



Australian Government

Department of Finance

Digital Transformation Agency

EXECUTIVE MINUTE

on

JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT

REPORT No. 509

Inquiry into public sector information technology procurement and projects

The Department of Finance (Finance) and Digital Transformation Agency (DTA) have addressed the recommendations within Report No. 509 and a joint response to each specific recommendation is outlined below.

Recommendation 1:

The Committee recommends that in relation to information technology projects, the Department of Finance improve guidance for Commonwealth departments and agencies relating to:

- *how departments should develop procurement plans*
- *estimating resources required over the project's life*
- *planning for how the project will be funded and sustained*
- *how to embed capability into the organisation*
- *evaluate and select project management approaches*
- *the role of the Senior Responsible Officer*
- *refinements to gateway review ratings and their application.*

Finance and the DTA accept this recommendation.

The [Australian Government's Digital and ICT-Investment Oversight Framework](#) (IOF) introduced in 2022 has overhauled how digital projects are managed to best support success. The IOF is made up of 6 states which align to a digital project's lifecycle from early planning through to delivery. This 'whole-of-life cycle' approach ensures better planning of

digital solutions; prioritisation of digital proposals and robust advice to Government about project implementation readiness; strong governance and effective use of assurance throughout delivery; and cost-effective procurement of capabilities to support implementation.

Improved guidance will be developed for each of the areas identified by the Committee and incorporated into the IOF. Examples of work already underway are set out below.

Procurement guidance

Finance offers a range of procurement and contract management courses to improve procurement capability through the Commonwealth Procurement and Contract Management Training Suite. Finance, along with the Department of Industry, Science and Resources, manages the Procurement and Contract Management Profession, which is establishing professional networks and communities, supporting specialist career development, and collaborating with Australian and international organisations to share best practice knowledge. The profession connects practitioners who manage contracts and procurement activities across government.

Finance is in the process of refreshing its suite of procurement guidance which includes general guidance on procurement planning and procurement lifecycle considerations.

The Digital Marketplace Panel 2 (DMP2) is also working on strengthening ICT and Digital procurement processes to be streamlined and simpler, with step-by-step processes to conduct request for quotes.

To further support procurement officers and business areas, the BuyICT panels and marketplaces, offer a suite of embedded guidance tools and resources. These include contract templates, standardised job role and skills criteria, and detailed walkthroughs that help users navigate each stage of the procurement lifecycle. The platform also provides access to frequently asked questions and recorded demonstrations, ensuring that users, regardless of their procurement experience, can confidently and correctly complete their tasks. This embedded guidance reduces reliance on external advice, builds internal capability, and promotes a more consistent and efficient procurement experience across government departments and agencies

Improving digital planning

From 1st July 2025 the DTA published the Digital Investment Plan (DIP) policy and guidebook to support agencies in developing short, medium and long-term digital plans. Developed through extensive collaboration with agencies and stakeholders, the DIP policy and guidebook emphasises a minimum standard for digital planning. This approach promotes

consistency and enables an efficient consolidation of data to surface a robust, whole-of-government view of investments. Agencies subject to the IOF will be required to develop and submit their DIP to the DTA at least once a year.

In March 2025, the DTA, in partnership with the Australian Public Service Commission (APSC), delivered the APS Data, Digital and Cyber Workforce Plan. This plan outlines a strategic and coordinated approach to strengthening workforce planning and capability uplift across the data, digital and cyber domains through to 2030. The DTA is taking on a prominent role in delivering the initiatives outlined in the plan, supporting agencies to embed more consistent, forward-looking and data-informed workforce planning practices, directly contributing to improved digital planning across the APS.

Improving use of assurance through strengthened guidance

In partnership with the University of Sydney's John Grill Institute, in October 2024 the DTA published updated guidance on appropriately considering the unique challenges and complexities of digital projects when forming Delivery Confidence Assessments (DCAs). DCAs are an overall expression of the likelihood a digital project will deliver on expected benefits for Australians on time and on budget. They are required to be conducted at regular intervals under the Assurance Framework for Digital and ICT Investments to help keep delivery teams focused on what must go right to deliver expected benefits for Australians.

