



Government of Western Australia  
Office of the Government  
Chief Information Officer

# Office of the Government Chief Information Officer

Annual Report 2016 - 17

## STATEMENT OF COMPLIANCE

Hon Dave Kelly MLA

Minister for Water; Fisheries; Forestry;  
Innovation and ICT; Science

For the year ended 30 June 2017

In accordance with section 63 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to the Parliament, the Annual Report for the Office of the Government Chief Information Officer for the financial year ended 30 June 2017.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.



Giles Nunis

Chief Executive and Government Chief  
Information Officer

10 August 2017

## About this report

This Annual Report is divided into five main areas and every effort has been made to ensure the readability and accessibility of this report in print and online.

The Office of the Government Chief Information Officer, referred to in this report as the Office of the GCIO, supports sustainability and encourages readers to view the report at [www.gcio.wa.gov.au](http://www.gcio.wa.gov.au). Only limited professional copies have been produced.

As part of the Office of the GCIO's focus on continuous improvement, we encourage your feedback about the document. Contact details for the Office are listed on page [73](#).

© 2017 Office of the Government Chief Information Officer. All rights reserved. This publication may be reproduced in whole or part provided the source is acknowledged.

ISSN 2206-8899 (Print)

ISSN 2206-8902 (Online)

## Key Legislation

The Office of the GCIO complies with all relevant legislation that governs its functions.

# Contents

Overview .....	4	Statement of changes in equity .....	31
Executive summary.....	4	Statement of cash flows.....	32
Organisational structure .....	7	Schedule of income and expenses by service .....	33
Performance management framework.....	8	Schedule of assets and liabilities by service .....	34
Governance.....	9	Summary of consolidated account appropriations and income estimates.....	35
Agency performance .....	10	Notes to the financial statements.....	36
Transformation.....	10	Performance indicators .....	64
Collaboration .....	15	Certification of key performance indicators.....	64
Innovation.....	16	Performance assessment.....	65
Significant issues and future trends.....	21	Key effectiveness indicators.....	66
Summary of financial performance for 2016-17 .....	24	Key efficiency indicators.....	68
Summary of non-financial performance for 2016-17 .....	25	Disclosures .....	69
Financial statements .....	26	Ministerial Directives .....	69
Certification of financial statements.....	26	Other financial disclosures.....	69
Audit opinion .....	27	Governance disclosures .....	70
Statement of Comprehensive Income .....	29	Other legal requirements.....	71
Statement of Financial Position .....	30		

## EXECUTIVE SUMMARY

This report highlights the work undertaken by the Office of the GCIO in 2016-17 to lead and support digital reform in the Western Australian public sector.

The 2016-17 financial year was the second year of operation for the Office of the GCIO, with many projects moving to implementation.

During the year, the Office of the GCIO progressed a range of initiatives under the *Digital WA* Information and Communications Technology Strategy 2016-2020 (*Digital WA*). The vision for *Digital WA* is to create an innovative public sector with mature capabilities, which delivers efficient, reliable and high quality services to business and the community.

One of the major achievements under *Digital WA* was the introduction of GovNext-ICT, a new Common Use Arrangement (CUA) to move the public sector from owner/operators of Information Communications Technology (ICT) infrastructure to consumers of ICT infrastructure services on demand. Modernising ICT infrastructure will underpin improvements in government service delivery and efficiency. The Office of the GCIO established the GovNext Service Broker to assist agencies transition to the new arrangements and oversee the implementation and operation of the CUA.

Another significant achievement was the launch of the prototype myWA digital services portal (<https://alpha.wa.gov.au/>) in December 2016 for public consultation. This site, now known as ServiceWA Alpha, allows users to search for and find government digital services that are currently available across more than 450 government websites. Eventually, members of the community will be able to login and access their information or services from any department or agency through this single portal.

To maximise the advantages of the new technologies available, the Office of the GCIO focussed on developing frameworks to build ICT skills across the public sector. The Capability Maturity Model in *Digital WA* was more

fully developed and guidance material provided to agencies to assist agencies identify and improve their level of ICT maturity. The Office of the GCIO also developed an ICT Capability and Capacity Building Program for non-ICT employees, and partnered with the Public Sector Commission to develop the ICT Capability Framework to support the development of ICT professionals within the public sector.

In 2016-17, the Office of the GCIO was given responsibility for the innovation function and developed the State's first Innovation Strategy. A range of initiatives were implemented by the Office to support Western Australian innovators commercialise their ideas.

A major achievement was the development of the Innovation Hub ([www.innovation.wa.gov.au](http://www.innovation.wa.gov.au)), which went live in November 2016. The Hub is a resource for the State's innovation ecosystem to learn from and connect with other innovators. The Hub was launched as part of the Innovation Worth Sharing branding and marketing campaign to promote Western Australia's competitive advantages.

