

# Monitoring and managing ICT projects

Report 1: 2018–19

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*Better public services*

Your ref:  
Our ref: 2018-P9168

10 July 2018

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The Honourable C Pitt MP  
Speaker of the Legislative Assembly  
Parliament House  
BRISBANE QLD 4000

Dear Speaker

Report to parliament

This report is prepared under Part 3 Division 3 of the *Auditor-General Act 2009*,  
and is titled Monitoring and managing ICT projects (Report 1: 2018–19).

In accordance with s.67 of the Act, would you please arrange for the report to be  
tabled in the Legislative Assembly.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Brendan Worrall".

Brendan Worrall  
Auditor-General

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# Audit objective and scope

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The Queensland Government launched its information and communications technology (ICT) dashboard in 2013. This dashboard presents information about major ICT projects that departments undertake and allows the departments to communicate with the public about how well they are running their ICT projects.

The Queensland Government Chief Information Office (QGCIO) has defined ICT and ICT-enabled projects as any initiatives requiring information technology and or communications technology to realise outputs, outcomes, and/or benefits.

In this audit, we explore whether monitoring projects at the departmental and whole-of-government levels have improved successful delivery of ICT programs and projects. We assess whether the:

- ICT dashboard is a reliable source of information and has increased transparency of how departments are running their projects
- whole-of-government assurance processes are improving departmental skill levels in monitoring and managing ICT projects
- governance processes for one program—Human Resources Information Solutions (HRIS)—and one completed project—My Development Assessment System (MyDAS)—were effective.

Our scope included detailed review and analysis of the ICT dashboard. We also surveyed all departmental chief information officers on their use of the ICT dashboard.

Appendix B contains more information about audit objectives and methods.



# Key facts

The estimated cost of projects currently underway and reported on the Queensland ICT dashboard is \$1.3 billion

'\$5.4 billion is wasted in Australia alone on projects that don't deliver a benefit' (INTHEBLACK, 1 November 2016)

**The Queensland Government plans to spend \$2.6 billion on ICT projects over the next four years**

'67 per cent of companies fail to terminate unsuccessful projects' (Harvard Business review, September 2011)

18 per cent of the projects reported on the Queensland ICT dashboard have been in delivery phase for more than three years

# Introduction

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In this section, we outline the three areas of scope for this audit.

## The ICT dashboard

In 2013, in response to some high-profile information and community technology (ICT) project failures, the Queensland Government announced that departments would provide high-level overviews and status updates of major ICT investments through an ICT dashboard. The target audience for the dashboard is the public.

The ICT dashboard is intended to make information easily accessible, visible, and available for use by the public in a timely manner. This is also intended to make it easier to identify underperforming projects and to focus action on the projects that need it most.

Stage two of the dashboard was intended to report progress against the *Queensland Government ICT strategy 2013–17* (the ICT strategy). However, the Queensland Government Chief Information Office (QGCIO) did not receive approval to progress to stage two. The Queensland Government then replaced the ICT strategy with a digital strategy—*DIGITAL1ST Advancing our digital future* (the DIGITAL1ST strategy).

This strategy aims to modernise and deliver digital services to the public as well as to other government departments. The QGCIO is now working on the next release of the ICT dashboard, which will report on how projects align with the DIGITAL1ST strategy.

The QGCIO has published guidelines to help departments decide which projects to report on the ICT dashboard. The guidelines are not prescriptive, but the QGCIO recommends that, at a minimum, departments report projects that meet any of their seven criteria. (For example, one of the QGCIO's criteria suggests departments publish projects that have planned expenditure of \$100 000 or greater.)

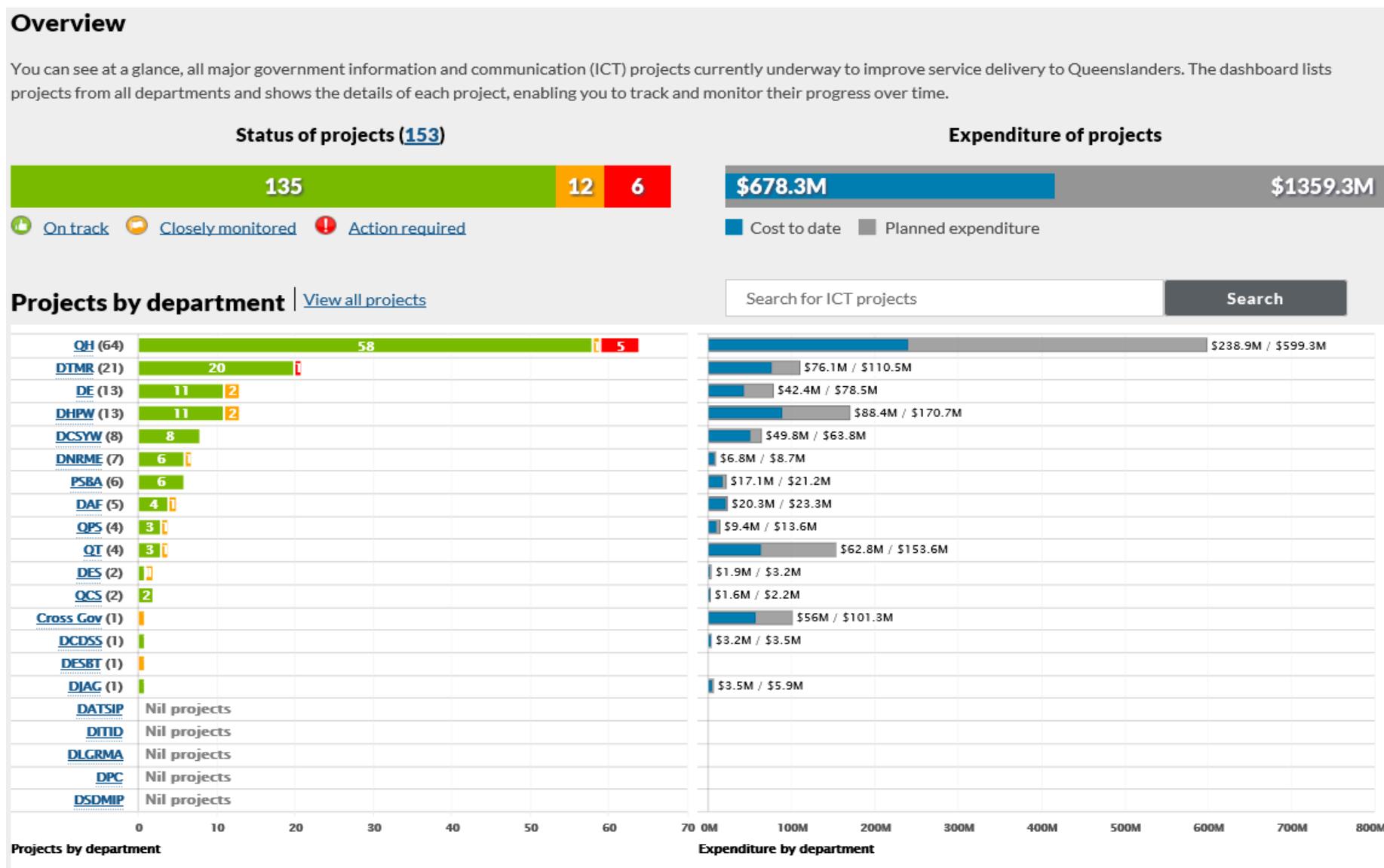
Currently, departments have reported ICT programs and projects with an estimated total cost of \$1.3 billion, as shown in Figure A.



**Figure A**  
**Snapshot of the Queensland ICT dashboard on 23 April 2018**

## Overview

You can see at a glance, all major government information and communication (ICT) projects currently underway to improve service delivery to Queenslanders. The dashboard lists projects from all departments and shows the details of each project, enabling you to track and monitor their progress over time.



Source: Queensland Government Chief Information Office.

While the QGCIO is the custodian of the ICT dashboard, each department is responsible for publishing data about its own ICT programs and projects. (A program is a set of related projects that collectively deliver on common strategic outcomes.)

## Monitoring and assurance of ICT programs and projects

Each department is accountable for making investment decisions and monitoring and delivering on its investments—including its ICT projects and programs. This is a legislative requirement.

Entities at the whole-of-government level, such as the QGCIO, which is part of the Department of Housing and Public Works (since January 2018), and the ICT Director-General Council also play significant roles in providing assurance and oversight of investments in ICT projects.

The QGCIO has developed standards and methodologies, and established investment review and assurance processes at the whole-of-government level. These processes supplement departmental governance in monitoring and managing ICT programs and projects. The QGCIO also uses these processes to provide support to the ICT Director-General Council.

The ICT Director-General Council provides oversight and advice to the departmental directors-general on applying ICT to their business. It reviews all requests for funding major ICT-enabled programs and projects.

Departments use Queensland Treasury's Project Assessment Framework to undertake reviews of programs and projects at important decision points/project milestones. These are called 'gate reviews'. These reviews confirm whether the project meets the criteria to pass a gate. Figure B describes the points at which gate reviews should occur and the purpose of the gates. (Gate 0 relates to programs and gates 1 to 5 are for projects.)

**Figure B**  
**Gate review points**

### Program and project assurance gates

- Gate 0: Strategic assessment—to confirm the program has strategic outcomes with good governance
- Gate 1: Preliminary evaluation of project—to confirm that stakeholders approve intended benefits
- Gate 2: Readiness for market—to examine the project's business case and procurement strategy
- Gate 3: Investment decision—to confirm the project is still required, affordable, and achievable
- Gate 4: Readiness for service—to confirm business is ready to use the solution
- Gate 5: Benefits realisation—to confirm that project benefits are actively managed

Source: *Queensland Treasury Project Assessment Framework* and *Queensland Audit Office*.

Under the investment review process, the ICT Director-General Council advises on two of the gate reviews:

- strategic assessments of programs (Gate 0), which report on whether programs are in line with strategic directions and intended outcomes
- investment decision of project (Gate 3), which report on whether projects have a business case and whether the options that will deliver the most value have been selected.



In addition to the gate reviews, departments can commission project assurance reviews or project health checks at any time within the lifecycle of the project. The purpose of project assurance or project health checks is to provide an objective assessment of the project—including any early warning signs that would indicate if a project is at risk of not meeting its objectives or not reaching the next gate within time and budget.

## Monitoring the HRIS program and the MyDAS projects

The Human Resource Information Solutions (HRIS) is a \$101 million project intended to replace the Lattice payroll system and human capital management solutions within four entities. These entities are Queensland Fire and Emergency Services, Inspector-General Emergency Management, Queensland Corrective Services, and the Department of Health (Queensland Ambulance Service).

The program started in September 2010 and has continued despite many organisational restructures, changes in government policy, and changes in machinery of government (which is when government changes how it structures its departments).

Responsibility for the program moved from the Public Safety Business Agency to the then Department of Science, Information Technology and Innovation (DSITI) in December 2016. Since the machinery of government changes in January 2018, the program now reports to the Department of Housing and Public Works.

The My Development Assessment System (MyDAS) project is a series of projects (MyDAS, MyDAS2 and MyDAS2 commencement), which together cost around \$14 million. The current version of the system, MyDAS2, allows applicants to lodge development applications where the state is the assessment manager or a referral agency. The projects spanned more than three years—as follows:

- The then Department of State Development, Infrastructure and Planning started the MyDAS project in January 2013 and delivered it, as planned, in July 2013. However, the system had many problems at this stage. Users and staff found it challenging to use the system.
- The then Department of State Development, Infrastructure and Planning started a new project in January 2014 and the then Department of Infrastructure, Local Government and Planning (DILGP) closed it in December 2015. DILGP had commissioned a review of the project and had taken steps to bring the project back on track, but the project did not deliver a fully functioning system.
- DILGP started a new project in January 2016, and it used the application developed in the previous projects to deliver the current, working system in July 2017. The project team implemented learnings from previous projects and recommendations from project review reports.



# Summary of audit findings

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## Is the ICT dashboard a reliable source of information?

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The ICT dashboard (the dashboard) has made it easier to keep abreast of what is happening with major ICT projects across departments. This information was not publicly available before the Queensland Government Chief Information Officer (QGCIO) introduced the dashboard. To this end, the dashboard has met some of its objectives, as it allows the public and industry to readily access a single view of the departments' portfolio of major ICT projects and their status.

However, for the dashboard to be a reliable source of information, there needs to be improvements in:

- ensuring that the dashboard contains a complete list of all major ICT or ICT-enabled projects across departments
- accurately reporting relevant information that provides sufficient insights into how projects are progressing, changing throughout their lifecycle, and delivering outputs and outcomes
- publishing timely data, including trends in project performance over time.

These three points are covered in more detail in the following paragraphs.

### Completeness

The QGCIO has developed and communicated comprehensive guidelines for departments to use when deciding which projects to report on the dashboard. However, it is not mandatory for departments to comply with these guidelines. As a result, the dashboard does not include all projects that meet the guidelines.

In this audit, we identified 32 projects, with a total planned expenditure of \$161.4 million, that were not on the dashboard, but met the QGCIO guidelines. Departments did not publish these projects mainly because they:

- have publishing guidelines that are different to those of the QGCIO
- have their own interpretation of what a major ICT project is
- had a breakdown in internal processes.

Some departments consider that the \$100 000 criteria for publishing projects on the dashboard is too low in the current economic environment. These departments have established their own, much higher reporting thresholds. (One department has set a \$1 million threshold for publishing.)

In addition, the dashboard does not include projects in the 'initiate' stage. This is because the QGCIO's publishing guidelines specifically exclude projects in this stage. We found at least 24 projects, with a total planned expenditure of \$109 million, that departments considered to be in the initiate stage. These projects either started more than a year ago or are more than 10 per cent complete. Under the current arrangement, none of them has to be published on the dashboard.



## Relevance and accuracy

While departments have processes in place to review the information they publish, we found some content and quality control gaps. We found gaps in some projects' explanatory notes, and it was not always evident when changes were made to the original scope, cost, and schedule, which is known as the 'baseline'.

The baseline represents the standard that is used to measure the performance of the project. Once the project starts, any changes to the baseline need to be appropriately approved through formal project change control processes.

Sixty of the 161 projects currently on the dashboard did not have enough explanatory notes about key decisions and major changes that occurred throughout their lifecycle. We also noted that the dashboard does not display information on how complete the projects are (as a percentage) or what deliverables and outputs they have achieved. Sometimes, projects close without achieving their outcomes and/or are replaced by another project. This information is not easily accessible from the dashboard. This makes it difficult to assess whether departments are realising value for money.

We found that at least 18 per cent of the projects on the dashboard have been in a delivery stage for more than three years and that 69 per cent of these have been re-baselined (that is, changes have been made to either scope, cost or schedule). While departments report the revised time and cost, they show these projects as being on track. This is because their governance bodies have approved the re-baselining.

This increases the risk that projects will go on for a much longer time than originally planned. This is not easily recognised from the dashboard, which only provides point-in-time information.

In addition, the dashboard does not have in-built automated controls or rules to validate data on entry. This increases the risk of errors not being detected when information is entered into the dashboard. It also means that departments can make changes to information when they shouldn't. For example, the dashboard guidelines require departments to record their original budgets on the dashboard, and these are to remain unchanged. However, there are no controls to prevent users from altering the original details of the project.

## Timeliness and comparability

Most departments publish their data in accordance with the QGCIO guidelines (with an average time delay of 42 days). However, some of the data is more than 60 days old. (We measured the timeliness of data published from January 2015 to January 2018). Each department has its own processes for collecting, collating, and publishing data on the dashboard, and some of these processes are time consuming.

In addition, there are inconsistencies in the types of information reported on the dashboard. For example:

- One department reported the planned cost of a project as the approved budget amount, while others reported the planned cost as the total expected cost of the project.
- Some initiatives are reported as programs and some as projects, with no facility to link projects to their respective programs or to whole-of-government ICT strategies.



## Are whole-of-government assurance processes effective?

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At the whole-of-government level, the ICT Director-General Council (the council) reviews investment and oversees assurance for those projects with high business impact. These processes are not working as effectively as they could in terms of the:

- investment review process—the council is responsible for reviewing investments for all high business impact projects. However, QGCIO has not clearly defined the term ‘high business impact’. It has provided guidelines that departments may interpret differently, and there is a risk that departments may bypass the investment review process.

In addition, neither the council nor the QGCIO has developed performance indicators to assess whether the investment review process is improving the delivery of ICT programs.

- assurance review process—the council is responsible for overseeing the assurance review process for high business impact projects. The QGCIO prepares the assurance information for the council to review. While programs and projects submit their assurance plans, the QGCIO does not always follow up when departments don’t undertake assurance reviews on time. This means departmental and whole-of-government governance processes may miss early warning signs that a project is not on schedule.

Departments are aware of the gate reviews they are required to undertake. These reviews provide assurance that a project is on track to meet strategic outcomes and is achievable (as long as it implements the recommendations from the reviews). These reviews are important elements of project control.

However, projects often face challenges before reaching the gates for the reviews. For the projects and the program we audited, we found that project health checks (before the gate reviews) were useful tools in highlighting risks and recommending ways to bring projects back on track. The QGCIO could consider including project assurance reviews and/or project health checks, that provide an objective assessment of whether it is likely that the project will achieve its objectives, as complementary controls for all projects with high business impact.

While the QGCIO collates assurance reports from the gate reviews and publishes lessons learnt (with identifying details removed), it does not analyse the reports to see if there were warning signs for projects that failed.

It does not have a process to report on projects that don’t address known project risks (risks that have occurred in the past in other ICT projects). As a result, the same or similar risks, already documented for high-profile project failures, materialise in new projects. This results in repeat control failures that impact on multiple projects.

The QGCIO is also not analysing ICT project performance information to determine whether the rate of success is improving over time. For example, there is no measurement and reporting at an overall project portfolio level of:

- projects with high business impact that are in departmental work plans and have bypassed the investment review process
- whether projects that underwent investment review are achieving the intended outcomes and are contributing towards the Queensland Government digital strategy
- number and type of assurance reviews and their contribution to success of projects.

This type of information would be helpful in determining if improvements to governance and assurance processes are effective.



# How well are departments monitoring and managing ICT programs and projects?

The HRIS program and MyDAS project went through long, drawn-out processes before delivering functional systems. While the program governance structures were appropriate for the size and nature of the program/project, they were not effective in terms of making timely decisions to maintain high productivity throughout the lifespan of the program/project. (While HRIS is an ongoing program, currently planned to complete in December 2019, the MyDAS project is complete.)

Both HRIS and MyDAS used a QGCIO-endorsed project management methodology (PRINCE2) for their program/projects, and both improved in terms of managing and delivering over time. They had differing areas in which their methodology could have been improved, and both shared information about their challenges on the dashboard.

## HRIS

This program was heavily influenced by organisational restructures and by changes in policies regarding outsourcing of services. This led to delays in decision-making, which in turn increased costs. The business cases for this program were developed after the decisions about its approach were already made (by government). As a result, the business cases were not fully informed by costed options analysis as required by the Queensland Treasury Project Assessment Framework.

Based on the information that was available at the time of making the investment decision, it is difficult to determine whether the program selected the option that would deliver the best value for money.

The program has now delivered a payroll system for Inspector-General Emergency Management and Queensland Corrective Services. It has also delivered a human capital management solution for Queensland Fire and Emergency Services.

The program is now planning to replace the Lattice payroll system for Queensland Fire and Emergency Services and the Queensland Ambulance Service and to implement a human capital management solution for Queensland Corrective Services. In addition, the program is developing a business case for a human capital management solution for the Queensland Ambulance Service.

The program needs to assess the software solutions and the costs of each component. This will highlight the affordability of the new services. In addition, it needs to ensure that those charged with governance have enough information to make timely decisions in order to progress the projects.

## MyDAS

The MyDAS project has run for longer than originally intended and cost considerably more money than originally planned. The three iterations of the project spanned 3.5 years and cost about \$14 million (not including ongoing support costs). The final cost of the system is more than five times the original budget.

One of the major issues was that the business unit leading MyDAS ran software development projects with little to no collaboration with its information technology (IT) team. As a result, there wasn't enough integration between the business unit leading the project and IT, who could have provided input and insights into software development.



The first project was originally estimated to cost \$2.4 million. It ran for six months but delivered a system that had significant problems. The second project was established in 2014 to fix the issues from the first project and enhance the system. This project made progress but did not deliver a fully functioning system. These projects did not use fit-for-purpose systems development methodologies, which led to duplication and inefficient use of resources.

The third project improved the project management and systems development disciplines and delivered a functioning system. The final system incorporated legislative changes of the *Planning Act 2016*.



# Audit conclusions

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The Queensland Government has improved the governance processes for ICT projects and programs since 2013. The QGCIO has designed the ICT dashboard and made it available to the public. It has also implemented some additional investment and assurance review processes.

The ICT dashboard enables transparency about the number and planned cost of major projects across departments. However, there are several weaknesses with the completeness and controls over the accuracy of the content within the dashboard, resulting in reduced user confidence in its reliability.

There is also inconsistency in the information that departments publish about their projects, because it is not mandatory for them to follow the QGCIO's guidelines for the dashboard. These issues detract from the usefulness and reliability of the information for the public.

The monitoring of major ICT programs through the assurance process at the whole-of-government level is not being carried out as well as it could be. The whole-of-government and departmental governing bodies are not using the information they have available through the new processes to increase the success rate of ICT programs and projects. Valuable information obtained through the QGCIO's gate reviews is not being effectively used to minimise the repetition of mistakes.

At the departmental level, there are still significant challenges to improve the successful delivery of major ICT projects. Both the HRIS program and the MyDAS series of projects demonstrate that keeping programs and projects running while significant policy, structural and legislative changes occur contributes to slow progress and high delivery costs. Timely project decision-making needs to occur when changing projects to reduce the inefficient use of public funding that is occurring.



# Recommendations

## Queensland Government Chief Information Office

We recommend that the Queensland Government Chief Information Office:

1. enhances the ICT dashboard and updates the publishing guidelines by:
  - working with departments to publish one set of agreed criteria and supporting guidelines to be used by all departments
  - considering an increase in the estimated cost criteria of projects to be reported
  - including projects funded to initiate and or to develop a business case, with timelines and budgets for the initiate stage
  - including the ability to explain changes in projects in the delivery stage and provide information on outcomes and outputs achieved to date
  - requiring departments to include more information about key decisions and corrective actions for projects that change significantly (re-set or re-baseline)
  - automating controls to validate data when it is entered
  - expanding features on the dashboard to include links between projects, programs, and the DIGITAL1ST strategy (Chapter 2)
2. strengthens whole-of-government assurance frameworks that currently complement departmental processes for monitoring ICT projects by:
  - defining the meanings of ICT, digital, or digitally-enabled projects, and projects with high business impact
  - reporting projects that are defined as high business impact and have not undergone the investment review process
  - analysing and reporting ICT project performance information to assess the effectiveness of the investment review and project assurance processes
  - encouraging departments to schedule sufficient project health checks in addition to gate reviews in the assurance plans for all high business impact projects, and following up on these if they don't occur on time
  - assisting departments in identifying root causes for project failures and successes, collating these, publishing information for learning, and encouraging departments to look for early warning signs so they can mitigate these risks (Chapter 3).