The DCA guidance reflects the DTA's ongoing focus on working across the Australian Government to ensure every digital project has the best chance of success. Linked to the recommendation to improve guidance for agencies on 'how to embed capability into the organisation', we will shortly publish a further instalment designed to assist agencies in establishing high-performing digital governance boards to steer projects successfully.

Equipping leaders to deliver digital projects

Leadership of major government digital projects can be complex and challenging. The success of digital projects across the Australian Government depends on having highly capable and accountable senior leaders who can govern effectively to navigate complexity, drive delivery, and ensure expected benefits from these projects are realised for individuals and businesses. As part of our assurance oversight, the DTA is engaging with SROs to identify and invest in development opportunities to uplift capabilities.

To support its cohort of digital leaders, the Australian Government is introducing a new mandatory training program for Senior Responsible Officers (SROs) of digital projects. This program will be delivered by the DTA and made available through the Australian Public Service (APS) Academy.

SROs are accountable for the strategic leadership and successful delivery of digital projects. Experience across government has shown that digital projects often face unique and significant challenges. The training program has been designed to equip SROs with the confidence, insight and tools needed to navigate these challenges and lead projects effectively from initiation to closure.

The program will include compressed simulations of a digital project over its life, with participants working to steer a successful project through key phases including preparing a business case through to benefits realisation, enabling participants to apply best practice project and assurance techniques in a realistic setting.

When the program was piloted in 2024, 91% of participants reported the simulation approach was helpful and supported their learning. Feedback also showed that the program enabled and challenged participants to apply best practice as well as share valuable experiences with one another.

Building on the pilot, the final program will also incorporate lessons learned from recent digital projects, a stronger focus on commercial acumen and structured opportunities to build enduring peer networks and leadership collaboration across the APS.

In addition, the DTA is establishing an SRO Support Network through a community of practice forum for ongoing knowledge sharing and capability development. This will provide a platform for SROs to discuss experiences, challenges, and good practices across the digital project lifecycle. The SRO Support Network is expected to launch in early 2026.

This initiative directly supports the Committee's recommendation by embedding senior leadership capability across government, clarifying the role of the SRO, and promoting consistent and informed decision making in digital project delivery.

To ensure that the IOF remains fit for purpose including in supporting digital project success, the Organisation for Economic Co-operation and Development is also undertaking a review of the IOF to highlight any areas for improvement to guide the continued evolution of the IOF. Once published the DTA will provide a copy of the report to the Committee as part of its future updates (recommendation 3), alongside updates to the Committee on additional initiatives which are implemented.

Ensuring assurance is used effectively to support delivery success

The DTA's [Assurance Framework for Digital and ICT Investments](#) requires assurance to be used effectively to give all digital projects the best chance of success. In administering the Framework, the DTA works with agencies to ensure that all digital projects benefit from

carefully planned and fit-for-purpose assurance including by meeting the Key Principles for Good Assurance. These principles include that assurance drives good decisions, is expert-led, independent and remains focussed on risks and outcomes.

High risk, high cost digital projects are subject to Finance's [Australian Government Assurance Reviews Process](#). This process plays a critical role in supporting government decision-making on New Policy Proposals (NPPs) and provides independent assurance on the delivery and implementation of major government projects and programs. This independent assurance is a valuable input to the DTA's advice to Government on digital project performance. Finance is continuing to enhance the effectiveness and clarity of the process including by:

- Updating Gateway Review templates to improve usability and relevance.
- Revising Resource Management Guide No. 106 to:
 - Refine the definitions used in delivery confidence assessments.
 - Provide clearer guidance on the application and interpretation of overall delivery confidence ratings.

These updates aim to strengthen the assurance framework and support stakeholders involved on the process.

Recommendation 2:

The Committee recommends that the Department of Finance and the Digital Transformation Agency continue to collaborate on:

- *common definitions and matrices*
- *guidance and policy documents relating to information technology procurement and projects*
- *responsibility for oversight and review of whether large information technology projects are achieving expected milestones and outcomes*
- *the conduct of gateway reviews, including lessons learnt and trends arising from these reviews.*

Finance and the DTA accept this recommendation.

