



Australian Government
Department of Social Services

Achieving Digital Transformation - Securely

8 February 2023

What do we need today?

Need to get a shared view on the key decisions the Govt needs to take on the Secure Digital Transformation journey.

Agreement on and commitment to a single digital front door for the citizen.

Forward looking discussion on the aim point and how to get there securely.

What we don't need?

To spend time discussing a definition of digital transformation

To contest Citizen-centricity as core tenet

To discuss tech solutions & apps – keep it as a policy discussion

A cyber security discussion.

Key Issues to discuss?

What keeps us from achieving citizen-centric services?

How do we transition to a single service delivery system?

What does the MyGov audit tell us?

How do we achieve all this securely?

Discussion



Meeting Paper - Agenda Item 1

Strategic Leadership Group

Opening and Acknowledgement of Country

Lead: Chair, Professor Glyn Davis AC (Secretary, Department of the Prime Minister and Cabinet)

The Secretaries Board considered at the September 2022 meeting draft Strategic Leadership Group Terms of Reference. They are now tabled for endorsement.

Attachments

- A. Strategic Leadership Group Terms of Reference – for Endorsement



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Strategic Leadership Group

Terms of Reference

Purpose of Strategic Leadership Group

The Secretaries Board requires sufficient time for members to participate in strategic, forward-looking discussions on significant public policy or administration matters. To enable this to occur, every third meeting of the Secretaries Board will be followed by an extended strategic discussion considered by the Strategic Leadership Group.

The Group's discussions will focus on significant live issues requiring coordinated action or advice from the Australian Public Service (APS). Agendas will be structured thematically and meeting papers will be kept to a minimum with a focus, instead, on enabling open and free-flowing discussion, knowledge sharing and across-government collaboration between members.

While the Group will be chaired by the Secretary of the Department of the Prime Minister and Cabinet (PM&C), group member(s) will be requested to introduce and lead meeting agendas where the theme is relevant to their portfolio responsibilities. Group members leading agendas are encouraged to recommend senior thinkers or practitioners, including from outside the APS, to participate in the Group's discussions. External facilitators will also be considered to lead discussions, where appropriate.

Discussions should, wherever possible, lead to tangible actions and/or outcomes that will be recorded by the Secretariat.

Membership of the Strategic Leadership Group

The Secretary of the PM&C is the Chair of the Strategic Leadership Group.

The Group membership comprises:

- all members of the Secretaries Board (departmental secretaries, Secretary for Public Sector Reform, and the Australian Public Service Commissioner);
- the Director-General of National Intelligence;
- the Chief of the Australian Defence Force;
- the Commissioner of Taxation at the Australian Tax Office;
- Chief Executive Officer of the National Indigenous Australians Agency; and
- Chief Executive Officer of Services Australia.

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Meetings

The Group's meeting schedule will be determined by the Secretaries Board meeting schedule, noting that the Group is expected to meet every third month, immediately following a relevant Secretaries Board meeting.

Attendance

Group members are expected to attend all meetings in person and as scheduled, noting proxies are permitted to attend when substantive acting arrangements are in place, or as agreed by the Chair.

The Deputy Secretary Governance PM&C, First Assistant Secretary Government Division PM&C and the PM&C Secretary's Chief of Staff will attend all meetings as notetakers. Senior thinkers or practitioners, including from outside the APS, may be co-opted for items at the request of Group members.

All Group members must declare any potential, apparent or actual conflicts of interest as they arise.

Secretariat

The Strategic Leadership Group is supported by a Secretariat located within Government Division, PM&C.

The Secretariat is responsible for providing administrative support to the Strategic Leadership Group, including, but not limited to:

- developing meeting agendas in consultation with Strategic Leadership Group members and distributing agendas, once approved by the Chair, at least one week prior to a scheduled meeting;
- where required, collating and distributing meeting papers one week prior to a scheduled meeting and keeping meeting minutes;
- liaising with Strategic Leadership Group members and their offices; and
- keeping a forward work plan and tracking agreed actions from the Strategic Leadership Group.

The Secretariat can be contacted via email secretariesboard@pmc.gov.au

Review

The Terms of Reference may be reviewed at the discretion of the Chair in consultation with members of the Secretaries Board.



