



MEDIA RELEASE

PUBLIC ACCOUNTS COMMITTEE

4 September 2013

NEW INQUIRY & CALL FOR SUBMISSIONS — MANAGEMENT OF ICT PROJECTS

The Public Accounts Committee has announced an inquiry to identify the causes of delays and cost blow outs with the implementation of a number of recent information and communication technology projects.

The Auditor-General has identified significant time delays and cost blow outs in major government ICT projects such as the Department of Infrastructure's Asset Management System; the Department of Health's Grants Management System; and Power and Water's Asset Management System.

The cost overruns for some of these projects are substantial with the Department of Infrastructure's Asset Management System project escalating from \$14 million to an expected \$70 million, while the costs related to Power and Water's IT project went from an initial estimate of \$15 million to a final budget of \$57.81 million.

Time delays in these projects are also common and result in inefficient service delivery systems continuing for years longer than necessary, with consequent increases in indirect costs.

Drawing on the projects noted above, the Inquiry will focus on the factors that appear to determine either success or failure in relation to cost, time, meeting user needs and meeting project objectives.

The Inquiry also seeks to clarify what can be learned from these projects and how this might influence the management of future information technology projects.

"IT systems are now integral to the way government agencies manage their business, so it is imperative that implementation occurs in a cost effective and timely manner – anything less comes at a significant cost to the community and threatens the timeliness and efficiency of services to the public", Ms Lia Finocchiaro, MLA, PAC Chair, said. "We look forward to getting to the bottom of these problems, and making recommendations to the Government on how they can be avoided in future, so that ICT projects can be managed more effectively".

Members of the public and interested organisations are invited to make submissions, with these due no later than 8 November 2013. Terms of reference and further details available from www.nt.gov.au/lant.

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