

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: HS 24

Outcome 1, Output Group 1

Topic: Medicare Australia - Performance of Information Technology Outsourcing

Arrangements

Hansard Page/Written Question on Notice: Written

SENATOR CONROY asked on 1/11/2005:

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 designated time frames.
5. All ICT projects completed in 2004-05 have satisfied project specifications.
6. No ICT projects were abandoned.

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ATTACHMENT A

Medicare Australia IT Expenditure 2004-2005

COST ELEMENTS	TOTAL	CAPITAL	DEPRECIATION	RENTAL	SUPPORT	SOFTWARE	CALLS	MANAGED SERVICES
STAFF PERMANENT	\$35,135,664				\$35,135,664			
STAFF TEMP	\$5,330,117				\$5,330,117			
STAFF CONSULTANT*	\$308,505				\$308,505			
STAFF CONTRACTORS*	\$1,914,195				\$1,914,195			
SOFTWARE	\$8,049,263				\$8,049,263			
MAINFRAME	\$22,488,135							\$22,488,135
SERVERS	\$11,214,780							\$11,214,780
PC'S	\$12,936,129							\$12,936,129
DATA NETWORK	\$11,394,721							\$11,394,721
BULK PRINTING	\$3,923,049							\$3,923,049
HELPDESK	\$1,594,795							\$1,594,795
PROJECT OFFICE	\$4,656,006							\$4,656,006
VOICE	\$11,483,300							\$11,483,300
VIDEOCONFERENCING	\$780							\$780
MEDCLAIMS (Medicare Australia only)	\$6,300,386							\$6,300,386
PROJECTS	\$2,819,011							\$2,819,011
SUBTOTAL Infrastructure	\$139,548,836	\$0	\$0	\$0	\$50,737,744	\$0	\$0	\$88,811,092
Application Development and Support								
GRANDTOTAL	\$139,548,836	\$0	\$0	\$0	\$50,737,744	\$0	\$0	\$88,811,092

Note: Call Centre costs are not included.