Senate Finance and Public Administration Legislation Committee—Supplementary Budget Estimates 2005-06 (October 2005)

Parliament Portfolio, Department of Parliamentary Services

Answers to Questions on Notice

Topic: Performance of Information and Communications Technology outsourcing arrangements.

Question P12 (written questions)

Q1—Please provide details of total departmental/organisational spending on Information and Communications Technology products and services during the last 12 months.

Q2—Please break down this spending by ICT function (eg communications, security, private network, websites).

Q3—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.

Q4—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.

Q5—Please provide details of any ICT projects delivered in the past 12 months that have materially failed to satisfy project specifications.

Q6—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 be the Department as a result of the abandonment of these projects.

        (ii) Any costs of re-tendering the ICT project.

Answers

Q1 and Q2—See following table

ICT Function	Budget for 2004-05	Amount Spent for 2004-05
Telecommunications	4,021,129	4,019,710
Computing Services (server maintenance, disk storage, server software etc)	3,412,463	3,013,422
Networking	1,436,750	1,129,656
Office Equipment Support	1,224,576	1,055,638
Network Cabling	300,125	254,921
Projects	3,964,597	3,685,018
Security	967,505	815,621
Project Office	139,491	116,707
Enterprise Test Management	134,522	146,783
Capital expenditure	1,861,364	1,861,364
Library expenditure	627,540	627,540
Total	18,090,062	16,726,380

Q3— Expenditure was under the budgeted amount by 7.5%.

    (i)   Not applicable.

    (ii) There were no ICT contracts where the department spent in excess of budget forecasts for the financial year 2004-05.

    (iii) Not applicable.

Q4—ITACS completed 15 ICT projects in 2004-2005, of which 13 failed to meet designated project time frames. The details for the extent of delay and the reasons for projects not being completed on time, are given in the table below.

No ICT projects were outsourced in 2004-05 and there were no contractual remedies for the project delays.

The extent of delay is listed in months, in terms of:

    (a) delay in practical completion, when product specifications are met and signed off; and

(b) delay in completing the project closure report—this delay is listed in brackets.

For example, a project which delivered the product two months late and the project completion report seven months late is listed as a delay of 2 (7) months.

The reasons for projects not being completed on time include:

(a) **delay in programs of work**, where a delay in one project delayed several related projects, for example where product implementation was placed on hold to avoid changes to the infrastructure while an infrastructure performance issue was investigated;

(b) **unavailability of project resources**, for example insufficient dedicated project staff resources and the impact of operational work;

(c) **delay in project completion activities** – these commence when the final deliverable has been signed off and accepted, and conclude with submission of a project completion report and a project completion quality review;

(d) **poor estimation of required work or elapsed time required**, for example underestimating the time required for stakeholders to review and approve project deliverables;

(e) **failure to identify and address all project delivery risks**, for example a delay in equipment delivery, illness of key project resources, or emergence of new more cost-effective solutions during the project.

Project No.	Project Name	Extent of delay in months — Delay in practical completion (delay in project closure report)	Reasons for delay
DP-02-041	Alcatel 4400 PCX Test System	0 (9)	unavailability of project resources; delay in project completion activities.
DP-02-043	Broadcast Fax Gateway Upgrade	3 (15)	unavailability of project resources; delay in project completion activities.
DP-02-010	PIX Firewall	9 (15)	delay in programs of work; delay in project completion activities.
DP-03-053	Digital Audio Replacement (Feasibility)	1 (2)	poor estimation of required work
DP-03-055	Router Switcher Expansion	3 (8)	delay in programs of work; delay in project completion activities.
DP-03-048	Windows Server 2003 Upgrade	1 (1)	unavailability of project resources.
DP-05-005	Relocation of Backup/Restore Facilities	1 (1)	poor estimation of required work.
DP-03-033	OneOffice OOW Phase 2	1 (1)	delay in programs of work.
DP-01-017	Vision Monitor Replacement for Small Monitors	2 (7)	unavailability of project resources; delay in project completion activities; failure to identify and address all project delivery risks.

Project No.	Project Name	Extent of delay in months	Reasons for delay
		Delay in practical completion (delay in project closure report)	
DP-03-049	41st Parliament IT Enhancements for Senators and Members	0 (3)	delay in project completion activities.
DP-03-001	Digitisation Scoping and Impacts Study (and Widescreen Conversion)	2 (4)	unavailability of project resources; delay in project completion activities ; poor estimation of required work; failure to identify and address all project delivery risks.
DP-03-033	Enterprise Test Management (stage 1)	2 (5)	poor estimation of required work; failure to identify and address all project delivery risks.
DP-03-029	Security in Depth	6 (6)	unavailability of project resources; failure to identify and address all project delivery risks.

Q5—The department measures satisfaction with project specifications in terms of client (project sponsor) satisfaction:

    (i)   Outcomes met expectations

    (ii) Outcomes met business requirements

    (iii) Satisfied with quality of deliverables

In 2004-2005, no ICT project materially failed to satisfy project specifications, in terms of client satisfaction.

One project failed to deliver a key deliverable. In project DP-03-048 Windows Server 2003 Upgrade, the project sponsor agreed to defer the purchase of clustered servers to a subsequent project in 2005-2006, due to the lack of a stable and mature market.

Q6—No ITACS ICT projects were abandoned in 2004-2005.