

Gateway Review report for Inland Revenue Business Transformation Programme

Review 0 Strategic Assessment

September, 2014

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1.4 Review conclusion

Overall Picture of the Programme/Project

1.4.1 Delivery Confidence Assessment

<u>Delivery Confidence Assessment</u>	AMBER
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The Review Team finds that the strategic case for change remains strong. The programme has progressed considerably since the last Gateway Review. The programme:

- Has undertaken significant research and have used best practices and learnings from other tax jurisdictions to inform programme planning.
- Has reached a significant milestone in terms of transformation and commercial capability and skills which has been blended with existing tax and business knowledge.
- Is now well positioned to meet the needs of *IR of the future*.

In terms of Change Management, IR has recognised the change activities that will need to be co-ordinated by the programme – though this is yet to be documented in detail. In addition, there appears to be a good appreciation of the reliance on IR Leadership to own and drive change within the organisation and to link change impacts to communications, internally, and externally.

Based on site visits, the programme has amended its view on how it should work with its strategic partners during the design phase from a prime vendor model to a service aggregator model. The reason for doing this is to provide greater flexibility and control without being locked in to any particular timeline or solution options.

Significant investment is required to ensure the ongoing sustainability of the current tax service delivery. Once a new technology platform is selected, the enhanced customer facing service delivery aspirations of IR can then be addressed.

However, there are some significant challenges ahead, including:

- Sustaining the capability of the programme team and IR at large.
- Working more productively with the Corporate Centre.
- Ensuring alignment between the clear needs of IR and the emergent AoG initiatives where appropriate for the benefit of both.
- Securing funding for tactical and design activities.
- Sequencing the programme in a manner that realises benefit incrementally and avoids ministerial lock-in to a 10-year financial commitment.

Timely management attention to these issues should not impact delivery of benefits realisation. At this juncture, the management challenges identified as part of this Review do not constitute *significant* issues as per the AMBER definition but nonetheless do need to be addressed promptly. Given the risk, size and timeline of the programme, this is not unusual.

The programme is on a firm footing and there is every prospect that it could proceed towards improved delivery confidence status as uncertainty is driven out.