Meeting Paper - Agenda Item 2

Strategic Leadership Group

Chair's Introductory Remarks

Lead: Chair, Professor Glyn Davis AC, Secretary, Department of the Prime Minister and Cabinet

Verbal Discussion



Meeting Paper – Agenda Item 3

Strategic Leadership Group

Identity System and Digital Resilience

Lead: Michael Pezzullo AO, Secretary, Department of Home Affairs

Jenny Wilkinson PSM, Secretary, Department of Finance

Action required

- Strategic Leadership Group to **agree** to support the ongoing development and coordination of the identity system, with an emphasis on improving seamless service delivery, strengthening identity resilience and supporting the growth of the digital economy.

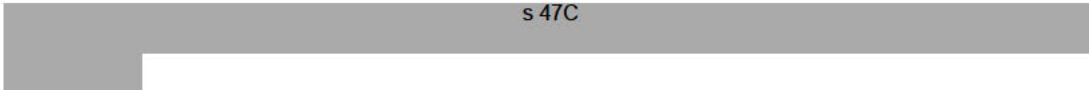

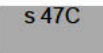
Key issues

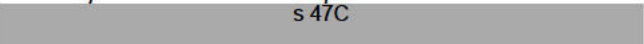
The 2022 Optus data breach, and recent reporting on fake myGov profiles, has highlighted long-standing issues relating to Australia's identity system, including provision and retention of identity information, how identity is verified and legitimate users protected, and the need for a coordinated approach to mitigating the impacts of large data breaches.


In a growing digital economy, identity is a key foundation to support digital engagement with government and the broader economy. However, the growth in digital transactions increases the risk of identity crime and fraud. Australians store more of their financial, personal and identity information online, making it vulnerable to compromise and subsequent misuse. To ensure trust and confidence in a digital economy, Australians need an efficient, secure and reliable means to prove their identity. Australians need confidence that their identity will be protected. They also need confidence that they can quickly recover from identity crime, scams and data breaches. However, Australians also have expectations of privacy and control that are key to their trust in the system.

Existing vulnerabilities in Australia's identity system also create barriers to having a world-class digital service delivery system. As there is no single 'front door' or portal for Government digital service delivery, service delivery agencies need to resolve identity through multiple means. This has also led to individuals having multiple accounts (e.g. multiple myGov user accounts) with varying identity proofing levels, making identity theft and fraud more likely, and Government creating many identifiers (e.g. Healthcare Identifier, tax file number, Centrelink Customer Reference Number). This was demonstrated in the recent incidents of fake myGov accounts linking to legitimate Australian Tax Office online accounts.

On 21 December 2022, the Secretaries' Digital and Data Committee (SDDC) held a deep dive on Digital Resilience (draft minutes at [Attachment A](#)). This discussion highlighted that there are a number of processes underway across both the Commonwealth and the states and territories (map of processes at [Attachment B](#)). At the Commonwealth level, this includes the:

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- outcomes of the Privacy Act review
- outcomes of the myGov User Audit
- outcomes of the Mrdak  s 47C reviews of recent major data breaches
- development of the 2023-2030 Cyber Security Strategy
- development of the Data and Digital Government Strategy
- establishment of the National Scams Centre
- Gold Standard for Digital Identity and the National Identity Proofing Guidelines

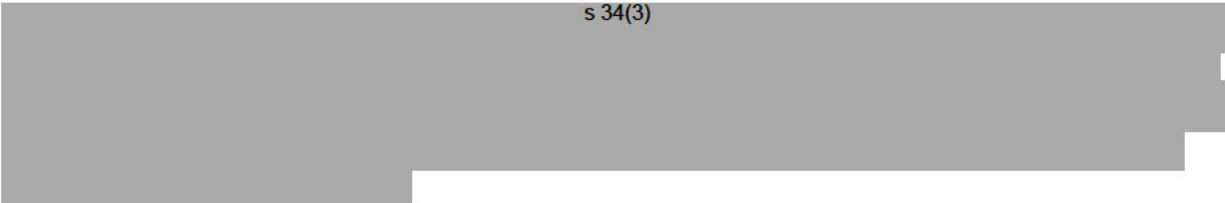
A number of states are also making significant progress on creating digital identities and digital wallets. States are keen to work with the Commonwealth on nationally consistent legislation and standards. In 2017, the Commonwealth, states and territories signed the *Intergovernmental Agreement on Identity Matching Services*. The Intergovernmental Agreement seeks to enable the use of biometric matching across jurisdictional borders and particularly driver licences, which around 80% of Australians hold. The Intergovernmental Agreement commits jurisdictions to enable 1:1 biometric verification of identity with consent.  s 47C

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A number of private sector providers are also continuing to develop digital identities and are seeking accreditation under the Commonwealth framework, and more generally lifting their identity processes, which is also dependent on finalising Commonwealth legislation.

