Australian National
Audit Office

Response to Questions on Notice

STANDING COMMITTEE ON TAX AND REVENUE

Australian Taxation Office annual report 2016-17

Public Hearing 22 August 2017

Australian National Audit Office

SPECIFIC QUESTIONS ON NOTICE

Question 1 (Hansard p. 7)

Mr VAN MANEN: Very good point. I'm happy to put that on notice if you can get me some of the detail on the projects that they cancelled and cost to the ATO of those projects, which is not reflected anywhere in here.

Mr Morris: We will certainly have a look and do that.

Answer

Table A.5 in Appendix 2 of the audit report (Report number 15 of 2017-18 *Costs and Benefits of the Reinventing the ATO Program*), outlines the available information on costs of cancelled Reinventing the ATO projects. It shows that for 11 cancelled projects only two had expected costs reported and none had actual costs reported because in the majority of cases there was no project closure report documentation. It was therefore not possible to ascertain the costs incurred on any of the cancelled projects. A spreadsheet is attached that adds to Table A.5 in Appendix 2 by including some project detail, in particular the reason for cancellation and the (very high level) intent of the project where it had been documented.

Table A.1: Cancelled Reinventing the ATO projects

Projects can be cancelled for a range of reasons, including: being no longer necessary, relevant or aligned with organisational priorities; lack of progress; duplication of work with another project; and no longer requiring project-based work.

Number	Strategic program body	Project name[a]	Expected cost	Actual cost	Expected monetary savings[b]	Identified outcomes in pre-approval	Project intent	Reason for cancellation
90	GDE	ATO operating model design	Not reported	Not reported	Not applicable	None recorded	Not reported	Cancelled while prerequisite work is completed and pending findings from the functional and efficiency review
91	OWCC	SAP organisational hierarchy restructure	Not reported	Not reported	Identified but not estimated	Yes	Modify SAP and provide ongoing sustainable solution for IT system structures to reflect actual ATO structures	Cancelled due to lack of progress made since project initiation brief
92	OWCC	Develop the human resource system strategy	Not reported	Not reported	Not applicable	None recorded	Not reported	Cancelled as work picked up in another project
93	OWCC	A strategic approach to capability development	Not reported	Not reported	Not applicable	None recorded	Transform career development and mobility within the ATO by coordinating a range of initiatives	Cancelled as work did not progress to develop a value case

Number	Strategic program body	Project name[a]	Expected cost	Actual cost	Expected monetary savings[b]	Identified outcomes in pre-approval	Project intent	Reason for cancellation
94	OWCC	Develop and shift to enterprise procedures[c]	Not reported	Not reported	Not applicable	None recorded	Not reported	Cancelled as not contributing to org priorities: Tax Time 2017, Super Gov Initiatives, Single Touch payroll and Single Online Business registration
95	CDS	Improving the business experience	Not reported	Not reported	Not applicable	None recorded	Simplify return form for deceased trust estates and improvements to the (Business and Professional items) BPI schedule	No work commenced on project
96	CDS	Increasing online Australian business number processing	$373 000	Not reported	$900 000 per annum	Yes	Increase the number of ABN applications obtaining a decision online from 78% to over 90%.	Project cancelled and work being delivered as a business change request
97	CDS	Fully digital Australian business number registration	$180 000	Not reported	$504 000 per annum	Yes	Provide businesses with a fully digital ABN registration experience	Project cancelled and work being delivered as a business change request
98	CDS	Strengthening myGov[d]	Not reported	Not reported	None identified	Yes	Develop the Trusted Digital Identity Framework to strengthen the myGov solution	Cancelled as work picked up in another project

Number	Strategic program body	Project name[a]	Expected cost	Actual cost	Expected monetary savings[b]	Identified outcomes in pre-approval	Project intent	Reason for cancellation
99	CDS	Accounting program of work phase 2	Not reported	Not reported	Not applicable	None recorded	Not reported	Work under project considered unnecessary
100	TES	Find the right person	Not reported	Not reported	Not applicable	None recorded	Not reported	Cancelled as not contributing to org priorities: Tax Time 2017, Super Gov Initiatives, Single Touch payroll and Single Online Business registration

Note a: The acronyms are: GDE—Governance Design and Evaluation; WTPSS—Working with all our partners in Tax and Super Systems; OWCC—Optimised Workforce Capability and Culture; CDS—Contemporary Digital Services; TES—Tailored Engagement and Support; and SD—Smarter Data.

Note b: 'Not applicable' represents those projects that did not have documentation or were not required to prepare documentation.