

MEMO

To: David Tune, Secretary, Department of Finance and Deregulation
Date: 17 October 2011
Re: Progress in address strategic issues in the Government's management of ICT

Further to our discussion regarding the rate of progress in addressing strategic issues in the Government's management of information and communications technology (ICT).

The review of the implementation of the ICT Reform Program detailed in the 2008 Gershon report was completed in June 2010. Since then, a strategic vision for Government ICT has been developed by AGIMO and has been reviewed by Dr Reinecke, whose report was completed in June 2011. Since then you have commissioned a review by Ms Helen Williams AO of AGIMO's capacity to implement the strategic vision and provide technology leadership in the APS.

I am somewhat surprised that we are yet to see any result of the Williams review as I had understood that it was expected to be complete at the latest by the end of August.

These reviews and the oversight provided by the Secretaries' Information Governance Board (SIGB) have provided greater clarity about the challenges confronting the Government in making best use of its substantial investment in ICT.

They have not, however, resulted in the sort of practical initiatives that are necessary for implementing change.

For these reasons I am reluctant to sign off on the ICT Strategic Vision document.

My concern is that the various discussions about ICT in the wake of these reviews have occurred in a closed circle that embraces the members of SIGB and some input from AGIMO and CIOs but much less from those executives tasked with resolving the major business issues in public administration.

My understanding is that SIGB has not appointed external members with ICT backgrounds, as recommended by Gershon and subsequently endorsed in the Reinecke implementation review.

It would be timely in my view to introduce perspectives from a wider range of sources, especially from senior executives inside and external to government. SIGB may need to retain addition sources of external expertise to compliment the internal resources of the APS. One recent model for accessing internal expertise was proposed in the Moran report into the APS in 2010 and subsequently implemented as the APS 200 program, which drew in expertise from senior public servants and focused it on specific issues requiring resolution.

Adopting this taskforce approach would in my view help us break out of the current mould that appears to be constraining the emergence of initiatives that improve the way we manage ICT in government. External appointments to membership of SIGB would also enhance the process of seeking wider input from business as well technology sources of expertise.

I note that significant programs driving reform in ICT have been initiated by governments elsewhere, in particular in the UK and the USA. These initiatives have focused on ensuring that the maximum value for money is extracted from public sector investment in ICT across the life of projects. The reviews of ICT major investments in these countries have revealed considerable waste from projects that have over-run budgets and timetables, at considerable costs both financially and in effectiveness. They have also revealed the necessity for greater discipline by government agencies and increased central oversight to ensure that ICT projects meet their objectives.

I understand that you currently have these matters under preliminary consideration. My concern is that the importance of the issues involved is not reflected in the urgency with which they are being addressed. I would welcome an indication from you about what practical measures of this kind you are proposing and the timetable for their adoption.