Supporting the State's local home grown innovators is a key pillar of the Innovation Strategy. The Office of the GCIO managed the Innovator of the Year program, which celebrated its 10th anniversary in 2016, and administered two competitive grants programs (Start IT Up and Innovation Vouchers).

In April 2017, the State Government announced that the Innovation function would be transferred to the Department of Jobs, Tourism, Science and Innovation from 1 July 2017 as part of machinery of government changes.

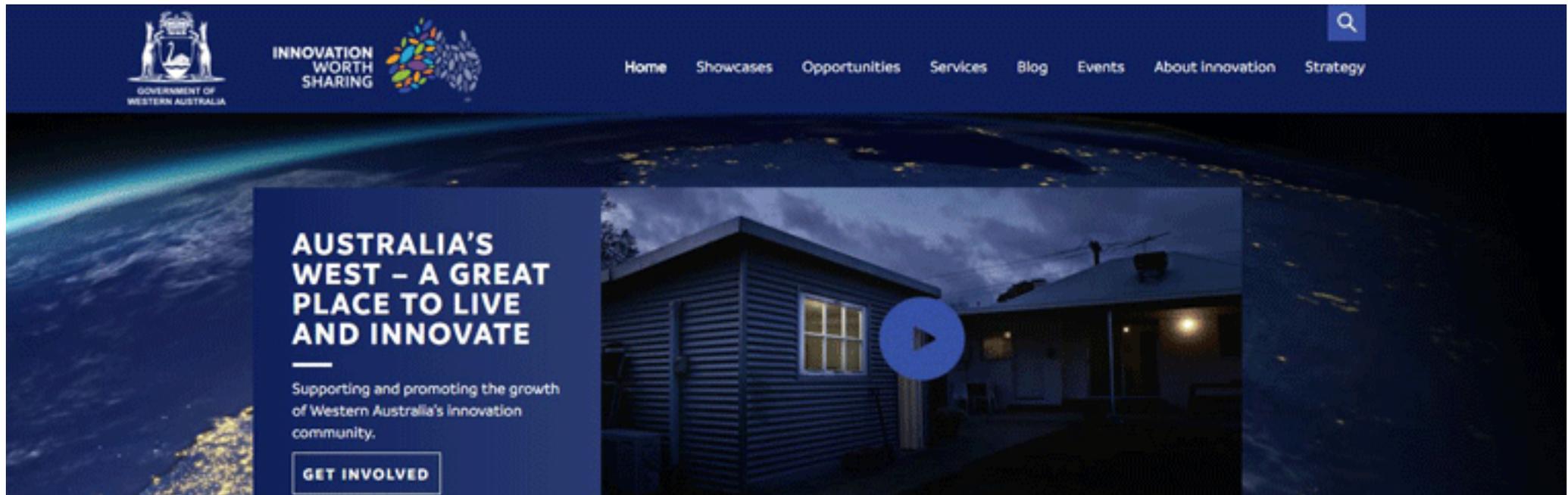
## EXECUTIVE SUMMARY

The Office works across government and with industry and has identified the following significant emerging issues affecting business, the community and the public sector:

- increasing threat of cyber intrusions
- the need for an enhanced data analytics function within Government
- continuous improvement of ICT procurement outcomes across government
- better internet connectivity to enable smart cities and growth in regionally based sectors
- greater demand for on demand digital government services

- utilisation of common digital platforms across government to support the delivery of integrated business functions and services in agencies
- demand for digital skills and capabilities
- rationalisation of agency software licences and moving to licensing on a whole of government scale
- the slower than anticipated speed of adoption of *Digital WA* initiatives, limiting business and financial benefits for government, and
- ability for the ICT industry to respond to new changes led by the Office.

The Office of the GCIO is funded until 30 June 2018.



The Innovation Hub, accessible at [www.innovation.wa.gov.au](http://www.innovation.wa.gov.au)

## OPERATIONAL STRUCTURE

## AT A GLANCE



Simple, connected  
and digital public  
sector

Leadership for ICT  
in the public sector



Collaboration with  
agencies and industry

Staying true to  
our values



## Our Vision

The creation of a simple, connected and digital public sector.

## Our purpose

To provide leadership for ICT in the public sector. This translates into improved services, transparency, governance, delivery, consistency, commonality, savings, efficiencies and reform.

## Our objectives

To collaborate with government agencies and industry to stabilise cost, increase value-for-money and minimise risk in the delivery of ICT across the public sector.

