



THE TREASURY

Kaitohutohu Kaupapa Rawa

Proactive release: This document was released by Inland Revenue under section 81(1B) of the Tax Administration Act 1994. This release supports the purposes of the Official Information Act 1982 by increasing progressively the availability of official information to the people of New Zealand.

Gateway Review Report

Inland Revenue

Business Transformation

Release 4 Interim Healthcheck

Interim Healthcheck

(prior to Release 4 Gateway Review 4 Readiness for Service)

October 2019

This report is the property of the Senior Responsible Owner for the programme, Robert Ferguson, Commissioner, Inland Revenue. It may only be distributed or reproduced with the permission of the IRR.

1 Review Conclusion

1.1 Delivery Confidence Assessment

Delivery Confidence Assessment






AMBER/GREEN

The Gateway Review Team finds that:

- Business Transformation (BT) continues to be a strongly led programme with a mature delivery approach.
- With Release 3 the business and the programme worked together to manage the compound risk and the organisational support post-release. This approach is planned to continue for R4 & R5, taking into account the learnings from R3 and the additional risk arising from system and aggregated product complexity.
- Release 3, a significant change to core tax, was implemented successfully. There have been some post-release issues and these have been well managed to minimise the impact on users.
- The Pou Whirinaki early life support model led by business representatives and supported by BT has operated well, and has now transitioned into business operations.
- The complexity of R4 should not be underestimated, and the Review Team observed the potential for a compound impact to arise from: continued R3 post-production support; the change to the annual business cycle as a result of R3; R4 implementation; and R5 preparation.
- R5 and decommissioning should not be underestimated and any over-enthusiasm for additional IR workload, arising from optimism bias, should be resisted.

The Review Team makes a number of suggestions for consideration to further increase the probability of success. BT is on a positive trajectory but constant attention must be maintained to ensure that risks do not materialise into issues threatening delivery. Notwithstanding the success to date, it is worth highlighting the continued high risk profile of this transformation and the impact it has on every element of New Zealand life. Failure is not an option, and the strong governance and prominent focus on risk based decision making needs to continue.

The Delivery Confidence assessment colour status (RAG, Red/Amber/Green) uses the definitions below:

Colour	Criteria Description
	Successful delivery to time, cost and quality appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery significantly.
	Successful delivery appears probable however constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.
	Successful delivery appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and if addressed promptly, should not impact delivery or benefits realisation.
	Successful delivery is in doubt with major risks or issues apparent in a number of key areas. Prompt action is needed to address these, and whether resolution is feasible.
	Successful delivery appears to be unachievable. There are major issues which at this stage do not appear to be manageable or resolvable. The programme may need re-baselining and/or overall viability re-assessed.