## All departments

We recommend that all departments:

3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)

## The Department of Housing and Public Works

We recommend that for the HRIS program, the Department of Housing and Public Works:

7. undertakes a full analysis of the relevant end-to-end payroll and human capital management processes for the remaining entities:
  - to assess proposed solutions
  - to calculate cost estimates for the services (Chapter 4)
8. ensures the program continually assesses that it provides enough information to enable those charged with governance to make timely decisions. (Chapter 4)



# 1. Context

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This chapter provides the context needed to understand the audit findings and recommendations.

## Introduction

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In 2013, the Queensland Government announced that departments would provide the public with high-level overviews of major information and communication technology (ICT) projects on the ICT dashboard.

Legislation requires each department to be accountable for managing major ICT projects. Departments use approved program and project management methodologies, including assessment frameworks. (A program is a set of related projects that collectively deliver on common strategic outcomes.)

## ICT dashboard

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The intent of the ICT dashboard is to provide information to the public and industry about how significant ICT projects are progressing.

The Queensland Government Chief Information Office (QGCIO) explains on its website that the ICT dashboard:

- is a key contributor to ICT modernisation
- addresses the need for information to be easily accessible, visible, and available for reuse by the public in a timely manner
- provides information on the performance of departmental ICT investments
- makes it easier to identify underperforming projects and focus action on the projects that need it most
- provides procurement information including ICT tenders and their stage in the tender lifecycle.

## Projects included on the ICT dashboard

The QGCIO is the custodian of the ICT dashboard. It has published guidelines to help departments decide which projects to report. These guidelines don't prescribe what departments should and shouldn't publish; they simply guide them in making a choice.



The QGCIO recommends that, at a minimum, departments report projects that meet any of the following criteria:

- have formal governance boards
- have planned expenditure of \$100 000 or greater
- are in the delivery stage
- are high-risk or relate to a high-risk ICT system
- have an assurance level of two or greater according to QGCIO's assurance framework  
(The levels of assurance depend on a project's profile and risk)
- do not expose potential security risks.

As is not mandatory to comply with the QGCIO guidelines, each department decides which projects to report on the dashboard.

## Information published on the dashboard

The information published about each project on the dashboard includes:

- department name
- project name
- status of the project—red (project requires action), amber (project is closely monitored), and green (project is on track)
- planned expenditure
- start date
- planned end date.

The dashboard then allows the user to drill down into further detail about each project including:

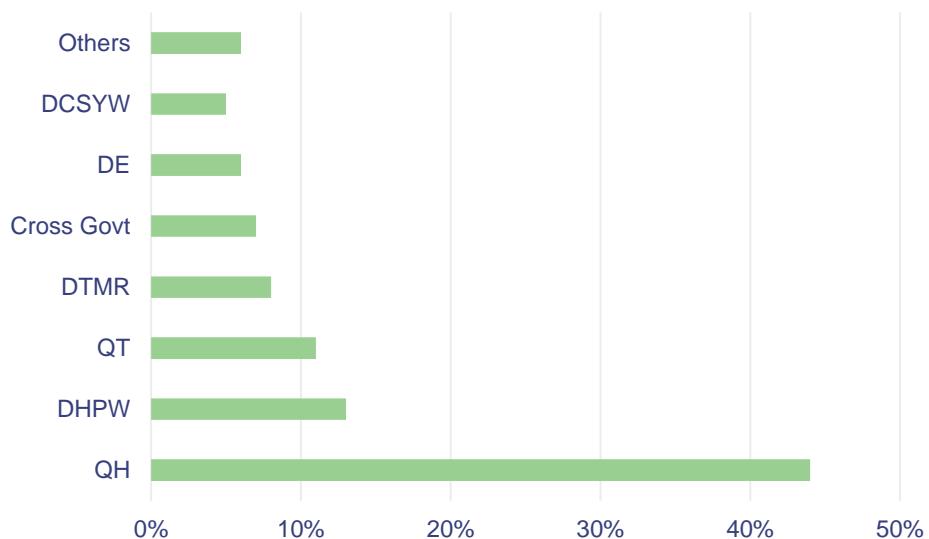
- objectives—this describes the aim of the project in terms of its outputs and outcomes and how they fit into the overall department and whole-of-government ICT strategies
- expenditure—cost to date, planned expenditure, and original planned expenditure
- timeframe—start date, planned end date, and original planned end date
- explanatory notes—these explain the project background, provide more information on the project status, and outline steps taken to address any issues that need close monitoring
- priority—critical, high, medium, and low
- stage—delivery, closed, paused, and ended
- date data current—this is the point in time at which the data for a project reflected its reported status, as advised by the relevant department.

Currently, departments have reported ICT programs and projects with an estimated total cost of \$1.3 billion. Figure 1A shows the departmental share of these projects.

Forty-four per cent of the overall estimated planned expenditure relates to Queensland Health projects.



**Figure 1A**  
**Share of total estimated costs of projects published on the dashboard by department**



Note: Others—Department of Agriculture and Fisheries; Department of Communities, Disability Services and Seniors; Department of Environment and Science; Department of Employment, Small Business and Training; Department of Justice and Attorney-General; Department of Natural Resources, Mines and Energy; Public Safety Business Agency; Queensland Corrective Services; Queensland Police Service. DCSYW—Department of Child Safety, Youth and Women. DE—Department of Education. Cross Govt.— collaborative projects involving multiple departments. DTMR—Department of Transport and Main Roads. QT—Queensland Treasury. DHPW—Department of Housing and Public Works. QH—Queensland Health.

Source: Queensland Audit Office based on data published on the ICT dashboard.

## Roles in monitoring and managing ICT projects

Directors-general are accountable for investment decisions and business activities in their departments. Within Queensland Government project management methodologies, senior responsible officers and project executives are accountable for ensuring there is adequate governance over projects to deliver intended outcomes.

Figure 1B shows the roles and responsibilities of various parties within government in monitoring and managing ICT projects.



**Figure 1B**  
**Key roles and responsibilities in governing ICT projects**

Entity	Responsibilities
Departmental director-general	<ul style="list-style-type: none"> <li>• Is accountable for investment decisions and for ensuring ICT projects deliver value for money</li> <li>• Is accountable for identifying the appropriate projects for reporting and ensuring that information about ICT projects on the dashboard is accurate and complete</li> <li>• Approves the commencement of projects up to and including \$5 million (inclusive of GST)</li> </ul>
Senior responsible officer	<ul style="list-style-type: none"> <li>• Is accountable for successful delivery of ICT projects</li> <li>• Presents project reports and health checks to the ICT Director-General Council on request</li> </ul>
Queensland Government Chief Information Officer	<ul style="list-style-type: none"> <li>• Is custodian of the ICT dashboard and responsible for ensuring it is improved for usability</li> <li>• Endorses Queensland Government project management methodologies, including the Queensland Treasury Project Assurance Framework</li> <li>• Undertakes project investment reviews and presents them to the ICT Director-General Council</li> <li>• Reviews project assurance reports and gives a summary of these to the ICT Director-General Council</li> <li>• Collates lessons learnt from project assurance reports</li> <li>• On invitation, is an observer on departmental information steering committees</li> <li>• Advises on significant departmental project boards</li> </ul>
Queensland Treasury	<ul style="list-style-type: none"> <li>• Controls funding processes</li> <li>• Is responsible for the project assurance framework and the methodology for conducting project assurance reviews</li> </ul>
Building Queensland	<ul style="list-style-type: none"> <li>• Helps departments in developing business cases for projects between \$50 million and \$100 million</li> </ul>
ICT Director-General Council	<ul style="list-style-type: none"> <li>• Recommends approval of significant and high-risk projects</li> <li>• Monitors the project assurance process</li> </ul>
Minister for ICT	<ul style="list-style-type: none"> <li>• Recommends approval of significant and high-risk projects</li> <li>• Approves the commencement of projects between \$5 million to \$10 million</li> </ul>
Cabinet Budget Review Committee	<ul style="list-style-type: none"> <li>• Considers matters with financial or budgetary implications for government (this is its primary role)</li> <li>• Approves proposals that are not part of existing budgets</li> </ul>
Governor in Council	<ul style="list-style-type: none"> <li>• Provides approval to commence high-value projects over the prescribed limits (currently \$10 million inclusive of GST)</li> <li>• Approves increases of more than 10 per cent for these projects</li> </ul>

Source: Queensland Audit Office.



# Legislation, standards and guidelines

The Queensland Government has legislation, frameworks, policies, and methodologies that require departments to implement specific processes to manage investment in ICT and to implement project controls. These include:

- the *Financial Management and Accountability Act 2009* and Financial and Performance Management Standard 2009
- Queensland Treasury's Project Assessment Framework
- Building Queensland's methodologies for developing business cases
- QGCIO's program and project management methodologies approved through the Queensland Government Enterprise Architecture Framework
- frameworks and methodologies that are specific to departments.

Table 1C provides details on how legislation, standards, and frameworks contribute to project assessment, project management, and project assurance.

**Figure 1C**  
**Overview of legislation, standards, and frameworks for project management in Queensland**

Project assessment	Program/project management	Project and program assurance
<p>The Queensland Treasury Project Assessment Framework includes:</p> <ul style="list-style-type: none"> <li>• options analysis</li> <li>• cost estimates</li> <li>• scenario and sensitivity analysis</li> <li>• cost-benefit analysis</li> <li>• risk analysis</li> <li>• funding models</li> <li>• delivery models</li> <li>• market sounding</li> <li>• public interest assessment.</li> </ul>	<p>Whole-of-government legislation and methodologies</p> <ul style="list-style-type: none"> <li>• <i>Financial Accountability Act 2009</i></li> <li>• Financial and Performance Management Standard 2009</li> <li>• Queensland Procurement Policy 2017</li> <li>• Capital Works Management Framework 2017</li> </ul>	<p>Gate reviews</p> <ul style="list-style-type: none"> <li>• Government Chief Information Office conducts gate reviews</li> <li>• QGCIO's panel for suppliers of independent assurance</li> </ul>
	<p>Methodologies</p> <ul style="list-style-type: none"> <li>• PRINCE2</li> <li>▪ PRINCE2 Agile</li> <li>• Managing Successful Programs</li> <li>▪ Portfolio management</li> <li>• Project Management Body of Knowledge (PMBOK)</li> </ul>	<p>Benefits realisation</p> <ul style="list-style-type: none"> <li>• Focused on procurement</li> <li>• Departmental benefits and change management processes</li> </ul>

Source: Queensland Treasury Project Assessment Framework and QAO.



The *Financial Accountability Act 2009* sets out strategic legal obligations for government entities. Its main subordinate legislation is the Financial and Performance Management Standard 2009 and the Financial Accountability Regulation 2009. There are also policy and guidance documents, including the Financial Accountability Handbook (the Handbook—administered by Queensland Treasury).

Concepts of efficiency, effectiveness, economy, and value-for-money underpin the financial management legislation. These require departments to maximise the available benefits from money spent and to:

- carefully consider and prioritise objectives on a cost-benefit basis and fund those with high benefits
- select the most cost-effective options to achieve objectives
- apply the same rigorous analysis for recurrent and capital projects and activities
- continuously review and evaluate programs, activities, and projects to ensure outcomes are consistent with stated objectives and benefits are realised.

To this end, the QGCIO has developed policies and guidelines for departments to use when managing ICT programs and projects.

## Program and project management methodologies and processes

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The QGCIO endorses project management methodologies such as PRINCE2. It is one of several different methodologies departments use to manage their projects.

Regardless of the methodology used to manage a project, the QGCIO has standardised the definitions of the key project stages as follows:

- initiate—detailed planning for the project is underway
- delivery—the project’s documentation has been approved and the project has started
- closed—the project/program has delivered its outcomes and has closed
- paused—the project has temporarily been put on hold
- ended—work on this project has ended prematurely (that is, a decision has been made to stop work). Total expenditure and end date will be presumed as actuals.

There is a risk that ICT programs and projects will not deliver intended outcomes within time and budget. As a result, departments have program and project boards to govern these investments.

In addition, the QGCIO provides supplementary governance through the investment review process. This includes obtaining independent project assurance at set points within the lifecycle of projects that have a high business impact.

## Project assurance

Assurance is part of any project management methodology. The Queensland Government places high significance on assurance reviews and has implemented a policy to ensure departments adopt a consistent approach to them.



The assurance review examines projects at key decision points (referred to as project ‘gates’). The intent of this is to:

- ensure that senior responsible officers for the projects receive timely advice
- increase the likelihood that projects will realise the intended benefits
- identify risks and issues that may hinder the successful delivery of a project.

It also helps accountable officers in building confidence that project decisions are well informed, and carefully considered.

## Planning for project assurance

The type of assurance review depends on the profile of the project. The QGCIO has tools to help departments decide which level of assurance is right for the project. Departments conduct a self-assessment, decide the level of assurance needed, and develop assurance plans accordingly.

The tool uses nine criteria to assess the business impact and complexity (including finance, government policy, organisational change, duration, complexity of the solution, and security) of an initiative and arrive at a project’s assurance levels.

There are four levels of assurance:

- Level 1—standard internal departmental processes, involving project board. Staff internal or working closely with the project can do assurance reviews.
- Level 2—assurance is done from within the department but must be external to the project, involving senior management independent from the project or business area.
- Level 3—external assurance, using another department with an established assurance service team, for example, Queensland Treasury Gateway reviews, or an external supplier from a whole-of-government standing offer arrangement or the department’s own procurement processes.
- Level 4—-independent providers of assurance services external to government. Departments can use a whole-of-government standing offer arrangement, which has a list of suppliers under ‘Program and Project Gated Assurance (critical initiatives)’.

The QGCIO provides whole-of-government assurance over ICT projects with an assurance level of 2, 3 or 4, and the ICT Director-General Council oversees the assurance processes for projects with a high business impact (levels 3 or 4).

## Project assurance reporting

Each assurance gate report includes an overall assessment of the project status. It also includes key recommendations, prioritised in the order of urgency. The senior responsible officer decides how to move forward with these recommended actions.

Departments share the finalised assurance gate reports with the QGCIO. The QGCIO develops summary reports for the ICT Director-General Council as part of its review of the investment. It also collates and publishes de-identified lessons learned from the gate review reports for departments to consider in managing their projects.



# Background on the audited program and projects

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As part of this audit, we examined a major program—the Human Resources Information Solutions (HRIS) and a completed project—the My Development Assessment System (MyDAS). The following paragraphs provides some context for these.

## HRIS

The HRIS program was initially established to replace the outdated Lattice payroll system. The in-scope entities for this program are:

- Queensland Corrective Services
- Queensland Fire and Emergency Services
- the Queensland Ambulance Service
- Inspector General of Emergency Management.

This program has evolved during its planning from:

- a single agency to multi-agency involvement
- replacing a payroll system to a fully integrated payroll and human capital management (HCM) solution
- full to partially outsourced solutions (keeping payroll in government and outsourcing parts of the HCM solution).

In September 2010, the then Department of Community Safety formally established a program to replace its outdated Lattice payroll system. At that time, the program included several projects to stabilise the current system, prepare data and processes for new system implementation, and develop a business case for the program.

In September 2012, a budget of \$100 million over four years (to 2015–16) was approved to replace the Lattice system.

In December 2013, the program proceeded to do a market scan for a fully integrated ‘as a service’ solution. In the case of a fully integrated ‘as a service’ solution, an external vendor provides the software as well as processes the transactions for human resources, payroll, and HCM for the in-scope entities.

In December 2014, after an extensive invitation to offer process, the HRIS board endorsed a recommendation to enter into a contract with one of the suppliers for a discovery stage to determine if the product would meet the requirements. However, the contract could not be signed due to the caretaker provisions for the 2015 state election.

After a change in government policy in March 2015, the program changed so that all in-scope entities would:

- migrate from Lattice to another payroll system at Queensland Shared Services (QSS) and continue using QSS processing services for human resources and payroll
- implement a HCM system from an external service provider.

The Public Safety Business Agency (PSBA) managed the HRIS program from 2012 to December 2016. At this time, the responsibility for the program transitioned to the then Department of Science, Information Technology and Innovation (DSITI).

Since the machinery of government changes in January 2018, the program now reports to the Department of Housing and Public Works.



## MyDAS

The My Development Assessment System (MyDAS) was an online system that allowed applicants to lodge development applications where the state is the assessment manager or referral agency. It supported applications under the *Sustainable Planning Act 2009*.

The then Department of State Development, Infrastructure and Planning began developing MyDAS2 in 2014 and launched its current version in July 2017. MyDAS2 supports development applications under the *Planning Act 2016*. The department assessed this as an assurance 'level 2' project.

The main functions that the system enables include:

- lodging, tracking, and paying fees for development applications online
- integrating with a development assessment mapping system.

The need for developing the system arose because development applications for land involve several government entities, including local government. This can be confusing for customers, resulting in processing delays. Customers did not have an easy way to track the status of their applications.

It took three projects to deliver MyDAS2. This is explained in detail in Chapter 4.



## 2. Is the ICT dashboard reliable?

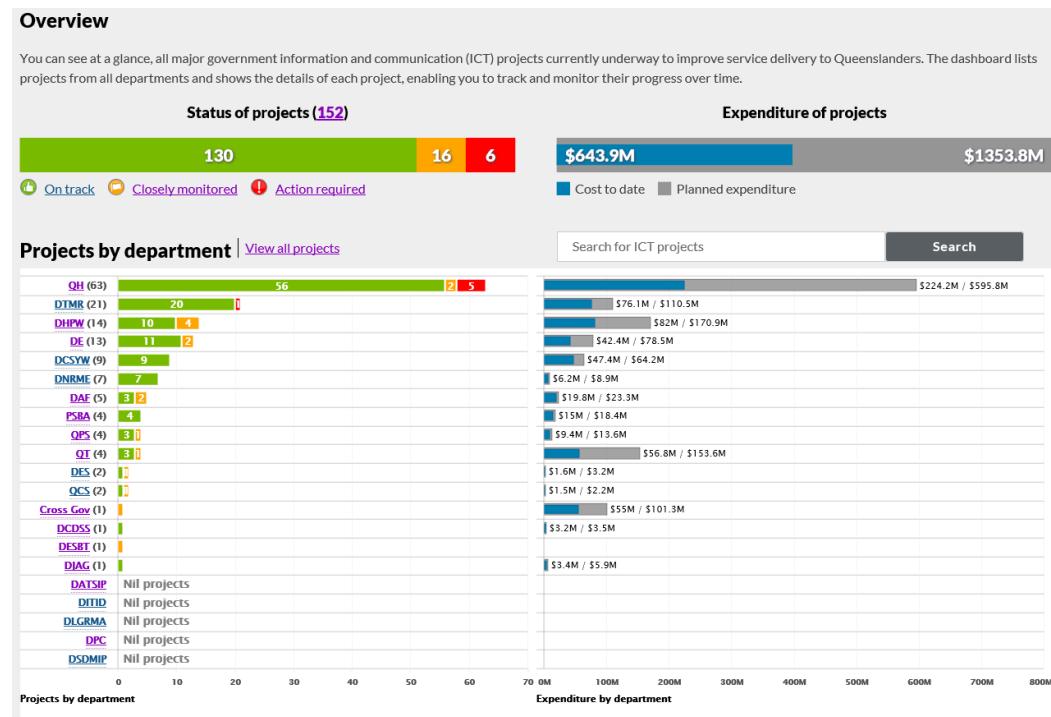
This chapter examines whether the Queensland information and communication technology (ICT) dashboard is a reliable source of information and whether it has made it easier to track what is happening with Queensland's ICT projects.

### Introduction

The Queensland Government Chief Information Officer (QGCIO) designed the ICT dashboard (the dashboard) to make it easy to see all significant ICT projects and understand how they are tracking at a glance. For the purposes of the dashboard, the QGCIO defines a project to be a substantial activity that departments undertake to improve their services. The QGCIO has kept the definition at a high level so that it can include both programs and projects.

Currently, the dashboard includes projects with a total planned expenditure of \$1.3 billion. Figure 2A is a snapshot of the dashboard taken on 23 April 2018.

**Figure 2A**  
**Queensland ICT dashboard on 23 April 2018**



Source: Queensland Government website, *ICT Dashboard*.



For the ICT dashboard to be a reliable source of information, we expected to find:

- a complete list of the projects—with all major ICT projects that meet the guidelines on the dashboard
- complete and relevant information about each project—the project description, status, and reasons for variance from original plans
- accurate project information—that information published is quality assured
- consistent information reported about each project for comparison purposes
- current project information—efficient reporting processes resulting in timely publishing of information on projects.

## Does the dashboard contain a complete list of projects?

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The QGCIO has developed, published, and effectively communicated guidelines that all departments can use when deciding which projects to report on the ICT dashboard, but these are not prescriptive. Departments can create their own guidelines or modify QGCIO guidelines for their use. As a result, the departments choose which projects they publish. This results in some of the major ICT projects not appearing on the dashboard.

We identified 32 projects currently in the delivery stage that are not on the dashboard, although they meet the QGCIO guidelines. They have a total original estimated cost of \$161.4 million.

Departments did not report these projects mainly because they have:

- their own publishing guidelines that are slightly different from the QGCIO guidelines
- their own interpretation of what an ICT project is
- had a breakdown in their systems and processes for identifying and collating projects. This has resulted in some departments not identifying all qualifying projects for the dashboard. For example, if a department records a project as being at the ‘initiate’ stage instead of the ‘delivery’ stage in error, then the department may not report the project on the dashboard.

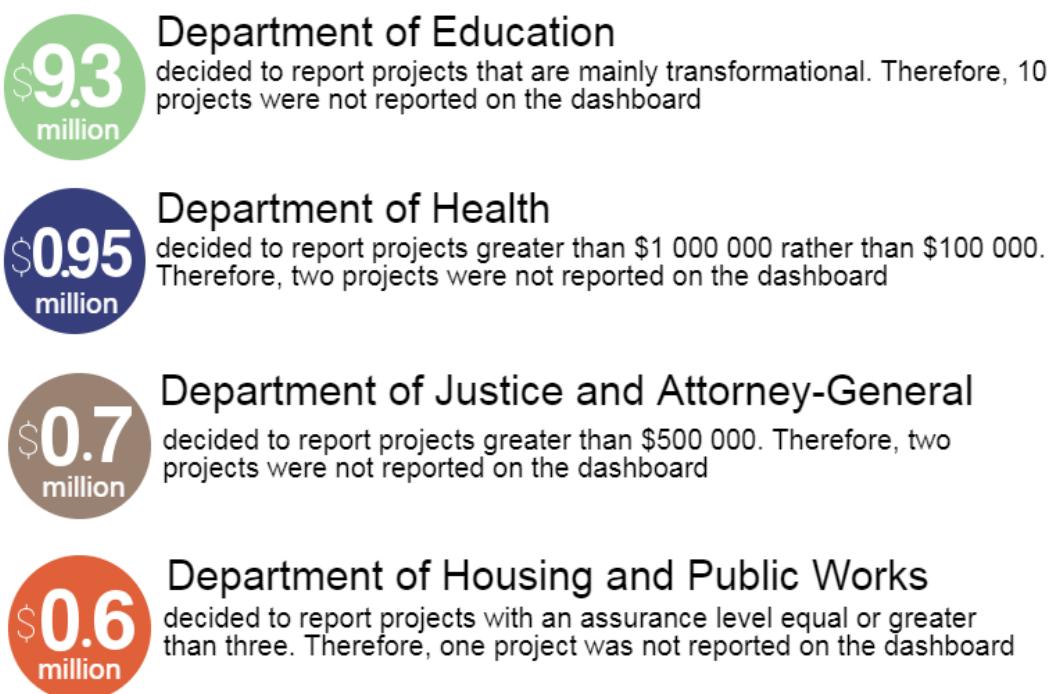
In addition, the guidelines do not require projects at the ‘initiate stage’ to be reported on the dashboard. This contributes to the dashboard not being a complete list of all ICT projects or an accurate summary of all the funds being invested in major ICT projects.

