

TAFE NSW plan of action in response to recommendations made in *Investigation into the sourcing of software systems for the Western Sydney Institute of TAFE (Operation Lancer)*

PART A: TAFE NSW’s response to corruption prevention recommendations

Firstly, please indicate the response to be taken for each recommendation made.

Recommendation 1:

That TAFE NSW further constrains local information and communications technology (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 recommendations as described in the report**

Status as at 31 January 2024 - COMPLETED		
In 2021, six of 12 regional Data Centres were fully decommissioned; data migration of the final regional Data Centres was completed by August 2022.		
Local software rationalisation and decommissioning was completed in 2023 as part of the TAFE NSW Digital Adoption Strategy 2021. The Digital Adoption Strategy has moved most TAFE NSW applications to the public cloud with a reduced set of applications within the TAFE Private Cloud.		
Action(s)	Planned Due Date	Owner(s)
(a) Decommission six of 12 regional Data Centres	Completed	Chief Information Officer
(b) Decommission remaining regional Data Centres.	Completed	
(c) Local software rationalisation and decommissioning will occur with the Digital Adoption Strategy (which includes SMS* and related projects. Estimate final phase closure is 30 June 2023)	Completed	

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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 recommendations as described in the report**

Status as at 31 January 2024 - COMPLETED		
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.		
Action(s)	Planned Due Date	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	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.	Completed	

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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 recommendations as described in the report**

Status as at 31 January 2024 – COMPLETED		
TAFE NSW's procurement framework has evolved over the last four years, with the establishment of a centralised procurement function and the introduction of the TAFE NSW Procurement Policy and associated procedures that provide training, guidance and support to buyers and approvers across the whole organisation. The Procurement Framework is reviewed every two years to update and maintain accuracy and relevant information, and includes risks associated with direct negotiations.		
Action(s)	Planned Due Date	Owner(s)
(a) Schedule and deliver external training in targeted negotiations.	Completed	Chief Information Officer
(b) Review Procurement Framework and update as required to provide guidance on the management of risks associated with direct negotiations.	Completed	

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Recommendation 4:

That TAFE NSW develops strategic category plans that:

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

This should include 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 recommendations as described in the report**

Status as at 31 January 2024 - COMPLETED

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

All significant spend is now under contract and monitored through the TAFE NSW Checkout system. Significant spend is defined as total life cost greater than \$250,000. For spend below this threshold, quarterly analysis is performed which comprises sampling of spend and assessment of compliance to TAFE NSW policies and procedures.

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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 recommendations as described in the report**

Status as at 31 January 2024 – COMPLETED		
<p>TAFE NSW has made a significant investment in corruption prevention. In June 2020, TAFE NSW recruited a dedicated specialist resource for corruption prevention responsibilities, and in July 2023 set up a dedicated Integrity Unit with six (6) staff resources which includes responsibility to support TAFE NSW to fulfil information requests from integrity agencies. The Integrity Unit's functions are modelled on the four key pillars of corruption control including: building integrity; preventing corrupt conduct; detecting corrupt conduct; and responding to integrity breaches.</p> <p>In addition, TAFE NSW has implemented a new on-line complaints management system and has reviewed and updated associated policies and procedures.</p>		
Action(s)	Planned Due Date	Owner(s)
(a) Develop scope of works and complete gap analysis. Include requirements from Recommendation 5 into this scope of work as set out in Recommendation 10 and issue to service provider. Noting the completion for the development of scope of works is March 2022.	Completed	Chief Operating Officer
(b) Develop an Action Plan on agreed recommendations arising from service provider's gap analysis.	Completed	Chief People Officer
(c) Implement Action Plan arising from Action 5b. Noting the Action Plan will include people, process, technology, and systems change management tasks.	Completed	

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Recommendation 6:

That TAFE NSW invests additional resources to:

- increase by 50% trained nominated disclosure officers, including a cohort that are accessible, diversified and distributed throughout TAFE NSW within various administrative and teaching areas
- refresh training related to current nominated disclosure officers to improve their skill levels
- refresh content regarding public interest disclosures (PIDs) in the annual mandatory training.

