest was paid in accordance with the *Late Payment of Debts (Interest) Act 2013*.

Shared Services SA (SSSA) supports the department in processing invoices and provides monthly invoice payment reports identifying processing statistics.

In June 2018, a total of 18,105 invoices were paid with a total value of \$188,077,978 (Attachment 1).

Payment performance for invoices paid within 30 days:

- 18,026 invoices were paid which represented a 99.56% volume of all invoices.
- \$187,678,433 was paid in this band which represented 99.79% of the total value.

Payment performance for invoices paid between 31 to 60 days:

- 51 invoices were paid which represented 0.28% volume of all invoices.
- \$266,079 was paid for this band which represented 0.14% of the total value.

A contributing factor to the late payment within this category is related to a high value invoice totalling \$106,315 (paid within 34 days) The invoice related to departmental building maintenance and was auto-coded to over a hundred general ledger codes. Four ledger codes were miscoded resulting in the payment rejecting and further investigation being required. This resulted in a delay in processing times.

Payment performance for invoices paid after more than 60 days:

- 28 invoices were paid which represented 0.15% volume of all invoices.
- \$133,465 was paid for this band which represented 0.07% of the total value.

The delay in this category can be attributed to an invoice for \$44,000 that was received by the department before the contracted services were completed. As such, payment was made within 64 days, once final services were received from the vendor.

There were also five invoices totalling approximately \$67,000 where the accounts payable system auto-matched purchase orders that require manual processing resulting in the payments being rejected. This resulted in a delay in processing times.

For Official Use Only

18 TDHS/1043

DHS did not incur any late payment interest during June 2018.

BUDGET



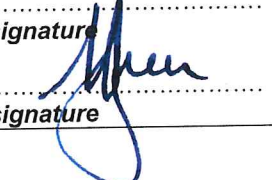
Are there financial implications No

Is there a budget impact No

Is there an FTE impact No

MEDIA/SENSITIVE:

No

Finance and Business Services			
Team Leader, Financial Compliance	Sally-Ann Whitford	 signature	12.7.18
Chief Financial Officer	Andrew Thompson	 signature	13.7.18
Chief Executive	Tony Harrison	 signature	16/7/18 date

ATTACHMENTS

1. Shared Services SA Invoice Payment Report for DHS – June 2018.

Contact Officer:	Stephen Gredley/ Financial Business Officer 820 70495/ stephen.gredley@sa.gov.au
-------------------------	--

For Official Use Only.

This document and its contents may contain confidential information and may be subject to legal professional privilege or public interest immunity. If you are not the intended recipient, any use, disclosure or reproduction is prohibited.



Invoice Payment Lifecycle

Agency Receipt to Scan	Scan to Workflow	Workflow to Approved	Approved to Paid
0.1 Average business days	1.2 Average business days	2.4 Average business days	1.4 Average business days
99.51% Within workflow days	99.85% Within 5 business days or less	91.02% Within 10 business days or less	99.43% Within 5 business days or less

