

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

26 February 2014

**Question: AET 1750-1753**

**Topic: Project Management (ASIC)**

**Written: 7 March 2014**

**Senator BUSHBY asked:**

1750. Have there been any major projects or programs embarked upon recently by your agency or where your agency has participated, where there was not a form of cost benefit analysis or business case before the project commenced? If so, please advise why this didn't occur.
1751. What has been the experience of your agency with gateway review processes? Have you found the costs of those processes proportionate to the benefits?
1752. Do you have any major projects or programs where there have been major shortfalls against performance indicators? If so, please advise of those areas of shortfall.
1753. Has there been any expenditure during the last parliament on initiatives that were either abandoned or put on hold?

**Answer:**

1750. There have been no major projects embarked upon recently by ASIC where there was not a business case or a cost benefit analysis completed before the project commenced. ASIC's major projects are mostly funded as New Policy Proposals (NPPs) that comes with a rigorous business case process. ASIC has in place a project management methodology, based on PRINCE2, which applies to major projects. This includes a business case process as part of the project initiation stage. ASIC also has in place a benefits management framework that captures benefits from the business case and tracks them through the project lifecycle.
1751. ASIC's experience with the gateway review process has been positive. ASIC has benefited as the reviews provide reassurance that ASIC is competently delivering on our major programs. On the question on costs of the gateway review processes being proportionate to the benefits, ASIC does not see the complete costs of the gateway review process as the reviewers are engaged and funded by DoFD. The direct costs to ASIC are the time taken in having business sponsors, program and project management staff preparing for and participating in reviews. ASIC has found that as we have a project management method in place based on PRINCE2 and we engage external assurers for our major projects, ASIC has been able to meet the gateway reviewer requirements without significant effort over and above normal project management activity.

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As an observation, ASIC has found the value of the reviews varies with the composition of the review panel.

1752. ASIC has no major projects or programs where there have been major shortfalls against performance indicators. ASIC has a portfolio reporting and review process in place and program and project performance is tightly managed.
1753. There was some expenditure during the last parliament on an initiative that has been put on hold. The initiative is Assessment and Professional Development (A&PD). This was originally submitted as part of the Future of Financial Advice (FoFA) NPP. This component of the FoFA program was not supported. The initiative remains on hold. ASIC also has an Insolvency Reform project in-train where legislation has been deferred. To accommodate this change the project scope has been redefined so ASIC can deliver the non legislative dependent scope while we await the outcome on legislation and associated regulations.