## Publishing guidelines

Four departments made slight modifications to the QGCIO publishing guidelines before using those for reporting their projects. Figure 2B shows the total estimated cost of projects not published because these departments used different guidelines to those that the QGCIO published.



**Figure 2B**  
**Total estimated costs of projects that departments decided not to publish on the dashboard**



Source: Queensland Audit Office based on departmental information as at 30 June 2017.

The Department of Education has the largest number of projects that it decided didn't need to be published. This is because it decided to report only those projects that it considered were transformational and innovative and not to report those that were replacing existing systems. The department reviewed, updated, and aligned its criteria more closely to the QGCIO guidelines in October 2017.

Queensland Health had only two projects that it did not report. The total planned costs for these projects were \$373 240 and \$570 468 respectively and were therefore below Queensland Health's internal reporting threshold of \$1 million dollars. The department believes the \$1 million threshold for publishing is appropriate for them considering the size of their portfolio of projects. A number of other departments also raised with us the need to reconsider the \$100 000 reporting threshold in the current economic environment.

The Department of Justice and Attorney General and the Department of Housing and Public Works made only minor changes to the QGCIO guidelines, and these did not contribute significantly to the value of unreported projects.

## Defining the projects as ICT or ICT-enabled

The QGCIO guidelines refer to ICT and ICT-enabled projects being reported on the dashboard. QGCIO has defined ICT-enabled initiatives as those that are focused on delivering improvements to the way of doing business, using ICT as an element. Any initiative requiring information technology and/or communications technology to realise outputs, outcomes, and/or benefits is considered to be ICT-enabled.

Even though each department has its own definition of an ICT or ICT-enabled project, we found that most departments had reported their major ICT projects on the dashboard in accordance with the QGCIO's definitions.

Only two departments did not include all their major ICT or ICT-enabled projects on the dashboard. This is because they did not consider them to be ICT or ICT-enabled projects.

One of these departments didn't publish a major program, with a planned cost of \$72 million, until 30 June 2018. This was despite the fact that the program had been running for more than 10 years. We acknowledge that some of the projects within this program relate to changes in business processes. However, the program has a series of projects that enable online service delivery, and ICT is a core part of the products of these projects.

The other department decided not to include projects that related to engineering systems or those systems that enable use of IT to operate devices. As a result, at least four projects, with an estimated planned cost of \$62 million as at 30 June 2017, are not on the dashboard.

## Departmental systems for identifying and collating projects

Each department has detailed processes for collating, reviewing, and approving project data for publishing. Three departments' processes were not robust enough to capture all their major projects for reporting to the dashboard.

One department didn't report projects with a total planned cost of \$10.82 million. These included:

- four projects for which the collation of information missed the reporting deadlines
- one project that was closed before ever reaching delivery stage. (It only reached the 'developing a business case' stage.)
- one project that started before QGCIO released the minimum publishing guidelines. However, it was in delivery phase when QGCIO released the minimum publishing guidelines.

One department didn't report projects with a total planned cost of \$3.14 million. This was because it:

- didn't review its decision to report one project after it was changed and met the publishing criteria
- used business as usual resources for another project.

Another department didn't report one project with a planned expenditure of \$1.26 million after the project entered delivery stage as it missed the reporting deadline.

## Projects at the initiate stage

As mentioned earlier, the QGCIO guidelines state that departments do not need to report projects that are in the 'initiate' stage. The QGCIO's definition of this stage is that planning is underway but technically, the project has not entered the delivery stage. Departments have applied this aspect of the guidelines strictly and not reported any projects in the initiate stage on the dashboard, even if projects have been in that stage for more than a year.

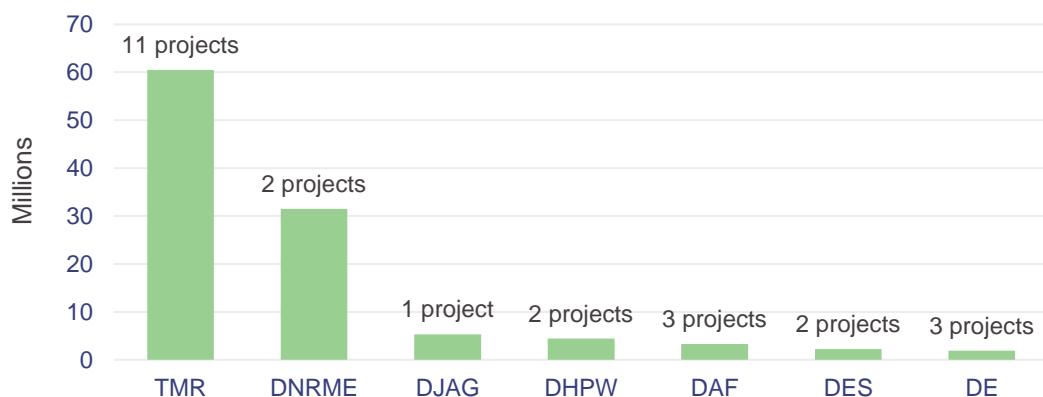
We found evidence of projects being in the initiate stage for multiple years and incurring significant expenditure. Often these projects are addressing serious problems or replacing high-risk and or critical systems. These projects are using resources, but they do not appear on the dashboard.



At the time of the audit, we identified at least 24 projects, with a total planned expenditure of \$109 million, in the initiate stage within departments. The total expenditure on these projects as at 30 June 2017 was \$15.2 million. These projects all either started more than a year ago or are more than 10 per cent complete. As these projects are in the initiate stage, the level of accuracy of their planned expenditure will improve as they progress through to the delivery phase.

Figure 2C depicts the planned expenditure of these projects per department as at 30 June 2017.

**Figure 2C**  
**Estimated cost of projects in initiate stage as at 30 June 2017 dashboard**



Note: DTMR—Department of Transport and Main Roads; DNRME—Department of Natural Resources, Mines and Energy; DJAG—Department of Justice and Attorney-General; DHPW—Department of Housing and Public Works; DAF—Department of Agriculture and Fisheries; DES—Department of Environment and Science; DE—Department of Education.

Source: Departments' data on their information and communication technology projects.

Figure 2C shows that the Department of Transport and Main Roads (DTMR) has the largest value of projects in this category. Further analysis of the DTMR data showed that the department did not report:

- the Vessel Traffic Service project, which started in April 2014 with an original planned end date of January 2016. DTMR had spent \$3.1 million dollars as at 30 June 2017 on this project, but it didn't publish it on the dashboard because it was in the initiate stage. However, the department's internal systems showed the project to be 46 per cent complete. DTMR has revised its estimated cost for this project from \$15 million to \$25 million and the revised end date is now November 2018.
- IRIS, which is the project to replace the centralised electronic document and record-keeping management system. It had a planned expenditure of \$7.9 million, and cost as at 30 June 2017 was \$3 million. The project began in July 2015 and is 25 per cent complete, but it was still considered to be in the initiate stage until September 2017.
- R&L Vision, which is a project for replacing the motor vehicle licencing and registration system. It started in January 2016 and the department reports that the project is 100 per cent complete, with a business case completed. This means that the department's project was to develop the business case. The cost to 30 June 2017 for this project was \$0.38 million.

The Department of Natural Resources, Mines and Energy has the second largest value of unreported projects. It did not include:

- the Cadastral and Geodetic Services Systems Review project. This project started in January 2015. As at 30 June 2017 the project had spent \$1.9 million. While the original planned end date was December 2019, the project had only progressed five per cent as at 30 June 2017.
- The Case Management, Complaints Management and Compliance Management project, which started in September 2015 and was expected to be completed in June 2017. The planned expenditure for this project was \$1.5 million. As at 30 June 2017, the project had spent \$0.8 million.

## Is the data on the ICT dashboard complete, relevant and accurate?

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### Completeness and relevance

Departments have published most of the information required for each of their projects. However, we did find some content gaps in the following areas:

- explanatory notes
- trends where major projects have changed significantly.

### Explanatory notes

QGCIO's publishing guidelines issued in September 2017 state that the explanatory notes field is crucial and should be used for all projects, regardless of status, to give a brief rolling history. The guidelines also provide the example that if a project is reported as 'red' and subsequently reported as 'green' because the project is back on track, the explanatory notes should continue the story, describing the circumstances that led to how the project is now reported.

Sixty of the 161 projects currently published on the dashboard do not have sufficient explanatory notes about the key decisions and major changes to projects over their lifecycle. Case study 1 shows a few examples of these projects.



## Case study 1

### Projects with insufficient information about their changes over time

#### Departments of Education and Transport and Main Roads, and Queensland Health examples

- The Department of Education's wireless upgrade project is two years late and there is a \$4 million increase in planned expenditure, but the explanatory notes do not explain the decision for these changes or the impact of the late delivery of the project.
- The eLearner driver project for the Department of Transport and Main Roads is one year delayed from its original planned end date. Its planned expenditure has increased from \$2.5 million to \$4.2 million. Its cost as at December 2017 was \$4.1 million. The dashboard update in April 2017 included information about the project board approving the re-baseline (changes to scope, timing, or cost). However, this information is not available on the dashboard as there are no links to historical notes. We also noted that the dashboard did not have explanatory notes about:
  - what the project has delivered since its commencement in June 2015
  - whether the project will deliver different benefits from the original.
- Queensland Health's project on identity and access management is two years late and four times the original planned expenditure, but there are no explanatory notes on the dashboard for the large variance.

*Source: Queensland Government Website, ICT dashboard and Queensland Audit Office.*

In addition, the dashboard does not display information on how complete the projects are (in percentage terms), and departments don't include deliverables and outputs achieved in the explanatory notes.

For projects that run over a long period of time, the final solution may not be the same as what was originally intended, because processes and technology change over time. It is difficult, therefore, to assess whether departments are realising value for money as the longer-term projects progress.

Case study 2 provides an example of a project that has been in delivery since 2013. There is no information on the dashboard about its outputs. The percentage of work completed in this period cannot be viewed from the dashboard as this feature is not available. Nor does the dashboard include information about significant re-baselining of this project in 2016. We acknowledge that the department updated the dashboard in May 2018 with historical information about key changes in the project.



## Case study 2

### A long term project with insufficient information

#### Department of Housing's Property and Tenancy Management System

From the dashboard, we can see that this project is two years late and its planned expenditure has doubled. The cost to date of the project as at 31 December 2017 was \$63 million, which is close to its original planned expenditure. There is little information on the dashboard about its deliverables and about outputs achieved in the last five years.

The project has a green status on the dashboard because the governance bodies approved the change in the project's timeline and estimated costs.

In recent years, the program's journey has included taking several steps in partnership with the QGCIO to inform and approve changes to its timing and cost. The program undertook a significant re-baseline in late 2016. From this, it has a revised business case, with new funding and timeframes.

It has successfully delivered the first phase of a two-phase delivery.

The information about this significant change is not clearly articulated in the explanatory notes. Therefore, the facts as displayed on the dashboard appeared to contradict its green status.

We acknowledge that the update published in May 2018 contains historical information about project changes.

Source: Queensland Government Website, ICT dashboard and Queensland Audit Office.

As the QGCIO has a project in place to refine the dashboard to align with the Queensland Government's new digital strategy—*DIGITAL1ST Advancing our digital future* (the DIGITAL1ST strategy), it can take the opportunity to enhance reporting on the successful delivery of projects.

For example, the content of the dashboard could be enhanced by including information about the:

- journey of selected projects that departments have reset or reshaped
- number of projects closed without reaching completion and/or being replaced by another project
- deliverables and outputs achieved.

#### Trends

The dashboard is based on a static set of information at one point in time. It doesn't display trends over time, even though most of the projects on the dashboard run over multiple years. Departments re-baseline projects and/or change the name of the projects and this is not always clearly visible.

The red, amber, and green status of a project depends on whether departments have approved changes in the project time and budget. As most departments obtain approval for change before the next publishing cycle, projects retain their green status for most of their lifecycle. As a result, it is difficult to track how departments are monitoring and managing their projects and how they have used the learnings to improve their success rates over time.

Case study 3 shows an example of a project a department completed. After completion, the department started a new project to achieve its outcomes. Information about what was achieved from the first project, after three years and a total spend of \$35.5 million, was not reported on the dashboard.



In addition, this project has had a much longer lifecycle than what is displayed on the dashboard. This project has been significantly re-shaped, but there is no reference on the dashboard to learnings from this that other projects could use. The department advised us that the project was stopped due to a change in policy.

### Case study 3

#### Example of a project that changed significantly over its lifecycle

##### Queensland Health's Finance System Replacement project

This project was initially called the SAP Asset, Procurement and Finance Resource project (also known as SAPFIR). It started in November 2010, with a planned expenditure of \$71.8 million. It was last reported on the dashboard in March 2014 as closed at 20 per cent complete. The actual cost as at March 2014 was \$35.5 million.

Queensland Health has since set up a new project to replace its finance system. It reported the project start date on the dashboard as December 2014.

In April 2017, Queensland Health reported the start date as December 2016. As at July 2017, it reported the actual cost of the project as \$27.9 million.

There is no reference on the dashboard to the original project and whether the products it delivered were of value to the new project.

Source: Queensland Government Website, ICT dashboard and Queensland Audit Office.

Case study 4 shows an example of a project where a department changed the end date four times. This project was delivered one year past its schedule and was possibly ended before its proper completion.

However, the static information on the dashboard does not show the full lifecycle of the project and the multiple changes. As a result, there are lost opportunities to gain insights into why and how projects like this one change and whether they have successfully delivered the intended outcomes or outputs.

### Case study 4

#### Example of a project where the end date was changed multiple times

##### Department of Education's Electronic Document and Records Management System

The Department of Education reported the project to upgrade its electronic document and records management systems as having commenced in January 2015, with an expected completion date of June 2016.

The department reported the project as 'on track' for most of its lifecycle, although it revised its completion date to July 2017 and planned expenditure from \$2.2 to \$1.3 million. It later revised the planned expenditure to \$1.6 million.

The project closed in July 2017, with an actual cost of \$1.7 million. The dashboard data showed it as 92 per cent complete. While this project changed significantly over time, the dashboard report only shows the information that is last updated and there is no explanation on the dashboard about:

- what the project delivered
- why it closed before completion
- what the risks are for the department, given this project is reported as critical.

Source: Queensland Government Website, ICT dashboard and Queensland Audit Office.



## Accuracy

Departments publish data every eight weeks, or more often (at the request of the Department of the Premier and Cabinet). All departments have assurance processes in place to check and approve their project data prior to it being published.

However, there are insufficient data validation controls within QGCIO's data collection portal for the dashboard to ensure data quality and accuracy. For example, we found some departments had altered the original planned cost estimate for their projects, rather than the revised planned cost estimate field, in error. The system did not have controls in place to prevent such errors.

In addition, there are no business rules built into the data collection portal for data quality. For example, there is no system warning when a user enters a project end date earlier than the current date.

One department showed 10 per cent completion of a project with zero cost. This department informed us that projects can show zero cost due to a lag in processing invoices. These issues cast doubt on the accuracy of the data on the ICT dashboard.

Despite our findings, Figure 2D shows that 12 out of the 18 chief information officers (CIOs) we surveyed said they had high level of trust in the dashboard data. (Five had a moderate level of trust, while one had a small amount of trust.)

During our interviews, the majority said that while they were confident in their own data, they were not able to comment on data reported by other departments. This is mainly because they are not aware of how other departments interpret QGCIO guidelines and what is included in their approval processes.

**Figure 2D**  
**CIOs' level of trust in the ICT dashboard**



Source: Queensland Audit Office through interviews with Chief Information Officers.

## Is the information on the dashboard timely and comparable?

### Timeliness

We measured the timeliness of data published to the dashboard from 1 January 2015 because QGCIO introduced their publishing criteria in quarter 4, 2014.

Most departments publish their data to the dashboard within the timeframes per the QGCIO guidelines (with an average time delay of 42 days). However, some of the data on the dashboard was up to 60 days old when departments published it. There is no consistency in the data currency across the sector. The main reason for this is that departments have manual and multi-layered processes with substantial internal reviews and approvals.



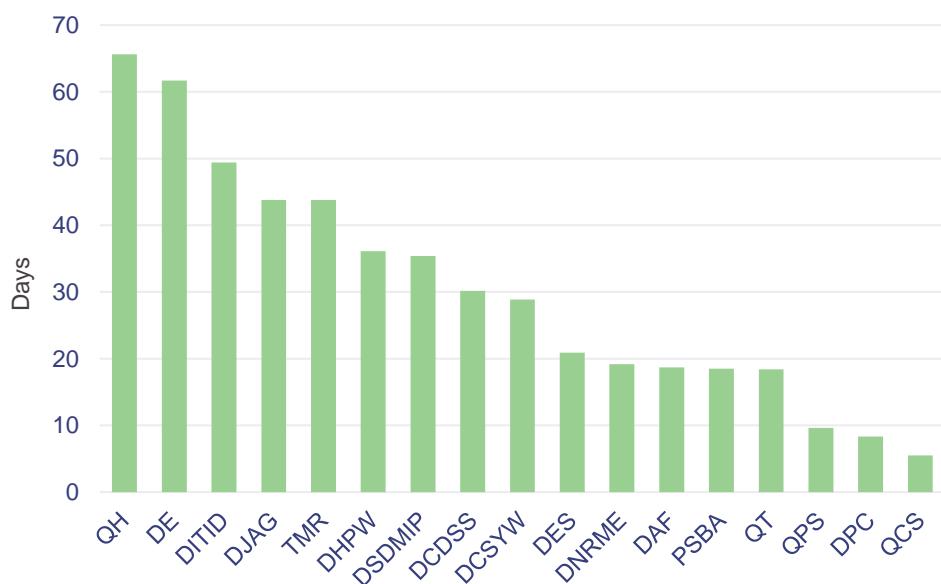
Each department has its own processes to manage and monitor projects, and the larger departments have disparate systems across their organisations. Departmental officers collate and review data from these systems to publish to the ICT dashboard. Senior management and governance committees for all departments approve the data for publishing.

Queensland Health has the longest delay (an average of 66 days) between data collection and publishing dates. This is because it reports on many projects and covers a wide range of organisational units, including the hospital and health services. Queensland Health is implementing systems and processes to improve the efficiency of its data collation processes.

The Department of Education reports fewer projects but has a similar time lag (an average of 63 days) as Queensland Health. This is because it has manual processes for data collation and has an added step of obtaining ministerial approval before publishing data on the dashboard.

Figure 2E shows a graphical representation of the dashboard data currency per department.

**Figure 2E**  
**Average age of data published to the dashboard per department for the period January 2015 to January 2018**



Note: QH—Queensland Health; DE—Department of Education; DITID—Department of Innovation, Tourism Industry Development and the Commonwealth Games; DJAG—Department of Justice and Attorney-General; DTMR—Department of Transport and Main Roads; DHPW—Department of Housing and Public Works; DSDMIP—Department of State Development, Manufacturing, Infrastructure and Planning; DCDSS—Department of Communities, Disability Services and Seniors; DCSYW—Department of Child Safety, Youth and Women; DES—Department of Environment and Science; DNRME—Department of Natural Resources, Mines and Energy; DAF—Department of Agriculture and Fisheries; PSBA—Public Safety Business Agency; QT—Queensland Treasury; QPS—Queensland Police Service; DPC—Department of the Premier and Cabinet; QCS—Queensland Corrective Services.

Source: Queensland Government Website, *ICT dashboard*.

## Comparability

There is inconsistency in how departments report various attributes of their projects. For example:

- One department publishes only the approved budgets, which can be for one year or for the entire length of the project. This results in significant and frequent revisions to budgets for time and cost, and this data is not comparable with other departments.
- Sometimes departments publish programs and don't publish projects within the program. This creates inconsistencies in the dashboard reports, which are designed for projects. Currently, there is no method to report programs and link the programs to projects. There are times when project outputs may not have specific benefits other than to enable program outcomes. Therefore, it is important to show how projects are contributing to overall program and portfolio outcomes.
- For some projects, departments report time and cost information on the stage of a project, based on approved funding, rather than the whole project. Case study 5 shows an example of this, where publicly available information is significantly different across two departments, one is based on the whole project's projected cost and the other is based on approved funding for the business case.

### Case study 5

#### Example of where the information reported on the dashboard relates to the stage of a project

##### Queensland Health's program for replacing patient administration system

This project shows a planned expenditure of \$5.5 million on the ICT dashboard.

Building Queensland reports the same project on its website as having an estimated cost of delivery of \$190 million (this is not an approved budget). Building Queensland reports that the business case stage of this project will finish in the first quarter of 2018.

The ICT dashboard reports that the business proposal stage will end in the first quarter of 2019.

Queensland Health revised the planned expenditure for the phase of developing a business case from \$3.9 million to \$5.5 million. There are no explanatory notes for this revision.

In addition, given that Queensland Health does not have approved funding, it is not reporting the total likely spend on this project through the dashboard.

Source: Queensland Government Website, ICT dashboard, and Queensland Audit Office.

## Who uses the information on the dashboard?

The audience for the ICT dashboard is the general public, industry, and all government agencies. In 2014, the QGCIO implemented improvements to the dashboard based on feedback from a survey of public users of the dashboard. The QGCIO has not conducted any other surveys since then to determine the level of audience satisfaction; nor have they analysed its usage.

We found that the departments do not use the dashboard for any purpose other than to update it with their information. Figure 2F shows how the chief information officers (CIOs) we surveyed responded to our question of whether they were likely to use the dashboard for their own insights into departmental projects.



**Figure 2F**  
**CIOs' use of the ICT dashboard**



Source: Queensland Audit Office through interviews with chief information officers.

We acknowledge that the main audience of the dashboard is the public. However, as the dashboard contains information about projects across departments, it provides an opportunity for CIOs to gain insights into the types of projects other departments are undertaking and to learn from those projects.

Adding information to the dashboard about projects in the initiate stage may also provide opportunities for CIOs to collaborate and/or leverage economies of scale when undertaking similar projects.

# 3. Are whole-of-government assurance processes effective?

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This chapter considers how whole-of-government processes and frameworks contribute to the successful delivery of information and communication technology (ICT) projects.

## Introduction

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When departments are implementing governance and assurance for ICT projects, they have access to legislation and whole-of-government policies and frameworks. In addition, the Queensland Cabinet Budget Review Committee (CBRC) decided, in July 2013, to strengthen ICT project governance by expanding the role of the ICT Director-General Council (the council). Their decision was that the council would:

- review and recommend the approval or otherwise of all proposed ICT initiatives that are significant or high risk
- monitor the assurance and approval processes for significant and high-risk ICT projects and strategic ICT investments.

These processes supplement the departments' governance of ICT projects that have a high business impact.

The purpose of these processes is to ensure that departments are designing their ICT projects strategically and that they represent value for money for the state. It is also to identify, in a timely manner, any project issues or risks so that decision makers can take mitigating actions.

The Queensland Government Chief Information Office (QGCIO) supports the council in conducting the analysis. It also prepares the reports that go to the council.

