



Secretaries' Digital & Data Committee

Minutes

THURSDAY, 29 JUNE 2023 10:00AM TO 12:00PM

1. WELCOME AND INTRODUCTIONS

A. Minutes and action items (by exception)

The Chair welcomed members to the meeting and no conflict of interests were declared.

The Committee endorsed the minutes and actions from the 30 March 2023 Secretaries Digital and Data Committee (SDDC) meeting.

B. Terms of Reference and Report to the Secretaries' Board

The Committee agreed to the updated SDDC Terms of Reference.

The Committee endorsed the first SDDC six monthly report for submission to the Board with the addition of the Shared Services Transformation Program as a significant focus for the Committee over the next six months.

C. Data and Digital Ministers Meeting backbrief

The Committee noted the Data and Digital Ministers Meeting (DDMM) back brief which outlined very engaged discussions with jurisdictions on the national digital identity (ID) ecosystem, identity resilience, cybersecurity, digital inclusion, cross-jurisdictional life events, artificial intelligence, and data sharing.

The Committee noted the Minister's key messages of using plain English to communicate the benefits of identity resilience and the need to promote digital inclusion for all residents including those in rural and remote communities.

The Chair agreed for the Secretariat to distribute the DDMM minutes with SDDC members.

Item	Action	Lead Agency	Due Date
2023/06	Secretariat to share Data and Digital Ministers Meeting minutes with SDDC members.	Secretariat	July 2023

2. DIRECTION SETTING

A. Shared Services Transformation Program (program updates)

The Committee noted the verbal update on the Shared Services Transformation Program.

i. GovERP: Programme update

The Committee noted the achievements of the GovERP Programme over the past seven months and progress against key outcomes.

The Committee noted GovERP Programme risks, issues, and mitigations underway to address these concerns.

The Committee noted [REDACTED] Section 34

The Committee discussed the Attorney-General's Department's (AGD) transition to the GovERP template, with onboarding now commencing in mid to late-2023 and completion expected by 31 March 2024. The delay from the completion date of October 2023 was largely due to scheduling pressures and the depth of change management activities required. The Committee discussed opportunities to bring forward Services Australia and its client agencies' as the next agencies onboarding, noting AGD's ERP needs were less complex than other agencies that could be onboarded to GovERP.

ii. TechnologyOne/Aurion Business Case

The Committee noted the status of the TechnologyOne and Aurion Solution Business Case, which was developed to address the need for a technology uplift across a subset of less complex, small to medium entities.

The Committee discussed the benefits of the three funding options presented and noted further consultation will occur in July/August 2023, in line with the submission deadline for the MYEFO 2023-24 process.

The Committee discussed the differing needs between large or complex organisations (for example, the Departments of Defence (Defence), Home Affairs, and Foreign Affairs and Trade (DFAT), Services Australia, and the Australian Taxation Office,) compared to small or less-complex organisations.

The Committee noted the smaller agencies would benefit from a coordinated uplift through a program management office given a likely lack of capability and capacity of those agencies and the greater cyber risks borne by those agencies.

The Committee noted Department of Industry, Science and Resources' (DISR's) lead role with TechnologyOne/Aurion is a legacy role, with consideration required on where this function is best placed.

iii. WofG SAP contract negotiations

No Committee members or officials attending the meeting raised a conflict of interest for this item.

The Committee noted the Digital Transformation Agency (DTA) and SAP have agreed to a six-month extension of the current SAP whole-of-government arrangement that expired on 28 June 2023.

[REDACTED] Section 47

The Committee noted the DTA is working with key agencies to negotiate a whole-of-government arrangement with SAP by end December 2023.

The Committee noted the DTA [REDACTED] Section 34

iv. Defence SAP Build

The Committee **noted** the status of the Defence Enterprise Resource Planning Program.

The Committee **noted** the key challenges of the Defence Enterprise Resource Planning Program including negotiations with service providers, resourcing, delivery of multiple large ERP implementations concurrently, and high level of complexity for the build, integration, and configuration of software.

b. Technology Options Analysis

The Committee **agreed** the two technology options originally identified for the Shared Services Transformation Program (SAP and TechnologyOne/Aurion) remain fit for the purpose in meeting the ERP needs of in scope consumer agencies and offer choice for agencies.

The Committee **discussed** the strong requirement for all ERP providers to Government to adhere to security requirements.

The Committee **agreed** simple Software as a Service (SaaS) solutions can also be fit for purpose for agencies with simpler ERP needs.

The Committee **noted** other potentially suitable core ERP solutions exist, particularly for less complex organisations, although the market has not been tested. The Committee flagged that market testing for ERPs would be useful.

c. Service cost Comparison

The Committee **noted** the comparison of payroll transactional processing service and technology costs of the Service Delivery Office (SDO) and the DISR Hub.

The Committee **noted** the SDO payroll processing service unit cost is lower than the DISR Hub service cost, however the SDO has a higher overall cost when the ERP technology unit cost is included.

The Committee **noted** the variance is driven by the use of two very different ERP technology solutions (SDO: SAP DISR: TechnologyOne and Aurion) that meet the needs of client entities with varying complexity.

The Committee **noted** the SDO Hub presents a cost-effective solution for client entities with complex needs, whilst the DISR Hub presents a more cost-effective solution for client entities with more straightforward needs.

