

Senate Finance and Public Administration References Committee

DIGITAL DELIVERY OF GOVERNMENT SERVICES

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Welfare Payment Infrastructure Transformation Programme - Tranche Two

Question reference number: Advance QoN 1

Member: Senator Patrick

Type of question: Written

Date set by the committee for the return of answer: 13 March 2018

Number of pages: 1

Question:

- a) The budget for the project at the time of first approval to proceed?
- b) The spend to date on the project?
- c) The current approved budget?

Answer:

In Mid-Year Economic and Fiscal Outlook (MYEFO) 2016-17 the Government agreed to invest \$313.5 million over two years from 2016-17 to 2017-18 to progress Tranche Two of the WPIT Programme.

In MYEFO 2017-18, the costs for Tranche Two were revised to \$260.3 million net funding over four years due to efficiencies that were able to be realised in WPIT's implementation.

The spend on Tranche Two of the WPIT Programme to the end of March 2018 is \$173.2 million, against the approved budget.

Senate Finance and Public Administration References Committee

**DIGITAL DELIVERY OF GOVERNMENT SERVICES
ANSWER TO QUESTION ON NOTICE**

Department of Human Services

Topic: Child Support System Replacement Project Budget (\$102.3M)

Question reference number: QoN 1, sent 26 March 2018

Member: Patrick

Type of question: Written

Date set by the committee for the return of answer: 6 April 2018

Number of pages: 2

Question:

- a) Please provide the project spend for each financial year since commencement.
- b) For each year, how much of this was spent externally and how much of this was spent internally:
 - i. Who were the major external contractors?
 - ii. How much were the external contractors paid?
 - iii. Were liquidated damages or other penalties applied to the major external contractors?
 - iv. If so, what liquidated damages or other penalties were applied.
- c) On what date was the total \$102.3M budget exhausted?
- d) What contingency was allocated to this project?

Answer:

- a) Of the original budget, expenditure is as follows:

Project Expenditure for Each Year				
Programme Total	2013-14	2014-15	2015-16	Total
Total Expenditure	\$ 25.3m	\$ 42.7m	\$ 34.3m	\$102.3

- b) The breakdown of external and internal expenditure is as follows:

External/Internal Expenditure for the Project				
	2013-14	2014-15	2015-16	Total
External	\$15.8m	\$30.3m	\$25.7m	\$71.8m
Internal	\$9.5m	\$12.4m	\$8.6m	\$30.5m

- i. The major external contractors were:
 - Accenture - \$27.1m
 - SAP - \$26.7m
- ii. Refer above.

iii. No.

iv. N/A.

c) In the 2015/16 Financial Year.

d) There was no allocation of contingency.

CSenate Finance and Public Administration References Committee

DIGITAL DELIVERY OF GOVERNMENT SERVICES ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Staff Consultation - 2013

Question reference number: QoN 3, from Hansard 23 March 2018

Member: McAllister

Type of question: Hansard page 24

Date set by the committee for the return of answer: 17 April 2018

Number of pages: 1

Question:

CHAIR: I guess the warning that we've been given is that, when undertaking projects of this kind, referencing the technology only, without reference to the broader business environment in which the project is to be deployed, is a grand folly and that best practice involves talking with users and in this case staff to determine what business processes might change around the same time as you introduce some new technical solution so that you have a parallel process looking at business processes and the technical support for that. Did that happen before 2013 when the EOI was issued?

Mr McHardie: For all of our projects there is a well-established project methodology—a software development lifecycle which involves business. So before we kick off any project there is a large amount of time spent building out the functional requirements that are required of any system, whether it's a system replacement or whether it's a brand-new system to meet a new legislative requirement. In this case all of that functional requirement elicitation was undertaken, which included sitting down with the program areas and the service delivery areas to make sure that what is delivered at the end of the program meets the functional requirements that were initially set so that it answers the question, 'Have we built the right system?' not, 'Have we built the system right?'

CHAIR: Did that involve staff consultation in 2013?

Ms Bridger: I'd have to take that one on notice.

Answer:

Staff consultation occurred during the development of the Child Support system business case in 2012-13, and continued following the commencement of the programme.

Senate Finance and Public Administration References Committee

DIGITAL DELIVERY OF GOVERNMENT SERVICES ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Staff Consultation

Question reference number: QoN 4, from Hansard 23 March 2018

Member: McAllister

Type of question: Hansard page 24

Date set by the committee for the return of answer: 17 April 2018

Number of pages: 1

Question:

CHAIR: Does the process you're going through now to determine what the next design objective might be involve frontline staff?

Ms Bridger: Absolutely. As I said, we've had extensive consultation with staff. Today the team are in Newcastle. On Tuesday they are in Hobart. I know they've also been to Parramatta and Wollongong. I believe they have also been to one other site. I believe it's Adelaide.

CHAIR: Maybe you could just provide the list.

Ms Bridger: Yes.

Answer:

The staff consultations have taken place in the following Department of Human Services locations:

- Adelaide - Tuesday 13 March 2018 and Wednesday 14 March 2018;
- Wollongong - Monday 19 March 2018;
- Parramatta - Tuesday 20 March 2018;
- Newcastle - Friday 23 March 2018; and
- Hobart - Tuesday 27 March 2018.

