



Finance,
Services &
Innovation

Implementation of the NSW Government ICT Strategy

Program Evaluation

June 2017

www.finance.nsw.gov.au

Table of Contents

<u>Item:</u>	<u>Slide no:</u>
Executive summary	3
NSW Government ICT Strategy	4
Program objectives	5
Evaluation approach	6
Progress 2012-2017	7
Achievement highlights	8
Other measures of success – digital readiness	9
Other measures of success – ICT metrics program	10
Implementation issues	11
How were these issues managed?	12
The ICT Assurance Framework (IAF)	13
A new direction	14
NSW Digital Government Strategy	15
New approach to tracking progress	16
Key findings	17
Contact details	18

Executive Summary

Implementation of the *NSW Government ICT Strategy* was measured by the number of projects completed on time annually. A separate evaluation of the outcomes of the strategy and its component projects was not undertaken.

The on time completion measurement was useful in tracking timely delivery of priority projects, however throughout the lifetime of the Strategy, it became evident that there were systemic issues affecting the delivery of ICT projects by government agencies.

As a result, the NSW ICT Investment Governance Model was introduced in 2016 to improve ICT investment outcomes and deliver better value ICT projects.

These findings were also integrated into the development of the new NSW Digital Government Strategy, *Designing our digital future*.

The NSW Government ICT Strategy



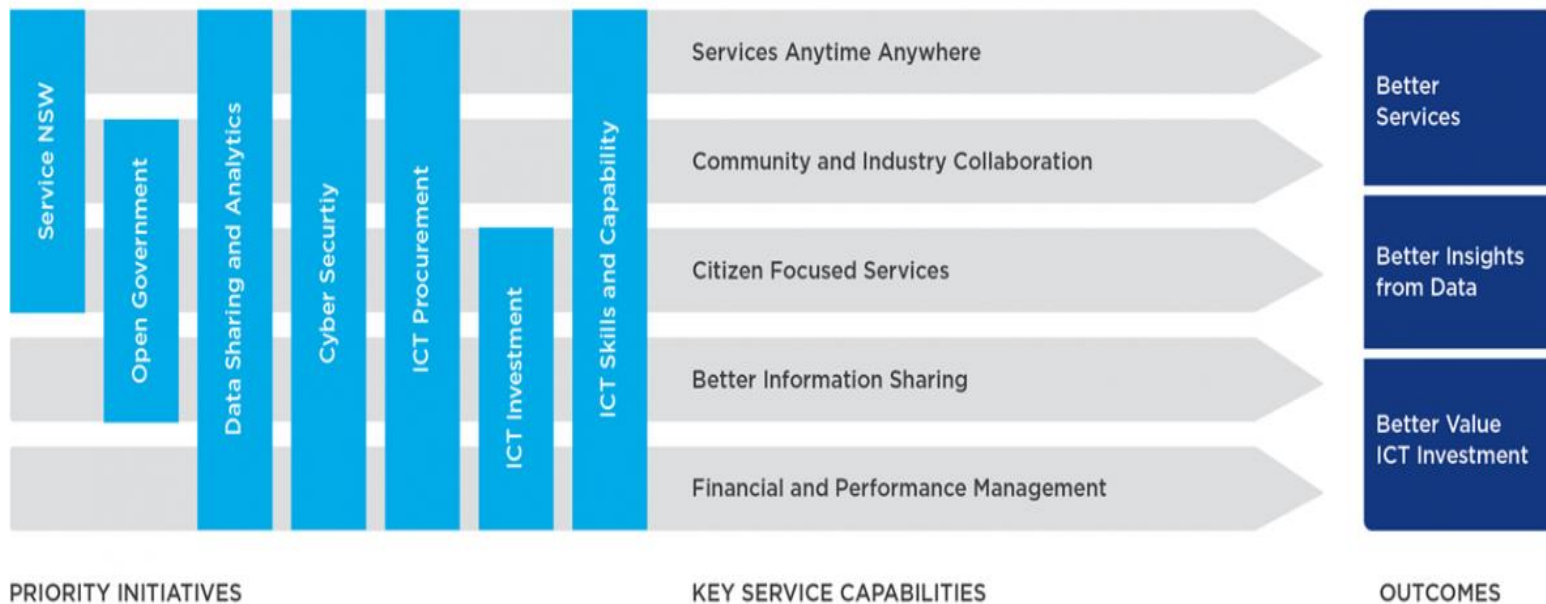
The *NSW Government ICT Strategy* oversaw five years of transformation in the way the NSW Government designed, delivered and implemented information and communications technology projects.

Since 2012, the approach taken to ICT investment and services across NSW Government has fundamentally changed. New policy frameworks for cloud services, open government, information management, procurement, ICT skills, and ICT investment have been implemented.

Issues with developing and maintaining meaningful metrics of success were identified during the Strategy's lifetime, resulting in reconfigurations of data collection and analysis processes and the development of the NSW ICT Investment Governance Model including the ICT Assurance Framework.