## We will:

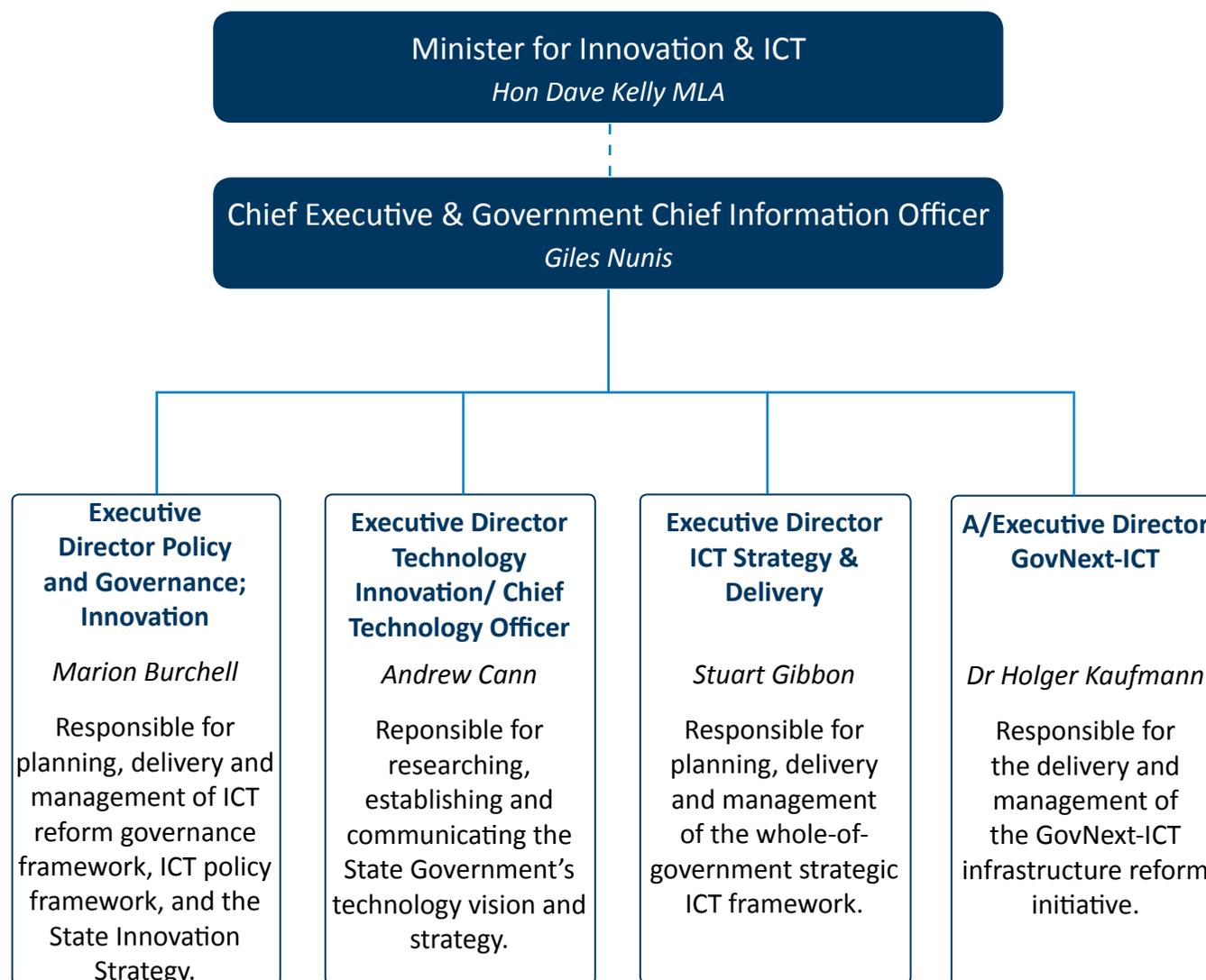
- lead, influence and advise on governance of ICT projects and implementations
- establish and drive a whole-of-government ICT strategy, policy and reform agenda
- identify and advise on ICT innovations which will support and enhance government services to meet business and community needs
- promote a standardised approach to ICT across government
- implement frameworks which improve public sector ICT capability and capacity.

## Our Values

The Office of the GCIO is motivated by the following values:

- **Accountability**  
We 'walk the talk' and do what we say we will
- **Empowerment**  
We give people the tools to help themselves to deliver better services
- **Efficiency**  
We find the best route from ideas to action
- **Teamwork**  
We value a diverse range of input
- **Vision**  
We look ahead to what can be done better
- **Communication**  
We are transparent and clear in our language.

## ORGANISATIONAL STRUCTURE



The Office of the GCIO was established on 1 July 2015 as a sub-department of the Department of Finance under section 56 of the *Financial Management Act 2006*.

The Office of the GCIO reports to the Minister for Innovation and ICT, the Hon Dave Kelly MLA.

## PERFORMANCE MANAGEMENT FRAMEWORK

## Government Goals

## Financial and Economic Responsibility:

Responsibly managing the State's finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.

