

TAFE NSW

Plan of Action Annual Status

to

the ICAC’s Corruption Prevention Recommendations

made in

Investigation into the sourcing of software systems for the Western Sydney Institute of TAFE (Operation Lancer)

Precis

TAFE NSW acknowledged the Independent Commission Against Corruption’s (ICAC) report arising from Operation Lancer (October 2021) and accepted the corruption prevention recommendations. On 31 January 2022 TAFE NSW submitted to the ICAC its Plan of Action (Plan) to address the ICAC’s recommendations.

TAFE NSW established an internal taskforce to oversee the implementation of the ICAC’s recommendations. Regular reporting to TAFE NSW’s Audit and Risk Committee supports independent oversight of progress with the Plan.

This report sets out a summary of the status of each agreed action as at 31 January 2023.

Status of the Plan of Action as at 31 January 2023**Recommendation 1:**

That TAFE NSW further constrains local ICT projects that are “architectural exceptions” by:

- closing regional data centres, and moving applications and software into the TAFE NSW Private Cloud or a local cloud provider
- evaluating local software modules, applications and versions for requirement and removal, where appropriate.

Please indicate the response the public authority will take in its plan of action:

☞ Implement the recommendation as described in the report

Status as at January 2023

The Regional Asset Consolidation Project associated with decommissioning our regional campus-based data centres were successfully completed mid-2022. Due to interdependencies two services (a SharePoint instance and Google classrooms) hosted within two data centres prevented the full decommissioning by the original due date. These services are in the process of being decommissioned and will be complete by 30 June 2023, enabling final shut down of the outstanding regional data centres.

*In relation to regional software aligned to SMS, this has been completed due to the delivery of OneEBS in late 2020, centralisation and controls of software licensing into the Systems Group, and the closure of the regional data centres. TAFE NSW will continue to rationalise and decommission regional software in line with the Digital Transformation Strategy (Formerly Digital Adoption Strategy).

Action(s)	Planned Due Date	Status 31 Jan 2023	Owner(s)
(a) Decommission six of twelve regional Data Centres.	Completed	Completed	Chief Information Officer
(b) Decommission remaining regional Data Centres.	August 2022	June 2023	
(c) Local software rationalisation and decommissioning will occur with the Digital Adoption Strategy (which includes SMS* and related projects. Estimated final phase closure is 30 June 2023).	June 2023	On Track	

Recommendation 2:

That TAFE NSW ensures robust and measurable criteria are used in relation to decision-making for the governance of ICT projects by uplifting capability to members of Project Control Boards to better understand aspects of approvals, risk monitoring and seeking assurance.

Please indicate the response the public authority will take in its plan of action:

 Implement the recommendation as described in the report

Status as at 31 January 2023			
<i>TAFE NSW has taken steps to improve the governance of ICT projects. Early in 2021, TAFE NSW restructured its System Group and introduced a 'Delivery Office' focused on project governance and assurance of ICT based projects. TAFE NSW ICT Projects comply with the TAFE NSW Enterprise Project Management framework to ensure correct governance processes are in place and provide a level of assurance commensurate with the risk. The project management framework ensures selection of members of project control boards have the capability required to perform their role. Further advice was obtained from DCS in respect to project governance addressing the substance of Operation Lancer; recommendations were implemented in the second half of 2022.</i>			
Action(s)	Planned Due Date	Status 31 January 2023	Owner(s)
(a) Adopt an enterprise tool to manage IT Project Governance risks, issues, actions, and decisions to uplift reporting capability and information available to PCBs.	Completed	Completed	Chief Information Officer
(b) Engage third party to undertake gap analysis of IT Project Governance operations and capability, consider findings and implement as appropriate key actions arising.	July 2022	Completed	

Recommendation 3:

That TAFE NSW expands existing training material to cover risks associated with direct negotiations.