In November 2017, the Director-General for the then Department of Science, Information Technology and Innovation commissioned an external review of IT governance across departments, the operations of the council, and the role of the QGCIO.

Therefore, we did not audit the ICT governance role of the council. Nor did we audit how the council operates in terms of the frequency with which it meets, attendance, or how it makes its decisions.

In this section, we have assessed the information and processes undertaken by the QGCIO to facilitate the council in conducting its investment and project assurance reviews.



## Investment review process

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The CBRC decision to strengthen the role of the council was a positive step towards improving governance of the investment in ICT projects.

We also acknowledge that changes in this area are imminent to align this governance body with the Queensland Government's new digital strategy—*DIGITAL1ST Advancing our digital future* (the DIGITAL1ST strategy).

This presents an opportunity for the QGCIO to strengthen the effectiveness of the investment review processes. The gaps we identified regarding the investment reviews include:

- the definition of 'high business impact' projects is unclear
- the criteria for selecting projects for the council investment review is unclear
- the council is not necessarily aware of all ICT projects.

### Defining high business impact projects

The council has not clearly defined the meaning of 'high business impact'. Without a clear definition, departments may not select all relevant projects for investment review.

For example, the My Development Assessment System (MyDAS) project we audited did not go through the investment review process. The MyDAS project appears to have been high business impact as it had significant public attention and cost \$14 million by the time the system was delivered (through three projects). We acknowledge that a report for noting (not for approval) was submitted to the council more than two years after the project commenced.

As discussed in Chapter 2, the QGCIO has developed a profiling tool that departments use to assess the complexity, criticality, and risks associated with each project and assign an assurance level. It also includes criteria such as risk levels and business impact. However, the QGCIO has not yet assessed whether this tool could also be used to set a threshold for determining if a project has high business impact.

### Selecting projects for investment review

There is a discrepancy between the council and the QGCIO about which projects should undergo the investment review process. Currently, the council has decided that it will review high business impact proposals for projects that require an assurance level of three and four. The QGCIO reviews the investment proposals and provides summary reports to the council.

The QGCIO has decided that it will also do an investment review of projects with an assurance level of two, with a view to supporting the departments' investment decisions. The QGCIO does not present the results from its investment review of level two projects to the council. It does, however, provide a list of assurance level two projects that it approves, to the council, for noting. It also presents any assurance level two projects that it believes are of strategic importance.



## Visibility of all ICT projects

To be as effective as possible, the council should be aware of all Queensland Government ICT projects and review those that have a high business impact. Currently, if a department does not classify its projects as ICT or ICT-enabled, it submits its proposals directly to the CBRC through its budget process. It is then up to the CBRC to re-direct it to the council if CBRC feels it is an ICT project.

The former Department of Science, Information Technology and Innovation's 'One Stop Shop' program is an example of an ICT-related program that the department did not define as an ICT project. Because of this, the program did not go the council for investment review. While this program has projects that only relate to business change and transformation, its products are web-based systems. The business processes within One Stop Shop relate to providing online services to citizens. ICT is clearly a core enabler of these services.

The QGCIO has information on each department's projects that have received funding and/or commenced. However, it has not implemented a process to identify projects that have bypassed the investment review process. As a result, there is no proactive reporting to the council on this information or on the impact that it has on the governance of ICT projects.

## Assurance review process

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The QGCIO has strengthened ICT project assurance processes by developing an assurance framework that aligns with the Queensland Treasury gateway review methods.

However, neither the council nor the QGCIO monitors whether the assurance processes have increased the success of ICT projects over time. In addition, the council has not developed performance indicators and reports to show how its decisions have influenced positive change in overseeing ICT projects across departments.

Our review of submissions to the council and the minutes of its meetings showed that the reviews were at a very high level, with some questions and, at times, requests for more information. As the minutes were documented at a very high level, we were not able to determine the value that the council added in this review process.

The assurance review process applies six focused reviews during the life of a program or project to ensure it is progressing towards achieving outcomes. Figure 3A shows the assurance gates (key points at which reviews need to take place) and a brief description of the decision points. (Gate 0 relates to programs and gates 1 to 5 are for projects.)



**Figure 3A**  
**Gate review points**

<b>Program and project assurance gates</b>
Gate 0: Strategic assessment—to confirm the program has strategic outcomes with good governance
Gate 1: Preliminary evaluation of project—to confirm that stakeholders approve intended benefits
Gate 2: Readiness for market—to examine the project's business case and procurement strategy
Gate 3: Investment decision—to confirm the project is still required, affordable, and achievable
Gate 4: Readiness for service—to confirm business is ready to use the solution
Gate 5: Benefits realisation—to confirm that project benefits are actively managed

*Source: Queensland Treasury Project Assessment Framework and Queensland Audit Office.*

The senior responsible owners (each project's sponsoring executive) develop an assurance plan that shows the schedule of the reviews, reviewers, and approximate cost. Senior responsible officers provide the plan to the QGCIO for review.

Senior responsible owners also commission the reviews and decide how to move forward with recommended actions from the assurance report. They share the finalised assurance reports with the QGCIO.

## Assurance plans

The QGCIO reviews the assurance plans and consults with departmental project teams if needed. However, the QGCIO does not always follow up with the respective governance groups if they don't undertake assurance reviews as shown in their schedule. This is unfortunate, because this is an early indication that a program or project is not running on schedule and may need to take corrective actions.

The QGCIO does not report to the council on projects that have not commissioned timely assurance reviews. It could do this by summarising the information it receives from the departments.

## Assurance reports

The council receives a summary of the assurance reports for projects with assurance levels of 3 and 4. It notes the reports, but it is not clear what additional actions it takes after reviewing these reports. There are no key performance indicators to demonstrate that the council's review of these reports has improved the successful delivery of ICT projects.

If a project fails or has gone significantly over time or cost, the QGCIO does not go back to analyse the assurance reports. It could do this to see if there were any early warning signs that project teams should have acted on, or that others can learn from. This analysis could also deliver improvements to the assurance processes where the assurance reports do not contain reference to early warning signs of failure.

As a result, there are missed opportunities to gain insights into the factors that lead to successful ICT projects or indicators that could result in the project failing. For example, the QGCIO does not provide assessments on:

- whether a department has robust processes to appoint key project management officers with the appropriate record of accomplishment, skills, and competencies
- the maturity levels of departmental project management and assurance processes
- whether departments are selecting methods that have a higher likelihood of success for the project.

The QGCIO collates and publishes lessons learned (with identification details removed) that departments can consider in managing their projects. As they are de-identified and summarised, they are generic recommendations that are also available from a project assurance checklist. As a result, they provide limited insights into how departments can improve the successful delivery of projects.

The QGCIO also provides a checklist that shows the types of recommendations that may arise at various gates of a project or program. But it does not summarise them into themes so that proactive actions can be taken to mitigate against particular risks or problems.

Despite these checklists being available for departments to use, we have found that projects are not addressing significant risks that have materialised in the past. For example, we have found that projects have underperformed because:

- there are delays in decision-making while the project continues to use time and resources, escalating the overall cost
- departments intend to implement standard off-the-shelf solutions when they have customised requirements and a 'one size fits all' is not suitable
- departmental information technology teams and business areas are not collaborating to successfully deliver projects
- project teams are not managing suppliers of the solution strictly to contract for requirements and deliverables
- project governance groups do not hold suppliers to account for delivering a system that functions with client information and data. (There have been high profile and costly systems for which suppliers did not take responsibility in terms of operating within clients' business rules and data sets.)

More needs to be done to implement processes that enable project teams to learn about issues that have occurred in the past, how they eventuated, and what controls can be put in place to mitigate against them.

The QGCIO can use this information to greater advantage by analysing the impact of the issues and whether they had any causal effect on the time or cost of the projects. It could also analyse the reports based on project size and maturity of departmental project governance to determine the success factors in project delivery.

Figure 3B shows some examples from the QGCIO's summary report of de-identified issues from the assurance reports at each gate.



**Figure 3B**  
**Examples of QGCIO's project assurance report findings per gate**

**Project assurance recommendations per gate**

Gate 0: Strategic assessment to confirm that program has strategic outcomes with good governance

- Business case needed to be updated to limit options to those addressing the problem.
- Expected program outcomes were not clearly defined in the program plan or initiation documents.
- Implementation schedule needed to be reviewed and agreed by impacted stakeholders.

Gate 1: Preliminary evaluation of project to confirm that stakeholders approve intended benefits

- Scope had not yet been decided. Alignment between requirements and scope was needed.
- Board members needed to be reduced to only those with decision-making authority.
- Strategic direction and guiding principles outlined in the business case needed to be reviewed and alignment between project and business case reconfirmed.

Gate 2: Readiness for market to examine project's business case and procurement strategy

- Agreement of the outline business and investment case was needed.
- Project plan needed significant attention.
- The original sponsoring group no longer existed.
- The scope and cost estimates were not fully defined.

Gate 3: Investment decision to confirm the project is still required, affordable, and achievable

- Minimum viable product needed to be agreed with stakeholder
- Revisit and agree the reason for the project.
- Confirm with the users the features and functions of the service that will, and will not, be delivered. Also revalidate user requirements.

Gate 4: Readiness for service to confirm business is ready to use the solution

- Benefits realisation plan needed to be finalised and agreed.
- Needed to ensure business owners and project board accept that user acceptance testing (UAT) is complete (current lack of clarity about remaining UAT activities.)
- Training plans and programs needed to be completed.
- The minimum viable product had not been documented.

Gate 5: Benefits realisation to confirm that project benefits are actively managed

- Consideration to be given to end-user satisfaction earlier than planned.
- Supplier relationships and partnerships within the program were not effective.
- Stronger communication and stakeholder engagement was needed.
- Development of contract compliance audit plan was recommended to independently verify the supplier's compliance over the life of the long-term contract.

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Source: Queensland Audit Office and QGCIO website.



# 4. How well are departments managing ICT programs and projects?

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This chapter examines how well departments have managed a major information and communication technology (ICT) program and a completed ICT project.

## Introduction

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We assessed how well the departments delivering the Human Resource Information Solution (HRIS) program and the My Development Assessment System (MyDAS) projects, have monitored and managed their delivery.

We examined whether the departments:

- had effective governance processes and made timely decisions in running the HRIS program and MyDAS projects
- used an appropriate methodology to deliver the HRIS program and MyDAS project and, in the case of MyDAS, whether the responsible department used an appropriate software development methodology
- planned and undertook appropriate assurance reviews
- reported project and program status on the ICT dashboard.

## Human Resource Information Solution (HRIS)

The HRIS program entails replacing the Lattice payroll system and implementing human capital management (HCM) solutions. The in-scope entities for this program are:

- Queensland Corrective Services (4 700 employees)
- Queensland Fire and Emergency Services (45 000 paid employees and volunteers)
- the Queensland Ambulance Service (4 900 employees)
- Inspector General of Emergency Management (23 employees).

The Public Safety Business Agency managed the HRIS Program from 2012 to December 2016. At this time, the responsibility moved to the then Department of Science, Information Technology and Innovation (DSITI). Since the machinery of government changes in January 2018, the Department of Housing and Public Works is now responsible for this program. The overall budget for the program is \$101 million.



## My Development Assessment System (MyDAS)

The aim of the MyDAS project was to create a system to enable customers to lodge development applications where the state is the assessment manager or a referral agency. This project commenced in January 2013, and the responsibility for the project shifted in accordance with changes in machinery of government over time.

The then Department of State Development, Infrastructure and Planning delivered MyDAS in July 2013. The then Department of Infrastructure, Local Government and Planning delivered the current system through another two projects: MyDAS2 and the MyDAS2 Commencement Project. The third project finished in July 2017. The current version of this system is called MyDAS2.

What originally started as a \$2.6 million project ended up costing around \$14 million. (This does not include ongoing support costs.) MyDAS2 also incorporated legislative changes from the *Planning Act 2016*.

## Establishing governance structures and making decisions

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Overall, both the HRIS program and MyDAS projects had appropriate governance structures and change management processes for the size and nature of the projects. However, they were not effective in making timely decisions to maintain high productivity throughout the lifespan of the various projects. They did not:

- act promptly to implement learnings as the projects progressed
- wait for final decisions on scope changes prior to continuing the engagement of contractors

Both HRIS and MyDAS experienced strategic changes throughout their duration. Policy changes and organisational restructures affected the approach for delivery of HRIS, and legislative changes affected the delivery for MyDAS.

### HRIS program

The governance groups over the life of the program and the current program includes all the relevant stakeholders. The governing groups have faced significant scope changes and the program has had difficulties in maintaining high levels of productivity throughout its lifecycle.

### Policy and structural changes

HRIS started in 2010 and went to the market for a fully integrated ‘as a service’ offering in 2013. This meant that an external service provider would provide the software solution and process transactions for human resources, payroll, and HCM.

In March 2015, there was a change in government policy and the program could not proceed with the fully integrated service approach. Instead, the in-scope entities needed to consider services that already existed within government.

This meant that the program, in its existing form, no longer aligned with government policy. The Public Safety Business Agency did not close the program while it defined and set a new direction for the program to achieve similar outcomes but with a strategy aligned to the new government’s policy. This would have avoided the significant costs incurred while these changes were made to the program’s direction.



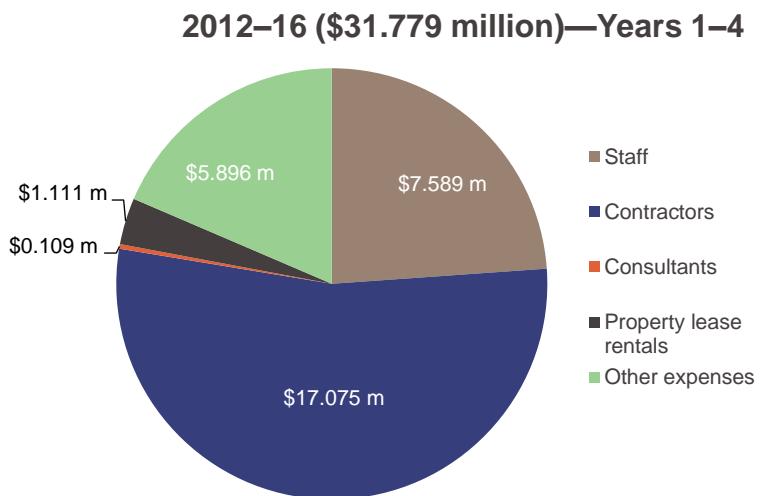
The program continued to develop submissions and, as at December 2015, these were not approved. At this time, the Department of the Premier and Cabinet and Queensland Treasury advised the sponsoring group to proceed with the first phase of the program in its new form. The first phase of the program included signing a contract with the external supplier, selected as part of the initial procurement process that was for a fully integrated ‘as a service’ solution. Appendix C shows the key decision points of this program.

While the program was waiting for decisions in its first four years, it continued to engage contractors, incurring a total of \$17 million in this expense category. During this period, the program undertook significant volumes of work in documenting the requirements of a fully integrated service solution and then decoupling the payroll and HCM solutions.

However, the program did not make much progress in replacing Lattice or implementing HCM solutions.

Between 2013 (when the program went to market for ‘as a service’ solution) and June 2016, the program had spent \$31.79 million. Figure 4A shows the breakup of this expenditure.

**Figure 4A**  
**Program expenditure in its first four years**



Source: Department of Housing and Public Works—HRIS Highlight Report.

### Progress since June 2016

The HRIS program has focused on delivering ICT solutions since 2016 and has so far replaced the Lattice system for Queensland Corrective Services and Inspector-General Emergency Management. This cost approximately \$4.6 million.

In addition, the program has begun analysing business requirements for the Queensland Ambulance Service and Queensland Fire and Emergency Services.

The program has also implemented a HCM solution for Queensland Fire and Emergency Services and Inspector-General Emergency Management, at a cost of around \$13.8 million. The program is progressing the implementation for Queensland Corrective Services and developing a business case for the Queensland Ambulance Service.

### Queensland Fire and Emergency Services

We note that the Queensland Fire and Emergency Services was not able to make optimal use of its HCM solution when it was first implemented in December 2017. This is because the system was not uploaded with all of Queensland Fire and Emergency Services’ data at that time. This aspect of the project continued into the months following system implementation.



The Program Executive Steering Committee approved the ‘go live’ decision for HCM for Queensland Fire and Emergency Services on 1 December 2017 and its approval was based on:

- a Gate 4 readiness review
- all assistant commissioners, including rural fire service and state emergency service, signing off the readiness audit, which confirmed that user training was in progress
- the program manager confirming that all key project documents were approved
- user acceptance testing and ICT security testing being completed.

The above points show that the system technically works, staff training is in progress, and users have tested it with test data. These are important points to consider when making a go live decision.

However, the committee did not obtain sign-offs on whether:

- the system operated with all the organisation's real data, as opposed to test data and test scenario data
- tests of the responsiveness of the system for end-user access under normal and peak use had been successful, taking into account network, and/or other device performance differences. This would indicate how long users from various centres, including regional and rural areas, needed to wait for a transaction to complete.

This increased the risk that, while the newly implemented system would work for standard processes and test data, it may not be fit for purpose for the organisation's processes and its full data set.

Future contract negotiations and implementation planning should include these considerations. Projects need to have additional milestones to test the system, using all the organisation's data during both normal and peak system usage times.

## MyDAS

The responsible departments delivered this system through a series of three projects. The projects spanned three and a half years and did finally deliver a functioning system, with the latest legislative changes, at a total cost of \$14 million. This is more than five times its original budget. The timeline of these projects, including key decisions, is at Appendix D.

### First project—MyDAS, January 2013 to July 2013—budget of \$2.4 million

The then Department of State Development, Infrastructure and Planning established this project. While this project was delivered on time and within budget in July 2013, it had many problems. In general, the external users felt that the application was not user friendly, and they had challenges with uploading documents, making payments, and tracking their development applications.

Sometimes the users lost their work while entering details and had to start all over again. Internal users had similar issues, and they had to manage multiple spreadsheets outside the system where functionality was missing.

The root causes of these issues included a compressed timeframe to deliver the system, failure to identify key users and stakeholders, and inadequate user testing.



## Second project—MyDAS2, February 2014 to December 2015—initial budget of \$5.6 million, later increased to \$12 million

The then Department of State Development, Infrastructure and Planning established a new project, MyDAS2. The aim of this project was to address the issues of the first version of the software and implement enhancements and changes to planning regulations. In its first year, this project continued to have significant challenges in delivering the system.

After a machinery of government change, the then Department of Infrastructure, Local Government and Planning took over the project. The department commissioned an independent review of the project in July 2015.

This review identified key learnings to improve project performance including:

- analysing customer groups (also a learning in MyDAS)
- insufficient documentation of business processes and requirements (also a learning in MyDAS)
- inefficient software development methodology and processes
- insufficient control over managing project scope.

The project control group had taken actions to bring the project back on track in February 2015, but the project closed in December 2015 without delivering a live system. It did, however, deliver a product that the next project developed further into a functioning system.

## Third project—MyDAS2 Commencement (January 2016 to July 2017)—budget \$3.9 million

The then Department of Infrastructure, Local Government and Planning established a new project, the MyDAS2 Commencement Project, in January 2016. This was to enhance the product that MyDAS2 project delivered for the current business, technical, and legislative requirements.

This project team implemented learnings from the previous project and improved the momentum to achieve milestones and deliverables. The project team also implemented recommendations of previous project review reports.

The system went live in July 2017, together with the new legislative changes. Key success factors in delivering this system included:

- increased momentum to finalise the *Planning Act 2016*
- use of the appropriate methodology for this type of software development and of tighter controls for delivering outputs and outcomes.



# Applying program and project management methodologies

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Both HRIS and MyDAS used the Queensland Government Chief Information Office (QGCIO)-endorsed PRINCE2 methodology to monitor and manage their milestones and deliverables. This included:

- program and project planning
- reporting to those charged with governance
- implementing appropriate changes to the programs and projects (along with policy changes)
- commissioning independent assurance reviews.

For HRIS, we assessed the program and project management methodology applied by the project team. For MyDAS, we assessed the software development methodology.

## HRIS program and project management methodology

The program adopted the PRINCE2 methodology appropriately with respect to the program's nature, size, and risks. It developed the relevant program management documentation and reporting. Currently, the program is regularly reporting information to the governance board.

However, the program business cases were developed after the decisions about its approach were already made (by government). As a result, the business cases were not fully informed by costed options analysis as required by the Queensland Treasury Project Assessment Framework.

Based on the information that was available at the time of making the investment decision, it is difficult to determine whether the program selected the option that would deliver the best value for money.

### Program level business case

The program business cases (2014 and 2016) included most of the key elements required by Queensland Government methodologies. However, they lacked robust analysis of alternative options to inform decisions of the costs and benefits of their decisions. Throughout its duration, the program analysed only one option each time it developed a business case. This is because decisions about which option to take were made before the business cases were developed:

- The 2014 program business case was developed after it was approved to proceed to the market scan for a 'business process as a service' option. As mentioned earlier, this meant that an external service provider would provide a software solution and process transactions for human resources, payroll, and HCM. Therefore, the business case included analysis of this option only.
- After doing the market scan, the program did not do a comparison of the 'as a service' option against using existing whole-of-government systems and services.

As a result, the business case did not include a full analysis of the impact of the 'as a service' option. Neither did the business case include a compelling case that the program would in fact deliver the value that departments were seeking.



In March 2015, the policy changed to using services already existing within government. Those charged with governance decided to change the program so that all in-scope entities would:

- use Queensland Shared Services (QSS) for human resources and payroll (now referred to as the Payroll project)
- contract an external supplier to provide software ‘as a service’ for HCM (now referred to as the HCM project). This meant that the external provider would only supply and support the software and the departments would be responsible for processing transactions and updating departmental data within the system.

The program completed the business case for the new approach in July 2016. This was six months after it signed the contract with the external supplier for the HCM solution, and QSS had already begun the payroll project. The analysis of the options within the business case was, therefore, limited to the option that was already underway. This was another missed opportunity to demonstrate whether using internal government services and partial outsourcing was better value for money than complete outsourcing.

The sponsoring group approved and submitted the June 2016 business case to the ICT Director-General Council (the council). The program has since found that the draft implementation schedule in the business case was not realistic and not achievable. While the program has developed a new business case, it is still in draft, and the program is in the process of obtaining approval.

We note that the governance committee approved the HCM solution in 2015 from an invitation to offer that related to a different solution. The invitation to offer was for a fully integrated business process ‘as a service’ solution, whereas the contract was only for the HCM software ‘as a service’ solution.

This contract is around \$20 million for implementing the system and a support agreement over 10 years for Queensland Fire and Emergency Services. This makes it a significant procurement. Therefore, the program needed to assess internal whole-of-government systems and/or other ‘software as a service’ solutions in tandem. This would have ensured that it was a fair process and that the in-scope entities were getting the optimum value for money.

## Project level business case

Before commencing the projects for each in-scope entity, the program completed a business case. This was in accordance with Queensland Government methodology.

### Payroll project

The payroll project for each entity entails moving from Lattice to Aurion (the payroll systems at QSS). Even though the entities had already made this decision, the program developed a business case for the payroll project of each entity. The business cases included options analyses of whether each entity should remain on Lattice or move to the Aurion system.

The case for moving from Lattice was approved in 2010. Therefore, analysing these two options was no longer necessary. The payroll project should have gone straight into a detailed planning phase to determine the total costs and methods to implement systems and processes for each entity.

