

Chris Steel MLA

Minister for Transport and City Services

Minister for Skills

Special Minister of State

Member for Murrumbidgee

RESPONSE TO QUESTION ON NOTICE**Questions on Notice Paper No 33**

Friday, 1 September 2023

Question No. 1331

MR CAIN MLA: To ask the Special Minister of State

- (1) Can the Minister provide copies of all past and current versions of (a) change management plans, (b) quality management plans, (c) risk registers and risk management plans and (d) benefits management plans, relating to the Human Resource Information Management System (HRIMS) project.
- (2) Can the Minister provide a list of any invoices paid to suppliers, including the dates of the invoices, the amounts that were paid, and any details about the suppliers, for the HRIMS Project.
- (3) Can the Minister provide a list of all invoices paid to HRIMS suppliers outlining total labour hire costs for the project, including the dates of the invoices, the amounts that were paid, and any details about the suppliers, for the HRIMS Project.
- (4) Can the Minister provide records of all meetings undertaken by the (a) HRIMS Strategic Board and (b) HRIMS Steering Committee, including meeting dates, attendees, and meeting minutes, for the HRIMS Project.
- (5) Can the Minister provide details relating to HRIMS Program Assurance, including who was engaged to conduct it, what activities were done, when it was conducted, and what the cost was, for the HRIMS Project.

MR STEEL MLA - The answer to the Member's question is as follows:

- (1) I am advised by my Directorate that the requested documents contain commercial and legal in confidence information and therefore will not be provided.
- (2) & (3) I am advised by my Directorate that to provide a list of invoices paid to suppliers, including details about the amounts paid and suppliers, would be a significant diversion of public service resources and therefore will not be provided.

A number of QON's have been requested in relation to the financial costs of the Human Resource Information and Management Program. Responses to previous QONs tried to simplify the financial spend and removed the financial accounting complexities of expense, capitalisation and amortisation associated with internally generated software. A simplified

interpretation of supplier expenses was also provided in line with external contracts and excluded labour hire staff engaged by the program.

A detailed breakdown of financial information including costs expensed and capitalised in accordance Australian Accounting Standards is provided below.

Attachment A provides a breakdown by financial year of total cost of the HRIMS program to 30 June 2023, represented as total expense of \$75.968m and total capitalised expenditure of \$1.664m. From an accounting perspective, it is important to note in that software projects developed in-house (the original nature of the HRIMS project) under *Australian Accounting Standards Board 1138-Intangible assets (AASB 1138)*, not all expenditure on the project was able to be capitalised. Only expenditure on the development of software that provides an ongoing economic benefit (of being in use and having a future use) was able to be capitalised.

The decision to discontinue HRIMS program and upgrade capability of the existing HR21 and Chris21 solutions, under accounting standards resulted in the impairment of \$39.619M as per Attachment B. The HRIMS program did deliver a learning management system which is in use and continues to meet the requirements of an asset under AASB 1138.

Attachment B provides a breakdown of capital works in progress by financial year, by type of cost capitalised, i.e. employee expenses and supplier expenses. Supplier expenses have been further broken down by contractors, consultants and other expenses. This table also provides a total by type of costs incurred in the HRIMS program at a lower taxonomy than above.

Attachment C provides a breakdown of all supplier expenses by supplier name. Please note all invoices above \$25,000 are published on the ACT Government Notifiable Invoices Register. However, invoices from suppliers in some cases include services provided for HRIMS project and other project and works. For this reason, it is not possible to provide individual invoices for HRIMS program.

- (4) The HRIMS Program had a range of governance arrangements over its lifetime beginning with a Steering Committee overseeing initial feasibility in 2016, through to the formal Program's inception in 2017 and its conclusion as part of the 2023-24 Budget. These include a Steering Committees and Program and Project Boards. There was not a distinct HRIMS Strategic Board, however the whole-of-government Strategic Board regularly received updates on the Program. All Committees and Boards had a range of representatives from across the ACT Public Service including Shared Services, Treasury and Data and Digital Technology Solutions. Both the Strategic Board and the Steering Committee, including their composition, purpose and proceedings have been considered in detail as part of the Deloitte and Leeper reviews into the HRIMS Program. Information about these reviews are available at <https://www.cmtedd.act.gov.au/functions/publications>.
- (5) Throughout the life of the HRIMS Program, several independent reviews were undertaken, and reports delivered regarding the performance of the Program. There was not one ongoing Program Assurance provider.

Approved for circulation to the Member and incorporation into Hansard.



Chris Steel MLA
Special Minister of State

Date: 5/10/23

This response required 14 hrs 35 mins to complete, at an approximate cost of \$1,625.59.