Program objectives

The *NSW Government ICT Strategy* set out a plan to build capability across the public sector in support of better, more customer-focused service delivery, and to derive better value for our \$2 billion annual investment in information and communications technology.



Evaluation approach

Implementation of the ICT Strategy was measured by on time completion of actions and reported annually in the NSW budget papers and the Department of Finance and Services annual report. Performance was measured by the target delivery of 90% of actions listed in the implementation plan.

Lists of completed actions for each implementation plan were published on the ICT Strategy website. The website also hosted ICT Strategy resources including policies and tools, and showcased studies of best practice relating to ICT Strategy implementation across the public sector.

Regular progress updates were provided to the ICT governance groups, key industry associations, and publicly at events and through online communications.

This evaluation consolidates this data, notes previously identified implementation issues and highlights improvements made to delivery of ICT projects as a result.

Progress 2012-2017

NSW budget service measure	Unit	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Forecast	2016-17 Revised
ICT Strategy actions completed on time	%	94.00	90.00	91.00	92.50	90.00	75.00

Notes:

- 2012-2015 figures align with those previously published in the budget papers.
- 2015-16 year figures have been updated from forecasted and revised figures of 90%. These figures include actions under the old ICT Strategy both completed and carried over Digital+ 2016 and the new Digital+ actions due for completion during that period.
- 2016-17 figures have been calculated based on projects due for completion in this financial year and projects actually completed as per the 2 June update provided to the ICT and Digital Leadership Group.
- The lower percentage of projects completed on time for the 2016/17 financial year can be attributed to:
 - a lower number of projects due for completion as the strategy enters its final phase
 - remaining projects being of a more complex ongoing nature.

Achievement highlights

2012	2013	2014	2015	2016
NSW Government ICT Strategy sets the strategic direction for ICT reform	First 18 Service NSW centres delivering one stop shop services for citizens	Service NSW reaches 800 available transactions	Innovation portfolio established	Whole of government payment services platform introduced
Whole of government Social Media Policy implemented	State of the art GovDC centres at Silverwater and Unanderra open	GovDC marketplace established	NSW Government Data Analytics Centre established to focus on customer needs and evidence-based policy	First of simple NSW licences are available in digital format
Open Government Plans and OpenGov NSW launched	First NSW Government policy on cloud-based services	ICT Services Catalogue opens, providing a channel to GovDC	Digital Council established	NSW Customer Dashboard delivered to Ministers and cluster Secretaries
ICT Workforce Management Strategy in place for better skills, better delivery of ICT services	Data NSW relaunched	ICT investment process reformed	36 Service NSW stores handle 18 million transactions	ICT Assurance Framework and gateway review process
NSW Government data centre program established	Simpler procurement for SMEs through online ICT Services Scheme	NSW Government Location Intelligence Strategy for better planning and services	Procurement innovation stream created	NSW Government IT Service Management Framework developed
		NSW Open Government Community of Practice	MyServiceNSW online account facility launched	

Other measures of success – digital readiness

In 2016, New South Wales was ranked as being the most digitally ready jurisdiction in Australia by [Intermedium](#).

NSW achieved a score of 9.4 out of 10 for the Digital Government Readiness Indicator (DGRI), with Intermedium noting that the state was already in a strong position due to the amount of enabling work it had done for digital transformation prior to July 2015.

Intermedium recognised that the final update of the state ICT Strategy 2012-2015, [Digital+ 2016](#), brought home the NSW Government's vision of integrating data analytics directly into the mechanisms of government decision-making through the work of the [Government Data Analytics Centre](#), in addition to further promoting the release of government data for use by industry through its 2016 refresh of its [Open Data Policy](#) and new [Open Data Action Plan](#).

Other measures of success – ICT metrics program

The ICT Metrics Program demonstrates strategic alignment of ICT expenditure and capabilities against government objectives, enables agency evaluation of performance and informs government ICT strategic direction.

Key findings from the [2015-16](#) report:

Workforce mobility is increasing. Over a third of end users are now laptops or tablets.

BYO devices are increasing in use, with almost 29,000 BYO devices across NSW Agencies.

Web accessibility is increasing, but further work is necessary

More connected through increasing social media accounts

Online engagement, collaboration and consultation with citizens is increasing

Online channels have highest customer satisfaction vs face-to-face

More insights available as volume and quality of open data increases, with 80,000 datasets across NSW agencies

Implementation issues

Ongoing efforts to apply meaningful metrics to the ICT Strategy continued to prove problematic. This is because the Strategy is not a project document, but a strategic plan to transform government.

In 2013, the [NSW Auditor General's Financial Audit Report](#) (Volume Seven) recommended the development of key performance indicators around implementation progress and improved service delivery of the ICT Strategy.