For the more complex payroll processes, the project also needed to determine the overall end-to-end payroll processes and what the full cost of service to the in-scope entities would be.



### HCM project

Among the three in-scope entities, Queensland Fire and Emergency services has unique requirements for its HCM, with a large volunteer workforce. Queensland Corrective Services and the Queensland Ambulance Service have similar requirements to other departments.

The business case for Queensland Fire and Emergency Services did not serve the purpose of analysing options because the program had already signed a contract with the external supplier. In addition, there are no existing systems within departments that can cater for the unique requirements of Queensland Fire and Emergency Services. As a result, Queensland Fire and Emergency Services needed to proceed to detailed planning and costing of its implementation rather than writing a business case.

The program also developed a business case for Queensland Corrective Services. This business case referred to the previous invitation to offer and included the recommendation to use the same external supplier that had a contract with Queensland Fire and Emergency Services. The original contract with Queensland Fire and Emergency Services had the option for the other agencies to opt in under the same conditions. The business case did not provide an assessment of whether existing systems that other departments use would yield better value for money for Queensland Corrective Services.

The Queensland Ambulance Service is the only in-scope entity for which the program is developing a business case to analyse an option other than the HCM contract. The program completed a significant body of work in March 2017 to assess how well systems already existing within departments meet their needs. The draft business case for Queensland Ambulance Service shows that using the existing whole-of-government systems may meet most of the requirements. However, the program has not yet completed key elements of this business case that will show comparisons of each of the systems' life spans, stability, and related costs. The program needs to increase the momentum on this activity so that it can complete it before making decisions about the options.

## MyDAS project management and systems development methodologies

As MyDAS was an in-house development, the project team needed to implement a project management methodology as well as a systems development methodology. The project team used the PRINCE2 methodology to implement controls that were suitable to the size of the project. However, it did not adopt an appropriate systems development methodology at the start of MyDAS2.

There were significant inefficiencies within the systems development processes and methodologies used within the MyDAS projects. In addition, the business unit managing this software development project ran it with little to no input from the information technology (IT) team. A key learning from this is to ensure that there is an appropriate level of integration between IT and business when undertaking software development projects.



## Approach to software development

The project initially adopted one methodology (Waterfall) and later incorporated parts of another methodology (Agile). This created inefficiencies in introducing additional processes and communications. The project team developed work packages that were within the scope of MyDAS2. However, it did not manage these work packages through a central repository. Therefore, it was difficult to determine how much work the project team had completed, how much was remaining, and how much the project team would defer while awaiting further regulation changes.

The MyDAS2 project team built the system while it was still developing the business process architecture. The business requirements documents did not include the relevant business processes. Rather, they only included a high-level description of the technical or system processes. As this system relies on completion of one business process to trigger the initiation of the next, documenting and agreeing the target state is critical for the product to operate.

These issues increased the risk that the project might not properly consider all steps required to successfully execute the business processes. This is a significant issue that the users faced in using MyDAS (the system that was implemented through the first project).

## Conducting assurance reviews

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The HRIS program did not keep its assurance plans up to date and did not obtain timely approval of these plans from those charged with governance. While the MyDAS projects commissioned project assurance reviews, they did not plan for these at the start of the projects.

## HRIS

### Program assurance

HRIS is an assurance level four program. It has engaged independent assurance providers, external to government, to undertake reviews at key decision points but it did not develop an assurance plan from the start of the project. The first time that the senior responsible officer for HRIS approved the assurance plan was in September 2017.

This plan shows the timing and key decision points at which the program will undertake assurance reviews. This plan correctly reflects reviews already undertaken. It did not include any future Gate 0 reviews of the program (which are intended to confirm the program has strategic outcomes with good governance) and did not include Gate 5 reviews of projects. The program is currently updating these plans.

We acknowledge that these plans are living documents and need updating throughout the life of the program. However, the program has not progressively submitted changes in the number and schedules of reviews for approval to those charged with governance.

We also noted that in its recent update of the assurance plan (currently in draft), the program has included a Gate 0 review to be conducted at the end of the program. The Gate 0 review is forward looking and provides insights on whether the program is in line with strategic outcomes and has sufficient funds for the next stages. It also provides assurance to the senior responsible officer that the program has good governance and risk management. Therefore, the program will benefit from a midway Gate 0 review to ascertain whether its strategic direction continues to be the most value for money.



While the gate reviews serve their purpose, the additional independent reviews added more value in providing recommendations for the program to get back on track. However, none of the additional reviews included specific criteria to demonstrate that the program was delivering or was on track to deliver value for money.

As a result, there is no process to highlight to those charged with governance whether outcomes achieved at the time of the reviews represent the best value for money. In addition, the reviews do not provide insights into whether the program will continue to be a value-for-money proposition.

## MyDAS

### Project assurance

The MyDAS project team did not develop an assurance plan. Neither did it undertake all of the gate reviews. The department did, however, engage independent assurance providers that were external to the department. There was one assurance review and one project health check report. These provided insights into the risks that needed attention as well as recommendations for corrective actions to bring the project back on track.

There was one gate review at Gate 4. This is the readiness review that informs the governance board that the solution is robust, and the business is ready to implement the changes.

## Reporting project progress on the Queensland ICT dashboard

The respective departments responsible for the HRIS program and MyDAS projects published information on the Queensland ICT dashboard (the dashboard). The departments published facts, such as, original budgets, timelines and revised timelines. The departments also reported the status of the projects/program as amber and red at times with comments in the explanatory notes providing warning signs that the projects were experiencing issues. However, both continued for several years before making major changes and before delivering fully functioning ICT outcomes. With respect to these projects/program, the information on the dashboard doesn't appear to have been effectively used to focus action on the projects in a timely manner.

These projects also demonstrate the need to provide more guidance for explanatory notes. The departments provided explanatory notes that shed light on some of the issues and challenges within these programs, but they were not explicit about the impact of delays. The projects were also silent about the outputs delivered progressively with the funds spent over the years.

## HRIS

From September 2013 to December 2016, the program was published as a Public Safety Business Agency (PSBA) program. From April 2017, the then Department of Science Information Technology and Innovation reported it as a cross-agency program (a program that spans a few agencies) through the ICT dashboard. This occurred when the program changed its direction to deliver multi-agency projects.

Figure 4B shows that the project teams did shed light on the red and amber status of these projects over time.



**Figure 4B**  
**Extract of HRIS reporting on status of the program through the ICT dashboard**



Source: Queensland Audit Office from Queensland Government Website, ICT dashboard.

Our review of the explanatory notes on the dashboard shows that the program disclosed:

- delays in decision-making
- that extreme risks existed
- that reviews were undertaken.

Appendix E, which includes an extract of the ICT dashboard for HRIS published over time, demonstrates this. It also shows that the focus of the comments regarding the budget were on underspending—what wasn’t being spent compared to planned expenditure, rather than on cost of project delays. In addition, the explanatory notes didn’t include information on money spent versus value delivered because this is currently not a requirement of the dashboard publishing guidelines.

## MyDAS

The departments responsible for the MyDAS projects published them on the ICT dashboard during their delivery stage. These projects are no longer on the ICT dashboard because they closed in July 2017.

Figure 4D shows how MyDAS reported its status on the dashboard from October 2014.



**Figure 4D**  
**Extract of MyDAS reporting on status of the projects through the  
 ICT dashboard**



Source: Queensland Audit Office from Queensland Government Website, ICT dashboard.

In the case of MyDAS, it was evident from the dashboard that the project had changed names. This was an example of a project that was re-baselined (had changes to scope, timing and/or budget) several times and therefore reported as green, because its governing bodies approved the changes.

However, the explanatory notes for the project didn't include information on funds spent versus value delivered. While this is important information for projects that run over multiple years, currently it is not a requirement of the dashboard publishing guidelines.

Appendix F includes an extract of MyDAS records on the ICT dashboard published over time.

# Appendices

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# A. Full responses from agencies

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As mandated in Section 64 of the *Auditor-General Act 2009*, the Queensland Audit Office gave a copy of this report with a request for comments to:

- Department of the Premier and Cabinet
- Queensland Treasury
- Queensland Government Chief Information Office
- Department of Housing and Public Works
- Public Safety Business Agency
- Queensland Fire and Emergency Services
- Queensland Police Service
- Queensland Corrective Services
- Department of State Development, Manufacturing, Infrastructure and Planning
- Department of Local Government, Racing and Multicultural Affairs
- Department of Transport and Main Roads
- Department of Education
- Queensland Health
- Department of Justice and Attorney-General
- Department of Natural Resources, Mines and Energy
- Department of Environment and Science
- Department of Agriculture and Fisheries
- Department of Innovation, Tourism Industry Development and the Commonwealth Games
- Department of Employment, Small Business and Training
- Department of Child Safety, Youth and Women
- Department of Communities, Disability Services and Seniors
- Department of Aboriginal and Torres Strait Islander Partnerships

The heads of these agencies are responsible for the accuracy, fairness and balance of their comments.

This appendix contains their detailed responses to our audit recommendations.



## Comments received from Director-General, Department of the Premier and Cabinet



For reply please quote: IS/EM – TF/18/7056 – DOC/18/98482  
Your reference: 2018-P9168

Department of the  
**Premier and Cabinet**

27 JUN 2018

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
PO Box 15396  
CITY EAST QLD 4002

Dear Mr Worrall

Thank you for your letter of 6 June 2018 concerning the QAO performance audit on monitoring and managing information and communication technology (ICT) projects, and for providing the proposed report for my consideration and comment.

Overall, the proposed report's findings and recommendations appear in line with Government's intention to increase transparency around major ICT projects, and to improve elements of governance to support ICT projects being delivered on time, on budget, and within agreed quality and performance requirements.

I can confirm that the Department of the Premier and Cabinet (DPC) has no further comments.

In response to your recommendations, the DPC Information Steering Committee will undertake a review of the department's current ICT program, project management and monitoring processes by the fourth quarter of 2018. Please find attached confirmation of this in the template provided.

In closing, I would like to thank you and your officers for consulting with relevant agencies across government to complete this audit. I look forward to the Queensland Audit Office's final report when tabled in Parliament.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Dave Stewart'.

Dave Stewart  
**Director-General**

\*Encl

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## Response to recommendations



### Department of the Premier and Cabinet

#### *Monitoring and Managing ICT programs and projects*

Response to recommendations provided by the Director-General, Department of the Premier and Cabinet (DPC).

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<b>We recommend that all departments:</b>			
3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree	Q4 - 2018	DPC's Information Steering Committee will review the department's current processes for managing and monitoring ICT projects to incorporate the recommendations.
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Agree	Q4 - 2018	
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	Q4 - 2018	
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	Q4 - 2018	

## Comments received from Under Treasurer, Queensland Treasury



Queensland Government

Queensland Treasury

Our Ref. 02589-2018  
Your Ref. 2018-P9168

Mr Brendan Worrall  
Auditor-General of Queensland  
Queensland Audit Office  
PO Box 15396  
CITY EAST QLD 4002

Dear Mr Worrall

Thank you for your letter of 6 June 2018 seeking further comment on your report to Parliament on the Performance Audit on Monitoring and Managing Information and Communication Technology Projects.

I appreciate the opportunity to review the earlier draft of the performance audit, and have no further comments to add subsequent to my response to you on 30 May 2018.

As requested, attached please find the table with Queensland Treasury's response to the performance audit's recommendations.

Should your officers require any further information or clarification, I would encourage them to contact our Chief Information Officer, Mr Tony Kulpa on

or

Yours sincerely

A handwritten signature in blue ink, appearing to read "Jim Murphy".

Jim Murphy  
Under Treasurer

Encl. 26/6/18

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Website [www.treasury.qld.gov.au](http://www.treasury.qld.gov.au)  
ABN 90 856 020 239



## Responses to recommendations



### Queensland Treasury

*Monitoring and Managing ICT programs and projects*

Response to recommendations provided by Under Treasurer, Queensland Treasury

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<b>We recommend that all departments:</b>			
3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	agree	Ongoing	Queensland Treasury will continue to look for ways to optimise the data collection, and publication process.
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	agree	Ongoing	Queensland Treasury provides detail in explanatory notes when changes are made to scope, time, or budget.
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	agree	Ongoing	Queensland Treasury will continue to identify any opportunities for improvement to existing assurance processes.
6. use learnings (including the OGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	agree	Ongoing	Queensland Treasury will continue to identify any opportunities for improvement to existing assurance processes.



# Comments received from Queensland Government Chief Information Officer, Queensland Government Chief Information Office

For reply please quote: [C18-56]

26 June 2018

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
PO Box 15396  
City East Qld 4002

Dear Mr Worrall



Queensland Government  
Chief Information Office



## Performance audit on monitoring and managing information and communication technology (ICT) projects.

Thank you for your letter of 6 June 2018 regarding the proposed report to parliament which was provided to Queensland Government Chief Information Office (QGCIO) for comment.

I appreciated the earlier opportunity to provide comments on the preliminary draft, specifically relating to the ICT Dashboard and whole-of-government assurance frameworks, and the consideration given to including that feedback into the final report.

The Department of Housing and Public Works will provide a separate response which will address the recommendations relating to the HRIS Program and other departmental projects and processes.

Overall QGCIO supports the recommendations defined for the ICT Dashboard and the whole-of-government assurance frameworks. Further analysis will be needed to assess whether there will be any practical limitations on the extent of implementation. The enclosed attachment outlines QGCIO's response.

I acknowledge the cooperation and collaboration which occurred at an officer level from both QAO and QGCIO throughout the entire review and am pleased that this has resulted in a positive outcome.

If you require any further information or assistance with this matter, please contact me on  
or

Yours sincerely

Andrew Mills  
Queensland Government Chief Information Officer

Queensland Government Chief Information Office  
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## Responses to recommendations



### Department of Housing and Public Works

#### *Monitoring and Managing ICT programs and projects*

Response to recommendations provided by the Queensland Government Chief Information Officer.

Recommendation	Agree/ Disagree	Timeframe for Implementation (Quarter and year)	Additional comments
<b>We recommend that the Queensland Government Chief Information Office:</b>			
1. enhances the ICT dashboard and updates the publishing guidelines by:			
• working with departments to publish one set of agreed criteria and supporting guidelines to be used by all departments	Agree	Q1 2019	A single set of criteria will be maintained within the ICT Dashboard Publishing Guideline, which is a detailed document to assist departments in publishing to the ICT Dashboard.  QGCIO will continue to work with departments on delivering a common approach based on the general criteria.
• considering an increase in the estimated cost criteria of projects to be reported	Agree	Q1 2019	Minimum data publishing criteria will be reviewed in consultation with agencies.
• including projects funded to initiate and or to develop a business case, with timelines and budgets for the initiate stage	Agree	Complete	The publishing guideline was updated in May 2018, to include projects in the initiate stage.
• including the ability to explain changes in projects in the delivery stage and provide information on outcomes and outputs achieved to date	Agree	Q4 2018	The ICT Dashboard Publishing Guideline was updated in May 2018 to bolster guidance in this regard, including: advice to outline outcomes and success achieved to date; and mitigation steps planned or being taken to address issues and anticipated resolution date.  In a future release QGCIO will look to make enhancements to the dashboard, to further strengthen the "Explanatory notes" field.

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<ul style="list-style-type: none"> <li>requiring departments to include more information about key decisions and corrective actions for projects that change significantly (re-set or re-baseline)</li> </ul>	Agree	Q4 2018	<p>Continual improvements to the dashboard include mechanisms to strengthen and clarify publishing guidance for agencies, and changes to the dashboard itself.</p> <p>The ICT Dashboard Publishing Guideline was updated in May 2018 to bolster guidance in this regard, including: advice to outline outcomes and success achieved to date; and mitigation steps planned or being taken to address issues and anticipated resolution date.</p> <p>In a future release QGCIO will look to make enhancements to the dashboard, to further strengthen the "Explanatory notes" field.</p>
<ul style="list-style-type: none"> <li>automating controls to validate data when it is entered</li> </ul>	Agree in Principle	Ongoing	<p>Whilst QGCIO agree that automated controls to validate published data are important, current capabilities are limited by the underlying Open Data platform. Remediating this issue will have resource impacts which will need to be managed.</p> <p>QGCIO will also continue to leverage and enhance existing data quality tools such as the data validation tool (for agencies' use), where it can be adjusted to align to new releases' data elements.</p> <p>QGCIO also publishes a series of online visualisations, available to agencies, that amongst other uses, can help agencies improve data quality.</p>



Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<ul style="list-style-type: none"> <li>expanding features on the dashboard to include links between projects, programs, and the DIGITAL1ST strategy (Chapter 2)</li> </ul>	Agree	Q4 2018	<p>The Queensland Government Profiling Standard was updated in May 2018, to clarify naming conventions for projects and programs.</p> <p>In a future release QGCIO will look to make capability enhancements to the dashboard, to allow agencies to:</p> <ul style="list-style-type: none"> <li>Include alignment between each project and DIGITAL1ST priorities.</li> <li>Provide additional optional information about each project and how it supports the government's responsive government agenda.</li> </ul>



2. strengthens whole-of-government assurance frameworks that currently complement departmental processes for monitoring ICT projects by:			
<ul style="list-style-type: none"> <li>• defining the meanings of ICT, digital, or digitally-enabled projects, and projects with high business impact</li> </ul>	Agree	Q3 2018	Formal definitions will be added in formal investment review documentation, and referenced directly on the Investment Review landing page on the QGCIO website and the QGEA glossary.
<ul style="list-style-type: none"> <li>• reporting projects that are defined as high business impact and have not undergone the investment review process.</li> </ul>	Agree	Q3 2018	QGCIO will tighten up processes to review sources of initiative information and flag initiatives that by-pass the QGCIO process if discovered, to the DG ICT Council.
<ul style="list-style-type: none"> <li>• analysing and reporting ICT project performance information to assess the effectiveness of the investment review and project assurance processes</li> </ul>	Agree	Q2 2019	This recommendation relates to maturity of the investment review and project assurance process and will take time to implement.  QGCIO will commence reporting benefits realisation for Level 4 projects as a first step.
<ul style="list-style-type: none"> <li>• encourage departments to schedule sufficient project health checks in addition to gate reviews in the assurance plans for all high business impact projects, and following up on these if they don't occur on time</li> </ul>	Agree	Q4 2019	QGCIO will review existing documentation to clarify what health checks and assurance reviews are, and their interactions across the project assurance lifecycle.
<ul style="list-style-type: none"> <li>• assisting departments in identifying root causes for project failures and successes, collating these, publishing information for learning, and encouraging departments to look for early warning signs so they can mitigate these risks (Chapter 3).</li> </ul>	Agree	Q4 2019	QGCIO will provide further analysis of closure and lessons learnt reports that agencies provide.



Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<b>We recommend that all departments:</b>			
3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Refer to HPW separate response		
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Refer to HPW separate response		
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Refer to HPW separate response		
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Refer to HPW separate response		
<b>We recommend that for the HRIS program, the Department of Housing and Public Works:</b>			
7. undertakes a full analysis of the relevant end-to-end payroll and human capital management processes for the remaining entities: <ul style="list-style-type: none"> <li>• to assess proposed solutions</li> <li>• to calculate cost estimates for the services (Chapter 4)</li> </ul>	Refer to HPW separate response		
8. ensures the program continually assesses that it provides enough information to enable those charged with governance to make timely decisions. (Chapter 4)	Refer to HPW separate response		

## Comments received from Director-General, Department of Housing and Public works



Our Ref: HPW 01503-2918  
Your Ref: 2018-P9168

25 JUN 2018

Department of  
**Housing and Public Works**

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
Level 14, 53 Albert Street  
BRISBANE QLD 4000

Brendan  
Dear Mr Worrall

Thank you for your letter of 6 June 2018 regarding the proposed report to Parliament on the performance audit on monitoring and managing information and communication technology (ICT) projects.

I appreciated the earlier opportunity to provide comments on the preliminary draft, specifically relating to the HRIS program and other departmental projects and processes, and the consideration given to including that feedback into the final report.

The Queensland Government Chief Information Office will provide a separate response which will address the recommendations relating to whole-of-government assurance and the ICT Dashboard.

The Department of Housing and Public Works (DHPW) supports the recommendations defined for the HRIS program and for all departments to adopt. The enclosed attachment outlines DHPW's response and implementation approach.

I acknowledge the cooperation and collaboration which occurred at an officer level from both QAO and DHPW throughout the entire review and am pleased that this has resulted in a positive outcome.

If you need any more information or help with this matter, Ms Donna Hamer, Executive Director, ICT Strategic Projects can be contacted on [redacted] or email [redacted]

Yours sincerely

A handwritten signature in black ink, appearing to read "Liza Carroll".

Liza Carroll  
**Director-General**

Encl.

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## Responses to recommendations



### **Department of Housing and Public Works**

#### *Monitoring and Managing ICT programs and projects*

Response to recommendations provided by Director-General, Department of Housing and Public Works.

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<b>We recommend that the Queensland Government Chief Information Office:</b>			
<p>1. enhances the ICT dashboard and updates the publishing guidelines by:</p> <ul style="list-style-type: none"> <li>• working with departments to publish one set of agreed criteria and supporting guidelines to be used by all departments</li> <li>• considering an increase in the estimated cost criteria of projects to be reported</li> <li>• including projects funded to initiate and/or to develop a business case, with timelines and budgets for the initiate stage</li> <li>• including the ability to explain changes in projects in the delivery stage and provide information on outcomes and outputs achieved to date</li> <li>• requiring departments to include more information about key decisions and corrective actions for projects that change significantly (re-set or re-baseline)</li> <li>• automating controls to validate data when it is entered</li> <li>• expanding features on the dashboard to include links between projects, programs, and the DIGITAL1ST strategy (Chapter 2)</li> </ul>	Refer to QGCIO separate response		

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<p>2. strengthens whole-of-government assurance frameworks that currently complement departmental processes for monitoring ICT projects by:</p> <ul style="list-style-type: none"> <li>• defining the meanings of ICT, digital, or digitally-enabled projects, and projects with high business impact</li> <li>• ensuring all projects that are defined as high business impact undergo the investment review process</li> <li>• analysing and reporting ICT project performance information to assess the effectiveness of the investment review and project assurance processes</li> <li>• ensure departments schedule sufficient project health checks in addition to gate reviews in the assurance plans for all high business impact projects, and following up on these if they don't occur on time</li> <li>• assisting departments in identifying root causes for project failures and successes, collating these, publishing information for learning, and encouraging departments to look for early warning signs so they can mitigate these risks (Chapter 3).</li> </ul> <p><b>We recommend that all departments:</b></p>	Refer to QGCIO separate response		
<p>3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)</p>	Agree	Q1 2019	Departmental process for ICT Dashboard Reporting has been updated and endorsed at the ISC meeting on 13 June 2018. With proposed enhancements to the ICT dashboard planned, the process will be reviewed again to identify and implement efficiency and automation opportunities.
<p>4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)</p>	Agree	Ongoing	The revised departmental process is consistent with the QGCIO criteria and guidelines.



Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	Ongoing	Will include in program governance guidelines for the Department
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	Ongoing	Will include in program governance guidelines for the Department
<b>We recommend that for the HRIS program, the Department of Housing and Public Works:</b>			
7. undertakes a full analysis of the relevant end-to-end payroll and human capital management processes for the remaining entities: <ul style="list-style-type: none"> <li>• to assess proposed solutions</li> <li>• to calculate cost estimates for the services (Chapter 4)</li> </ul>	Agree	Ongoing	Will be addressed as part of the remaining project components for the HRIS Program
8. ensures the program continually assesses that it provides enough information to enable those charged with governance to make timely decisions. (Chapter 4)	Agree	Ongoing	HRIS Program will regularly seek feedback from governance forums on the appropriateness of information provision

## Comments received from Chief Operating Officer, Public Safety Business Agency



Public Safety  
Business Agency

File No: PSB/00157  
Ref No: 2330-2017  
Your Ref:

27 JUN 2018

Mr B Worrall  
Auditor-General  
Queensland Audit Office  
PO Box 15396  
CITY EAST QLD 4002

Dear Mr Worrall

Thank you for your letter dated 6 June 2018 regarding the Performance Audit – Monitoring and Managing ICT Programs and Projects, requesting comments on your proposed recommendations.

Please find attached the completed template provided. I appreciate the opportunity to provide a response.

Should you require further assistance, please contact Mr Warren Dries, Director Internal Audit, on telephone or email

Yours sincerely

A handwritten signature in blue ink, appearing to read "Peter Griffin".

Peter Griffin  
Chief Operating Officer  
Public Safety Business Agency

Att – QAO template – PSBA responses to proposed recommendations

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GPO Box 2336, Brisbane  
Queensland 4000, Australia  
Telephone +61 7 3144 5349  
Facsimile +61 7 3144 5598  
Website [www.psba.qld.gov.au](http://www.psba.qld.gov.au)  
ABN 77 154 515 128



## Responses to recommendations



*Better public services*

### Public Safety Business Agency

*Monitoring and Managing ICT programs and projects*

Response to recommendations provided by Mr Peter Griffin, Chief Operating Officer, Public Safety Business Agency (PSBA) on 26 June 2018.

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<b>We recommend that all departments:</b>			
3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree	Implemented	PSBA Frontline and Digital Services ICT Projects delivery currently utilises an automated system (Daptiv) for collating information for publishing to the QGCIO dashboard.
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Agree	Implemented	PSBA are aware of and have implemented QGCIO Publishing guidelines, including recent changes communicated by QGCIO and we have put measures in place to meet the recommended requirements for reporting changes to scope, time and budget. The current June data publication, and those moving forward, align to the new standards specified by QGCIO.
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	Quarter 1, 2018-19	PSBA will consider implementing additional health checks for high impact projects in addition to gate reviews – this will form part of an assurance plan for projects.
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	Implemented	PSBA have processes in place to leverage lessons learnt for future projects and this is part of our delivery methodology.

## Comments received from Commissioner, Queensland Fire and Emergency Services



Ph:07 3635 3447  
File No: QFS/15008  
Our Ref: 02453-2018



Office of the  
**Commissioner**  
**Queensland Fire and**  
**Emergency Services**

Mr Brendan Worrall  
Auditor General  
Queensland Audit Office  
Level 14, 53 Albert Street  
BRISBANE QLD 4000

Dear Mr Worrall

Thank you for your letter and draft report dated 6 June 2018 regarding the performance audit on monitoring and managing information and communication technology (ICT) projects.

Queensland Fire and Emergency Services (QFES) agrees in principle with all recommendations of the draft report received. The Public Safety Business Agency (PSBA) is the primary provider for QFES ICT projects and programs. QFES will liaise and work with its partner agencies to facilitate and progress the recommendations.

In relation to the Human Resource Information System (HRIS) Program of work selected as part of your review, the Department of Housing and Public Works (DHPW) is the responsible Agency for this program.

Should you require any further assistance, please contact Callum MacSween, Director Human Capital Strategy on telephone [redacted] or email [redacted]

Yours sincerely

A handwritten signature in black ink, appearing to read "Katarina Carroll".

Katarina Carroll APM  
**Commissioner**

Emergency Services Complex  
125 Kedron Park Road Kedron  
GPO Box 1425 Brisbane  
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Telephone 13 QGOV  
Facsimile +61 3247 4683  
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## Comments received from Commissioner, Queensland Police Service



### QUEENSLAND POLICE SERVICE

COMMISSIONER'S OFFICE  
200 ROMA STREET BRISBANE QLD 4000 AUSTRALIA  
GPO BOX 1440 BRISBANE QLD 4001 AUSTRALIA  
TELEPHONE: 07 3364 6488 FACSIMILE: 07 3364 4650



Our Ref:

Your Ref:

26 June 2018

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
Level 14, 53 Albert Street  
BRISBANE CITY QLD 4000

Dear Mr Worrall *Brendan*

I refer to your correspondence dated 6 June 2018 regarding the performance audit on monitoring and managing information and communication technology (ICT) projects.

PSBA Frontline and Digital Services ICT Projects delivery currently utilises an automated system (Daptiv) for collating information for publishing to the QGCIO dashboard.

We are aware of and have implemented QGCIO publishing guidelines, including recent changes communicated by QGCIO and we have put measures in place to meet the recommended requirements for reporting changes to scope, time and budget. The current June data publication aligns to the new standards specified by QGCIO.

We will consider implementing additional health checks for high impact projects in addition to gate reviews – this will form part of an assurance plan for projects.

We have processes in place to leverage lessons learnt for future projects and this is part of our delivery methodology.

Should you have any further inquiries, please contact Ms Pauline Reid, Acting Chief Information Officer, PSBA.

Yours sincerely

*Ian Stewart*  
IAN STEWART  
COMMISSIONER

QUEENSLAND POLICE SERVICE

## Responses to recommendations



### <department name>

*Monitoring and Managing ICT programs and projects*

Response to recommendations provided by <Director-General / Commissioner / Chief Operating Officer, department name>.

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<b>We recommend that all departments:</b>			
3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree	Q1 2019	3. PSSA FIDS ICT projects delivery currently utilises an automated system (Baptiv) for collating information for publishing to the QGCIO Dashboard.
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Agree	Q1 2019	4. We are aware of + have implemented QGCIO publishing guidelines including recent changes communicated by QGCIO + we have put measures in place to meet the recommended requirements for reporting changes to scope, time + budget. The current June data publication and moving forward align to the new standards specified by QGCIO.
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	Q4 2019	5. we will consider implementing additional health checks for high impact projects in addition to gate reviews - this will form part of our assurance plan for projects.
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	Q4 2019	b. We have processes in place to leverage lessons learnt for future projects and this is part of our delivery methodology. This is subject to confirmation of QGCIO summary of systemic issues.

1



## Comments received from Commissioner, Queensland Corrective Services



File No: F/18/08511  
Ref No: 03091-2018  
Your Ref: 2018-P9168

Office of the  
**Commissioner**  
Queensland  
Corrective Services

**28 JUN 2018**

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
Level 14, 53 Albert Street  
BRISBANE QLD 4000

Dear Mr Worrall

Thank you for your letter of 6 June 2018 about the proposed report on the performance audit on monitoring and managing information and communication technology projects.

Queensland Corrective Services (QCS) has reviewed the report and has no further commentary. In addition, QCS agrees with the audit recommendations as indicated in the attached table.

Should your office require any further information, please contact Ms Robyn Gregory, Director, Offender Information Systems, QCS on telephone or email

I trust this information is of assistance.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Peter Martin".

Peter Martin APM  
**Commissioner**

Enc.

State Law Building  
50 Ann Street Brisbane  
GPO Box 1054 Brisbane  
Queensland 4001 Australia  
Telephone +61 7 3227 7111  
ABN 13 846 673 994



## Queensland Corrective Services

### Monitoring and Managing ICT programs and projects

Response to recommendations provided by Commissioner, Queensland Corrective Services.

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<b>We recommend that all departments:</b>			
3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree	1st quarter, 2019	QCS will undertake a review of the current QCS ICT Dashboard Reporting Procedure.
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Agree	3rd quarter, 2018	QCS will continue to comply with the mandatory ICT dashboard requirements and will update QCS dashboard reporting criteria accordingly as per QGCIO updated guidelines.
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	1 <sup>st</sup> quarter, 2019	QCS will continue to identify the high business impact ICT projects and conduct health checks as required.
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	1 <sup>st</sup> quarter, 2019	QCS will embed the process of reviewing the learnings reported from project health checks into QCS ICT project management.



## Comments received from Director-General, Department of State Development, Manufacturing, Infrastructure and Planning



Department of  
State Development,  
Manufacturing,  
Infrastructure and Planning

Our ref: DGC18/677

Your ref: 2018-P9168  
Mayus Nath 3149 6062

26 JUN 2018

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
PO Box 15396  
CITY EAST QLD 4002

Email: qao@qao.qld.gov.au

Dear Mr Worrall

Thank you for your letter of 6 June 2018 about the performance audit on monitoring and managing Information and Communication Technology (ICT) projects, including the opportunity to provide any comments on the proposed report to parliament.

The Department of State Development, Manufacturing, Infrastructure and Planning (DSDMIP) is committed to effective program and project governance to enable efficient, effective, economical and value for money for ICT outcomes.

DSDMIP agrees with the recommendations raised for all agencies, namely recommendations three to six. Please refer to the enclosed table to assist with future follow up of the recommendations.

If you require any further information, please contact Ms Kris Stone-Tolcher, Executive Director Corporate Services, Business Solutions and Partnerships, DSDMIP, or who will be pleased to assist.

Yours sincerely

A handwritten signature in black ink, appearing to read "Rachel Hunter".

Rachel Hunter  
Director-General

Enc

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Queensland 4002 Australia  
Telephone +61 7 3452 7100  
[www.dsdimip.qld.gov.au](http://www.dsdimip.qld.gov.au)  
ABN 29 230 178 530

## Responses to recommendations

### Attachment 1

#### Department of State Development, Manufacturing, Infrastructure and Planning

##### Monitoring and managing ICT programs and projects

Response to recommendations provided by Director General, Department of State Development, Manufacturing, Infrastructure and Planning

Recommendation	Agree/Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<b>We recommend that all departments:</b>			
3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree	n/a	As a department with a small reporting footprint, balancing the cost of automation versus current process costs is not a consideration at present.
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Agree	n/a	The department's Information Steering Committee approve publishing and the CIO manages reporting consistency within QGCIO publishing criteria and guidelines and assures the explanatory notes provide sufficient detail.
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	Q1, 2018-19	This need falls under current departmental guidelines; however, the department will take this under advisement as projects are published.
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	Q1, 2018-19	Using lessons learned is within current departmental guidelines; however, the department will take this under advisement as projects are published.



## Comments received from Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs



Minister for Local Government,  
Minister for Racing and  
Minister for Multicultural Affairs

RECEIVED

25 JUN 2018

QUEENSLAND  
AUDIT  
OFFICE

Our ref: MC18/3415 – MBN18/1350

Your ref: 2018-P9168 – Mayus Nath 3149 6062

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Brisbane Queensland 4000  
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Email [lgma@ministerial.qld.gov.au](mailto:lgma@ministerial.qld.gov.au)  
Website [www.dlgma.qld.gov.au](http://www.dlgma.qld.gov.au)

ABN 65 959 415 158

20 JUN 2018

Mr Brendan Worrall  
Queensland Audit Office  
Level 14, 53 Albert Street  
BRISBANE QLD 4000

*Dear Mr Worrall*

Thank you for your letter of 6 June 2018 about the performance audit on monitoring and managing information and communication technology (ICT) projects.

The Department of Local Government, Racing and Multicultural Affairs does not have any comments on the proposed report and agrees to the recommendations that apply to all Departments. I refer you to the letter from the Director-General, Mr Warwick Agnew, in relation to the Department's response to each individual recommendation.

If you require further information, I encourage you to contact Mr Craig Vandermeer, Director, Local Government and Regional Services in the Department or by email at

Yours sincerely

STIRLING HINCHLIFFE MP  
Minister for Local Government,  
Minister for Racing and  
Minister for Multicultural Affairs

## Comments received from Director-General, Department of Local Government, Racing and Multicultural Affairs



Department of Local Government,  
Racing and Multicultural Affairs

Our ref: DGC18/693

Your ref: 2018-P9168 – Mayus Nath 3149 6062

19 JUN 2018



Mr Brendan Worrall  
Queensland Audit Office  
Level 14, 53 Albert Street  
BRISBANE QLD 4000

Dear Mr Worrall

Thank you for your letter of 6 June 2018 about the performance audit on monitoring and managing information and communication technology (ICT) projects.

The Department of Local Government, Racing and Multicultural Affairs does not have any specific comments relating to the draft report. Further, the Department agrees with the recommendations relating to all Departments, and the table has been completed and attached as requested.

If you require further information, I encourage you to contact Mr Craig Vandermeer, Director, Local Government and Regional Services in the Department on [redacted] or by email at [redacted]

Yours sincerely

A handwritten signature in black ink, appearing to read "WA".

Warwick Agnew  
Director-General

Enc

1 William Street Brisbane  
PO Box 15009 City East  
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## Responses to recommendations



### Department of Local Government Racing and Multicultural Affairs

#### *Monitoring and Managing ICT programs and projects*

Response to recommendations provided by Director-General, Department of Local Government, Racing and Multicultural Affairs.

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<b>We recommend that all departments:</b>			
3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree	Implement with next reportable ICT project	No current projects on ICT Dashboard
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Agree	Implement with next reportable ICT project	No current projects on ICT Dashboard
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	Implement with next reportable ICT project	No current projects on ICT Dashboard
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	Implement with next reportable ICT project	No current projects on ICT Dashboard

## Comments received from Director-General, Department of Transport and Main Roads



Our ref: DG35388

Your ref: 2018-P9168

Office of the  
Director-General

Department of  
Transport and Main Roads

19 JUN 2018

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
PO Box 15396  
CITY EAST QLD 4002

Dear Mr *Brendan*,

Thank you for your letter of 7 June 2018 about the Queensland Audit Office's (QAO) performance audit on monitoring and managing information and communication technology (ICT) projects.

I note you have also written to the Honourable Mark Bailey MP, Minister for Transport and Main Roads, about the same matter.

The Department of Transport and Main Roads (TMR) has reviewed the proposed report to Parliament and acknowledges the recommendations that QAO is making for all departments.

I have enclosed TMR's comments on the proposed report recommendations. In summary, TMR agrees with QAO's recommendations and welcomes the opportunity to work with the Queensland Government Chief Information Office to implement the changes.

Should your office wish to discuss TMR's comments on the report in greater detail, I encourage you to contact Ms Sandra Slater, Acting Chief Information Officer, Information Technology Branch, Corporate Division, TMR, by email at or telephone on

Thank you for bringing this audit to the attention of Minister Bailey and myself.

Yours sincerely

*Neil Scales*

Neil Scales  
Director-General  
Department of Transport and Main Roads

Enc (1)

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## Responses to recommendations



### Department of Transport and Main Roads

*Monitoring and Managing ICT programs and projects*

Response to recommendations provided by Director-General, the Department of Transport and Main Roads (TMR).

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<b>We recommend that all departments:</b>			
3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree	Q4 2018–19	TMR is about to undertake a pilot of a Project Portfolio Management tool to implement efficient and automated reporting.
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Agree	Q2 2018–19	TMR commits to working with QGCIO to determine consistent publishing standards. Once agreed, TMR will implement across the information and communication technology (ICT) portfolio.
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	Q2 2018–19	TMR has recently applied the QAO recommendations to the TMR ICT assurance process.
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	Q2 2018–19	TMR has recently applied the QAO recommendations to the TMR ICT assurance process.



## Comments received from Director-General, Department of Education



Office of the  
Director-General

Department of  
Education

27 JUN 2018

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
Email: [gao@gao.qld.gov.au](mailto:gao@gao.qld.gov.au)

Dear Mr Worrall

Thank you for your letter dated 6 June 2018 regarding the performance audit on monitoring and managing information and communication technology projects.

The Department of Education welcomes the opportunity to provide feedback on the recommendations and acknowledges the ongoing maturing of the dashboard.

The department is not supportive of the addition of projects to the dashboard that are at idea definition or early business case stage of development as many of these do not make it to full project initiation. The department believes this may cause confusion and potentially mislead the market into thinking there are opportunities where they may not exist or materialise.

The department also notes that publication of financial information early in a project may compromise commercial negotiations and reserves the right to withhold publication until commercial negotiations are completed.

I note the existing guidelines developed by the Queensland Government Chief Information Office are guidelines for departmental use and as such are descriptive in nature and not prescriptive. The department is supportive of further clarification of these guidelines to improve consistency but at the same time recognises the different profile of agencies.

Please find enclosed the management response to recommendations arising from this audit.

If you require further information or assistance, please contact Mr Michael O'Leary, Assistant Director-General, Information and Technologies, by email at [michael.oleary@det.qld.gov.au](mailto:michael.oleary@det.qld.gov.au) or on [+61 7 3034 4764](tel:+61730344764).

Yours sincerely

TONY COOK  
Director General

Ref: 18/298641

Your ref: 2018-P9168

Enc

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ABN 76 337 613 647



## Responses to recommendations

<b>Department of Education</b> <i>Monitoring and Managing ICT programs and projects</i> Response to recommendations			
<b>The report recommends that all Departments...</b>	<b>Agree/ Disagree</b>	<b>Timeframe for implementation (Quarter and year)</b>	<b>Additional comments</b>
3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree to process improvement	Q4 2018	Agree to conducting a business process review
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Agree	Q4 2018	We are implementing Version 4 and 5 of the framework that includes the use of new QGCIO publishing guidelines
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	Implemented	The proposed additional health checks will be considered and are determined by the <i>Queensland Government ICT program and project assurance framework</i>
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	Q4 2018	Inclusion of Lessons Learned in the Community of Practice meetings where key findings of project health checks are shared



## Comments received from Director-General, Queensland Health



28 June 2018

Enquiries to: Ms Narelle Doss  
A/Chief Digital Strategy Officer,  
Digital Strategy and Transformation Branch,  
eHealth Queensland  
(07) 3170 4941  
Telephone: File Ref: C-ECTF-18/4798

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
Po Box 15396  
CITY EAST QLD 4002

Email: [qao@qao.qld.gov.au](mailto:qao@qao.qld.gov.au)

Dear Mr Worrall

Thank you for your letter dated 6 June 2018, regarding the performance audit on monitoring and managing information and communication technology (ICT) projects and the opportunity to provide feedback on the proposed report to Parliament.

The Department of Health (the Department) agrees with the recommendations as outlined in the audit report to:

- automate the publishing of dashboard data;
- ensure compliance with the Queensland Government Chief Information Office (QGCIO); publishing criteria and guidelines;
- to undertake periodic health checks; and
- to incorporate the use of learnings as part of our project assurance processes.

The Department notes the recommendation directed to the Queensland Government Chief Information Office (QGCIO) to review its publishing criteria and guidelines. Due to the size of Queensland Health this would significantly increase the reporting burden with little benefit, given relative risk, compared to the cost of implementation. The Department currently reports on 64 high-value initiatives, which is expected to increase naturally given the investment in digital hospitals. Should the threshold be lowered it is anticipated that this would add a materially significant number of low risk initiatives.

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Phone  
3708 5990

Email:  
[DG\\_Correspondence@health.qld.gov.au](mailto:DG_Correspondence@health.qld.gov.au)



Should you require further information, the Department of Health's contact is Ms Narelle Doss,  
Acting Chief Digital Strategy Officer, Digital Strategy and Transformation Branch, on telephone

Yours sincerely



**Michael Walsh**  
Director-General  
Queensland Health

## Responses to recommendations

Queensland Health  
eHealth Queensland

Queensland Audit Office: Performance Audit Monitoring and Managing ICT programs and projects.

**Attachment 1 – Department of Health Management Response and Comments / Feedback**

**Management Responses to recommendations**

Recommendation	Agree/ Disagree	Timeframe for implementation (quarter and year)
<b>The QAO recommends that all departments:</b> 3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree	Q3 2018-19
<b>Additional comments</b> The Department of Health (DoH) is committed to improving performance management and for providing a more comprehensive and transparent view of the digital portfolio across the Queensland health system. DoH's digital portfolio performance reporting (including QG ICT Dashboard reporting) processes (i.e. collecting, collating, approving and publishing) have undergone continuous improvement since 2013. The following statistics are reflective of the DoH and the wider health system performance: <ul style="list-style-type: none"> <li>- 16 initiatives reported in July 2013 compared to 64 initiatives in June 2018</li> <li>- DoH delivered initiatives only reported from July 2013; Hospital and Health Service (HHS) initiative reporting commenced reporting in April 2017.</li> <li>- Initially quarterly updates were provided with an average currency of 84 days old (Jan 2015 to May 2017). The DoH went to monthly updates with an average currency of 46 days old (Jun 2017 – Jun 2018).</li> <li>- The DoH reporting standard aligns to the QGCIO criteria and guidelines, and is supported by the Digital Portfolio Executive Performance Dashboard and supporting investment repository. The internal dashboard and supporting investment repository was implemented in May 2015 to: <ul style="list-style-type: none"> <li>o automate data validation and assist in improving of data quality</li> <li>o enable analysis of large amounts of data from multiple sources to expose trends and root causes of success and failure</li> <li>o increase confidence in data quality and integrity by providing a source of truth for executives, managers and business analysts</li> <li>o ensure consistency of information so where the same information is being reported, that it has been derived the same way</li> <li>o rationalise reporting so that efforts can be focused undertaking analysis and providing recommendations rather than report development</li> <li>o provide the flexibility to use the most fit-for-purpose tools for dashboards, scorecards, reports and complex analysis</li> </ul> </li> <li>- The DoH will implement the remaining phase of the Digital Portfolio Management System (building on the aforementioned Digital Portfolio Performance Executive Dashboard) which will: <ul style="list-style-type: none"> <li>o Develop and implement a better mode of data entry/capture for HHSs and DoH Divisions (moving away from spreadsheets), improving data quality (automated validations), process efficiencies (automated workflow) and enable (near) real-time reporting positioning executives to better influence investment/address performance matters.</li> <li>o Develop and implement a robust, integrated data management environment to enable real-time reporting, maintain an audit log of data updates, automate data validation and assist in improving of data quality to information, provide the flexibility to use the most fit-for-purpose tools for dashboards and maturing analytics capability.</li> </ul> </li> </ul>		



**Queensland Audit Office: Performance Audit Monitoring and Managing ICT programs and projects**

<b>Recommendation</b>	<b>Agree/ Disagree</b>	<b>Timeframe for implementation (quarter and year)</b>
<b>The QAO recommends that all departments:</b> 4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects scope, time, or budget (Chapter 2)	Agree	Completed
<b>Additional comments</b> The DoH is publishing data to the QG ICT dashboard that is consistent with the current QGCIO publishing criteria and guidelines.		
The Department, in consultation with QGCIO has confirmed it will maintain a reporting threshold of \$1M or greater. Given relative number and size of initiatives occurring throughout Queensland Health, and noting that initiatives below \$1M are of a relatively low risk nature, additional resourcing would be required to report below this threshold.		
Refer to the additional references section for further context in support of this management response.		
<b>Recommendation</b>	<b>Agree/ Disagree</b>	<b>Timeframe for implementation (quarter and year)</b>
<b>The QAO recommends that all departments:</b> 5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	Q2 2018-19
<b>Additional comments</b> All initiatives noted on the Internal Digital Portfolio Performance Dashboard are allocated a case manager from the eHealth Assurance Team. Support is provided throughout the Assurance Lifecycle as per the DoH Assurance Framework which is based on the Queensland Government Assurance Framework. All initiatives (particularly Level 3 and 4) which have greater than 6 months between Gates are advised to undertake a Health Check as per the DoH Assurance Framework. Currently the Health Checks do not necessarily cover financial management however this will be incorporated into the scope of the Health Checks.		
<b>Recommendation</b>	<b>Agree/ Disagree</b>	<b>Timeframe for implementation (quarter and year)</b>
<b>The QAO recommends that all departments:</b> 6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	Q4 2018-19
<b>Additional comments</b> The DoH through eHealth Queensland coordinates lessons learned processes involving theming against the P3M3 (Portfolio, Programme and Project Management Maturity Model). This is currently being updated and improved. A refined identification and dissemination process is being considered with appropriate actions arising from the themed lessons learnt to be referred to the relevant action group or governance body for review and action. The QGCIO's Lesson Summary Reports is reviewed as part of the DoH process. The findings are in broad alignment with the themes identified at each Gate.		

