Stage 2 Co-existence and Heritage Solution Design

Date: 02/03/2017
Version: 1.0

D2000
Programme Delivery Plan

D2001
Co-Existence Strategy

D2002
Heritage Solution Design
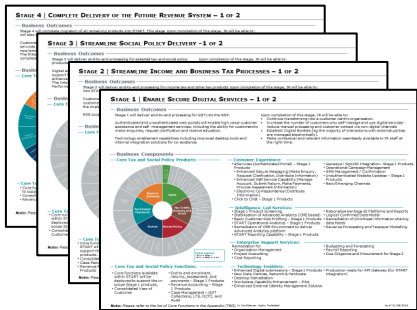
1. Confirm Scope.
The Stage 2 update to the Programme Delivery Plan confirmed the scope of Stage 2 for the BT Programme.
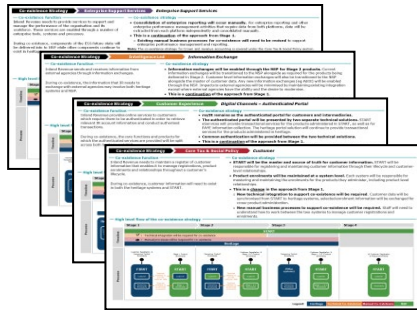
2. Outline Strategy.
Based on PDP, the Co-Existence Strategy outlined how co-existence between heritage and the NSP should be managed across the relevant areas of the Stage 2 scope.
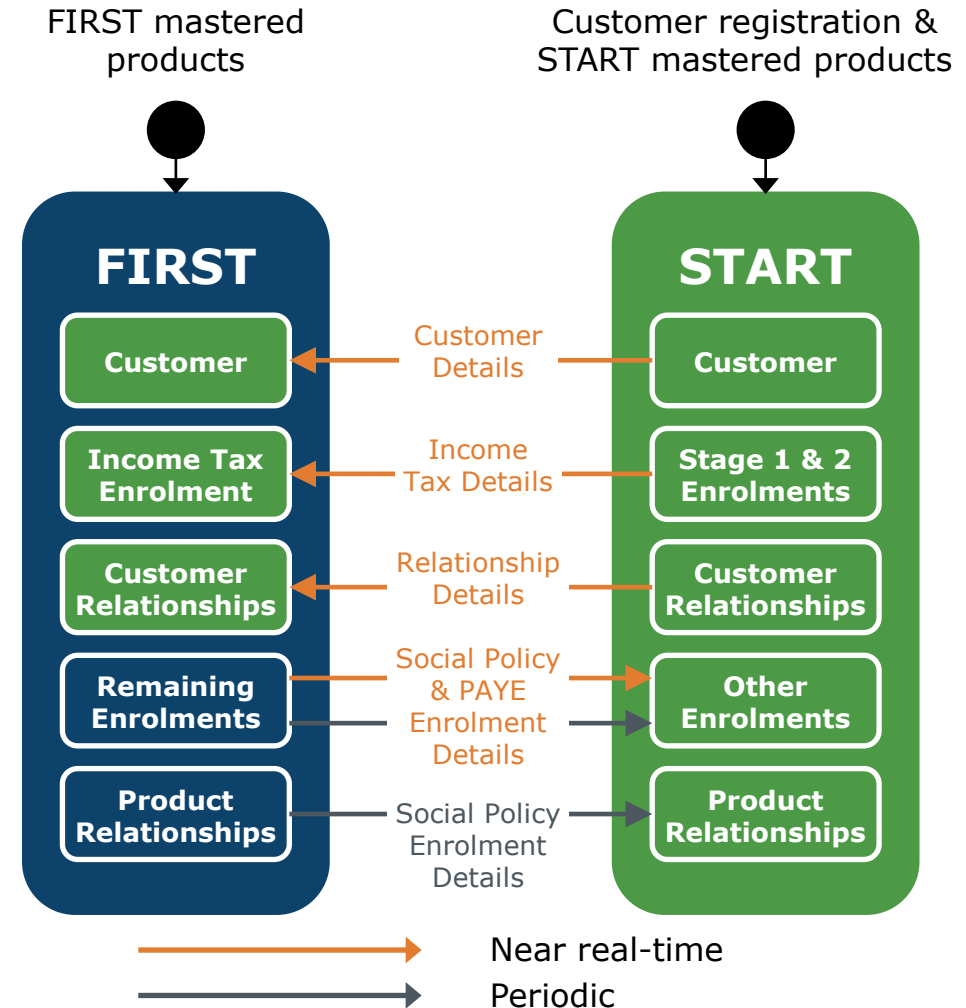
3. Define Solution.
Guided by the Co-Existence Strategy, the Heritage Solution Design follows a use case approach to identify the inventory of components required to deliver the high level business solution for co-existing between heritage and the NSP in Stage 2.