Please indicate the response the public authority will take in its plan of action:

 Implement the recommendation as described in the report

Status as at 31 January 2023			
<i>TAFE NSW's has established a centralised procurement function and introduced the TAFE NSW Procurement Policy and associated procedures that provide training, guidance and support to buyers and approvers across the organisation. The Procurement Framework is reviewed every two years to ensure currency and includes and outlines risks associated with direct negotiations.</i>			
Action(s)	Planned Due Date	Status 31 January 2023	Owner(s)
(a) Schedule and deliver external training in targeted negotiations.	Completed	Completed	Chief Operating Officer
(b) Review Procurement Framework and update as required to provide guidance on the management of risks associated with direct negotiations.	March 2022	Completed	

Recommendation 4:

That TAFE NSW develops strategic category plans that:

- cover all ICT spend (in collaboration between ICT procurement category teams and stakeholders); and
- denote which spend is significant.

including the formulation of a schedule and project plan to ensure all significant spend is brought under contract.

Please indicate the response the public authority will take in its plan of action:

☞ Implement the recommendation as described in the report

WAS COMPLETED – as at 31 January 2022

TAFE NSW procurement function has been centralised and includes a team of ICT category managers who are responsible for analysing ICT procurement activity and implementing strategic category plans.

All significant spend (greater than \$250,000) is now under contract and monitored through the TAFE NSW Checkout system. For spend below this threshold, quarterly analysis is performed assess compliance with TAFE NSW policies and procedures.

Recommendation 5:

That TAFE NSW re-evaluates and strengthens the process by which corruption information requests from integrity agencies to it are case managed.

Please indicate the response the public authority will take in its plan of action:

☞ Implement the recommendation as described in the report

Status as at 31 January 2023

TAFE NSW is investing in corruption prevention management, including attending to requests from integrity agencies on reported cases. TAFE NSW recently completed a comprehensive review of its employee grievance processes incorporating complaint-handling, investigative and disciplinary policies, and procedures. This scope included processes, resource capacity and system enablers (case management capability will be included and assessed as part of the desired business requirements). TAFE NSW is implementing the actions from this review.

Action(s)	Planned Due Date	Status 31 January 2023	Owner(s)
(a) Develop a scope of work for a gap analysis. Include requirements from Recommendation 5 into this scope of work as set out in Recommendation 10 and issue to service provider. Noting required completion of gap analysis by July 2022.	March 2022	Completed	Chief Operating Officer
(b) Develop an Action Plan on agreed recommendations arising from service provider's gap analysis.	October 2022	Completed	
(c) Implement Action Plan arising from Action 5b. Noting the Action Plan will include people, process, technology, and systems change management tasks.	December 2023	On track	

Recommendation 6:

That TAFE NSW invest additional resources to:

- (a) increase trained Nominated Disclosure Officers (NDOs) by 50% including a cohort that are accessible, diversified and distributed throughout TAFE NSW within various administrative and teaching areas
- (b) refresh training related to current Nominated Disclosure Officers to improve their skill levels
- (c) refresh content regarding PIDs in the annual mandatory training.

Please indicate the response the public authority will take in its plan of action:

Implement the recommendation as described in the report

Status as at 31 January 2023			
<i>TAFE NSW partnered with the NSW Ombudsman delivering (Sept – Dec 2022) training and uplift capability to 225 TAFE NSW staff in public interest disclosures (PIDs).</i>			
<i>In addition, a suite of six Moodles were developed and rolled out for key staff to complete.</i>			
<i>TAFE NSW's annual mandatory training is reviewed each year ahead of its rollout. The November 2021 review included consideration of lessons from Operation Lancer; the November 2022 review enhanced insights and learnings regarding PIDs.</i>			
Action(s)	Planned Due Date	Status 31 January 2023	Owner(s)
(a) Assess representation of Nominated Disclosure Officers of all TAFE NSW business areas, then develop a project plan to increase this cohort ensuring it is appropriately accessible, diversified and distributed across the business	July 2022	Completed	Chief People & Culture Officer, Chief Operating Officer and Chief Audit Executive
(b) Assess training needs of current Nominated Disclosure Officers; develop and implement project plan to train current Nominated Disclosure Officers and future Nominated Disclosure Officers.	October 2022	Completed	
(c) Mandatory training is examined annually to ensure it remains current.	Completed for 2022	Completed for 2023	

Recommendation 7:

That TAFE NSW conduct targeted training for complaint-handling and investigation specialists regarding the identification of fraud and corruption reports and escalation of PIDs.