As part of **National Cabinet's productivity priorities**, the Data and Digital Ministers Meeting (DDMM) has also been tasked with '*providing strategic oversight and driving intergovernmental collaboration to implement a federated ecosystem of digital identities and lifting productivity across the community, business and government*'.

SDDC agreed there was a need to develop an overarching framework and principles for the digital identity ecosystem that encompasses digital identity, identity resilience, privacy and cybersecurity.

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Identity System

Australia's identity 'system' has evolved in an ad hoc way, often driven by non-identity issues (e.g. service delivery, compliance). Australians prove their identity using credentials (e.g. birth certificates, driver licences and Medicare cards) that were not created as identity credentials. Many entities across jurisdictions have responsibility for parts of the system, but there is a lack of coordination, proliferation of identity credentials of variable quality, no mandatory standards and overlapping or inconsistent regulatory requirements. This has led to a system that is inefficient, costly and insecure (an illustrative diagram of the current identity system is at [Attachment C](#)).

As government and the broader economy continue to transform digitally, the identity system is facing increasing pressure that will require both strengthening of the foundations and enhancement through digital identities.

This includes the need for highly secure 'core' identity documents that are verified to a high standard and include biometrics. Passports are one of the few highly secure identity documents that use biometrics to prevent duplicate identities (most driver licences do not meet this standard). However, only about 48% of Australians have a passport, whereas about 80% have a driver licence. Improving the security of driver licences would significantly boost Australia's identity resilience.

Broader vulnerabilities in our digital service delivery systems will also need to be addressed – ensuring a secure system that reduces identity theft and fraud but also ensures privacy. s 47C

A clear direction and ongoing coordination of the identity system will be crucial to ensuring the Government can deliver outcomes for Australians, including seamless government service delivery and supporting broader economic outcomes, in a more secure way.

Cascade note

Identity System and Resilience

Secretaries of the Departments of Home Affairs and Finance provided an update to the Board on the identity system and digital resilience. The Board agreed to look at how they can support the ongoing development and coordination of the identity system, with an emphasis on improving seamless service delivery, strengthening identity resilience and supporting the growth of the digital economy.

Attachments

- A. Draft Secretaries' Digital and Data Committee minutes – Out of Session: Digital Resilience
- B. Map of related processes
- C. Current identity system

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Lead Agency Contact

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Background

Identity Resilience

Resilient identities are hard to steal and, if compromised, easy to restore.

Delivering identity resilience for Australians will require all Commonwealth agencies with service delivery functions to look at how they verify identity, the personal information they collect, and (where appropriate) how they issue credentials (e.g. visas or Pensioner Concession Cards). Commonwealth agencies should minimise their collection of personal information (to mitigate the consequences of future data breaches) and make revocation and reissuance of credentials simple and straightforward (to make it easier for victims of data breaches, scams and cybercrime to protect themselves from identity crime).

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is intended to be complemented by the national rollout of the Face Verification Service to enable facial biometric verification using state government data sources (e.g. driver licences).

This will require new legislation that could be progressed in parallel with legislation to expand the scope of the Australian Government's Digital Identity System to include non-Commonwealth entities. Identity Service Providers operating within this system will require access to the Face Verification Service to issue digital IDs at higher levels of assurance.

Digital ID

Digital IDs provide a highly secure identity credential which can be used to prove identity in digital transactions. A digital ID makes it easier and more secure for people to access services, as they do not need to continually re-verify their identity. It also reduces the amount of identity information that is transmitted and retained by multiple agencies/businesses.

The Digital Transformation Agency is leading the development of the Australian Government Digital Identity System (AGDIS), including the Trusted Digital Identity Framework (TDIF), which sets the standards for digital IDs.