Common definitions and policy documents relating to procurement

Finance and the DTA agree that collaboration between departments is a key component in ensuring clear and defined information surrounding procurements, projects and outcomes. We are also collaborating closely on ongoing efforts to strengthen how assurance is applied to digital projects to best support delivery success with a range of initiatives being

undertaken jointly guided by agency feedback. The overall goal of this work is to realise a cohesive system of assurance which, through tightly coordinated work across our agencies, maximises the value of assurance to government and senior responsible officials.

Finance and the DTA also collaborate regularly with a focus on accurate and consistent procurement information and training. This collaboration includes organising joint workshops, presentations and trade booths, however, we agree that ongoing work needs to be carried out in ensuring awareness of these engagements.

In March 2025, the Australian Government released consolidated data on its digital projects for the second time as part of the annual Major Digital Projects Report. This report sets out what major digital projects are underway across agencies, how these projects are performing as well as what work is underway to create the conditions for digital projects to succeed. We've included some examples of this work below.

Ensuring digital projects deliver expected outcomes and benefits for Australians requires robust benefits management practices

Benefits management sits at the centre of improving the quality of digital investment decisions and oversight. Robust articulation of benefits informs why investments should be made and underpins the ability of those responsible for delivery to monitor the realisation of benefits during implementation and take corrective action where appropriate. The [Benefits Management Policy for Digital and ICT-Enabled Investments](#) (BMP) focusses on ensuring all digital projects start with clear objectives from the outset, measure and report on performance, and apply effective benefits management during delivery to protect forecast benefits.

From the 2024-25 Budget, all new proposed digital investment policy proposals must be assessed as compliant with the BMP before being considered by Cabinet. The BMP forms part of the suite of mandatory policies and standards assessed as part of the [Digital Capability Assessment Process](#) (DCAP) at the [contestability](#) state of the IOF. The BMP defines how benefits for digital and ICT investments must be managed to ensure digital projects deliver their intended scope and benefits, on budget and to schedule.

The BMP is a flexible, scalable policy that applies to all digital and ICT-enabled investments irrespective of size, scale, and complexity. These principles enable the identification, measurement, planning, and realisation of investment benefits through a structured approach that provides program sponsors and Government with confidence that digital and ICT-enabled investments will achieve their intended objectives. Ensuring that investments have

robust benefits management from the outset pays dividends, ensuring projects are initiated in the right way, giving them the best chance of success.

To DTA has developed a suite of [tools and templates](#) to assist public servants in preparing proposals for new digital projects. The Benefits Management Toolkit supplements the guidance contained in the BMP and provides agencies with guidance to meet the policy requirements as part of the DCAP.

The DTA has also developed an online face to face benefits management training course to support building capability in benefits management across the APS. This course is practically oriented and designed to help agencies hit the ground running in applying key aspects of benefits management effectively.

Other initiatives include:

- Strengthening project closure processes through the new [closure reporting standard](#). This standard highlights the importance of recording project performance against original budget, schedule, scope and benefits as well as documenting how lessons will not just be identified but truly learned through change within the agency and across the wider Australian Government (a key contributor to confirming “whether large information technology projects are achieving expected milestones and outcome”). New closure templates have been developed jointly with the Australian Taxation Office and will be released shortly.
- Identifying lessons learned and ensuring that these are fed into the design of future projects leading to positive change which improves project performance across the Australian Government over time.

Finance will also publish recent lessons learned from Gateway Reviews on the Finance website.

Recommendation 3:

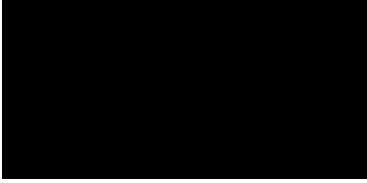
The Committee recommends that the Department of Finance and the Digital Transformation Agency report back to the Committee at 6 months and again at 12 months from the date of this report on the progress that has been made to improve information technology procurement.

Finance and the DTA accept this recommendation.

Finance and the DTA appreciate the opportunity to update the Committee on progress in responding to the JCPAA inquiry into public sector information technology procurement and projects and will provide a final update at 12 months on the progress.

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Yours sincerely



Richard Windeyer

Acting Secretary of Finance

14 August 2025



Chris Fechner

DTA CEO

07 August 2025

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