Digital Transformation Strategy 2.0 Discussion Paper

AIIA RESPONSE - 18 December 2020

AIIA Answers in blue

STRATEGIC CONTEXT

Since 2018 the 5 principles have been a foundation for agencies across government and helped guide digital transformation and the delivery of over 140 initiatives.

As the rate of transformation accelerates in the next 5 years, are there additional principles that we should elevate in the next iteration of the Strategy? Principles may cover privacy, cyber security and data retention.

Whilst 'trustworthiness in everything we do' is a worthwhile aim, the AIIA suggests that following the success of the COVIDSafe App development by the Digital Transformation Agency (**DTA**), 'privacy-by-design' is a more considered and measurable articulation of the principle.

The innovation principle could offer more of a foundation or directive for government than in its current form. The AIIA suggests this principle would be better grounded in the adoption of agile business platforms that deliver citizen value and better experiences.

With the growth in the use of data and AI by government, an ethics framework on the use of data and new and emerging technologies will be critical for citizen trust in future government services.

The AIIA believes that the need for cybersecurity should be elevated as a discrete principle, particularly for government agencies.

DRIVERS

As the country moves through the recovery phase, data and digital services must continue to make a positive impact for the needs of Australians.

The Government is welcoming feedback on the opportunities and areas of focus for data and digital initiatives that would deliver the best outcomes in assisting with promoting jobs and return to growth.

The AIIA is supportive of government efforts in furthering data transparency and portability as well as ensuring that certain datasets remain onshore. However, the AIIA would also caution the government against adopting policies that are akin to protectionist barriers that stop the international free flow of data across borders. The government currently has the ability to ask its cloud and infrastructure providers, both global and local, to host data onshore as required and large investments have been made in support of these requirements.

Further, the AIIA supports greater clarity and certainty around the treatment of sensitive government data. Such clarity will be critical to building trust in digital services. The AIIA encourages the government to provide transparency and appropriate legal protections for sensitive data sets. Sovereign data sets policy must be as defined and transparently rationalised as possible so that there are no unintended ramifications or slowing of the government's adoption of cloud services.

The Australian government has made significant progress on the development of a whole of government architecture that will support the standardisation of technology approaches across government.

In order to deliver simple, helpful, transparent and respectful services for our users, Government is interested in exploring what opportunities exist for greater reuse of capabilities across government.

The AIIA understands the intent behind this policy, but is also mindful of the need to ensure that new and emerging technologies and platforms can be adopted by government – as per pillar four – and not be locked out of providing services to government as one of the largest procurers of ICT in the economy.

The global challenges of 2020 created many opportunities for government to work with industry to co-design better digital services quickly. The Strategy and the Digital Service Standard both emphasise the importance of collaboration and provide guidance on how to achieve it.

Government is seeking feedback on best practice co-design approaches that can deliver ambitious outcomes at a whole of government or whole of nation level.

Government should provide leadership and act as an exemplar, particularly in the championing and use of standards and interoperability across jurisdictions. With some States progressing further than others in developing their own standards, the nation runs the risk of differing digital railway gauges for the 21st century. Examples include digital twins, where the Commonwealth government funds billions in national building infrastructure but does not insist upon or seek a digital twin as part of awarding or granting the funds, cyber standards across industries and within industry verticals, telehealth interoperability standards and transport and supply chain data transparency and standards.

Throughout the delivery of the Strategy to date, innovation has been built into our approach through the incorporation of user centric design, iteration and

collaboration. New data and digital technologies are providing even greater opportunities for innovation.

Government is interested in better practice examples of how to further embed innovation to securely deliver faster, simpler and tailored experiences for users.

Under the Digital Service Standard over the past few years, government has made progress in agile delivery, moving towards faster deployment and iteration of solutions for people and businesses, which has resulted in the realisation of benefits and decrease in risks.

The Government is interested in exploring how others have achieved true agility and what lessons can be taken from the private sector.

The AIIA encourages government agencies to wherever possible, purchase goods and services from the market rather than build it themselves. The Australian digital ecosystem is mature and deep with global and local IaaS, PaaS and SaaS providers all in country meaning that government should always test the market and only procure or build "in-house" in unique circumstances that require justification at the Secretary or Secretary Board level.

OPPORTUNITIES

The Digital Review in early 2021 will provide us with a baseline of the current digital capability of the Australian Public Service. The refreshed Strategy will build on this by providing guidance on selecting appropriate data and digital technologies to meet the needs of the people we serve.

Government is seeking feedback on the most effective ways to address existing and emerging capability challenges.

The lack of digital skills across the Australian Public Service (**APS**) is restraining its capability to drive innovation and adopt the latest capabilities. One area in which this is apparent is cybersecurity, which has become more urgent in the wake of government devolving decision-making relating to the Information Security Registered Assessors Program (**IRAP**) process down to the agency level, which does not always have the capability to determine cyber threats. Government needs to upskill and invest in the digital capability more broadly of the APS. The AIIA is aware of the outsourcing of what should be core agency capabilities. Government should look to develop these core consulting and assessment skills in-house and not use consultants as a risk-based approach to decision-making.

The AIIA believes the DTA has a strong role to play – indeed as part of its remit – to provide digital training and skilling capabilities, as well as the necessary training platforms for the entire APS. We look forward to working with the DTA to assist in these endeavours.

The refreshed Strategy will work to overcome barriers to digital transformation, including in funding and business case processes.

Government is looking for examples of new and innovative approaches to digital service delivery that would achieve better outcomes for the people of Australia.

The Department of Finance must continue to work with agencies to ensure they are not disadvantaged as they seek to adopt as-a-service platforms, infrastructure and software that require a transition from CapEx to OpEx funding.

In the Strategy, a key pillar was the concept of a government that is fit for the digital age. Ensuring that digital and data policy supports contemporary digital government will form an important part of the refreshed Strategy.

Government is interested in innovative ways to overcome the policy barriers to achieving digital transformation.

The Strategy puts people at the heart of digital transformation, not just those engaging with government services, but those designing, building and implementing those services. The refreshed Strategy will build on our current work to help develop the professions we need now and in the future.

Government is looking for opportunities on how government can collaborate better with industry and academia to better develop the digital profession for the future.

The AIIA looks forward to working with the DTA in advising and connecting it with industry, which can provide the APS with the skills and training it requires to lead government into the next decade. Modern training and skilling platforms can provide part of the solution to ensure that the modern APS is digital and agile where its current and future training needs are met, allowing for greater cross-agency identification of talent and optimising this talent as part of new transformation projects.

The refreshed Strategy will help us develop deeper relationships and long-term alliances with our stakeholders, so they become partners in the digital transformation of government.

Government is keen to explore innovative models and approaches to stakeholder engagement that lead to better outcomes.

The AIIA is committed to its strong relationship with the DTA and see it as a mutually beneficial opportunity for engagement whereby the AIIA can bring the capability and experiences of digital companies, both large and small, to the DTA. The AIIA looks forward to re-signing the MoU with the DTA and to engaging in further government briefings. The AIIA is committed to creating opportunities with the DTA to bring SME capabilities in front of government and assisting in growing the Australian digital capability and ecosystem. The COVID-19 pandemic demonstrated that a modern digital and domestic ecosystem is critical to the running and operation of a modern

Australian economy and the AIIA looks forward to working with the DTA on policy that supports the digital economy and a digital Australian government.