

## **Joint Committee of Public Accounts and Audit**

**Inquiry into the failed visa privatisation process and the implementation of other public sector IT procurements and projects**

### **Department of Finance**

#### **Response to Question on Notice**

**Hearing of 24 April 2024**

##### ***Session 1: Auditor-General Report No. 12 of 2023-24 Administration of the Parliamentary Expense Management System***

**Question on Notice 4** (Proof Hansard page 10)

**CHAIR** ... why did it take Finance more than two years to notify the finance minister that the thing wasn't on track?

**Ms Bryant:** I can't speak to that particular time, as I wasn't there at the time. But I can say, certainly from my understanding of the project and as the senior business owner that leads the PEMS project in Finance, that we do acknowledge that that was a long time between briefs. But it didn't necessarily indicate that the issues in PEMS weren't known at a very senior level in the department. I can't speak to whether there were any conversations with the minister at the time, but I could take that on notice and see if there is any history there.

##### **Response**

While there is no record of direct briefing to the Finance Minister regarding delays to the PEMS project, the Minister received regular Senate Estimates briefing about the project status and delivery timeframe.

Since March 2023, the PEMS governance arrangements have been revised and the Special Minister of State is now briefed on a regular basis.

In addition, to provide regular and ongoing visibility to the Minister on the PEMS project, the Special Minister of State's Chief of Staff was invited to be an observer on the PEMS Steering Committee on 12 September 2022 and has been an observer on this Committee since 27 September 2022.

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##### ***Session 1: Auditor-General Report No. 12 of 2023-24 Administration of the Parliamentary Expense Management System***

**Question on Notice 5** (Proof Hansard page 11)

**CHAIR:** Sorry, you're right; that's an ambiguous question. Let me be clearer: the ANAO report notes that PEMS was categorised as medium risk. Maybe you could just take it on notice and give us what the usual categories are and what the typology of categories of risk for IT projects is. And, on reflection, do you think the 'medium' categorisation was correct? It may not be a precise answer, but, if you had actually done that re-risk rating, would it have moved to a higher risk project earlier?

**Ms Bryant:** I'll take that on notice.

##### **Response**

The medium risk rating at the time of project initiation as noted in the ANAO report is consistent with medium risk as defined by the Digital Transformation Agency's Assurance Framework for Digital and ICT Investments 2023.

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**Question on Notice 6** (Proof Hansard page 11)

**CHAIR:** ... Could you give us a few paragraphs that flesh out a little more what you'd see as the judgement factors—knowing the world's not black and white—that on balance may lead you to think something should be ICT-division-led versus business-led? That would be useful for our thematic thinking.

#### **Response**

At Finance, a project is ICT-led when the project is undertaken for technical reasons such as upgrading existing infrastructure or changing an operating platform. This is where business processes, business functionality, or user experience are not impacted. Examples include replacing storage or network infrastructure or moving from on-premises to cloud services.

Where the project is undertaken to deliver particular business functionality, it is usually business-led with the support of ICT. For example, where a customer relationship system is required to support a particular business area, the project would be led by that area as they will manage the business change around this new functionality.

Finance's Projects and Investment Committee has been established to provide oversight of the governance and progress of all ICT projects.

Irrespective of whether a project is led by business or ICT, both areas collaborate closely to manage the project and deliver the required outcomes.

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