

4 November 2013

Mr Laurence Millar
fyi-request-1186-e87adfff@requests.fyi.org.nz

Dear Mr Millar

Thank you for your request made under the Official Information Act 1982, received on 4 October 2013. You requested the following:

*Expression of Interest for the Provision of Business Transformation Services
(3 October 2013) Ref: 2013050*

Please provide any information or research that was undertaken to establishment of the Minimum Capability and Experience Requirement specified in section 12.3 of the document.

In particular, please provide information on the market assessment into the number of organisations globally that meet the specified criteria:

>(sic) Led or managed the overall design and implementation of a \$100 million (NZD) or greater, excluding any applicable taxes, major transformation programme for a national-level tax organisation (including distributions and payments);

AND

>(sic) Led or managed the overall design and implementation for delivery of a transformation programme for national-level social policy e.g. child support, student loans.

This particular Expression of Interest (EOI) will help us select a shortlist of potential service providers with the capability, capacity and experience to support the transformation programme to deliver the detailed design of the first stage and to validate the remaining stages.

We expect to work with a number of service providers across a range of areas such as project management, business analysis, business process re-engineering, solutions architecture and software development during Inland Revenue's entire transformation programme.

The criteria for the current EOI were established following considerable discussion and meetings within Inland Revenue and with Inland Revenue's service providers over recent months.

The minimum capability and experience criteria in the Expression of Interest were approved by Inland Revenue's Transformation Board on 27 September 2013.

Our approach drew from significant interactions with, and information provided by, other tax authorities and social policy agencies internationally that have undergone a significant transformation programme. For example, a range of senior officials have visited the Dutch Tax Authority, Tax Norway, Revenue Canada, Her Majesty's Tax and Customs (HMRC), the Australian Tax Office and the United States' IRS, amongst others, over recent years.

A range of programmes in broadly similar organisations have been observed in order to help us understand likely duration, size and scope, different governance approaches, delivery models and contracting approaches.

The focus of our information collection and research has been on understanding the full range of features that substantial and successful transformation programmes have required, including the commercial implications of such programmes.

We have also reviewed information on programmes where problems have emerged, such as Novopay, in order to ensure we are aware of what we must do to manage potential risks over the life of the transformation programme.

The extensive programme of work we have undertaken to inform our understanding of our requirements did not specifically consider the number of organisations that might meet the criteria that your request focuses on, however we believe that a number of organisations will be able to respond and meet the criteria

I have answered your request as fully as I can. The minimum capability and experience requirements specified in section 12.3 of the Expression of Interest for the Provision of Business Transformation Services (3 October 2013, ref: 2013050) document for the current EOI were developed by the programme as a result of an extensive body of work and experience over time rather than in the format requested by you.

As I have said in a range of public forums Inland Revenue will be in the market for specific capability regularly throughout the transformation journey.

Thank you for your request. I trust that this information is of assistance to you.

Yours sincerely



Greg James
Deputy Commissioner, Change