

Committee Inquiry Recommendation
Joint Committee of Public Accounts and Audit
Report 489 Defence Major Projects Report 2019-20

Recommendation 3

The Committee recommends that the Department of Defence provide an update within the first two months of the 47th Parliament on the implementation of the new risk management system and advise which, if any, projects have not fully transitioned.

Defence Response: Agreed.

CASG Risk Reform Program was completed on 11 March 2022.

The program modernised the management and information record keeping of risk management within CASG by delivering a Risk Management System that:

- standardised application of the ISO31000:2018 risk management process;
- clearly defined the level and depth of risk planning for specific project applications;
- introduced a common risk language;
- standardised the format for risk planning;
- provided a selection of appropriate methods, techniques and approaches; and
- mandated an information management system (Predict!) for risk documenting.

Collectively, this has enabled enhanced risk-based decision-making. Projects in the MPR are utilising the latest version of the risk management system (Predict! 6), with three exceptions due to where they are in their life cycle (SEA 1000 Phase 1 B Future Submarine Program; AIR 9000 Phase 2/4/6; and JP 2008 Phase 5A Indian Ocean Region UHF SATCOM).

Action required to implement: Nil. Action is complete.

Defence Capability Acquisition Sustainment Group (CASG) Risk Reform Program was completed with Final Operational Capability (FOC) being declared on 28 February 2022 and endorsed by the CASG General Business Manager (GBM) on 11 March 2022.

The program modernised the management and information record keeping of risk management within the Group by delivering a Risk Management System that: standardised application of the ISO31000:2018 risk management process; clearly defined the level and depth of risk planning for specific project applications; introduced a common risk language; standardised the format for risk planning; provided a selection of appropriate methods, techniques and approaches; and mandated an information management system (Predict!) for risk documenting. Collectively this has enabled enhanced risk-based decision-making.

The Future Subs (SEA 1000 Phase 1B) and MRH90 Helicopters (AIR 9000 Phase 2/4/6) projects are utilising Predict! V4/5, UHF Satcom (JP 2008 Phase 5A) has closed and all other projects in the Major Projects Report 2020-21 and Major Projects Report 2021-22 are utilising Predict! V6.

Status Update: Nil. Action is complete.

For Closing:

Defence has provided updates on its risk reform program in Part 2 of the Major Projects Reports for 2019-20, 2020-21 and 2021-22; Defence's has now entered a phase of continuous improvement and assurance to support projects with good risk management practices.