



Tasmanian Audit Office

Information and communications technology strategy, critical systems and investment

Report of the Auditor-General
No.4 of 2020-21

Welcome and introductions



Tasmanian
Audit Office

Objective

Objective: The objective of this audit was to form a conclusion on whether government ICT strategy, critical systems and investment are managed in an effective, coordinated and strategic manner.

Scope and intended benefits

Scope: The audit examined and analysed information relating to government ICT strategy, critical systems and investment across all nine Government departments

Intended benefits: To identify potential lessons and opportunities for improvement concerning the whole-of-government and individual agency approach to planning and investment for ICT and the progress agencies are making towards improving digital capability.

Conclusion

Government ICT strategy, critical systems and investment are not managed in an effective, coordinated and strategic manner, in terms of efficiency and effectiveness, with respect to certain criteria or sub-criteria of the performance audit.

This is because:

- Insufficient guidance to support whole-of-government ICT planning and prioritisation
- Opportunities to develop shared ICT services, products or develop a whole of government ICT vision have not been realised

Conclusion

- Agency ICT strategies and plans varied in quality and not aligned to whole-of-government priorities
- Inhibited ability to effectively plan for the replacement or upgrade of legacy systems critical for service delivery
- Government decision making regarding ICT investment was not informed by a whole-of-government vision and approach.

Audit criteria

1. Did the government have a strategic approach to ICT governance and decision making across the government that is coordinated and effective?
2. Have agencies prepared and maintained contemporary ICT Strategic Plans?
3. Have agencies managed key ICT assets that are vital for service delivery effectively?
4. Has the government facilitated an investment evaluation and prioritisation approach to ICT investment that is effective?
5. Did the government and agencies have plans to provide a pathway to digital capabilities?

Was there a strategic approach to ICT governance and decision making?

- Governance and decision making framework has been established - pathway for agencies to raise ICT points of relevance or concern
- Insufficient guidance from the government to support whole-of-government ICT planning and prioritisation
- Governance and decision-making framework has not fully supported the implementation of shared services/products or common ICT policy at a whole-of-government level
- Digital Services Board's Terms of Reference and no whole-of-government ICT vision impeded the provision of prioritised operational, development and strategic function goals.



Had agencies prepared and maintained contemporary ICT Strategic Plans?

- ICT Strategic Plans prepared by agencies varied significantly in content and maturity
- Agency ICT Strategic Plans were not aligned with current government priorities as the whole-of-government ICT vision has not been defined or articulated to the agencies
- ICT Strategic Plans broadly identified objectives, risks, benefits and outcomes, these were not necessarily reviewed
- Prioritised initiatives/projects were documented across the term of the ICT Strategic Plans however, risks potentially preventing the achievement of those initiatives were not consistently identified across agencies.



Had agencies managed key ICT assets vital for service delivery effectively?

- Agencies had identified key ICT assets that are vital for service delivery
- Long-term or high value key ICT asset replacement requires significant progression in departmental planning to identify traditional or alternative replacement service delivery models
- Funding for short-term replacement or renewal was considered but longer term funding for significant key ICT asset replacement or renewal projects was difficult to plan for and obtain.

Was investment evaluation and prioritisation for ICT investment effective?

- The lack of a whole-of-government ICT vision adversely impacted the prioritisation of ICT investment
- Agencies perceived participation in the Structured Infrastructure Investment Review Process (SIIRP) as onerous given the uncertainty of success in obtaining Budget funding
- Agencies rarely collaborated on SIIRP submissions and limited feedback was received when unsuccessful

Were there plans to provide a pathway to digital capabilities?

- Digital capability across the government and agencies, including future delivery models, and potential efficiencies to be gained through shared services or business processing, were in the early stages of development
- The release *Our Digital Future* provides high level direction for digital transformation for the government and agencies.

Recommendations

We have made seven recommendations to assist in improving ICT strategy, critical systems and investment

1. The government enhance ICT investment evaluation and prioritisation by developing a whole-of-government ICT vision
2. The whole-of-government ICT vision and strategy identify key priorities and strategies for greater collaboration targeting cost efficiency gains, increased productivity, removal of duplication of effort across agencies and alignment to government strategy and policy. The vision and strategy also identify known key ICT assets targeted for replacement or renewal critical assets that are significantly aged or at potential risk of failure

Recommendations

3. Review the terms of reference for the Digital Services Board (DSB) to provide a mandate to better support a prioritised and collaborative approach to ICT across agencies
4. DSB to review implementation of the whole-of-government ICT strategy to ensure it supports the government's ICT vision and ensure plans are developed to implement the strategy
5. Agencies proactively plan and prioritise long-term, large scale and high value key ICT asset investment more effectively by improving their understanding of their current ICT environments and collaborating where mutual benefits exist

Recommendations

6. Treasury revisit the feedback approach for SIIRP submissions to better inform agencies on areas for improvement for future SIIRP submissions
7. Agencies maintain up-to-date ICT critical asset registers in a consistent format which identify key risks replacement dates and level of funding required.