Business Transformation

Customer

| Overview | **Customer** | Assistance | Returns | Payments | Disbursements | Financials | Accounting | Compliance | Audit | Exchange |

Co-existence Approach

- **START will become the master and source of truth for customer information**

- **Product enrolments will be maintained at a system level across the NSP and heritage**

- **Relationships will be managed between NSP and heritage**

- **Bankruptcy will be mastered with the customer information**

- **Partners and Intermediaries will be required to change many existing connections**

Technical Integration

FIRST mastered products

Customer registration & START mastered products

FIRST

FIRST		START
Customer	← Customer Details ←	Customer
Income Tax Enrolment	← Income Tax Details ←	Stage 1 & 2 Enrolments
Customer Relationships	← Relationship Details ←	Customer Relationships
Remaining Enrolments	→ Social Policy & PAYE Enrolment Details →	Other Enrolments
Product Relationships	Social Policy Enrolment Details →	Product Relationships

START

→ Near real-time
→ Periodic

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24/7 Assistance

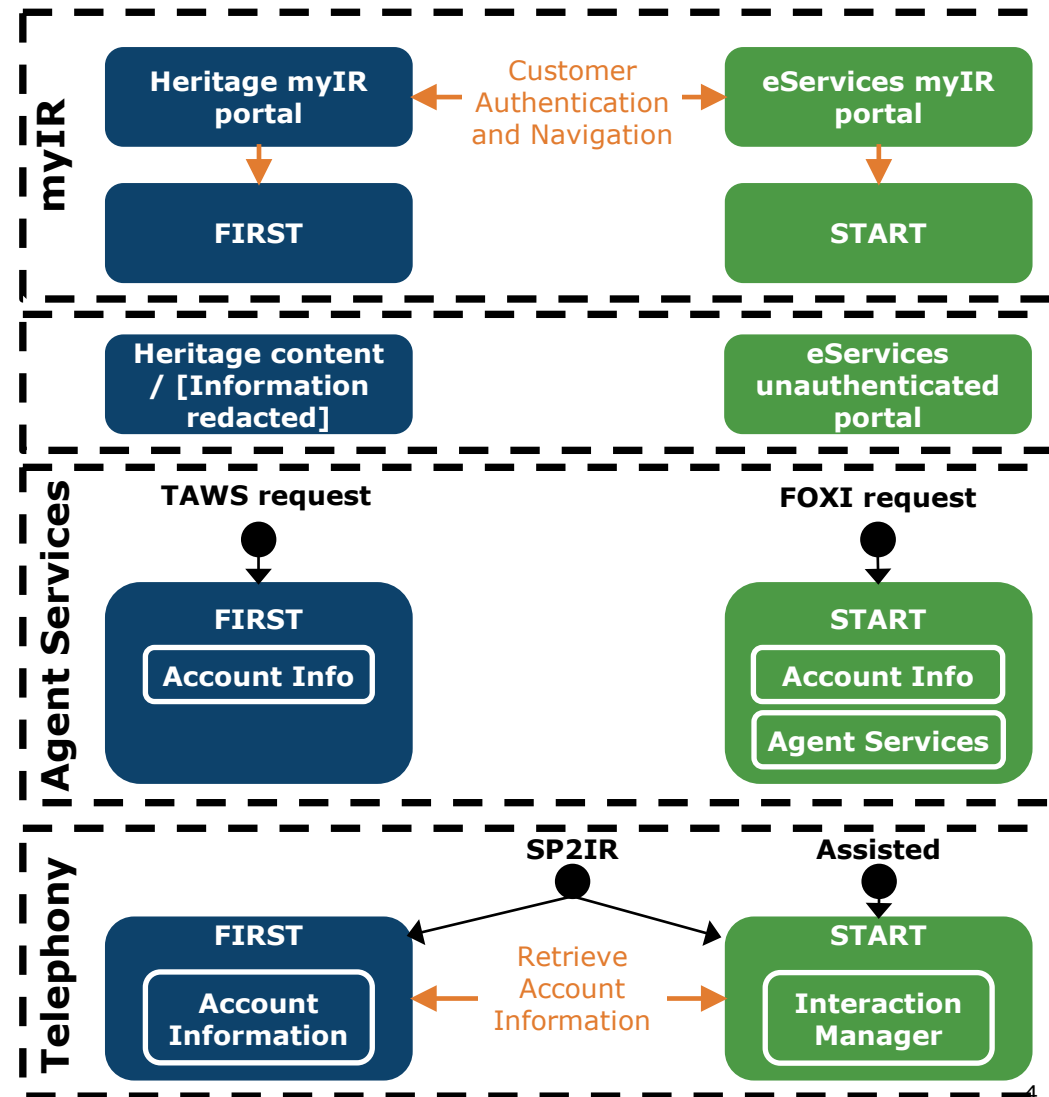| Overview	Customer	**Assistance**	Returns	Payments	Disbursements	Financials	Accounting	Compliance	Audit	Exchange

