

Senate Community Affairs Legislation Committee

SUPPLEMENTARY BUDGET ESTIMATES – 23-24 OCTOBER 2014 ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: ICT – ISIS

Question reference number: HS 24

Senator: Cameron

Type of question: Written

Date set by the committee for the return of answer: 12 December 2014

Number of pages: 2

Question:

- a) With regard to Secretary Campbell's comments "We have a very complex system with all these payments and there is a citizen, a customer, who may access a number of payments and they have to go off to different databases." (Hansard 24 October 2014 page 22):
- 1) Please provide a schematic diagram of the Income Security Integrated System (ISIS).
 - 2) Will DHS continue to use its Model 204 mainframe at least until 2017?
 - 3) AusTender website SON 2427202 published 17 July 2014 reports that Rocket Software was awarded the contract for 15 June 2014 to 30 June 2017. What is the value of the contract?
 - 4) Please list by company or consultant name, value and time period all other contracts in place that support Model 204 and any other components that make up the ISIS.
 - 5) Please provide the terms of reference of the ISIS business case project.
 - 6) Please list by company or consultant name, value and time period all contractors engaged on the ISIS business case project.

Answer:

- a) 1) A simplified diagram is attached of ISIS.
- 2) This question has two parts; applications and infrastructure. With regards to the Model 204 application, the continued use of the Model 204 application is subject to the Welfare Payments Infrastructure Transformation business case. With regard to the infrastructure platform, the department continues to look for efficiencies in its ICT operation on an ongoing basis. As such, the particular platform that Model 204 utilises is subject to these optimisation considerations.
- 3) The value of the contract between the department and Rocket software is \$US35.1 million.

- 4) The major vendors involved in ISIS are Rocket (Model 204) for the applications and IBM for the infrastructure and operating system. The infrastructure is virtualised and shared by all systems which use mainframe technology access, including the Centrelink, Medicare and Child Support Master Programmes. The majority of software and hardware contracts that were formerly held by the individual Master Programmes have been consolidated into the departmental-wide contracts that do not distinguish the components relating to each Master Programme.
- 5) The Welfare Payment Infrastructure Transformation (WPIT) project is developing a business case for the upgrade or replacement of the department's welfare payment system. This business case is subject to the Government's consideration.
- 6) The following companies have been engaged on the WPIT business case project:

Company Name	Period of Engagement	Committed Value as at 2 Dec 2014 (GST Inclusive)
Boston Consulting Group	9 January 2014 – 30 June 2015	\$7 million
Ernst & Young	21 January 2014 – 22 April 2015	\$4.4 million
PricewaterhouseCoopers	19 November 2014 – 30 June 2015	\$1.022 million*
UXC and Cordelta (3 independent contractors)	2 September 2013 – 31 December 2014	\$1.255 million

*This engagement is not exclusively for the WPIT second pass business case.