
Implementing a New Infringements Management System

Tabled 5 May 2021



Objective

This audit looked at whether the Department of Justice and Community Safety (DJCS) rolled out its new information technology (IT) system for managing infringements, called VIEW, in an effective and cost-efficient way.

Who and what we examined

We looked at DJCS, including Fines Victoria, and the Department of Treasury and Finance (DTF), which scrutinised DJCS's implementation of VIEW. We did not audit the vendor that developed VIEW.

We looked at VIEW's project governance, procurement, implementation and risk management to identify learnings that can be applied across the public sector to other IT projects.

We did not review DJCS's recent efforts to remediate VIEW issues or substantiate VIEW's current level of functionality.

Conclusion

We found that due to significant planning failures, VIEW's implementation did not meet its time, cost and functionality targets.

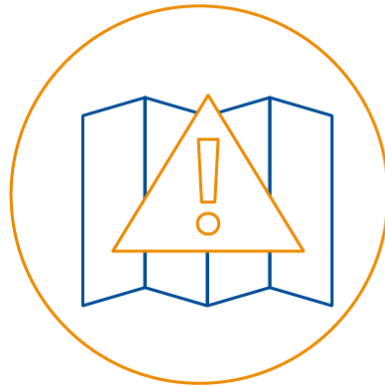
DJCS's failings started with a misguided procurement process that led the department to select a commercial off-the-shelf IT solution, which could not meet its complex requirements.

DJCS's challenges were compounded by inadequate capability in governance, contemporary IT knowledge and project management.

Background

DJCS began reforming fines in 2015, in part to address social injustices associated with fines. Its fines reform program was complicated, involving simultaneously developing new legislation,

Conclusion



Missed targets:

- Time
- Cost
- Functionality

creating a new business unit known as Fines Victoria, and developing a new technology solution to manage fines from start to finish, which became the VIEW project.

In 2015, DJCS terminated a previous attempt to introduce an IT system for fines management, after that project, which started in 2007, had overrun by six years.

Issue 1: Failures of governance

DJCS's oversight of the project was ineffective. Its advice to government did not consistently highlight project risks and was based on misleading and overly optimistic reporting from the vendor, and the department's project team and contracted IT consultant.

For example, when DJCS launched VIEW on 31 December 2017 it expected around 90 per cent of the system's functions to be working. DJCS later realised functionality at launch was only around 5 per cent.

The project also did not get sufficient value from DTF's Gateway reviews, which are meant to help identify and address project risks early. This was due to risks identified in the reviews not being communicated to DJCS senior management and DJCS's failure to fully address the issues raised.

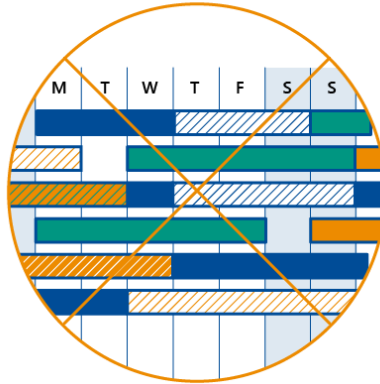
Issue 2 Failures in procurement

In purchasing VIEW, DJCS was an uninformed buyer. It lacked sufficient information about its business requirements for processing fines, available technology options and fines reform legislation to make good decisions.

DJCS commissioned only a limited market analysis and did not fully consider all available options. It also did not use learnings from previous failings to improve its chances of success.

When DJCS evaluated shortlisted options, it did not prioritise the key requirements for delivering fines reform, and so selected a solution that was poorly matched to its needs. VIEW could not meet DJCS's complex fines management requirements without extensive customisation.

Issue 3: Poor project management



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DJCS also failed to manage the change process to customise VIEW.

DJCS did not plan properly or manage the multiple, concurrent and interdependent work streams that made up the fines reform program.

In addition, it had no contingency plans in place in case the project failed.

Issue 4: Poor contractor management

DJCS failed to manage a serious conflict of interest within the project. DJCS's IT consultant undertook numerous roles ranging from advising on procurement and project management to reporting on the project's progress. This reduced the contractor's ability to offer objective advice.

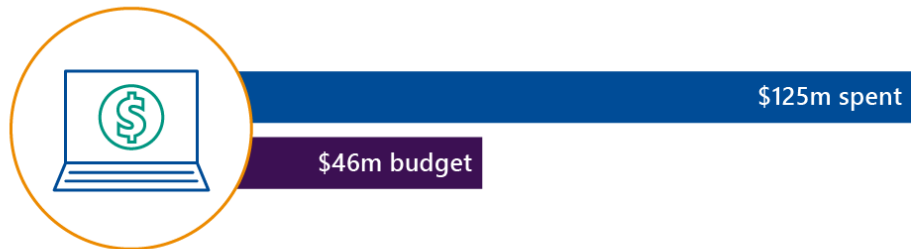
DJCS also did not manage the contract with the vendor well. It made payments before agreed milestones were reached and made multiple, late-notice changes to requirements.

What these issues mean

As a result of these project failures, VIEW has needed a lot of remediation work and additional funds to stabilise it and provide required fines processing functionality.

DJCS has spent over \$125 million on VIEW and workarounds for fines processing that VIEW couldn't process, against an initial budget of \$46 million. But the project is still not complete or fully functional.

What these issues mean



Recommendations

We made seven recommendations to the Department of the Premier and Cabinet, DTF, and the Victorian Public Sector Commission:

- two on strengthening the training for public servants around providing full and frank advice to government,
- one on establishing a dedicated team of IT experts to build ICT project capability across government, and
- four on improving the gateway review process to strengthen government oversight of high value, high risk projects

We did not make direct recommendations to DJCS on the management of this project. Our findings relate to the failure of DJCS to comply with existing government and departmental policies and guidelines. Our broad recommendation to agencies is to diligently understand and comply with these expectations when undertaking major projects.

For further information, please see the full report on our website: www.audit.vic.gov.au.