Co-existence Approach

- **START eServices will provide the landing page for all authenticated online services**

- **eServices will assume responsibility for all online services administered by START**

- **Speak to IR (SPK2IR) call flows will be modified to retrieve Stage 2 tax type information from START**

- **TAWS Business-to-Business (B2B) service will be amended to not provide Stage 2 tax type transaction information to tax agents**

- **File tracking (ie Physical Information Management) will be split across systems**

- **FIRST will continue to provide the full suite of stationery requests**

- **LoLA will be amended to disable Stage 2 tax type letters**

Technical Integration

myIR

Heritage myIR portal ← Customer Authentication and Navigation → eServices myIR portal

FIRST

START

Heritage content / [Information redacted]

eServices unauthenticated portal

Agent Services

TAWS request

FIRST
Account Info

FOXI request

START
Account Info
Agent Services

Telephony

SP2IR

Assisted

FIRST
Account Information

← Retrieve Account Information →

START
Interaction Manager

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Returns (Employer)

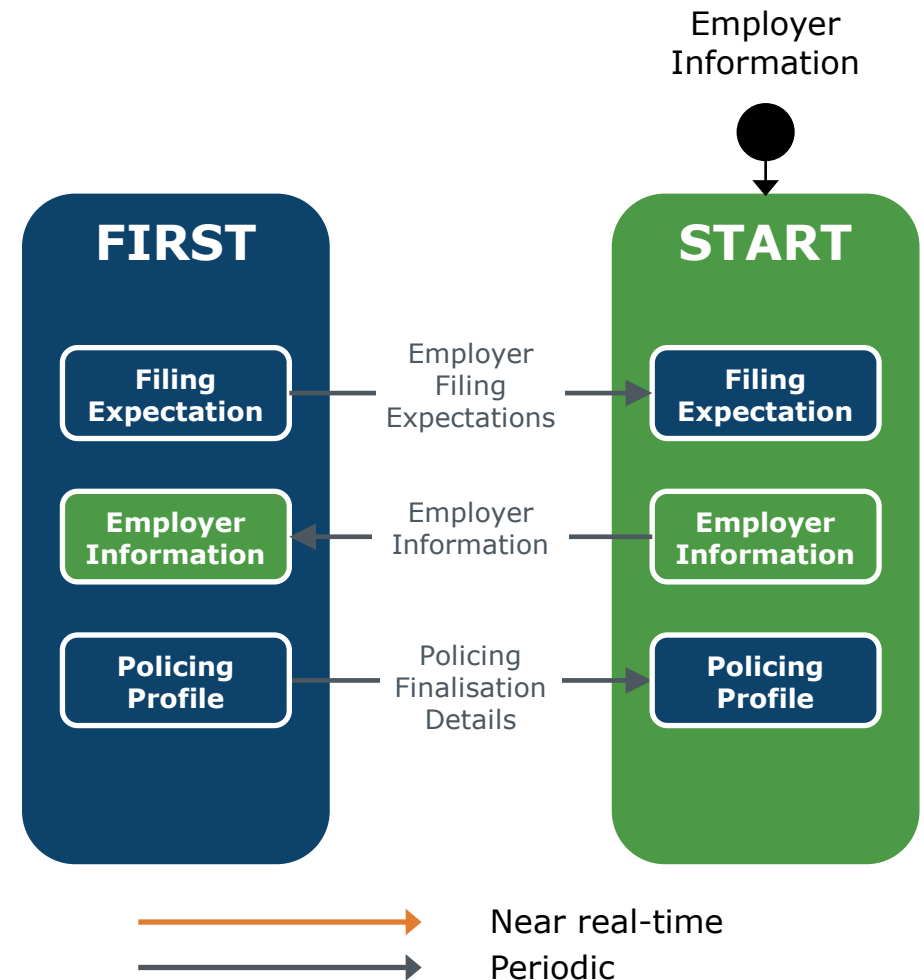| Overview	Customer	Assistance	**Returns**	Payments	Disbursements	Financials	Accounting	Compliance	Audit	Exchange