Billing Volume

8,311

manual invoices

9,968

feed files

18,279

Total

Invoices Escalated

5.72%

462 invoices

Invoices Disputed

0.58%

47 invoices

Urgent Payments

0.04%

8 payments

Vendor Recovery

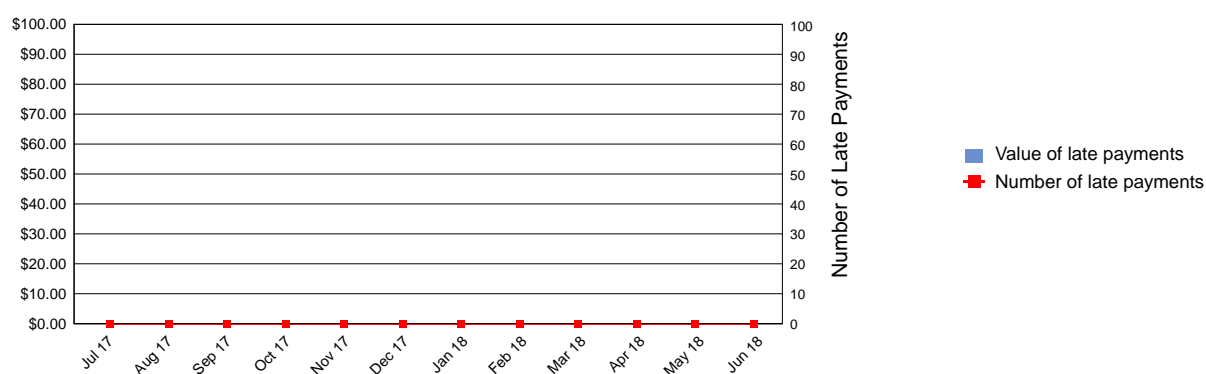
0.00%

0 recoveries



Late Payment Interest

	June 2018	
	Volume	Value
June 2018	0	\$0.00
Year-to-date 2017/18	0	\$0.00



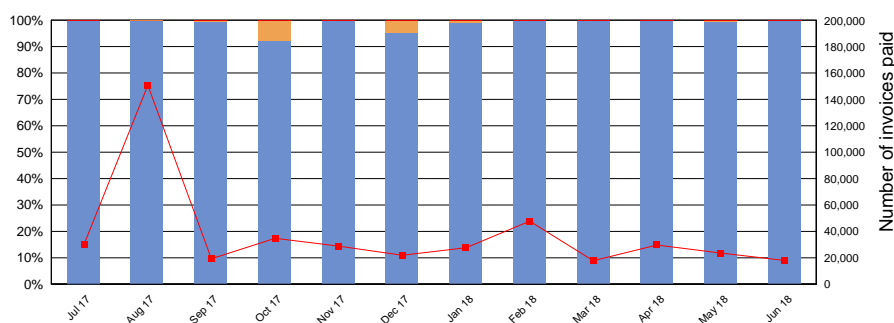


Accounts Payable

Treasurer's Instruction 11 Reporting

	June 2018			
	Volume		Value	
Invoices paid within 30 calendar days or less	18,026	99.56%	\$ 187,678,433.37	99.79%
Invoices paid within 31 to 60 calendar days	51	0.28%	\$ 266,079.27	0.14%
Invoices paid greater than 60 calendar days	28	0.15%	\$ 133,465.28	0.07%
Total number of invoices paid	18,105		\$ 188,077,977.92	

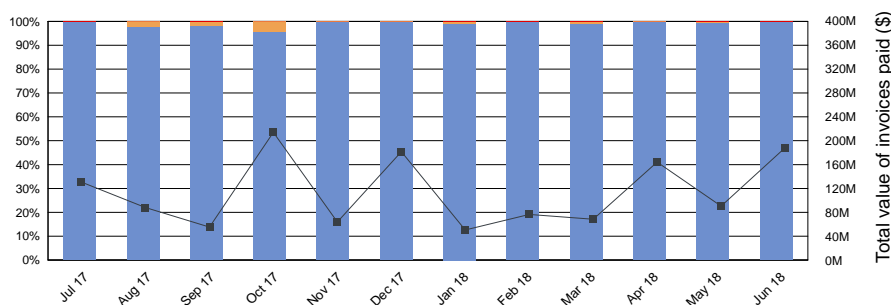
Invoice Payment Time - Volume



2017/18 Year-to-date

	447,036	98.88%
	4,833	1.07%
	237	0.05%
	452,106	

Invoice Payment Time - Value



2017/18 Year-to-date

	\$ 1,355,323,203.34	98.80%
	\$ 15,796,683.22	1.15%
	\$ 693,293.53	0.05%
	\$ 1,371,813,180.09	

- Paid in 30 calendar days or less
- Paid within 31 to 60 calendar days
- Paid greater than 60 calendar days
- Number of invoices paid
- Total value of invoices paid