

The Queensland Health Payroll System – Commission of Inquiry

Response to recommendations

August 2013

Minister's foreword

The Queensland Health Payroll Commission of Inquiry found "*the replacement of the Queensland Health payroll system must take place in the front rank of failures in public administration in this country. It may be the worst*".¹

The Government is determined that something similar doesn't happen in Queensland again.

We have already incorporated the project management and governance lessons from the Queensland Audit Office report on the Queensland Health Payroll², ICT Audit³ and the Commission of Audit⁴ into our methodologies and practices.

This Inquiry has provided a further opportunity to test and hone the Government's management and governance practices.

A new management framework is being implemented as part of the Queensland Government ICT Strategy. This framework clarifies the accountability of agencies and provides them with clear authority to deliver.

It will ensure there will be no confusion over who is accountable for the delivery of a specific business outcome.

As the Minister for Science, Information Technology, Innovation and the Arts I will retain responsibility for delivering on whole-of-government initiatives and for ensuring that ICT risk is well managed across the sector.

I thank the Honourable Richard Chesterman AO RFD QC, his staff and all contributors to the Health Payroll Inquiry.

This comprehensive inquiry will be remembered for many years to come for the transparency it has provided and the spotlight it has placed on the need for:

- clear lines of accountability
- clarity of requirements
- good management practices and
- effective risk management.

The Honourable Ian Walker MP

Minister for Science, Information Technology, Innovation and the Arts

¹ http://www.healthpayrollinquiry.qld.gov.au/_data/assets/pdf_file/0014/207203/Queensland-Health-Payroll-System-Commission-of-Inquiry-Report-31-July-2013.pdf p 12.

² http://www.qao.qld.gov.au/files/file/Reports/2010_Report_No.7.pdf

³ <http://www.qld.gov.au/dsitia/initiatives/ict-audit/>

⁴ <http://commissionofaudit.qld.gov.au/reports/final-report.php>

No.	Recommendation	Response
1.	<p>There be forward planning for all legacy systems.</p> <p>The State should, to the extent its 2012 ICT Audit has not already done so, undertake risk assessments, contingency and succession planning for such systems to ensure they do not present the same level of risk and urgency that LATTICE was thought to present, and that decisions concerning them are not made in haste.</p>	<p><i>Accepted</i></p> <p>The 2012 ICT Audit completed a risk assessment of all the legacy systems used by the Queensland Government.</p> <p>The ICT Strategy 2013-2017 identifies the "significant and at-risk ICT asset stabilisation" as a key focus area. The associated management framework outlines clear accountabilities for the management of the Government's significant and at risk ICT assets.</p> <p>The ICT Action Plan due for release by the end of August will outline specific actions to reassess the government's system risk profile from a business perspective, and to stabilise the resultant significant and at risk asset portfolio.</p> <p>To support the direction of the ICT Action Plan, the Department of Science, IT, Innovation and the Arts has written to all departments requesting that risk assessments, contingency and succession plans for all high risk systems be undertaken and status reported by 31 October 2013 if not already in place.</p>
2	<p>Before the initiation by the Queensland Government of major ICT projects, specific attention be given to what lessons may be learned from this Project for the particular project under consideration.</p>	<p><i>Accepted</i></p> <p>A program and project gating assurance process is being established for all major Queensland Government ICT projects as part of the implementation of the ICT Strategy 2013-2017.</p> <p>The Department of Science, IT, Innovation and the Arts is identifying and documenting the lessons learnt from the Queensland Health Payroll System Commission of Inquiry including learnings relevant to each project phase.</p> <p>This document will be distributed to all departments by September 15, 2013 to use in the gating assurance process for ICT projects.</p> <p>As part of this gating process, and in line with portfolio, program and project management methods among other things, departments will be required to:</p> <ul style="list-style-type: none"> • consider and respond to the lessons learnt from the Health Payroll System and similar projects prior to endorsing significant ICT projects • ensure that program and project governance bodies and project teams are appropriately skilled and experienced to enable the effective discharge of responsibilities • review the project business case giving consideration to costs, risk, timeframes and expected benefits.

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3	<p>The Queensland Government apply an appropriate structure to oversee large ICT projects. The particular form of that structure is a matter for the Government, but it ought to ensure that the relevant individuals have skills in project management and the power to make inquiries and to report to senior public officials.</p>	<p><i>Accepted</i></p> <p>Implementation of the ICT Strategy 2013-2017 will establish a management framework that provides clear and transparent points of accountability and responsibility. Specifically, it will implement:</p> <ul style="list-style-type: none"> • a new authorising environment to guide the future investment in and use of ICT in the government. • decision making, risk and benefits management and reporting arrangements that provide visibility of significant and at risk government projects • gating processes to assess and manage risks before and during ICT projects • United Kingdom Cabinet Office OGC assurance framework requiring clear and definitive senior responsible ownership and accountability for significant ICT projects • minimum competency levels and clear accountability for key project team roles for significant ICT projects which will be subject to review as part of the gating processes.
4	<p>That planning for the replacement of the QH payroll system begin immediately and that assistance from Mater Misericordiae Health Services be requested with a view to undertaking detailed planning for the replacement, and for the selection of a new system and the mode of its implementation.</p>	<p><i>Accepted</i></p> <p>Government will establish a Queensland Health Payroll Planning Group chaired by the Director-General, Queensland Health, with representation from:</p> <ul style="list-style-type: none"> • the Queensland Government Chief Information Office • the Department of Science, IT, Innovation and the Arts • the Mater Misericordiae Health Services • the Health Services Information Agency • and other independent representatives as deemed appropriate and necessary. <p>The proposed Queensland Health Payroll Planning Group will draw on the experience and lessons learned identified in the Queensland Health Payroll System Commission of Inquiry and that of other healthcare organisations including Mater Misericordiae Health Services.</p>