Supplementary Questions to TAFE NSW

Related to Performance Audit: Learning Management and Business Reform (LMBR) program

1) Your response notes that the Department of Education and Communities governance arrangements were not always effective in terms of financial oversight of the LMBR program. What steps has TAFE taken to ensure this does not happen in future projects?

2) Your response notes that you are currently enhancing your program management office function to further strengthen project governance arrangements.
    - Could you elaborate on these enhancements?
    - Could you provide an update on the implementation of the enhancements?

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1) *Your response notes that the Department of Education and Communities governance arrangements were not always effective in terms of financial oversight of the LMBR program. What steps has TAFE taken to ensure this does not happen in future projects?*

Financial oversight of future programs is affected through the following authorities:
   a. Program Initiation
   b. Program plan and Business case review by the Portfolio Design Authority of which the Chief Financial Officer is a member
   c. Benefit tracking with a financial model that is under development
   d. Maintenance of risk, issue, and benefits registers with thresholds for escalation to the Executive Leadership Team
   e. Broader governance processes including:
      1. Program Control Board
      2. Work Stream Steering Committee
      3. Portfolio Design Authority (PDA)
      4. Portfolio Steering Committee (TAFE NSW Executive Leadership Team)
      5. Reporting to TAFE Commission Board and Investment sub-Committee
      6. Central Agency Forum (with membership from NSW Treasury, Department of Finance, Services and Innovation, Department of Premier and Cabinet, Department of Industry, Skills and Regional Development) for transparency.

2) *Your response notes that you are currently enhancing your program management office function to further strengthen project governance arrangements.*
   - *Could you elaborate on these enhancements?*
   - *Could you provide an update on the implementation of the enhancements?*

Arrangements	Status
Governance - Process management by PMO - Assurance through internal control, internal audit and external assurance support - DFSI ICT Assurance Framework and Investment Assurance Framework	Operating
Business Cases - including risk assessment with cost assumptions to manage and mitigate identified risks - Linked to the TAFE NSW Strategic Plan and ICT Business Plan - Clear identification of business owners	Operating
Risk/issue management register established	Operating
Benefit management - All business cases include identified business owners - Measurable benefits noted in all business cases	Operating – Financial model being fully developed
PDA – chaired by the COO, has the responsibility to ensure: - Alignment with TAFE NSW strategic directions, the modernisation roadmap and target operating model - Design integrity of programs - Prudency and efficiency of program investments	Operating