**Queensland Audit Office: Performance Audit Monitoring and Managing ICT programs and projects**  
***Additional information to support the management response to the recommendations.***

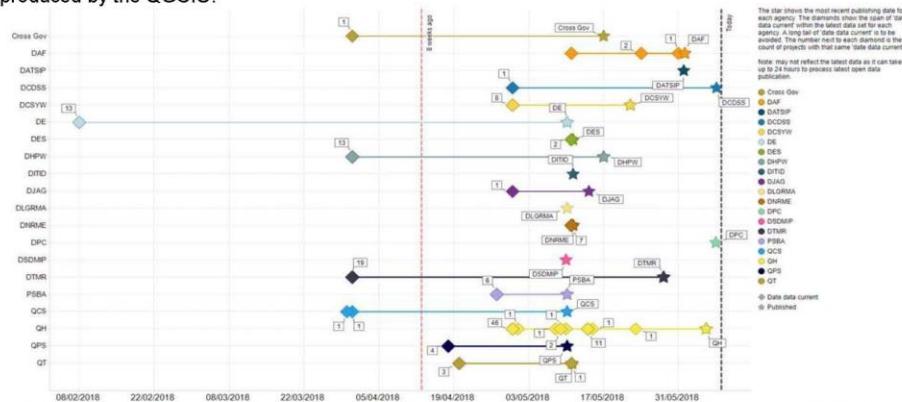
**Information in support of recommendation 4.**

Given the size of its portfolio and the number of resources responsible for portfolio reporting, Queensland Health will maintain its current reporting criteria for reporting on the QG ICT Dashboard, that is, reporting initiatives that are \$1M or greater. On 22 May 2017 a meeting was held between the DoH and QGCIO where it was confirmed that the DoH will maintain this reporting threshold.

The Department's view is that publishing standards and timeframes need to be variable depending on the size of the department. A large portfolio of initiatives does not necessarily equate to more resources available to support ICT Dashboard reporting. The Department currently manages a significantly larger portfolio of 64 initiatives, with 1 resource directed primarily at supporting this reporting requirement. This compares to:

- 9 – 13 initiatives (3 departments);
- 4 – 8 initiatives (6 Departments);
- 1 – 2 initiatives (6 Departments);
- 0 initiatives (5 Departments).

Further, noting DoH reports significantly more than all other Departments, DoH has consistently reported within the 8 week timeframe for the last 12 months. See below fortnightly report (as at 08 June 2018) as produced by the QGCIO:



DoH notes that it will maintain reporting more of its portfolio than what is required as per the QGCIO's reporting criteria, specifically reporting on initiatives in the 'initiate' stage, as these initiatives are not required as per QGCIO's publishing criteria.

With reference to the explanatory notes, DoH has always reported in line with and at times, above the reporting criteria and notes the following:

- In 2013, ICT Dashboard Release 1 named this reporting requirement "explanation of variance" which was only required to be completed if the project had an overall performance status of "closely monitored" (amber) or "action required" (red).
- In Dec 2014, the ICT Dashboard Release 2 renamed the field to "explanatory notes" which further highlights the need to provide notes relating to "closely monitored/amber" and "action required/red" statuses. Additionally, the definition suggested that at the discretion of departments, to provide further information. Definition is as follows:
  - o *This provides further information as to why the project has a status of 'closely monitored' or 'action required', including which of the project's parameters (e.g. time, cost, quality) influenced that status, and why. It also outlines what steps are being taken to address this status and an anticipated resolution date, if available.*



**Queensland Audit Office: Performance Audit Monitoring and Managing ICT programs and projects**

- *It may also provide additional explanatory notes including a brief summary of historical changes within the project, project successes to date, advice on project closure or further cost explanations.*
- In October 2016, ICT Dashboard Release 3 did not change the explanatory notes definition.
- In May 2018, additional/updated explanatory notes guidance was added to the publishing guideline, reading as follows:
 

*These notes explain the project background and more information on the project status. The notes outline steps taken to address a 'closely monitored' or 'action required' status and also the anticipated resolution date.*

*The notes provide a history of the project's journey, including changes to status, scope, time or cost and the associated rationale. Other information might include project successes to date, key outcomes achieved and advice of project closure.*

**Additional Comments**

**Figure 1A Share of total estimated costs of projects published on the dashboard by department.**  
*Currently, departments have reported ICT programs and projects with an estimated total cost of \$1.3 billion. Figure 1A shows the departmental share of these projects. Forty-four per cent of the overall estimated planned expenditure relates to Queensland Health projects.*

**DoH notes:** the reported figure and associated percentage of planned expenditure for DoH does not reflect ieMR related costs as financials are commercial in confidence, as noted on the QG ICT Dashboard.

**Figure 2B – Total estimated costs of projects that departments decided not to publish on the dashboard.**

*DoH decided to report projects greater than \$1,000,000 rather than \$100,000. Therefore, two projects were not reported on the dashboard. The total planned costs for these projects were \$373,240 and \$570,468 respectively and were therefore below the DoH's reporting threshold of \$1 million dollars. The department believes the \$1 million threshold for publishing is appropriate for them considering the size of their portfolio of projects. A number of other departments also raised with us the need to reconsider the \$100 000 reporting threshold in the current economic environment.*

**DoH notes:** Internally, DoH report on all initiatives with the following criteria:

- 'high' or 'very high' risk;
- impacting multiple Hospital and Health Services; or
- with an estimated total project value of \$500,000 or greater.

As a result, there are initiatives that fall between the internal reporting criteria of \$500,000 and the external reporting criteria of \$1M. Therefore, there will always be initiatives of less than \$1M that the DoH does not report on the QG ICT Dashboard or the annual ICT Work Plan.

**Figure 2E shows a graphical representation of the dashboard data currency per department.**  
*Queensland Health has the longest delay (an average of 66 days) between data collection and publishing dates. This is because it reports on many projects and covers a wide range of organisational units, including the Hospital and Health Services. Queensland Health is implementing systems and processes to improve the efficiency of its data collation processes.*

**DoH notes:** DoH's performance reporting processes have undergone continuous improvement, with DoH averaging a currency of 46 days within the last 13 months, which is under the refresh/currency timeframe of 8 weeks (56 days) as required by the QGCIO.

**Case study 1 – Projects with insufficient information about their changes over time.**

*Queensland Health's project on identity and access management is two years late and four times the original planned expenditure, but there are no explanatory notes on the dashboard for the large variance.*

#### Queensland Audit Office: Performance Audit Monitoring and Managing ICT programs and projects

**DoH notes:** DoH apply a tiered performance reporting framework to reflect the different levels of risk tolerance and business risk appetite at the project, program and portfolio levels of management. In line with QG ICT Dashboard reporting, three performance reporting indicators (Finance, Schedule and Quality) are used in assessing the performance of an initiative. For each performance indicator, specific reporting tolerances and business rules are used to determine the initiative's performance, or red/amber/green (RAG) status. This approach is further supported by QGCIO's Publishing guideline which states:  
*To ensure audit traceability of external status settings, each department should implement a simple process to record the mapping between internal and external statuses for each project.*

Given the above and the various definitions of explanatory notes over the years with a specific requirement to providing commentary for "closely monitored/amber" and 'action required/red' performance statuses, this initiative has reported in line with QG reporting expectations. Throughout the project's lifecycle, it has reported an overall performance status of "closely monitored/amber" six times with an explanatory note provided each time.

#### Case study 3 – Example of a project that changed significantly over its lifecycle. Queensland Health's Finance System Replacement project.

*This project was initially called the SAP Asset, Procurement and Finance Resource project (also known as SAPFIR). It started in November 2010, with a planned expenditure of \$71.8 million. It was last reported on the dashboard in March 2014 as closed at 20 per cent complete. The actual cost as at March 2014 was \$35.5 million.*

*DoH has since set up a new project to replace its finance system. It reported the project start date on the dashboard as December 2014.*

*In April 2017, DoH reported the start date as December 2016. As at July 2017, it reported the actual cost of the project as \$27.9 million.*

*There is no reference on the dashboard to the original project and whether the products it delivered were of value to the new project.*

**DoH notes:** The SAPFIR and Financial System Renewal (FSR) initiatives both had/have the investment objective of replacing Queensland Health's financial management system. The Department is of the view that these initiatives while having similar objectives are discrete projects with SAPFIR having been closed in 2014. The following is provided in support of these statements:

1. SAPFIR did close prematurely having spent the reported actual costs of \$35.5M as at March 2014 ICT Dashboard update. The explanatory note reported at the time of closure was:
  - a. *The FAMMIS Replacement Project closed in February 2014.*
  - b. *The work conducted by the FAMMIS Replacement Project has now been incorporated into the newly established Corporate Solutions Portfolio.*
  - c. *The portfolio's expanded scope brings together all current and planned corporate services initiatives to leverage economies of scale and better sequence overall change impacts on Hospital and Health Services. In line with the Queensland Government's ICT strategy, the portfolio will also establish an 'application as a service' model.*
  - d. *Reporting against this current initiative will cease and reporting on the initiatives within the Corporate Solutions Portfolio will commence following initiation.*
  
2. In June 2014, the Corporate Solutions Portfolio (CSP) did close during its establishment/initiation stage, as noted in the CSP End Portfolio Report:
  - a. *On the 23 June 2014 following the release of the ICT Strategic Roadmap (McKinsey & Company) the Department of Health ICT Portfolio Board minuted 'that the project budget that was allocated to CSP will be parked and the project team will be wound down with no resources to be extended past 30 June 2014.'*
  - b. *On the 30 June 2014, the project team of 11 Queensland Health employees and 6 contractors were released from CSP.*

Further, the DoH can confirm that no assets were capitalised from SAPFIR and CSP initiatives.



**Queensland Audit Office: Performance Audit Monitoring and Managing ICT programs and projects**

**Case study 5 – Example of where the information reported on the dashboard relates to the stage of a project: Queensland Health's program for replacing patient administration system.**

*This project shows a planned expenditure of \$5.5 million on the ICT dashboard.*

*Building Queensland reports the same project on its website as having an estimated cost of delivery of \$190 million (this is not an approved budget). Building Queensland reports that the business case stage of this project will finish in the first quarter of 2018.*

*The ICT dashboard reports that the business proposal stage will end in the first quarter of 2019.*

*DoH revised the planned expenditure for the phase of developing a business case from \$3.9 million to \$5.5 million. There are no explanatory notes for this revision.*

*In addition, given that DoH does not have approved funding, it is not reporting the total likely spend on this project through the dashboard.*

**DoH notes:** In line with QG ICT Dashboard reporting, the DoH Digital Initiative Reporting Standard requests initiatives always report on the latest approved position. In the case of PAS, the latest approved position is the funding that has been so far approved for start-up activities, including the delivery of a detailed business case and early procurement activities. Further, in relation to revised timeframes of the initiative, as mentioned previously, in line with DoH's tiered performance reporting framework to reflect the different levels of risk tolerance at the project, program and portfolio levels of management, project, program and portfolio performance statuses are determined based on specific reporting tolerances and business rules. Given this initiative is in the 'initiate' stage, one of the business rules used for portfolio performance reporting and applied in the case is:

*During the 'initiate/planning' phase, i.e. prior to Gate 3, the performance status for schedule, finance and quality will apply at the project/program level only. As scope is defined and refined throughout the 'initiate/planning' phase, adjustments to estimates of the timeframes and costs are accepted or rejected at Gate 2 or Gate 3. Therefore, the portfolio performance status will be reported as 'on track/green'.*

Further, as part of the DoH's portfolio performance reporting processes, the Investment Review Committee, the peak investment governing body, along with the eHealth Executive Committee (the peak ICT governing body), receive reports that encompasses the total proposed ask for the PAS system replacement.

## Comments received from Director-General, Department of Justice and Attorney-General



Department of Justice and Attorney-General  
Office of the Director-General

RECEIVED

27 JUN 2018  
QUEENSLAND  
AUDIT  
OFFICE

In reply please quote: 574529/1, 4397552

Your reference: 2018-P9168

21 JUN 2018

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Queensland 4001 Australia  
Telephone 13 74 68 (13 QGOV)  
[www.justice.qld.gov.au](http://www.justice.qld.gov.au)

ABN 13 846 673 994

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
PO Box 15396  
CITY EAST QLD 4002

Dear Mr Worrall *Brendan*

Thank you for your letter dated 6 June 2018 regarding the Department of Justice and Attorney-General's (DJAG) feedback on the draft preliminary Report to Parliament on the *Performance audit on monitoring and managing information and communication technology (ICT) projects* (the Draft Report). I appreciate your team providing DJAG the opportunity to add further context to DJAG's initial feedback sent to you on 31 May 2018.

A response to each of the agency recommendations included in the Draft Report has been included below in the format requested.

Again, thank you for the opportunity to provide further comment on the Draft Report and reiterate DJAG's commitment to implementing the agency recommendations.

Should your office require any additional information, please contact Mr Allen Harvey, Executive Director, Information Technology Services and Chief Information Officer, DJAG, on [redacted] or via email at [redacted] who will be pleased to assist.

I trust this information is of assistance.

Yours sincerely

David Mackie  
Director-General

Enc.



## Responses to recommendations

No.	Recommendation	Agree / Disagree	Timeframe for implementation (Quarter and year)	Additional comments
3.	Implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2).	Agree	Q1, 2P019	The level of automation will be limited to the capabilities available in the QGCIO tool and the existing tools available within DJAG. It is anticipated however that operational efficiencies can be progressed by this date. This also provides time for QGCIO to make their improvements to the publishing tool.
4.	Publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2).	Agree	Q3, 2018	This date assumes no changes will be made to the current QGCIO publishing criteria. Noting in the report there is a suggestion for QGCIO to revise their publishing criteria.
5.	Consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4).	Agree	Q4, 2018	Once QGCIO have consulted with agencies on the definition of high business impact this will be communicated to senior responsible officers within the Department. The DJAG ICT governance bodies will also be made aware of the need for projects to implement an assurance approach for high business impact projects which includes project health checks.
6.	Use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects (Chapters 3 and 4).	Agree	Q1, 2019	Lessons learned from each project/program will be stored in a central repository for access by project managers and project and program governing bodies.



## Comments received from Director-General, Department of Natural Resources, Mines and Energy

Ref CTS 17262/18

25 JUN 2018



Department of  
Natural Resources,  
Mines and Energy

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
PO Box 15396  
CITY EAST QLD 4002

RECEIVED

27 JUN 2018  
QUEENSLAND  
AUDIT  
OFFICE

Dear Mr Worrall

Thank you for your letter of 6 June 2018 concerning the proposed report of the performance audit on monitoring and managing information and communication technology (ICT) projects. The Department of Natural Resources, Mines and Energy supports the proposed report and has no further comment to add.

I have enclosed a copy of the response to recommendations table indicating that the department agrees with each of the recommendations and proposed timeframes for implementation.

Should you have any further enquiries, please contact Ms Brenda Parker, Deputy Director General, Business and Corporate Partnership, Department of Natural Resources, Mines and Energy on telephone

Yours sincerely,

James Purtill  
Director-General

Att

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PO Box 15216 City East  
Queensland 4002 Australia  
Telephone +61 7 3199 8287  
[www.dnmme.qld.gov.au](http://www.dnmme.qld.gov.au)  
ABN 59 020 847 551



## Responses to recommendations

● Queensland  
 ● Audit Office  
*Better public services*

### <department name>

*Monitoring and Managing ICT programs and projects*

Response to recommendations provided by <Director-General / Commissioner / Chief Operating Officer, department name>.

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<b>We recommend that all departments:</b>			
3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree	30 September 2018	
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Agree	30 September 2018	Dependent on QGCIO guidelines
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	30 September 2018	
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	30 September 2018	

## Comments received from Director-General, Department of Environment and Science



Department of  
**Environment and Science**

Our Ref: CTS 17352/18  
Your Ref: 2018-P9168

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
PO Box 15396  
CITY EAST QLD 4002

Dear Mr Worrall *Brendan*,

Thank you for your letter of 6 June 2018 regarding the proposed report of the Performance audit on monitoring and managing information and communication technology (ICT) projects.

The Department of Agriculture and Fisheries (DAF) hosts the ITP services for the Department of Environment and Science (DES). I have been advised that DAF supports the proposed report and has no further comment to add.

If you require any further information, please contact Mr Rob Lawrence, Deputy Director-General, Corporate Services, DES on telephone or by email at

Yours sincerely

Jamie Merrick  
Director-General  
18/6/18

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Telephone +61 7 3338 9304  
Website [www.des.qld.gov.au](http://www.des.qld.gov.au)  
ABN 46 640 294 485



## Comments received from Director-General, Department of Agriculture and Fisheries



Department of  
**Agriculture and Fisheries**

Our ref: CTS 17202/18

15 JUN 2018

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
PO Box 15396  
CITY EAST QLD 4002  
*Brendan*  
Dear Mr Worrall

RECEIVED

21 JUN 2018  
QUEENSLAND  
AUDIT  
OFFICE

Thank you for your letter of 6 June 2018 regarding the proposed report "Performance audit on monitoring and managing information and communication technology (ICT) projects".

The Department of Agriculture and Fisheries supports the proposed report and has no further comments to add.

I have enclosed a copy of the response to the recommendations table indicating that the Department agrees with each of the recommendations and proposed timeframes for implementation.

If you require any further information, please contact Ms Sinead McCarthy, A/Deputy Director-General, Corporate on [redacted] or by email at [redacted]

Yours sincerely

*Elizabeth Woods.*

**Dr Elizabeth Woods**  
Director-General  
Department of Agriculture and Fisheries

Att - Response to recommendations table

1 William Street Brisbane  
GPO Box 46 Brisbane  
Queensland 4001 Australia  
Business Centre 13 25 23  
Website [www.daf.qld.gov.au](http://www.daf.qld.gov.au)  
ABN 66 934 348 189

## Responses to recommendations

● Queensland  
● Audit Office  
*Better public services*

### <department name>

#### *Monitoring and Managing ICT programs and projects*

Response to recommendations provided by <Director-General / Commissioner / Chief Operating Officer, department name>,

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<b>We recommend that all departments:</b>			
3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree	30 September 2019	
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Agree	30 September 2018	Dependent on QGCIO guidelines
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	30 September 2018	
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	30 September 2018	



# Comments received from Acting Director-General, Department of Innovation, Tourism Industry Development and the Commonwealth Games

Please quote: CTS 17359/18  
Contact officer: Ms Christine Smith, Manager PI  
Contact phone: (07) 3087 8349



27 JUN 2018

Department of  
Innovation,  
Tourism Industry  
Development and the  
Commonwealth Games

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
[brendan.worrall@qao.qld.gov.au](mailto:brendan.worrall@qao.qld.gov.au)

Dear Mr Worrall

Thank you for your letter to Mr Damien Walker, Director-General, Department of Innovation, Tourism Industry Development and the Commonwealth Games (DITID), regarding the performance audit on monitoring and managing information and communication technology (ICT) projects.

DITID supports the draft recommendations and provides the attached response.

Should your officers require any further information, please have them contact Ms Sinead McCarthy, Acting Deputy Director-General, Corporate, Department of Agriculture and Fisheries, by telephone on [redacted] or via email at [redacted]

Yours sincerely

A handwritten signature in blue ink, appearing to read "Paul Martyn".

Paul Martyn  
A/Director-General

Encl.  
CC: [qao@qao.qld.gov.au](mailto:qao@qao.qld.gov.au)

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ABN 83 481 966 722

## Responses to recommendations



### DITID

#### *Monitoring and Managing ICT programs and projects*

Response to recommendations provided by A/Director-General, Paul Martyn, DITID:

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<b>We recommend that all departments:</b>  3. Implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree	N/A	Already in place. All agencies use a sharepoint system to record project status to facilitate publishing dashboard data.
4. Publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Agree	September 2018	As recommended by QGCIO, dashboard data will include projects in initiate with a notation in the planned expenditure of to be costed (TBC).
5. Consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	September 2018	Agreed in-principle. Agencies to agree on what constitutes a "high business impact" project and determine process, resources and/or funding required to perform health checks.
6. Use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	September 2018	Agreed in-principle. Formal process to be put in place to ensure project managers, boards and strategic committee members are aware of Lessons Learned from QGCIO, gate reviews and End project reports.



# Comments received from Director-General, Department of Employment, Small Business and Training

29 JUN 2018



Queensland  
Government

Department of  
Employment,  
Small Business  
and Training

Our Ref: CORP18-0079 | 18/300081  
Your Ref: 2018-P9168

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
PO Box 15396  
City East QLD 4002  
qao@qao.qld.gov.au

*Brenda*  
Dear Mr Worrall

Thank you for your letter dated 6 June 2018 regarding the performance audit on monitoring and managing information and communications technology (ICT) projects.

The Department of Employment, Small Business and Training (DESBT) supports the need for improved governance of ICT projects through improvements in monitoring, assurance and reporting in order to improve outcomes for the state. The department supports all recommendations made in the report as noted in the enclosed response to recommendations document.

The department has been reviewing its ICT governance requirements. An ICT governance model has been developed and is currently undergoing consultation across the department. It is envisaged that recommendations 3-6 will be embedded into the governance model during its implementation subject to QGCIO completing recommendations 3 and 6. Recommendation implementation timeframes reflect that DESBT is new department, in the process of standing up its governance arrangements.

Should you require any further information, please contact Mr Gary Whitelaw, Acting Chief Information Officer, Corporate Services, Department of Employment, Small Business and Training by email at [or on telephone](#)

Yours sincerely

*Mary-Anne Curtis*

Mary-Anne Curtis  
Director-General

1 William Street Brisbane  
Queensland 4000 Australia  
PO Box 15033 City East  
Queensland 4002 Australia

ABN 84 375 484 963

## Responses to recommendations

Enc: Response to recommendation document

### Department of Employment, Small Business and Training (DESBT)

#### *Monitoring and Managing ICT programs and projects*

Response to recommendations provided by Mary-Anne Curtis, Director-General, DESBT.

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
3. Implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree	2QY2019	Will be embedded in new ICT Governance arrangements.  The timeframe reflects that DESBT as a new department, is in the process of standing up its governance arrangements.
4. Publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Agree	2QY2019	Will be embedded in new ICT Governance arrangements, subject to QGCIO publishing the necessary criteria.  The timeframe reflects that DESBT as a new department, is in the process of standing up its governance arrangements.
5. Consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	2QY2019	Will be embedded in new ICT Governance arrangements.  The timeframe reflects that DESBT as a new department, is in the process of standing up its governance arrangements.
6. Use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	2QY2019	Will be embedded in new ICT Governance arrangements, subject to QGCIO publishing the necessary information.  The timeframe reflects that DESBT as a new department, is in the process of standing up its governance arrangements.



