



Mr B S Wyatt, MLA
Deputy Chair
Public Accounts Committee
Parliament House
PERTH WA 6000

lapac@parliament.wa.gov.au

Dear Mr Wyatt

QUESTIONS TAKEN ON NOTICE

Thank you for the letter dated 11 April 2016 in relation to providing information for the Questions Taken on Notice at the Public Accounts Committee (PAC) hearing, held on Wednesday 6 April 2016, on the *Inquiry into Information and Communications Technology (ICT) Procurement and Contract Management* (Attachment A).

A partial response from the Department of Health (DoH) in relation to three of the Questions Taken on Notice (Questions 2, 3 and 4) was submitted to the PAC on 12 May 2016. Please find below the Department's response to the remaining questions, Questions 1 and 5; and further information in relation to Question 3.

Please note that the Senior Health Executive Forum referred to in the PAC letter of request has been corrected to the State Health Executive Forum (SHEF).

Question 1. (From page 3) For the period of 2013 through 2014, did the State Health Executive Forum sub-committee overseeing the monitoring of budgets receive reports showing the approved budget versus actual expenditure for the centralised computing services contract?

For the period of 2013 through 2014, the SHEF ICT Principal Committee and SHEF Operations Review Committee (ORC) received a Health Information Network (HIN) portfolio status report regularly. The SHEF ICT Principal Committee also received a contracts and procurement report presentation on occasion.

The HIN portfolio status report provided operational expenditure funding information for the financial year versus year to date general ledger expenditure and projected variance in expenditure to the end of the financial year; for all HIN projects including the centralised computing services contract.

The contract update report provided contract value versus expenditure to date information for all HIN reportable contracts, including the centralised computing services contract.

Question 3. (From page 8) To what extent has WA Health previously undertaken Gateway reviews for ICT projects over \$10 million in value?

A list of Gateway reviews previously undertaken for WA Health ICT Projects was submitted to the PAC on 12 May 2016. At that time the DoH advised the PAC that a number of Gateway reviews have also been undertaken for a range of WA Health infrastructure projects which were not discretely related to ICT projects but may have included ICT as part of their scope; and that a list of those Gateway reviews that included ICT would be provided to the PAC.

WA Health has previously undertaken the following infrastructure Gateway reviews, which have included ICT:

- Albany Health Campus:
 - Readiness for Market Gateway Review – April 2010
 - Tender Decision Gateway Review – December 2010
 - Readiness for Service Gateway Review – November 2012
- Busselton Health Campus
 - Tender Decision Gateway Review – July 2012
 - Readiness for Service Gateway Review – August 2014
- Fiona Stanley Hospital
 - Business Case Gateway Review – February 2008
 - Tender Decision Gateway Review – January 2009
 - Tender Decision Gateway Review (Facilities Management) – July 2010
 - Readiness for Service Gateway Review – August 2013
 - Readiness for Service Gateway Review – May 2014
 - Readiness for Service Gateway Review – August 2014
 - Readiness for Service Gateway Review – November 2014
- Karratha Hospital
 - Tender Decision Gateway Review – April 2015
- Midland Health Campus
 - Readiness for Market Gateway Review – February 2011
 - Tender Decision Gateway Review – February 2012
 - Readiness for Service Gateway Review – September 2015
- Perth Children's Hospital
 - Readiness for Market Gateway Review – March 2011

- Tender Decision Gateway Review – November 2012
- Tender Decision Gateway Review (Back of House System) – June 2014
- Readiness for Service Gateway Review – June 2015
- Readiness for Service Gateway Review – March 2016

Question 5. (From page 11) Mr Johnston referred to the following passage from page 9 of the Auditor General's Report No. 1 of 2016 *Health Department's Procurement and Management of its Centralised Computing Services Contract*:

The combined value of these leases, the last of which expires in January 2020, was \$16 million, of which \$10.8 million or 68% was paid up-front, in June 2013

and asked,

When was the \$10.8 million dollar upfront payment dealt with by the State Health Executive Forum (or any other equivalent body in place at that time)?

The upfront payments for the leases were not dealt with by SHEF, SHEF ORC or the SHEF ICT Principal Committee. A Master Rental Agreement (MRA) was approved by the Director General, and the upfront lease payments were approved by the Acting Chief Information Officer, who had delegated authority from the Director General to approve expenditure up to \$5,000,000 at the time.

Yours sincerely



Dr D J Russell-Weisz
DIRECTOR GENERAL

16 May 2016