The Committee considered that some small to medium agencies currently scheduled to move to a SAP-based solution are unlikely to require the functionality of such a system, including SDO clients. The Committee **noted** the SAP technology cost for those agencies is more expensive (than TechnologyOne and Aurion) and is likely to increase. Further consideration is required for affordable, fit-for-purpose technology.

d. Next steps

The Committee **agreed** to return to the next SDDC meeting with a proposal for the way forward for shared services. The Committee **discussed** the proposal should articulate a vision for a future program, reset the program and detail what should be included within the proposal for consideration at MYEFO, with a particular focus on understanding the different requirements of agencies depending on size and complexity. There was agreement a Deputy Secretary group would oversee the development of the proposal around the following outcomes:

GovERP:

The immediate GovERP onboarding schedule be:

- i. Services Australia and AGD to proceed with onboarding AGD
- ii. Services Australia and its client agencies to be the next agencies to be onboarded to help build out the user requirements for more complex agencies
- iii. Finance to reassess the onboarding of SDO agencies, with consideration to be given to which SDO agencies could be onboarded to TechnologyOne and Aurion or other similar solutions
- iv. Services Australia, the Department of Home Affairs, the Australian Taxation Office, DFAT, DTA and Defence, with Finance, to work together to develop a vision and plan for agencies with the most complex ERP needs.

TechnologyOne/Aurion:

- v. DISR to continue to lead work on the development of its business case for agencies with less complex ERP requirements, with a preference for having a program management office to coordinate and assist small agencies.

Broader Solutions:

The DTA, with Finance to develop options to test the marketplace for broader ERP solutions (including SAP, TechnologyOne/Aurion and others), opportunities to establish an ERP panel/s and the standards that would be required for any ERP provider (e.g., cyber standards).

Deputy Secretary level engagement was strongly encouraged to ensure momentum is maintained.

Item	Action	Lead Agency	Due Date
2023/07	Finance lead a Deputy-Secretary working group to return to the next SDDC meeting with a proposal for the way forward for shared services. The proposal should articulate a vision for a future program, reset the program and detail the “no regrets measures” to include within the proposal for consideration at MYEFO, including (among other matters), differentiate technology solutions based on complexity and size of agency, requirements of larger agencies and small and medium agencies.	Finance	August 2023
2023/08	DTA and Finance to develop options to test the market for broader ERP solutions.	DTA	August 2023

B. Digital Identity

The Committee **noted** the update on the Digital ID Program and noted the Cabinet Submission seeking policy authority for the development of the proposed Digital ID and the Identity Matching Services legislation is scheduled for 3 July 2023.

The Committee discussed the relevant Ministers’ support for progressing this work given the complexities involved.

3. COMMON PLATFORMS AND REUSE

A. myGov user Audit Government response

The Committee **noted** the joint work of the DTA and Services Australia in developing the Government’s response to the myGov User Audit for [redacted] Section 34 [redacted]. The Committee discussed future models that could be considered [redacted] Section 34 [redacted].

The Committee **noted** the workplan for the myGov User Audit Government response and the development of a whole-of-government Digital Services Blueprint.

The Committee **agreed** for the [redacted] Section 34 [redacted].

The Committee **agreed** to reconsider this item at the next meeting to review risks and formalise the response to recommendations.

Item	Action	Lead Agency	Due Date
2023/09	Services Australia / DTA to provide an update at the next meeting on risks and the response to recommendations.	Services Australia / DTA	August 2023

B. National Disability Data Asset (NDDA)

The Committee **noted** the verbal update on the NDDA project, led by the Department of Social Services and overseen by the Disability Reform Ministerial Council.

The Committee **noted** the Commonwealth Government has committed to fund the build of the NDDA and the underlying infrastructure – the Australian National Data Integration Infrastructure (ANDII).

The Committee **noted** the NDDA will be a national data asset that brings together de-identified data from Australian, state and territory government agencies for research and analysis.

The Committee **noted** the challenges that exist with establishing a Multilateral Data Sharing Agreement and work is continuing with the states and territories to resolve issues.

The Committee **noted** all jurisdictions have signed a Memorandum of Understanding committing to supply data into the NDDA and the first outputs are planned to be available in early 2024.

4. INVESTMENT DECISION AND ASSURANCE

A. Digital Investment Overview (DIO) Evaluation progress and Digital and ICT planning project

The Committee **noted** progress on the project to strengthen longer-term digital, data and ICT investment planning capability across the Australian Public Service, which is being used to support decision-making across government.

The Committee discussed the common system barriers identified and early focus for improvements to planning and **noted** the final report will be provided for discussion at its next meeting.

The Committee **noted** the terms of reference for the DIO evaluation and **agreed** to discuss preliminary observations of the DIO evaluation at its next meeting.

[redacted] Section 34 [redacted]

Section 34

Item	Action	Lead Agency	Due Date
2023/10	Department of Prime Minister and Cabinet to return to SDDC with the final report on the Digital and ICT planning project in August 2023.	PM&C	August 2023
2023/11	DTA to return to SDDC at the next meeting with preliminary observations of the DIO evaluation.	DTA	August 2023
2023/12	Members to provide comments on Section 34	DTA	July 2023

5. WORKFORCE AND CAPABILITY

The Committee noted there has been over 3000 applications received for traineeships and with a substantial number of placements still required with agencies to consider participating so that targets can be met.

6. OTHER BUSINESS

A. Benefits management Policy

The Committee agreed to provide feedback and endorse this item out-of-session.

Item	Action	Lead Agency	Due Date
2023/13	Members to endorse and provide feedback on agenda item 6A Benefits management Policy out of session.	All	July 2023
2023/14	Members to consider participating in the digital traineeships program.	All	August 2023

The meeting closed at 12.02pm