Co-existence Approach

- **Collection of employer information will be managed in START**

- **START will send employer information to heritage systems for processing**

- **Heritage systems will process payments related to employer information**

- **New manual business processes will need to be established**

Technical Integration

Employer Information

FIRST

START

FIRST		START
Filing Expectation	Employer Filing Expectations →	Filing Expectation
Employer Information	← Employer Information	Employer Information
Policing Profile	Policing Finalisation Details →	Policing Profile

→ Near real-time
→ Periodic

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Returns (Individual Income)

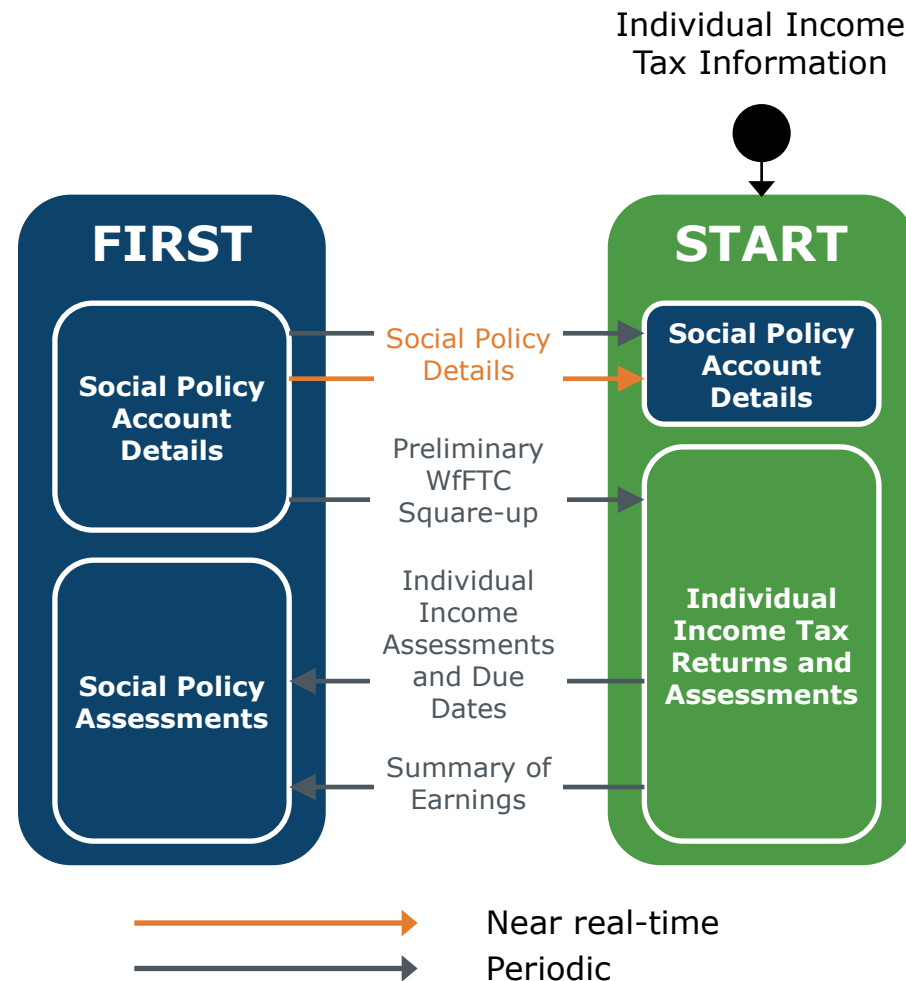| Overview | Customer | Assistance | **Returns** | Payments | Disbursements | Financials | Accounting | Compliance | Audit | Exchange |

Co-existence Approach

- **START will become responsible for individual Income Tax return collection and processing**

- **Calculations for End of Year Square-Up for Working for Families Tax Credits will remain within FIRST**

- **START will provide final income and assessments for final social policy assessments**

- **Collection of individual income tax, PTSs and SOEs will be managed in START**

- **Manual income adjustments (for Student Loans & Working for Families) will now be captured within eServices**

- **Software Developers and PTS Intermediaries who interact via digital services will be required to switch to the START Gateway**

Technical Integration

Individual Income Tax Information

FIRST

Social Policy Account Details

Social Policy Assessments

Social Policy Details

Preliminary WfFTC Square-up

Individual Income Assessments and Due Dates

Summary of Earnings

START

Social Policy Account Details

Individual Income Tax Returns and Assessments

→ Near real-time
→ Periodic

Returns (excl. Employer and Individual Income)

| Overview | Customer | Assistance | **Returns** | Payments | Disbursements | Financials | Accounting | Compliance | Audit | Exchange |