Senate Finance and Public Administration References Committee

DIGITAL DELIVERY OF GOVERNMENT SERVICES ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: ICT Platforms

Question reference number: QoN 5, from Hansard 23 March 2018

Member: McAllister

Type of question: Hansard page 24

Date set by the committee for the return of answer: 6 April 2018

Number of pages: 1

Question:

CHAIR: I suppose that's a solution, but the problem they're identifying is having to move between systems. They would like to not have to do that.

Ms Bridger: Yes, they would like to not have to move across two systems.

CHAIR: How many platforms are they coordinating across in the child support area, for example?

Ms Bridger: From what I know—and I would probably have to take this on notice—it's three because they have Pluto, Cuba and the web forms, which is where they capture a lot.

Answer:

The staff coordinate across two core systems - Pluto and Cuba.

Senate Finance and Public Administration References Committee

DIGITAL DELIVERY OF GOVERNMENT SERVICES ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Evaluation - Cost

Question reference number: QoN 15, from Hansard 23 March 2018

Member: McAllister

Type of question: Hansard page 32

Date set by the committee for the return of answer: 17 April 2018

Number of pages: 1

Question:

CHAIR: And Deloitte's processing all of that to produce a report for you?

Ms Bridger: Yes.

CHAIR: What's the value of that contract?

Ms Bridger: I've just got that here—give me two seconds. It's close to \$490,000. It's extensive: we've asked them to do a lot of work.

CHAIR: This can be dealt with later, but could you provide on notice the AusTender references for that? I assume it was sourced competitively?

Ms Bridger: Yes, it was.

CHAIR: You can provide that on notice?

Ms Bridger: Yes, absolutely.

Answer:

The value of the contract with Deloitte Touche Tohmatsu is \$491,019.38.

The Austender Notice number is CN3488390.

Senate Finance and Public Administration References Committee

DIGITAL DELIVERY OF GOVERNMENT SERVICES ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Child Support Redesign – Engagement with Union

Question reference number: QoN 16, from Hansard 23 March 2018

Member: McAllister

Type of question: Hansard page 32

Date set by the committee for the return of answer: 6 April 2018

Number of pages: 1

Question:

CHAIR: Is it the department's intention to engage the union at all in the review?

Ms Bridger: I believe we advised the union that we were undertaking the review, but I will take that on notice.

Answer:

No. Extensive staff consultation has been undertaken during this review.

Senate Finance and Public Administration References Committee

DIGITAL DELIVERY OF GOVERNMENT SERVICES ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Income Data Matching - Expenditure

Question reference number: QoN 21, from Hansard 23 March 2018

Member: Patrick

Type of question: Hansard page 36

Date set by the committee for the return of answer:

Number of pages: 1

Question:

Senator PATRICK: So, in terms of tracking how much was spent on this particular project, you'd be able to give us the details of how much was actually spent?

Mr McNamara: Yes. We took that on notice in the estimates hearings that have just gone past, so we are preparing those figures for the Senate at the moment.

Answer:

The Department of Human Services is funded to undertake income data matching reviews through a range of measures that were accounted in the:

- 2015-16 Budget (Strengthening the Integrity of the Welfare System);
- 2015-16 MYEFO Enhanced Welfare Payment Integrity – income data matching and Enhanced Welfare Payment Integrity non-employment income data matching); and
- 2016-17 MYEFO (Better Management of the Social Welfare System).

These measures are administered by the Department as a single program and are reported on a consolidated basis. This is because a person may have multiple data matching discrepancies in multiple databases across multiple years and the resources to support the measures are inter-related.

For all income data matching measures, the Department has spent approximately:

- \$72 million in 2015-16;
- \$110 million in 2016-17; and
- \$94 million in 2017-18 as at 31 January 2018.

Senate Finance and Public Administration References Committee

DIGITAL DELIVERY OF GOVERNMENT SERVICES ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: WPIT – Accenture Contract

Question reference number: QoN 26, from Hansard 23 March 2018

Member: Senator Patrick

Type of question: Hansard page 51

Date set by the committee for the return of answer: 6 April 2018

Number of pages: 1

Question:

Senator PATRICK: What is the value of this contract to Accenture? It will be on AusTender.
Mr Murphy: I'll take that on notice.

Answer:

The total value of the Department of Human Services' contracts with Accenture Australia Pty Ltd under the WPIT Programme, as listed on Austender, is \$46.77 million.

Senate Finance and Public Administration References Committee

DIGITAL DELIVERY OF GOVERNMENT SERVICES ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: System Penetration

Question reference number: QoN 27, from Hansard 23 March 2018

Member: Patrick

Type of question: Hansard page 29

Date set by the committee for the return of answer: 17 April 2018

Number of pages: 1

Question:

Senator PATRICK: I'll move to a question I've asked ASD and the tax office to take on notice. I don't want to go into too many details, so let me know when you're uncomfortable. You obviously monitor both physical and cyberattacks on your system or attempts to penetrate your system; is that correct?

Mr McHardie: That's correct.

Senator PATRICK: I don't want to go into too much detail, but I'd like to get a feel for how many attacks you have had over, perhaps, the last few years. I don't know whether you monitor that on a daily basis. I don't know what the magnitudes are or what statistics you keep for financial years or calendar years of the number of times someone has attempted to penetrate or disrupt your network in some way. Also—and I'm happy for this to be taken on notice if you don't know—how many times over that same three-year period do you feel there was a successful attack? I don't want to know the details. It might be the case that you're getting a lot more attacks and fewer successful ones. I want to get a feel for that, if that's possible.

Answer:

The Senators attended the Cyber Security Briefing that was conducted on Thursday 29 March 2018.