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

- **Implement the recommendations as described in the report**

Status as at 31 January 2024 – COMPLETED		
<p>Online training was provided during 2021 by the NSW Ombudsman, of which many nominated disclosure officers attended.</p> <p>TAFE NSW's annual mandatory training is reviewed each year ahead of its rollout, which includes Public Interest Disclosures. The November 2021 review included consideration of lessons from Operation Lancer.</p> <p>In 2023 TAFE NSW adopted the new NSW Ombudsman 1) model policy and 2) on-line training packages to meet the requirements of the updated Public Interest Disclosures Act 2022. TAFE NSW now has a revised Public Interest Disclosure Policy and Procedure, and relevant staff as per legislative requirements are currently completing the mandatory training modules.</p> <p>Internal processes for receiving and managing Public Interest Disclosures has been recently reviewed and improved, and the Integrity Unit has responsibility for the daily management of Public Interest Disclosures within TAFE NSW.</p>		
Action(s)	Planned Due Date	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	Completed	Chief People Officer Chief Operating Officer 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.	Completed	
(c) Mandatory training is examined annually to ensure it remains current.	Completed	

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Recommendation 7:

That TAFE NSW conducts 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 recommendations as described in the report**

Status as at 31 January 2024 – COMPLETED		
<p>TAFE NSW has developed a four-part Fraud and Corruption Moodle training package targeted at managers and business partners to assist this cohort in the identification, reporting and escalation of potential fraud and corruption. These are available at any time to staff to complete.</p> <p>All TAFE NSW staff also complete annual mandatory fraud and corruption on-line training which is constantly refreshed.</p> <p>In 2023, TAFE NSW adopted the NSW Ombudsman on-line training packages to meet the requirements of the updated Public Interest Disclosures Act 2022.</p> <p>Since July 2023 the new Integrity Unit has employed fraud and corruption specialists to manage the identification of fraud and corruption reports and escalation and management of PIDs.</p> <p>In early 2023, TAFE NSW adopted a new online complaints management system to monitor and manage complaints throughout their life cycle. In April 2023, a People Hub was established within TAFE NSW which is a team of specialised complaints officers trained in triaging and complaint management support.</p>		
Action(s)	Planned Due Date	Owner(s)
(a) Complete development of remaining three parts of a six-part Moodle training package.	Completed	Chief People Officer Chief Audit Executive
(b) Roll out training for identification, reporting and escalation of potential fraud and corruption matters.	Completed	Chief Audit Executive

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Recommendation 8:

That TAFE NSW introduces 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 recommendations as described in the report**

Status as at 31 January 2024 – COMPLETED		
<p>TAFE NSW has implemented Service Now modules enabling the development of a centralised case management and records management database for serious wrongdoing across all areas of the business.</p> <p>Reporters are able to make a report directly within Service Now, or access other reporting options including contacting the Integrity Unit staff directly, or via a 24/7 phonenumber and email services which direct the report to the Integrity Unit for triage, assessment, and management.</p>		
Action(s)	Planned Due Date	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.	Completed	Chief Operating Officer
(b) Develop an Action Plan on agreed recommendations arising from service provider's gap analysis.	Completed	Chief People Officer
(c) Implement Action Plan arising from Action 8b. Noting the Action Plan will include people, process, technology and systems change management tasks.	Completed	

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Recommendation 9:

That TAFE NSW analyses 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 recommendations as described in the report**

Status as at 31 January 2024 – COMPLETED		
<p>The new Integrity Unit functions are modelled on the four key pillars of corruption control including: building integrity; preventing corrupt conduct; detecting corrupt conduct; and responding to integrity breaches. The Integrity Unit are therefore well informed on current and previous reports of corruption including PIDs within TAFE NSW which assists in planning and managing any corruption prevention activities.</p> <p>TAFE NSW conducts regular assessments of reported employee conduct matters to identify underlying and aged unreported integrity matters; and has established quarterly trend analysis, reporting regularly to both the Audit & Risk Committee and the TAFE NSW Integrity Panel which oversees the functions of the Integrity Unit.</p>		
Action(s)	Planned Due Date	Owner(s)
(a) Analyse prior reports of corruption, obtain resources and undertake analysis.	Completed	Chief Operating Officer
(b) Update Fraud and Corruption Control Plan based on insights arising from completion of Action 9a.	Completed	Chief People Officer Chief Audit Executive

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Recommendation 10:

That TAFE NSW re-evaluates 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 recommendations as described in the report**

Status as at 31 January 2024 – COMPLETED		
<p>TAFE NSW has procured additional Service Now modules enabling the development of a centralised case and records management system for staff complaints which was implemented in early 2023.</p> <p>Complaints management policies and procedures have been updated and a communication strategy was undertaken to raise awareness and educate staff about the complaints process. In early 2023 organisation wide training was rolled out and remains available to staff to access on the intranet about the TAFE NSW complaints management process.</p> <p>Reporting on staff complaints is provided regularly to the ELT and the ARC.</p> <p>A Conduct Assessment Panel has also been established to improve consistency of decision making and outcomes during the employee complaints management process.</p>		
Action(s)	Planned Due Date	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 scope of this gap analysis incorporates the ICAC's recommendations 5,8,10,11, and 12. Noting the completion for the development of scope of works is March 2022.	Completed	Chief People Officer Chief Information Officer
(b) Develop an Action Plan on agreed recommendations arising from service provider's gap analysis.	Completed	
(c) Implement Action Plan. Noting the Action Plan will include people, process, technology and systems change management tasks.	Completed	