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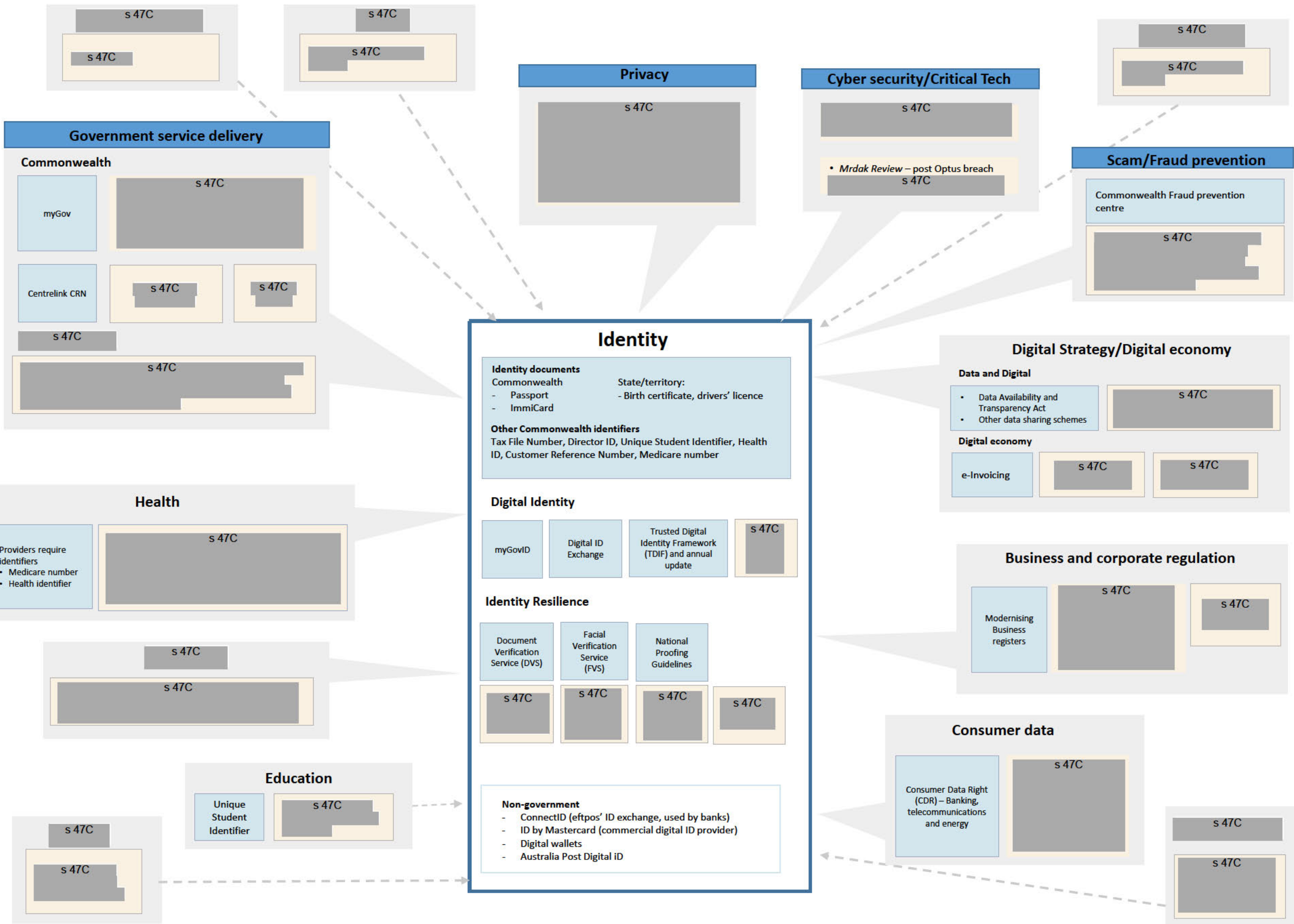
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Ministers also agreed to continue to actively explore interoperability of verifiable credentials, attributes and development of standards. Ministers further discussed how government agencies should be exemplars in keeping only the minimum of personal data required.

