



**Subject: ICT Customisation and Bespoke Development Policy –  
Central ICT Governance Arrangements**

The Central ICT Governance Arrangements were approved by the Secretaries' ICT Governance Board (SIGB) on 16 June 2011.

**To all agencies under the Financial Management and Accountability Act 1997  
(FMA Act)**

Should an agency wish to opt-out from a Whole-of-Government arrangement, please follow the advice of the [Process for administration of opt-outs from Whole-of-Government ICT arrangements](#).

**Purpose**

The purpose of implementing strengthened governance of customised and bespoke development is to:

- Reduce the percentage of customised and bespoke solutions across government;
- Leverage current and future investment in government and commercial off-the-shelf solutions; and
- Increase opportunities to standardise government business processes and systems.

**Key points**

1. FMA Act agencies are required to comply with the *Central ICT Governance Arrangements* (at [Attachment A](#)) when acquiring new ICT solutions or upgrading existing ICT solutions within the agreed Central ICT Governance areas.
2. Definitions are provided at [Attachment B](#).

**Background**

3. The August 2008 *Review of the Australian Government's Use of Information and Communication Technology* recommended strengthened governance of customisation and bespoke development (Recommendation 5.2.2.b).

4. The ICT Customisation and Bespoke Development Policy was approved by the Secretaries' ICT Governance Board (SIGB) on 16 October 2009. Schedule 1 of the Policy outlines the *ICT Customisation and Bespoke Development Governance Requirements*.
5. The *Guiding Principles for Cross-Agency Governance* were released to agencies in August 2010.

### **Action required**

6. When acquiring new ICT solutions or upgrading existing ICT solutions after 1 July 2011, FMA Act agencies must use uncustomised commercial off-the-shelf (COTS) or government off-the-shelf (GOTS) solutions within the agreed Central ICT Governance areas. Currently the Central ICT Governance areas encompass ICT solutions supporting:
  - Human Resource Management;
  - Financial Management; and
  - Records Management.
7. Further information is provided at [Attachment A](#).

### **Contacts**

8. If you have any questions regarding this AGIMO Circular, please contact the Governance and Policy Branch within AGIMO at [architecture@finance.gov.au](mailto:architecture@finance.gov.au) or phone on 02 6215 1612 or visit our website at [www.finance.gov.au](http://www.finance.gov.au).

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First Assistant Secretary  
Policy and Planning Division  
Australian Government Information Management Office  
July 2011

## Central ICT Governance Arrangements

The Secretaries' ICT Governance Board (SIGB) has approved the following Central ICT Governance Arrangements which apply at Whole-of-Government level. These arrangements are subject to the [Process for administration of opt-outs from Whole-of-Government ICT arrangements](#).

FMA Act agencies are required to use uncustomised commercial off-the-shelf (COTS) or government off-the-shelf (GOTS) solutions within the agreed Central ICT Governance areas.

The Secretaries' ICT Governance Board (SIGB) has approved the areas where Central ICT Governance will apply. The Central ICT Governance areas are:

- Human Resource Management;
- Financial Management; and
- Records Management.

The definitions within the *Australian Government Architecture Services Reference Model (AGA SRM)* apply to the Central ICT Governance areas. [Please refer to the online AGA SRM for the most up to date definitions](#).

The trigger points for when Central ICT Governance will apply are:

- The acquisition of a new solution within a Central ICT Governance area either funded by a New Policy Proposal or funded internally, where the procurement phase of the project commenced after 1 July 2011; or
- The upgrade of an existing solution within a Central ICT Governance area that results in a major version change, either funded by a New Policy Proposal or funded internally, where the procurement phase of the project commenced after 1 July 2011.

Upon reaching a trigger point, if an agency has a business need to customise an off-the-shelf solution or develop a bespoke solution in a Central ICT Governance area, the agency is required to seek approval to opt-out of the Policy, in accordance with the [Process for administration of opt-outs from Whole-of-Government ICT arrangements](#).

## ICT Customisation and Bespoke Development Policy Definitions

### Bespoke solution

Bespoke solutions are those developed by a government agency, or a commercial entity at the agency's direction, with the intention of implementation in only one agency. Bespoke developments may evolve into GOTS solutions but this was not the original intention in creating the solution. Bespoke solutions include solution components, interfaces, and modules (i.e. hardware, software, technology, or computer products).

### Commercial-off-the-shelf (COTS) solution

COTS solutions are those where the original development has usually been undertaken by a commercial organisation, and which may be acquired for installation 'as is'. COTS solutions include commercial packaged solutions, open source packaged solutions, solution components, interfaces and modules (i.e. hardware, software, technology, or computer products).

### Configuration

Configuration refers to modification of the solution via toolsets available within the product. This includes design of forms, views, reports, queries, interfaces, business rules, workflow, and enablement of system notifications. This does not include modifications to the core design or functionality of the solution.

### Customisation

Customisation refers to modification to the core architecture of a solution, and excludes any work defined as configuration, extension, or maintenance. This includes changes to an application software product's underlying programming code, files, records or data elements.

### Government off-the-shelf (GOTS) solution

GOTS solutions are those developed by a national or international government agency, or a commercial entity at the agency's direction, with the intention or eventual outcome of implementation in more than one agency. The government agency that initiated the development shares the product with other agencies within a defined arrangement, for example through an MOU. GOTS solutions include solution components, interfaces, and modules (i.e. hardware, software, technology, or computer products).

### Major Version Change

A major version change (or major release) often involves changes to data structures and program processes and may include new features. A major version change may require additional resources to implement both technical and business process changes, and may impact the existing maintenance costs or support arrangements. Typically one or more 'updates', 'hot fixes', or 'service packs' would not be considered a major version change, unless they form part of a release that closely resembles the description above.