PUBLIC ACCOUNTS COMMITTEE
EXAMINATION OF THE AUDITOR-GENERAL'S PERFORMANCE
AUDIT REPORTS
DEPARTMENT OF EDUCATION

SUPPLEMENTARY QUESTIONS

QUESTION 1

How have you have segmented the delivery of LMBR stage 3?

ANSWER

The LMBR Program has adopted a project portfolio approach with Workstream 1 consisting of the deployment of finance, student administration and wellbeing solutions to 1100 schools so far.

SUPPLEMENTARY QUESTIONS

QUESTION 2

Your response notes that in early 2015 the Department adopted the NSW Benefits Realisation Management Framework for key change programs.

- Could you provide further detail on the Benefits Realisation Management Framework?
- How will the new framework assist in implementing recommendation 1b?
- Have any programs utilised the new framework?

ANSWER

The NSW Government Benefits Realisation Management Framework, as published by the Department of Finance, Service and Innovation, consists of four components: Principles, Process, Guidelines and Tailoring. The Framework has been adopted by the LMBR Program for the identification, planning, management and realisation of all benefits.

The new framework defines an approach that has allowed the LMBR Program to commence accruing benefits within a three year timeframe. Realisation of some benefits occurs through the early adoption of the LMBR solution by schools from 2016.

'The department endorsed adoption of the NSW Benefits Realisation Management Framework for programs within the Department in February 2015. Since that time the department has utilised the NSW Benefits Realisation Management Framework on two key change initiatives in addition to LMBR: its Integrated Corporate Shared Services Program, branded 'EDConnect'; and its Business Intelligence implementation.

The department has developed a register of benefits from these key programs and is further developing its benefits management practice using the guidance and practices outlined in the Framework.'

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SUPPLEMENTARY QUESTIONS

QUESTION 3

Could you specify what changes have been made to strengthened governance arrangements?

ANSWER

A formalised structure has been established and approved by the Department of Education's Executive. This includes:

- The LMBR Governance Framework which confirms structure and approach and detailed Terms of Reference for each governance forum
- Clear delineation of purpose, role, accountability, operations, membership (including central agencies and industry expertise) and member responsibilities for each forum
- Structural alignment for leadership and oversight, internal assurance (program governance), financial management and program/workstream responsibility
- A consistent approach to program governance including project control, business program sponsorship and external stakeholder liaison.

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QUESTION 4

You note that an independent review found the governance structure to be sound. How are you monitoring the ongoing governance arrangements and ensuring they remain 'robust and rigorously applied'?

ANSWER

The LMBR Governance Framework and associated Terms of Reference are subject to an annual review process and are reviewed as required.

The LMBR Steering Group includes representation from the Department of Premier and Cabinet; the Department of Finance, Service and Innovation; NSW Treasury; independent industry representation; the Department of Education's Internal Audit; and the Program's Independent Quality Assurance and Transformation Advisor.

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SUPPLEMENTARY QUESTIONS

QUESTION 5

What steps have been taken to ensure future programs have robust and well monitored governance arrangements?

ANSWER

The department has endorsed PRINCE2 as its preferred project management methodology and is developing a consistent, department-wide approach to improve alignment with corporate governance requirements.

The approach includes adopting the good practice described in PRINCE2 and the Managing Successful Programmes models; enhanced risk identification and monitoring practices that are consistent with and integrated into the enterprise-wide risk management framework; and a consultative Community of Practice for project and program management including representation from LMBR that will enhance governance capabilities across the department.