

**Senate Finance and Public Administration Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Finance and Administration Portfolio**

**Department of Human Services and agencies**

Supplementary Budget Estimates 2005-2006, 1 November 2005

**Question: HS22**

**Outcome 1, Output 1**

**Department of Human Services**

**Topic: Performance of Information Technology Outsourcing arrangements**

**Hansard Page/Written Question on Notice: Written**

**SENATOR Conroy** asked on 01/11/2005:

1. Please provide details of total departmental/organisational spending on Information and Communications Technology products and services during the last 12 months.
2. Please break down this spending by ICT function (eg communications, security, private network, websites).
3. Was this spending in line with budget forecasts for this 12 month period?
  - a. If not, please provide details of:
    - i. The extent that ICT spending exceeded budget forecasts for this 12 month period;
    - ii. Details of on specific ICT contracts which resulted in department/organisation spending in excess of budget forecasts for this 12 month period;
    - iii. The reasons ICT spending exceeded budget forecasts for this 12 month period.
4. Please provide details of any ICT projects that have been commissioned by the Department/organisation during the past 12 months that have failed to meet designated project time frames (ie have failed to satisfy agreed milestones by agreed dates).
  - a. For such projects that were not completed on schedule, please provide details of:
    - i. The extent of any delay;
    - ii. The reasons these projects were not completed on time;
    - iii. Any contractual remedies sought by the Department/organisation as a result of these delays (eg penalty payments).
5. Please provide details of any ICT projects delivered in the past 12 months that have materially failed to satisfy project specifications.
6. Please provide details of any ICT projects that were abandoned by the Department/organisation within the last 12 months before the delivery of all project specifications outlined at the time the project was commissioned.
  - a. For such abandoned projects, please provide details of:
    - i. Any contractual remedies sought by the Department as a result of the abandonment of these projects.
    - ii. Any costs of re-tendering the ICT project.

**Answer:**

1. Please see Attachment A.
2. Please see Attachment A.
3. Yes

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4. No projects, commissioned in 2004-05, failed to meet the designated ICT project time frames.
5. All ICT projects completed in 2004-05 have satisfied project specifications.
6. No ICT projects were abandoned by the Department within the last 12 months before the delivery of all project specifications outlined at the time the project was commissioned.

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ATTACHMENT A

DHS IT Expenditure 2004-2005 (Core Department, CSA, CRS Australia, Australian Hearing and Health Services Australia)

COST ELEMENTS	TOTAL	CAPITAL	DEPRECIATION	RENTAL	SUPPORT	SOFTWARE	CALLS	Managed Services
STAFF PERMANENT	\$8,641,915				\$8,641,915			
STAFF CONSULTANT	\$4,837,911				\$4,837,911			
STAFF CONTRACTORS	\$8,337,149				\$8,337,149			
SOFTWARE	\$7,951,897	\$106,263	\$1,567,997			\$6,277,637		
MAINFRAME	\$14,642,745	\$2,584,000	\$2,220,433		\$9,838,312			
SERVERS	\$891,486	\$17,751	\$350,224	\$448,689	\$74,822			
PCS	\$7,462,443	\$2,434,443	\$285,618	\$2,966,778	\$1,775,604			
DATA NETWORK	\$6,395,365			\$516,756	\$5,878,609			
BULK PRINTING	\$2,434,805				\$2,434,805			
HELPDESK	\$3,864,923				\$3,864,923			
PROJECT OFFICE	\$169,173				\$169,173			
VOICE	\$16,775,537			\$2,859,770			\$13,915,767	
PROJECTS	\$727,464				\$727,464			
OTHER - misc	\$1,890,349	\$235,734			\$1,654,615			
CAPITALISED EXPENDITURE	-\$4,823,191	\$4,823,191						
<b>SUBTOTAL</b>	<b>\$80,199,971</b>	<b>\$555,000</b>	<b>\$4,424,272</b>	<b>\$6,791,993</b>	<b>\$48,235,302</b>	<b>\$6,277,637</b>	<b>\$13,915,767</b>	<b>0</b>
Application Dev /Sup	\$8,374,927		\$6,385,174		\$1,989,753			
<b>GRANDTOTAL</b>	<b>\$88,574,898</b>	<b>\$555,000</b>	<b>\$10,809,446</b>	<b>\$6,791,993</b>	<b>\$50,225,055</b>	<b>\$6,277,637</b>	<b>\$13,915,767</b>	<b>0</b>

Note: Call Centre related costs are not included.