Systemic issues with ICT project delivery across government were identified as part of the [2015 review](#) of the Learning Management and Business Reform (LMBR) program in 2015. These included:

- poorly conceived business cases
- frequent use of very large projects (over two years, over \$100 million)
- inadequate governance arrangements
- underestimation of project complexity and cost

How were these issues managed?

The [NSW ICT Survey](#) collected ICT expenditure and volumetric data and was recast in 2013 to include outcomes indicators for the service capabilities outlined in the ICT Strategy.

The NSW ICT Investment Governance Model was introduced in 2016 to improve ICT investment outcomes and deliver better value ICT projects.

The [ICT Assurance Framework](#) (IAF) is an element of this model. The IAF is a mandatory risk-based, independent assurance system that provides the necessary tools to select, assess and monitor investments in ICT projects, receive early warnings of emerging issues, and act ahead of time to prevent projects failing.

The ICT Assurance Framework (IAF)

The IAF has been established to:

- Provide portfolio level view of the NSW Government's ICT investments across the sector
- Drive strategic whole of government opportunities, and reduce risks and costs through better collaboration, re-use and shared solutions
- Provide greater analytic support for the Government as an investor, before and after an investment decision has been made, rather than project-level assurance only
- Generate more systematic and transparent metrics.

Through the IAF, common reporting standards and lead measurement indicators have been developed to provide greater insight into overall risk, gateway activity and project level status. A reporting portal is being developed that will provide a portfolio-level dashboard view to assist agencies and government measure the delivery of projects.

A new direction

The ICT Strategy has been replaced by [Designing our digital future](#), the new NSW Digital Government Strategy. This Strategy provides the backbone for the delivery of next level, improved, user-centric services. It will ensure that the NSW Government is connected, customer-focussed and outcomes driven.

The ICT and Digital Leadership Group (IDLG), comprised of the Chief Information Officers from each cluster, will oversee the delivery of the new Digital Strategy.

The IDLG will endorse the Digital Government Implementation Plans (DGIPs) and key initiatives, subject to the oversight of the Secretaries Board.

The Strategy, DGIPs and case studies of exemplar digital government projects will also be published on the digital.nsw.gov.au website. This will provide a public view of progress and key milestones in our digital transformation journey in NSW.

NSW Digital Government Strategy

VISION

TRANSFORM THE LIVES OF PEOPLE IN NSW THROUGH
SMART, SIMPLE, SEAMLESS
POLICY DESIGN & SERVICES

PRIORITIES



CUSTOMER EXPERIENCE

Improve customer experience for government services for the better through customer-centred design



DATA

Enable policy design and service delivery through data insights



DIGITAL ON THE INSIDE

Improve the way government works by simplifying and streamlining systems and processes

ENABLERS



TECHNOLOGY

Improve collaboration across clusters to drive whole of government value



CYBER SECURITY

Strengthen risk management and response by building a whole of government capability



LEGISLATION

Increase regulatory certainty and remove legislative barriers to digital government



DELIVERY CAPABILITY

Increase collaboration and agility across government

New approach to tracking progress

Progress towards digital government in NSW will be measured through Digital Government Implementation Plans (DGIPs) updated twice a year. It will enable clusters to highlight and illustrate successes in more detail than previous reporting approaches.

DFSI has worked with clusters to develop a template to be completed incorporating a range of quantitative and qualitative measures, some of which draw on existing reporting mechanisms.

- Reporting will be combined with the Customer Satisfaction Improvement Plan (CSIP) process, which will be expanded to collect information across all three priority areas of 'customer experience', 'data' and 'digital on the inside'.
- The template allows cluster agencies to nominate project-specific metrics and collect existing digital transformation initiatives into a roadmap.
- DGIPs will be developed for publication on the password-protected area of the digital.nsw platform, accessible by designated cluster agency executives from across government.

Key findings

Using an on time completion measurement for implementation of projects fails to capture the full extent of both successes and failures within a program of works such as the ICT Strategy.

Recognising these limitations, major improvements have been made to the way ICT investments are managed, particularly in the development of common reporting standards and indicators to measure successful project implementation.

Despite the limitations in evaluating success, NSW's ranking as the most digital ready jurisdiction in Australia indicates the strategy achieved its goals to build capability across the public sector in support of better, more customer-focused service delivery, and to derive better value for our \$2 billion annual investment in information and communications technology.

As the ICT Strategy has now been superseded and its learnings have been incorporated into the new Digital Strategy, DFSI recommends that no further evaluation is required.

Contact details



Author:

Emily McCosker, Principal Policy Officer, ICT Policy

ICT and Digital Government Division

Department of Finance, Services and Innovation

P: 02 9372 7346

M: 0481 917 336

Contact:

Dawn Routledge, Executive Director, Policy and Innovation

ICT and Digital Government Division

Department of Finance, Services, and Innovation

P: 02 9372 7785

M: 0477 348 956