Please indicate the response the public authority will take in its plan of action:

Implement the recommendation as described in the report

Status as at 31 January 2023			
<i>TAFE NSW has completed and rolled out a six-part Moodle training package targeted at managers, business partners and investigation specialists to assist in the identification, reporting and escalation of potential fraud and corruption.</i>			
Action(s)	Planned Due date	Status 31 January 2023	Owner(s)
(a) Complete development of remaining three parts of a six-part Moodle training package.	June 2022	Completed	Chief People & Culture Officer and Chief Audit Executive
(b) Roll out training for identification, reporting and escalation of potential fraud and corruption matters.	October 2022	Completed	

Recommendation 8:

That TAFE NSW introduce robust and centralised serious-wrongdoing reporting mechanisms across all areas of the business.

Please indicate the response the public authority will take in its plan of action:

 Implement the recommendation as described in the report

Status as at 31 January 2023			
<i>TAFE NSW has centralised reporting mechanisms dedicated to fraud and corruption (including a 24/7 dedicated phonenumber and email address) and conducts awareness raising activities. In mid-2022 TAFE NSW formed a project to develop a robust and centralised enterprise employee grievance system, hosted on Service Now. The system will be rolled out in mid-2023.</i>			
Action(s)	Planned Due Date	Status 31 January 2023	Owner(s)
(a) Include requirements from Recommendation 8 into the scope of work as set out in Recommendation 10 and issue to service provider. Noting required completion of gap analysis for July 2022.	March 2022	Completed	Chief Operating Officer
(b) Develop an Action Plan on agreed recommendations arising from service provider's gap analysis.	October 2022	Completed	
(c) Implement Action Plan arising from Action 8b. <i>Noting the Action Plan will include people, process, technology and systems change management tasks.</i>	No later than December 2023	On track	

Recommendation 9:

That TAFE NSW analyse its treatment of prior reports of corruption including PIDs to further inform its corruption prevention planning efforts.

Please indicate the response the public authority will take in its plan of action:

 Implement the recommendation as described in the report

Status as at 31 January 2023			
<i>TAFE NSW has conducted an initial assessment of reported employee conduct matters to identify underlying and aged unreported integrity matters; and established quarterly trend analysis. An external service provider has been engaged to work with TAFE NSW to update its Fraud and Corruption Control Plan.</i>			
Action(s)	Planned Due Date	Status 31 January 2023	Owner(s)
(a) Analyse prior reports of corruption, obtain resources and undertake analysis.	June 2022	Completed	Chief Operating Officer and Chief Audit Executive
(b) Update Fraud and Corruption Control Plan based on insights arising from completion of Action 9a.	August 2022	Revised due date March 2023	

Recommendation 10:

That TAFE NSW re-evaluate the staff complaints management framework with a view to investing in an appropriate centralised and secure complaints management system for all staff. Please indicate the response the public authority will take in its plan of action:

