

## Senate Community Affairs Legislation Committee

### SUPPLEMENTARY BUDGET ESTIMATES – 22 OCTOBER 2015 ANSWER TO QUESTION ON NOTICE

#### Department of Human Services

**Topic:** Welfare Payment Infrastructure Transformation

**Question reference number:** HS 38

**Senator:** Cameron

**Type of question:** Written

**Date set by the committee for the return of answer:** 11 December 2015

**Number of pages:** 3

#### **Question:**

- a) Please provide details of steps taken by DHS to maximise employment and skills in the Australian IT industry as a result of Government investment in the WPI transformation? What engagement and consultations with local IT companies has occurred?
- b) Please provide details of how the WPIT business plan addresses local IT content, local IT jobs and IT local skills?
- c) Please provide details of staffing levels in IT across DHS? Please include classifications and sections.
- d) What are the implications of WPIT on Staffing levels at DHS?
- e) How many staff are working on WPIT now?
- f) What proportion of the people working on this project within the Department are DHS staff and what proportion are contractors?
- g) Who is recruiting the staff and consultants necessary for WPIT? Does DHS use its own recruitment system, or does it use external contractors?
- h) Please provide details of how DHS is consulting with the welfare sector in the design of the WPI transformation?
- i) What changes has DHS made to the business plan of the WPIT so far due to the consultations already held?
- j) What is the cost of WPIT for the next four years? Has the projected cost of WPIT changed as a result of consulting and preparation work done as part of Tranche 1 of WPIT?
- k) What is the projected budget impact for WPIT for the first four years including any cost savings?

#### **Answer:**

- a) The Department has engaged the Department of Industry, Innovation and Science to assist in understanding how to apply the Government's industry participation policies. The Department also met with representatives from the Department of Education and Training to discuss how to promote skills and education in Australian industry, particularly in the ICT area.

Following the release of the Core Software Vendor Request for Expressions of Interest on 18 September 2015, the Department held an Industry Briefing on 30 September 2015. This provided an opportunity for interested parties to learn more about the WPIT Programme, including the Department's transformation journey, the commercial objectives and procurement approach.

The expected approach to market for the System Integrators has been published on the Department's Annual Procurement Plan, to assist in giving industry notice of the planned procurement.

- b) The Department will conduct its procurement in accordance with Commonwealth procurement policies, including those relating to local ICT industry development. The Department expects companies that win substantial work as Systems Integrators to prepare and implement Australian Industry Participation Plans.

- c) Please refer to Attachment A for IT staffing levels.

- d) The WPIT Programme is a business transformation programme. As a result, job roles may change over the life of the programme.

As part of the business transformation, a new service delivery business model will be designed and released progressively over the life of the programme. Associated change management will support staff through the transition, ensuring they are aware of the changes and are equipped with the necessary skills. So far the WPIT Programme has engaged 329 staff from across the Department in a total of 52 engagements and will continue with this engagement.

- e) As at 31 October 2015, 106 Departmental staff were working on the WPIT Programme with support from 81 contractors.

- f) The WPIT Programme comprises of 57 per cent departmental staff and 43 per cent contractors.

- g) The Department is responsible for the recruitment of all temporary and permanent APS staff. Temporary employment opportunities are internal and filled using the Department's internal e-recruitment system.

Applicants applying for permanent APS employment opportunities submit their application via an external provider's e-recruitment portal. This system is only utilised to capture applications, once applications are submitted all recruitment and selection functions are managed by the Department.

Contractors are procured through competitive tender processes and in accordance with the Commonwealth Procurement Rules, either through the APSC Business Services Panel, the Department's ICT Contractors Panel or the Department's ICT Services Panel.

- h) The Department has engaged with the National Welfare Rights Network (NWRN) and the Australian Council of Social Services (ACOSS).

The programme is making arrangements with NWRN to hold co-design sessions. The outcomes of these sessions will be taken into account throughout the implementation of the WPIT Programme. Preliminary discussions with ACOSS are being held to discuss ways to collaborate on the programme.

- i) Business planning for Tranche One of the programme continues with a focus on scoping and design work required to deliver the programme.

- j) The Government has provided \$60.5 million over four years from 2015-16 to progress Tranche One of the WPIT Programme. There has been no change to the projected costs of Tranche One work.

- k) The Government has provided \$60.5 million over four years from 2015-16 to progress Tranche One of the WPIT Programme. This is the net result after cost savings have been taken into consideration.