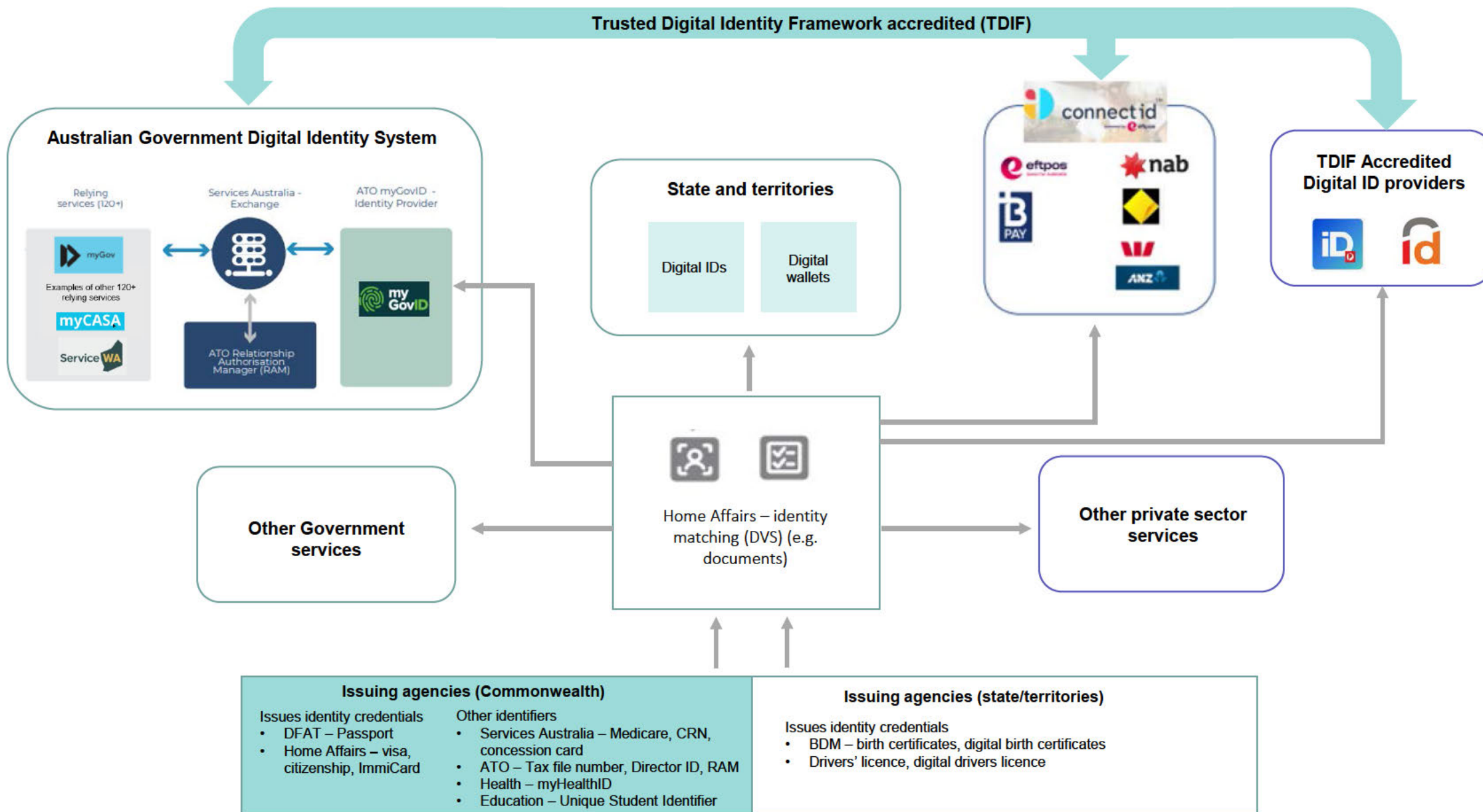
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Related processes to identity and digital identity

EXISTING UPCOMING



Australia's current identity system





Meeting Paper - Agenda Item 4

Strategic Leadership Group

Achieving Digital Transformation Securely

Lead: Mr Ray Griggs, Secretary, Department of Social Services

Ms Rachel Noble, Director-General, Australian Signals Directorate

Verbal Discussion



Meeting Paper - Agenda Item 5

Strategic Leadership Group

Closing remarks

Lead: Chair, Professor Glyn Davis AC, Department of the Prime Minister and Cabinet

Verbal Discussion

Next meeting

Wednesday 10 May 2023 | 10:30am – 11:30am | Malcolm Shepherd Room | Ground Floor | One National Circuit



Minutes

Strategic Leadership Group

Wednesday, 8 February 2023 | 10:30am – 11:30am | Malcolm Shepard Room, Ground Floor | ONC

Chair: Professor Glyn Davis | Secretary | Department of the Prime Minister and Cabinet

Item 1: Opening and Welcome to Country

The Chair opened the meeting and provided an Acknowledgement of Country.