## Desired Outcomes

Enabling effective utilisation of best practice technology in the public sector

To pave the way for Western Australians to take ideas from discovery to commercialisation, increase investment in Western Australian innovation, increase the number of scaled innovations and reduce the time and cost of doing so.

## Services

Establishment of a platform for the delivery of better government services through efficient development of ICT strategy, policies and solutions.

Establishment of a \$20 million innovation package to grow the WA innovation ecosystem and innovation activity through the delivery of programs, services and events.

In 2016-17, the Office of the GCIO is reporting against a new Outcome Based Management Framework that seeks to better reflect the Government's desired outcomes for ICT reform in the public sector at this stage of the reform process. For 2016-17, this includes reporting against effectiveness and efficiency indicators for the innovation function, which the Office acquired responsibility for on 1 July 2016. This function will be transferred to the Department of Jobs, Tourism, Science and Innovation from 1 July 2017 as a result of the machinery of government changes announced by the State Government on 28 April 2017.

### Shared responsibilities with other agencies

The Office of the GCIO collaborates with government agencies and industry to facilitate the efficient operation of government, drive technology innovation and improve the delivery of government digital services to achieve value for money for the community.

This is achieved by providing leadership and strategic advice to the Government on initiatives to improve the operations and management of ICT across the public sector.

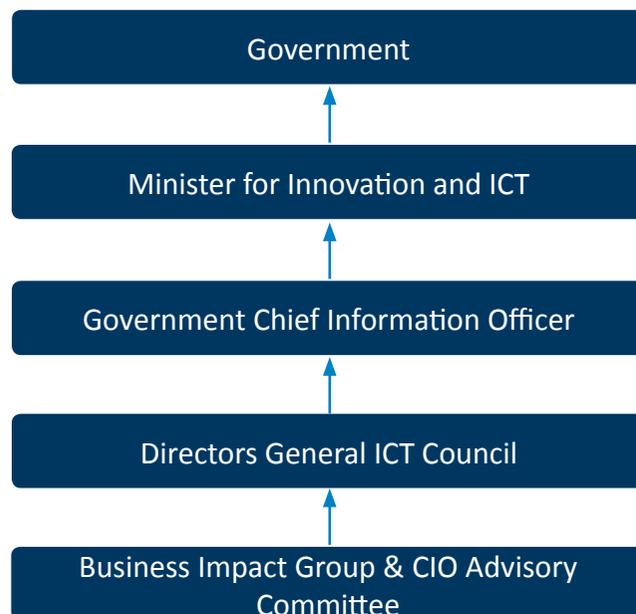
## GOVERNANCE

The Office of the GCIO provides leadership and strategic advice to government on ICT reform. This role is supported by three key governance groups that provide oversight, direction and advice on ICT reforms.

The structure and the membership of these groups ensures the strategies, policies and initiatives progressed by the Office are:

- developed in collaboration with agencies driving the ICT reform process in the sector
- informed by technical advice and expertise
- driven by business need.

The Office of the GCIO chairs these groups and provides the secretariat support.



Decisions of these groups are published on Office of the GCIO website ([www.gcio.wa.gov.au](http://www.gcio.wa.gov.au)) and the Chief Information Officer (CIO) portal administered by the Office to ensure CIOs across government and the community are informed of the direction and progress of ICT projects and programs.

### Directors General ICT Council

The Directors General ICT Council (the Council) provides strategic oversight and direction of whole of government ICT reform, and decides the allocation of the discretionary components of the ICT Reform and Renewal Fund. This Fund supports agencies develop and implement specific ICT reforms to improve efficiency and effectiveness.

The Council comprises Directors General from the Departments of Finance; Housing; Health; Education; Commerce; Transport; and Treasury, the Chief Executive of Landgate and the Commissioner for Police.

The Council meets quarterly with four meetings held in 2016-17, and reports regularly to Government on progress with whole of government ICT reform.

### Business Impact Group

The Business Impact Group provides advice to the Council on ICT reform generally, and on whole of government projects and initiatives from a business perspective.

The group comprises business executives from the Departments of Commerce; Corrective Services; Education; Health; Housing; Premier and Cabinet; Transport; and Finance, as well as Landgate, and the WA Police.

### CIO Advisory Committee

The CIO Advisory Committee provides advice to the Council on ICT reform projects and initiatives from an ICT perspective.

Membership comprises CIOs the Departments of Commerce; Finance; Health; Parks and Wildlife; Premier and Cabinet; and Transport, with Landgate, the Government Employees Superannuation Fund, and the Metropolitan Cemeteries Board.

### Meetings

In 2016-17, meetings for the Business Impact Group and the CIO Advisory Committee were combined to ensure business and technical issues were discussed together in the same context and to facilitate greater collaboration between the business and ICT areas of the member organisations.

Four meetings of this combined group were held in 2016-17.