

Senate Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

Human Services Portfolio

Department of Human Services

Budget Estimates 2007-08 - May 2007

Question: HS69

Outcome 1, Output 1

Topic: Department of Human Services – Access Card: Project Management

Hansard Page/Written Question on Notice: Written

SENATOR STOTT DESPOJA asked on 24/05/2007:

1. Have any contracts been prepared or signed since the Senate Committee's report into the Human Services (Enhanced Service Delivery) Bill 2007 dated 15 March 2007?
2. What have you identified as the key project risks in relation to the Access Card? What contingencies / plans, if any, do you have in place to manage those risks?
3. Has the project's benefits been re-evaluated since the KPMG business case was prepared 18 months ago? If so, when, by who and what were the results? If not: why not?
4. Has the project been re-costed since the KPMG business case was prepared 18 months ago? If so, when, by who and what were the results? If not why not?
5. Do your technical specifications / business requirements yet address:
 - the user-controlled part of the card?
 - third party access to the data on the chip on the card?
 - third party access to the Register?
6. How far through the procurement timetable published in January 2007 has the Office of the Access Card progressed?
What project deadlines have been met on time so far?
What project deadlines have not been met and why?
7. What is your revised/current project timeframe for the following steps: (i) legislation to pass, (ii) confirm the specifications, (iii) sign contracts, (iv) build the system, (iv) test / pilot the system, (v) implement/rollout/first registrations? Do you think the whole Access Card system can be built and ready for testing in only 3-4 months?
8. Does the project timeframe allow for time slippage and changing specifications based on any amendments to the legislation or recommendations from the Fels taskforce? If not, why not?
9. Will there be an extensive series of small trial implementations of the new smartcard technology? If not, why not?
10. Will there be any smart card prototypes? If so, what is the timing for the release of the prototypes?

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Answer

1. The Government has decided not to proceed with the access card program. Details of funding to be returned to the Budget will be provided as part of the forthcoming Budgetary processes. In order to assist the Committee, the Department confirms that as at 24 May 2007, and in the interval since then, no major contracts had been entered into.
2. The key project risks for the programme had been:
 1. Failure to meet legislative requirements.
 2. Failure to satisfy public concerns about privacy.
 3. Failure to provide seamless, timely and accurate delivery of services.
 4. Failure to manage external stakeholder relationships and expectations.
 5. Failure to ensure integrity of data.
 6. Failure of Agency IT systems to support new process.
 7. Failure to recruit and retain staff with appropriate skills and knowledge.
 8. Failure to match commitment with the capability to deliver.
 9. Failure to deliver technical solution that is suitable.
 10. Failure to provide staff with sufficient support materials and business processes.
 11. Failure to manage change.

A range of measures specific to each risk were put in place to mitigate the identified risks, including:

- consulting extensively on policy and legislation;
- breaking the procurement into logical packages based on international best practices and experience;
- using major service delivery agencies with extensive coverage across Australia for the registration process; and
- bringing in key advisors with relevant experience, both nationally and internationally.

Risks were assessed on a regular basis and actively managed by the governing bodies for the program, including the enactment contingencies as required.

3. The program benefits were continually monitored through the programme management process during the life of the project.
4. The Access Card Program budget of \$1.089b was reviewed by the lead advisor (Booz Allen Hamilton) in December 2006 and was assessed to be sufficient to deliver the program outcomes.
5. User-Controlled Part of the Card
The then Government had announced that voluntary medical and emergency information, and any other information on the owner-controlled part of the chip, was to be delayed until further consideration and consultation occurred. Accordingly, as at 24 May 2007, business requirements and technical specifications had not been developed but the intention had been to provide the technical capability in the infrastructure solution.

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Third Party Access

Technical specifications were to be based on the proposed legislation. The exposure draft of the legislation included confidentiality provisions covering third party access to information held on the Register and on the chip of the card.

6. The tender process and associated timeframes had been conducted in accordance with the Commonwealth Procurement Guidelines and industry best practice. Major contracts were not to be entered into until legislation had passed.

The project procurement timetable deadlines had been met.

7.
 - a. The Government has decided not to proceed with the Access Card Program.
 - b. Confirmation of the specification was to be dependent on the passage of legislation.
 - c. Signature of contracts – the contract was to be signed following the passage of legislation and finalisation of negotiations.
 - d. It was envisaged that testing/deployment of the system was to take a minimum of 12 months from contract signature.
 - e. Registration was to be progressively rolled out over a two-year period following the completion of the build/test deploy stage.
8. Major access card contracts were not to be signed until legislation had passed. This was to allow for accepted change to functionality to be factored into the programme deliverables.
9. Small trial implementations were not envisaged. Consideration had been given to a phased rollout.
10. It had not been envisaged that there would be any publicly released prototypes of the access card.