☞ Implement the recommendation as described in the report

Status as at 31 January 2023			
<i>TAFE NSW has procured additional Service Now¹ modules enabling the development of a centralised case and records management system for staff complaints. The system will be rolled out in mid-2023.</i>			
Action(s)	Planned Due Date	Status 31 January 2023	Owner(s)
(a) Engage an external service provider to undertake a gap analysis of TAFE NSW's current processes and resources to manage staff complaints. The gap analysis to include corruption and misconduct complaints with recommendations to improve the staff complaints management framework. The scope of this gap analysis incorporates the ICAC's recommendations 5,8,10,11, and 12.	July 2022	Completed	Chief People & Culture Officer Chief Information Officer
(b) (b) Develop an Action Plan on agreed recommendations arising from service provider's gap analysis.	October 2022	Completed	
(c) Implement Action Plan incorporating an appropriate centralised and secure complaints management system for all staff.	December 2023	On track	

Recommendation 11:

That TAFE NSW reconsider the appropriate resourcing of the corruption investigation function including the current practice of referring outside of the Internal Audit Unit to the Employee Relations Unit. Please indicate the response the public authority will take in its plan of action:

☞ Implement the recommendation as described in the report

Status as at 31 January 2023			
<i>Resourcing of the corruption prevention function and Employee Relations Unit (now Professional Standards and Conduct) has been reconsidered. A final determination of resourcing will be made following finalisation and roll out of the new employee grievance management system as it has introduced a new operating model requiring additional roles and processes.</i>			
Action(s)	Planned Due Date	Status 31 January 2023	Owner(s)
(a) Include requirements from Recommendation 11 into the scope of work as set out in Recommendation 10 and issue to service provider. Noting required completion of gap analysis for July 2022.	March 2022	Completed	Chief People & Culture Officer and Chief Operating Officer
(b) Develop an Action Plan on agreed recommendations arising from service provider's gap analysis.	October 2022	Completed	
(c) Implement Action Plan arising from Action 11b. Noting the Action Plan will include people, process, technology, and systems change management tasks.	December 2023	On track	

¹ Service Now is a cloud-based service provider that provides technical management support to help companies manage digital workflows and is part of TAFE NSW's suite of enterprise systems.

Recommendation 12:

That TAFE NSW invests in a centralised records management database for grievances and wrongdoing that is accessible to complaints management, investigative, corruption prevention and audit units noting the confidentiality provisions when designing this access.

Please indicate the response the public authority will take in its plan of action:

☞ Implement the recommendation as described in the report

Status as at 31 January 2023			
<i>In 2021 TAFE NSW procured additional Service Now modules enabling the development of a centralised employee complaints case management and records management database for serious wrongdoing. The system will be rolled out mid-2023.</i>			
Action(s)	Planned Due Date	Status 31 January 2023	Owner(s)
(a) Include requirements from Recommendation 12 into the scope of work as set out in Recommendation 10 and issue to service provider. Noting required completion of gap analysis for July 2022.	March 2022	Completed	Chief Information Officer and Chief People & Culture Officer
(b) Develop an Action Plan on agreed recommendations arising from service provider's gap analysis.	October 2022	Completed	
(c) Implement Action Plan arising from Action 12b. Noting the Action Plan will include people, process, technology and systems change management tasks.	December 2023	On track	

Recommendation 13:

That TAFE NSW provide greater transparency and oversight of serious conduct to senior managers at Chief level on a periodic (e.g. quarterly) basis.

Please indicate the response the public authority will take in its plan of action:

☞ Implement the recommendation as described in the report

COMPLETED in 2021
Quarterly Chief reporting commenced in August 2021. Where matters are of a significant nature, escalations occur immediately so Chiefs and the Managing Director are aware of such matters.

Recommendation 14:

That TAFE NSW undertake a review within three years to provide assurance that the measures it has taken to improve ICT project governance, oversight of ICT procurement, complaint management and recruitment are achieving their objectives.

Please indicate the response the public authority will take in its plan of action:

☞ Implement the recommendation as described in the report

Action(s)	Planned Due Date	Status 31 January 2023	Owner(s)
Engage a service provider to review and provide assurance that the measures TAFE NSW has taken to improve ICT project governance, oversight of ICT procurement, complaint management and recruitment are achieving their objectives.	October 2024	On Track	Chief Operating Officer

END