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Recommendation 11:

That TAFE NSW reconsiders 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 recommendations as described in the report**

Status as at 31 January 2024 – COMPLETED		
<p>In July 2023, TAFE NSW set up a dedicated Integrity Unit with six (6) staff resources and a reporting line to the Director Workforce Alignment who reports to the Chief People Officer, which is independent to the Internal Audit Unit who reports to the Chief Operating Officer.</p> <p>The Integrity Unit's functions are modelled on the four key pillars of corruption control including: building integrity; preventing corrupt conduct; detecting corrupt conduct; and responding to integrity breaches.</p>		
Action(s)	Planned Due Date	Owner(s)
(a) Develop scope of works and complete gap analysis. Include requirements from Recommendation 11 into this scope of work as set out in Recommendation 10 and issue to service provider. Noting the completion for the development of scope of works is March 2022.	Completed	Chief People Officer
(b) Develop an Action Plan on agreed recommendations arising from service provider's gap analysis.	Completed	Chief Operating Officer
(c) Implement Action Plan arising from Action 11b. Noting the Action Plan will include people, process, technology, and systems change management tasks.	Completed	

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Recommendation 12:

That TAFE NSW invests in a centralised records management database for grievances and wrongdoing that is rationally 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 recommendations as described in the report**

Status as at 31 January 2024 – COMPLETED		
TAFE NSW has procured additional Service Now modules enabling the development of a centralised case management and records management database for serious wrongdoing which was implemented in early 2023.		
Reports of serious wrongdoing is automatically triaged separately to other reports and are only accessible to staff responsible for those functions.		
Action(s)	Planned Due Date	Owner(s)
(a) Develop scope of works and complete gap analysis. Include requirements from Recommendation 12 into the scope of work as set out in Recommendation 10 and issue to service provider. Noting the completion for the development of scope of works is March 2022.	Completed	Chief Information Officer
(b) Develop an Action Plan on agreed recommendations arising from service provider's gap analysis.	Completed	Chief People Officer
(c) Implement Action Plan. Noting the Action Plan will include people, process, technology and systems change management tasks.	Completed	

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Recommendation 13:

That TAFE NSW provides greater transparency and oversight of serious conduct to senior managers at chief level on a periodic basis (for example, quarterly).

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

- **Implement the recommendations as described in the report**

Status as at 31 January 2024 – COMPLETED

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. Regular scheduled meetings are held with the Managing Director and managers of both the Integrity Unit and Professional Standards & Ethics Unit.

The new Integrity Unit reports regularly (at least quarterly) to both the Audit & Risk Committee and the TAFE NSW Integrity Panel. The Integrity Panel oversees the functions of the Integrity Unit and is constituted by three (3) standing members, including Chief People Officer, Chief Operating Officer, and the Chief Delivery Officer. The Director, Workforce Alignment acts as Chair for the Panel and the Manager of the Integrity Unit provides content for the agenda items.

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Recommendation 14:

That TAFE NSW undertakes 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 recommendations as described in the report**

Action(s)	Planned Due Date	Owner(s)
<p><i>Status as at 31 January 2024 – SCOPE DRAFTED AS BELOW</i></p> <p>A proposed scope has been drafted to engage a service provider mid 2024 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.</p>	<p>October 2024</p>	<p>Chief Operating Officer</p>

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PART B: The TAFE NSW's plan of action

In this section, please provide details of TAFE NSW's plan of action in relation to the recommendations and/or proposed actions described above.

The scope and scale of recommendations made in investigation reports varies considerably, and the ICAC recognises a single template may not suit every agency or investigation. In view of this, TAFE NSW is invited to develop a format that is appropriate for the proposed plan of action and subsequent report(s).

The ICAC asks that its corruption prevention representative named in the cover letter is consulted if TAFE NSW decides to develop its own reporting format. The ICAC corruption prevention representative will advise if the proposed plan or report format has the ICAC's endorsement.

If TAFE NSW prefers to adhere to an established format, the following may be used as a guide:

Plan of action

Each specific recommendation or proposed action

Recommendation 14
Owner is Chief People Officer

Action to be taken describing activities, allocating responsibility, measures to be used.

The proposed scope to action Recommendation 14 is detailed below. The action is to engage a service provider mid-2024 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:

Proposed Scope of Works

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