## Comments received from Director-General, Department of Child Safety, Youth and Women



Office of the  
**Director-General**

Your reference: 2018-P9168  
Our reference: COM 03886-2018

Department of  
**Child Safety, Youth and Women**

20 JUN 2018

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
PO Box 15936  
CITY EAST QLD 4002

**RECEIVED**

25 JUN 2018

QUEENSLAND  
AUDIT  
OFFICE

Dear Auditor-General

Thank you for your letter dated 6 June 2018 regarding the Performance audit on monitoring and managing information and communication technology (ICT) projects. I appreciate the opportunity to advise of our acceptance of these recommendations.

I have noted your comment and proposed action with regards to the Recommendations 1 and 2 feedback I provided previously and I would ask that you please consider this letter as formal notification of our acceptance of the recommendations within the report.

If you require any further information or assistance in relation to this matter, please contact Mr Darrin Bond, Assistant Director-General and Chief Information Officer, Information, Innovation and Recovery, Department of Child Safety, Youth and Women on

Thank you again for taking the time to seek our feedback.

Yours sincerely

Michael Hogan  
Director-General

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Website [www.csvw.qld.gov.au](http://www.csvw.qld.gov.au)

## Responses to recommendations



### Department of Child Safety, Youth and Women

#### Monitoring and Managing ICT programs and projects

Response to recommendations provided by Assistant Director-General and Chief Information Officer, Mr Darrin Bond, DCSYW

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
We recommend that all departments:			
3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree	3 <sup>rd</sup> quarter, 2018	Automation of these processes will not be completed in 2018 and will be subject to funding and a cost/benefit analysis.
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Agree	Immediate	This is current process
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	1 <sup>st</sup> quarter, 2019	
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	1 <sup>st</sup> quarter, 2019	



## Comments received from Director-General, Department of Communities, Disability Services and Seniors



Your reference: 2018-P9168  
Our reference: COM 03779-2018

22 JUN 2018

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
PO Box 15936  
CITY EAST QLD 4002

*Brendan*  
Dear Mr Worrall

Thank you for your letter regarding the performance audit on monitoring and managing information and communication technology (ICT) projects. I appreciate the opportunity to advise of our acceptance of these recommendations.

I have noted your comment and proposed action with regard to the feedback to Recommendations 1 and 2 that I provided previously, and I would ask that you please consider this letter as formal notification of our acceptance of the recommendations within the report.

If you require any further information or assistance in relation to this matter, please contact Mr Darrin Bond, Chief Information Officer, Information, Innovation and Recovery on

Thank you again for taking the time to seek our feedback.

Yours sincerely

*Clare O'Connor*  
Clare O'Connor  
Director-General

1 William Street  
Brisbane Queensland 4000  
GPO Box 806 Brisbane  
Queensland 4001 Australia

## Responses to recommendations



### Department of Communities, Disability Services and Seniors

#### Monitoring and Managing ICT programs and projects

Response to recommendations provided by Assistant Director-General and Chief Information Officer, Mr Darrin Bond, DCSYW (providing ICT services to DCSSS)

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and year)	Additional comments
<b>We recommend that all departments:</b>			
3. implement efficient and automated processes for collecting, collating, approving, and publishing dashboard data (Chapter 2)	Agree	3 <sup>rd</sup> quarter, 2018	Automation of these processes will not be completed in 2018 and will be subject to funding and a cost/benefit analysis.
4. publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time, or budget (Chapter 2)	Agree	Immediate	This is current process
5. consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management (Chapters 3 and 4)	Agree	1 <sup>st</sup> quarter, 2019	
6. use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects. (Chapters 3 and 4)	Agree	1 <sup>st</sup> quarter, 2019	



# Comments received from Acting Director-General, Department of Aboriginal and Torres Strait Islander Partnerships



Department of  
Aboriginal and Torres Strait  
Islander Partnerships

Our reference: DATSIP 03922-2018  
Your reference: 2018-P9168

28 JUN 2018

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
PO Box 15396  
CITY EAST QLD 4002

Dear Mr Worrall

Thank you for letter of 6 June 2018 and for the opportunity to provide comments on the report regarding the performance audit on monitoring and managing Information and Communication Technology (ICT) projects. In summary, I consider there are no significant gaps in the context of the report.

While the Department of Aboriginal and Torres Strait Islander Partnerships (DATSIP) runs a comparatively small ICT program, I am nonetheless committed to working closely with the Queensland Government's Chief Information Office (QGCIO) on any changes to reporting and governance mechanisms that may arise from the report for adoption across Government.

With respect to recommendations three to six that are applicable to all agencies, DATSIP is committed to ensuring strong governance and reporting on projects, in a cost effective manner. My responses to your recommendations are detailed below:

Recommendation	Agree/Disagree	Timeframe for Implementation
Implement efficient and automated processes for collecting, collating, approving, and publishing data.	Agree	Immediately
Publish data to the dashboard that is consistent with the QGCIO publishing criteria and guidelines and provide sufficient detail in the explanatory notes when changes are made to projects' scope, time or budget.	Agree	Immediately
Consider the need for projects with high business impact to undergo periodic health checks in addition to gate reviews and that the focus of these health checks includes the financial management.	Agree	Immediately
Use learnings (including the QGCIO's summary of systemic issues) from project health checks and gate reviews in monitoring and managing programs and projects.	Agree	Immediately

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If you require any further information or assistance in relation to this matter, please contact  
Ms Denise Andrews, Acting Executive Director, Corporate Services, DATSIP on 3003 6372.

Yours sincerely



Jason Kidd  
**Acting Director-General**



## B. Audit objectives and methods

The objective of the audit was to assess whether the information and communication technology (ICT) dashboard is a reliable source of information and whether there are effective processes to monitor, manage, and enable successful delivery of selected ICT programs and project outcomes.

The audit addressed this through the following sub-objectives, lines of inquiry, and audit criteria.

**Figure B1**  
**Audit scope**

Lines of inquiry	Criteria
Sub-Objective 1: Assess how well the ICT dashboard increases transparency of ICT programs and projects and the ICT risks from legacy systems.	
1.1 Does the dashboard provide public visibility of the status of Queensland Government's ICT programs and projects?	<ul style="list-style-type: none"> <li>1.1.1 The criteria for projects and programs to be included in the ICT dashboard are clear and well defined.</li> <li>1.1.2 The dashboard includes all major ICT programs and projects across the sector.</li> <li>1.1.3 The dashboard shows accurate status of programs and projects.</li> <li>1.1.4 Departments are consistent in applying the criteria for publishing data on the dashboard.</li> <li>1.1.5 Stakeholders are satisfied with the information and find the ICT dashboard useful.</li> <li>1.1.6 The departments regularly update the data for the ICT dashboard.</li> </ul>
1.2 As stage 2 of the dashboard was not implemented, what alternative arrangements are in place to improve transparency of the status of ICT risk?	<ul style="list-style-type: none"> <li>1.2.1 The action item to implement risk reporting as stage two of the dashboard was monitored and managed.</li> <li>1.2.2 There is a process in place to monitor the progress of risk mitigation activities for ICT risk within government.</li> <li>1.2.3 Governance processes use information on ICT risk to prioritise investment.</li> </ul>



Lines of inquiry	Criteria
Sub-Objective 2: Evaluate how well whole-of-government processes and frameworks contribute to the successful delivery of projects.	
2.1 Are there effective governance processes in place for measuring the performance of the ICT strategy through the dashboard?	<p>2.1.1 The major programs and projects within the ICT strategy are reported in the dashboard</p> <p>2.1.2 There are processes in place to objectively monitor the performance of the ICT strategy through the dashboard.</p>
2.2 How effective are the whole-of-government processes for review and assurance of major programs and projects?	<p>2.2.1 QGCIO's list of programs and projects that fit the criteria is complete and accurate.</p> <p>2.2.2 QGCIO uses the necessary tools in its assurance process.</p> <p>2.2.3 Assurance reports are timely, and departments use these to facilitate successful delivery of programs and projects.</p>



Lines of inquiry	Criteria
Sub-Objective 3: Assess how well departments are managing two of their major ICT programs and projects	
3.1 How effective are departmental governance processes to provide oversight of ICT programs and or projects?	<p>3.1.1 The program and or project governance board is in accordance with the Queensland Government methodology.</p>
	<p>3.1.2 Board members understand their roles and responsibilities, which are clearly articulated and communicated.</p>
	<p>3.1.3 The governance board receives relevant information that enables it to monitor and manage program and or project risks and delivery.</p>
3.2 Are departments using the approved methodology in delivering programs and or projects?	<p>3.2.1 The scope and desired outcomes of the program and or project are understood and there are effective program and or project change management process in place.</p>
	<p>3.2.3 There is a program and or project plan and there are processes in place to ensure schedules are realistic and achievable.</p>
	<p>3.2.3 There are effective processes in place to routinely monitor and manage program and or project costs.</p>
	<p>3.2.4 Frameworks and methodologies exist to monitor and manage quality of program and or project products and deliverables.</p>
3.3 Do departments have effective processes in place for benefits realisation?	<p>3.3.1 Benefits drive the program and or project and stakeholders champion assigned benefits.</p>
	<p>3.3.2 Benefits are measurable, agreed, and each benefit has an owner responsible for ensuring it is realised.</p>
	<p>3.3.3 Governance bodies monitor and manage benefits strategically and actively throughout the duration of the program and/or project.</p>

Source: Queensland Audit Office.



## Entities subject to this audit

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The audit will include:

- All departments' activities that relate to the ICT dashboard and their use of the whole-of-government program and project assurance framework
- Department of Housing and Public Works and Queensland Government Chief Information Office for their role in the ICT dashboard, monitoring and managing assurance processes for ICT programs and projects
- Department of Housing and Public Works for its role in
  - monitoring and managing whole-of-government ICT strategies
  - monitoring and managing the Human Resources Information System (HRIS) program
- Public Safety Business Agency for information on the history of the HRIS Program
- Queensland Corrective Services for its role in the HRIS Program
- Queensland Fire and Emergency Services for its role in the HRIS Program
- Department of Health (Queensland Ambulance Service) for its role in the HRIS Program
- Department of Local Government, Racing and Multicultural Affairs for its role in the project relating to My Development Assessment System (MyDAS)
- Department of State Development, Manufacturing, Infrastructure and Planning for its role in MyDAS.

While the ICT-Director-General Council has a governance role over ICT programs and projects, we did not audit this aspect. Nor did we audit how the council operates in terms of the frequency at which it meets, attendance, or how it makes decisions.

This is because, in November 2017, the Director-General for the then Department of Science, Information Technology and Innovation commissioned an external review of IT governance across departments, the operations of the ICT Director-General Council, and the role of the QGCIO. After the machinery of government changes, the Department of Science, Information Technology and Innovation ceased to exist, and this report has remained in a draft form.

## Audit approach

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We conducted the audit in accordance with the Auditor-General of Queensland Auditing Standards—September 2012, which incorporated the requirements of standards issued by the Australian Auditing and Assurance Standards Board.

The audit included:

- interviews with staff responsible for updating the ICT dashboard and review of documentation that relate to the accuracy and completeness of data on the ICT dashboard
- interviews with staff who monitor and manage whole-of-government strategies, programs and projects
- consultation with relevant stakeholders such as industry bodies
- analysis of documentation on projects relating to the Human Resources Information System program and the documentation relating to the MyDAS series of projects.



## C. Key dates for HRIS program

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Figure C1 contains the key decision points for the Human Resource Information Solutions (HRIS) program.

**Figure C1**  
**Key decisions**

Date	Event
2008	Vendor support for Lattice payroll system ceased and the system has neither been upgraded nor updated since then.
September 2010	The former Department of Community Safety (DCS) established the HR Business Solution Program to replace the Lattice system. At that time, the program included a number of projects to stabilise the current system and prepare data and processes for new system implementation.
October 2011	Replacing the Lattice system becomes a whole-of-government priority as the Queensland Government ICT Audit in 2012 considered the system as a high risk to government. This was due to its potential to fail and inability to support the contemporary practices of the business.
September 2012	A budget of \$100 million over four years (to 2015–16) for the department to replace the Lattice system was approved. This budget was in addition to the \$1.5 million contributed by DCS. The program board approved external firms assisting in compiling a managed services tender.
September 2013	A restructure of the former DCS occurred as a result of the 'Keelty review': <ul style="list-style-type: none"> <li>• Queensland Ambulance Services (QAS) transferred to Queensland Health.</li> <li>• Queensland Corrective Services (QCS) transferred to the Department of Justice and Attorney-General (DJAG).</li> <li>• A new department—Queensland Fire and Emergency Services (QFES) was established from a merging of two of the former DCS's divisions.</li> <li>• A new public service office—the Office of the Inspector-General Emergency Management (IGEM) was established.</li> <li>• The Public Safety Business Agency (PSBA) established for corporate and business support for Queensland Police Service (QPS), QFES, and Inspector-General Emergency Management.</li> </ul> This restructure resulted in the HRIS program becoming a multi-agency program with PSBA having the responsibility to manage the program.
December 2013	The program proceeded to the market for an 'as a service' tender for HR/payroll and human capital management (HCM) offering.
March–May 2014	The program facilitated an invitation to offer and shortlisted two offerings.



Date	Event
December 2014	<p>The evaluation team recommended the program to progress into discovery stage and enter into a contract for discovery with an external service provider.</p> <p>The HRIS program board endorsed the recommendation. However, the signing of the contract was not enacted due to the caretaker provisions relating to the impending state election.</p>
March 2015	<p>Responding to the new ministerial charter relating to reversing any outsourcing arrangements, the program sponsoring group reviewed the strategy to split the offerings into two components:</p> <ul style="list-style-type: none"> <li>• QSS to continue providing core HR/payroll services and transition the payroll system from Lattice to the whole-of-government Aurion HR/payroll solution</li> <li>• external provider for HCM software.</li> </ul>
November 2015	PSBA was restructured based on the Public Service Commission review.
December 2015	<p>After the PSBA review, the sponsoring group approved a recommendation to close the program and to establish three projects for QCS, QFES, and QAS to manage.</p> <p>The Department of the Premier and Cabinet (DPC) advised that the CBRC submission for this approach was not able to be considered during the year.</p> <p>Queensland Treasury and DPC approved PSBA to proceed with phase 1, which was:</p> <ul style="list-style-type: none"> <li>• transition QCS payroll from Lattice to Aurion</li> <li>• sign the contract for the QFES HCM system with an external contractor.</li> </ul>
January 2016	<p>The Governor in Council approved the contract with the external supplier for \$20.2 million over 10 years for QFES HCM.</p> <p>This contract does not include payroll or integrating HCM with payroll.</p>
February 2016	<p>The HRIS program sponsoring group approved continuing with the program of work on the proviso that the findings from the gating assurance activities were presented to the IT-DG Council and PSBA developed a submission detailing the revised delivery approach.</p> <p>Commenced implementing payroll for Queensland Corrective Services and Inspector-General Emergency Management.</p>
June 2016	New program business case approved.
December 2016	Transitioned to DSITI.
April 2017	Queensland Corrective Services and Inspector-General Emergency Management payroll implemented.
December 2017	Queensland Fire and Emergency Services HCM solution implemented.

*Source: HRIS program documentation and Queensland Audit Office.*



## D. Key dates for MyDAS projects

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Figure D1 contains the key decision points for the My Development Application system (MyDAS) projects.

**Figure D1**  
**Key decisions**

Date	Event
February 2013	<p>Department of State Development, Infrastructure and Planning developed the business case for MyDAS project.</p> <p>This project was for delivering the requirements to meet the Sustainable Planning Regulation 2009.</p> <p>The total budget for the project was \$2 395 903.</p>
July 2013	The MyDAS system was implemented but had many issues.
February 2014	<p>The Department of State Development, Infrastructure and Planning developed a business case for MyDAS2. The budget for the project was \$5 651 081. The objectives of the project were to:</p> <ul style="list-style-type: none"> <li>• address criticisms of the original MyDAS1 application</li> <li>• reflect changes incorporated through planning reform</li> <li>• use newer technologies to develop and host MyDAS2.</li> </ul>
February 2015	<p>A new project director was appointed.</p> <p>Scope and project delivery dates were revised—project re-baselined.</p> <p>The budget was revised to \$12 308 458.</p>
June 2015	<p>There was a new project scope with new legislative requirements.</p> <p>Updated software licensing model.</p>
December 2015	MyDAS2 project was closed with additional work remaining for full compliance with new legislation.
February 2016	<p>The Department of State Development and Department of Infrastructure, Local Government and Planning developed the business case for the MyDAS2 Commencement project.</p> <p>This project builds on the baseline established by the MyDAS2 to provide a range of technical and usability improvements.</p> <p>The budget for the MyDAS2 Commencement project was \$3 978 465.</p>
July 2017	MyDAS2 launched.

Source: Queensland Audit Office and information from Department of State Development, Manufacturing, Infrastructure and Planning.



## E. Extract of the ICT dashboard for the HRIS program

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Figure E1 contains an extract of the ICT dashboard showing explanatory notes for the Human Resources Information Solutions (HRIS) program. This is only an extract, so it shows some but not the complete record of what was published over time on the ICT dashboard for HRIS.

**Figure E1**  
**Extract of the ICT dashboard for HRIS**

Data currency	Program status	Explanatory notes
03/02/14	Amber	Cost: The HRIS program underspend is primarily due to Police and Community Safety Review impacts, which subsequently delayed the Cabinet Budget Review Committee submission requesting approval to progress to tender.
30/06/14	Amber	Timeframe: Tranche 1–3 months slippage to release of tender as a result of delayed CBRC submission and approval. The overall Program forecast completion timeline of December 2017 was approved in the Business Case on 21 March 2014.
30/11/14	Amber	Cost: The forecast underspend is mainly due to resourcing vacancies and professional services costs. Mitigations are in process to address the program underspend. Quality: Q2 Program Health Check has been completed by an external partner. Risks and Issues: The Program currently has three (3) risks with a current rating of Extreme. All risks have been mitigated.
05/06/15	Red	Cost: The forecast underspend is mainly due to resourcing vacancies. A request to increase the deferral will be presented at the 26 June 2015 Sponsoring Group. A deferral was previously approved at the 24 February 2015 Sponsoring Group meeting Timeframe: The preferred offeror contract has not been signed due to review of government policy. A program schedule review is currently in progress to include the preferred offeror deliverables. The last Due diligence workshops and presentation with the preferred offeror was held on 7 May 2015. Quality: Internal Audit Report and the Assurance Consultant Q4, 2014 Report have been received. Recommendations from both reports have been reviewed and responses and action plans submitted.



Data currency date	Program status	Explanatory notes
07/06/16	Amber	<p>Budget: A budget deferral has been submitted to Treasury. The deferral is to be reassigned to the outer years of the program on approval. Forecast spending has been updated to reflect this.</p> <p>Timeframe: The preferred offeror contract was signed on 29 January 2016. The schedule and timelines have been revised in line with a review of the governance model and delivery approach.</p> <p>Quality: The next independent assurance gate reviews will occur by 30 June 2016.</p>
28/02/17	Amber	<p>Following a decision by CBRC in December 2016, the program delivery responsibility is to be transitioned from the Public Safety Business Agency to the Department of Science, Information Technology and Innovation.</p> <p>Budget: The current financial year underspend is due to timing of resourcing and milestone payments. A budget and scheduling review is currently underway.</p>
30/06/17	Amber	<p>Transition to whole-of-government Aurion payroll system successfully completed for Inspector General Emergency Management and Queensland Corrective Services. Queensland Ambulance Service and Queensland Fire and Emergency Services payroll transitions to Aurion are on schedule. Human Capital Management solution for Queensland Fire and Emergency Services is progressing as per the delivery roadmap with technical go-live scheduled for Quarter 4 2017 and an agency go-live Quarter 1 2018.</p> <p>Business case development of Human Capital Management solutions for both QAS and QCS has commenced.</p>
31/12/17	Red	<p>Queensland Fire and Emergency Services Human Capital Management solution achieved Stage 1 go-live as planned in December 2017. The Business Case for Queensland Corrective Services Human Capital Management solution is awaiting final review with commencement of the approved approach planned for late Quarter 1 2018. Queensland Ambulance Service Human Capital Management Business Case is progressing through a three phase review stage.</p> <p>The approach to transition for the Queensland Ambulance Service payroll to Aurion has been reviewed with a proposed change to the implementation timeframe from March 2018 to November 2018. In accordance with proper program governance, the overall program status will now indicate red pending formal approval of the Change Request by the Executive Steering Committee expected in February 2018.</p> <p>Note 1. Planned End Date.</p> <p>The introduction of an additional project into the program for the implementation of a time and attendance solution will require a change to the end date of the Program. In addition, planning for Queensland Fire and Emergency Services Payroll transition to Aurion is still being completed. Once schedules for these projects have been completed, the end date of the program will be revised and signed off by the Executive Steering Committee.</p>

Source: QGCIO data storage of ICT dashboard reports and QAO.



## F. Extract of the ICT dashboard for the MyDAS projects

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Figure F1 contains an extract of the ICT dashboard showing explanatory notes for the My Development Application System (MyDAS) series of projects. This is only an extract, so it shows some but not the complete record of what was published over time on the ICT dashboard for MyDAS.

**Figure F1**  
Extract of MyDAS reports on the ICT dashboard

Data currency date	Project Name	Program Status	Explanatory notes
10/09/14	MyDAS Stage2	Amber	Project timeframe re-baselined and approved by ICT Governance Committee
30/04/15	MyDAS2	Green	As further consultation and amendment is required to the new planning legislation, the new Act is unlikely to commence before mid-2016. As the actual dates are not known, the planned end date for the project has been maintained, with agreement that the product delivered by the project will require further work before go-live. It is likely the handover date from the project to Operations will be extended to the end of December 2015 to maximise the use of established resources. Significant deliverables were completed in April 2015, but are not reflected in the percentage complete due to changing the method of calculating the percentage complete to align with the new Agile methodology
30/06/15	MyDAS2	Green	The project end date has moved to the 19 <sup>th</sup> December 2015 to reflect the project team commitments. The remaining scope of the project requires certainty of the new Act and thus needs to be completed close to its commencement date.
31/12/15	MyDAS2	Green	The MyDAS2 project was completed on 18 December 2015. Additional work is required on the MyDAS2 system to bring it in line with changes to the impending new planning legislation. This additional work will be undertaken in a separate project.



Data currency date	Project Name	Program Status	Explanatory notes
31/12/16	MyDAS2 Commencement	Amber	Changes to resources and processes are now implemented. The project remains as Amber due to rework required of some components and possible under estimation of future planned work. Despite this the project is trending back towards Green.
31/07/17	MyDAS2 Commencement	Not Applicable	The system went live on 3 July 2017 and is performing according to expectations. No major issues reported or identified. Expenditure seven per cent higher than original budget, but within project tolerance of 10 per cent. Project now finalised.

Source: QGCIO data storage of ICT dashboard reports and QAO.



# Auditor-General reports to parliament

Reports tabled in 2018–19

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1. Monitoring and managing ICT projects

July 2018



## Audit and report cost

This audit and report cost \$335 000 to produce.

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## Performance engagement

This audit has been performed in accordance with ASAE 3500 *Performance Engagements*.

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