The following members were apologies:

- Mr David Fredericks, Secretary for the Department of Climate Change, Energy, the Environment and Water – represented by Deputy Secretary Jo Evans.
- Dr Gordon de Brouwer, Secretary for Public Sector Reform – represented by Deputy Secretary, Dr Rachel Bacon.
- Mr Peter Woolcott, Commissioner for the Australian Public Service Commission – represented by Dr Subho Banerjee, Deputy Commissioner, Head of APS Academy and Capability, Australian Public Service Commission.
- Mr Greg Moriarty, Secretary of the Department of Defence was not represented.
- General Angus Campbell AO DSC, Chief of Defence Force was not represented.
- Mr Andrew Shearer, Director-General National Intelligence - represented by Ms Nina Davidson, Deputy Director-General Intelligence.

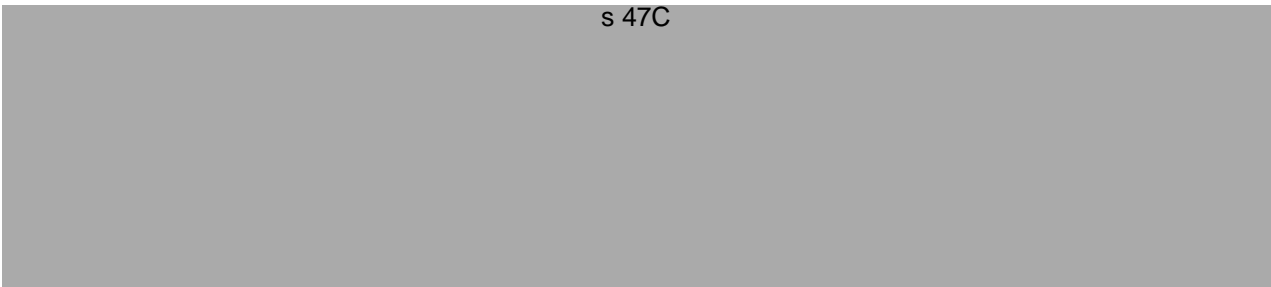
The Chair advised the discussion should remain at or below Secret classification.

Actions:

- The Committee **endorsed** the Strategic Leadership Group Terms of Reference.

Item 2: Chair's Introductory Remarks

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Economic and Budget Update (Secretaries Board meeting item 5)

Ms Jenny Wilkinson, Secretary of the Department of Finance, and Dr Steven Kennedy, Secretary of the Treasury, provided a verbal update on the economic outlook and preparations for the 2023-24 Budget.

Actions:

- The Group **noted** the verbal update.

Item 3: Identity System and Digital Resilience

Mr Michael Pezzullo, Secretary, Department of Home Affairs and Ms Jenny Wilkinson, Secretary, Department of Finance, briefed members on the Secretaries Data and Digital Committee's deep dive on digital resilience held on 22 December 2022.

Actions:

- Strategic Leadership Group **agreed** to support the ongoing development and coordination of the digital identity system, with an emphasis on improving seamless service delivery, strengthening identity resilience and supporting the growth of the digital economy.

Item 4: Achieving digital transformation securely

Mr Ray Griggs, Secretary, Department of Social Services led a strategic discussion on how to achieve digital transformation securely and the challenges of implementing citizen-centric services.

Ms Rachel Noble, Director-General of the Australian Signals Directorate, attended as guest.

Actions:

- Strategic Leadership Group **agreed** to take a whole of APS perspective when considering digital transformation challenges.
- Strategic Leadership Group **proposed** the discussion inform ongoing work in the Secretaries Digital and Data Committee.

Item 5: Closing remarks

The Chair confirmed the next meeting of SLG is scheduled for Wednesday, 10 May 2023.

Peter Rush (Acting First Assistant Secretary, Government Division, Department of the Prime Minister and Cabinet)