Co-existence Approach

- **There will be no co-existence approach for products that transition to START without a cross-product relationship**

- **START will assume responsibility for the GST and Provisional Tax alignment as it administers Income Tax**
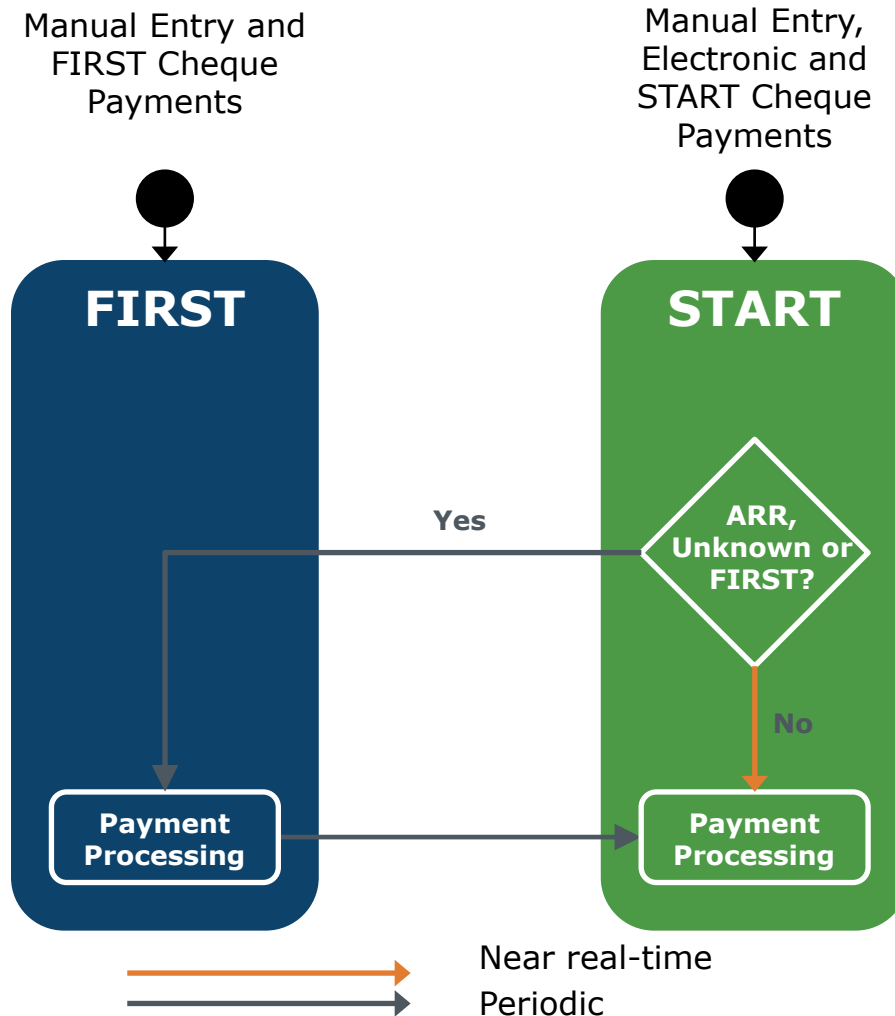
Technical Integration

- **None**

Payments

| Overview | Customer | Assistance | Returns | **Payments** | Disbursements | Financials | Accounting | Compliance | Audit | Exchange |

Co-existence Approach

- **Each system will continue processing payment for the products that it administers**

- **Separate credit card payment processing will continue during Stage 2**

- **Payment processing hierarchy will be updated to reflect the product separation between FIRST and START**

- **All payment arrangements (ARR and 9998) will be sent to FIRST for initial processing**

Technical Integration

Manual Entry and FIRST Cheque Payments

Manual Entry, Electronic and START Cheque Payments

FIRST

START

ARR, Unknown or FIRST?

Yes

No

Payment Processing

Payment Processing

Near real-time
Periodic

Disbursements

| Overview | Customer | Assistance | Returns | Payments | **Disbursements** | Financials | Accounting | Compliance | Audit | Exchange |

Co-existence Approach

- **Disbursements will continue to be performed independently, with no technical integration**

- **Disbursements to foreign bank accounts will only be available through START**

- **Rejected direct credits or stopped payments will continue to require manual intervention**

Technical Integration

FIRST

Remaining Disbursements

Disburse Remaining Product Refunds and Entitlements

START

Stage 1 & 2 Disbursements

Disburse Stage 1 & 2 Product Refunds

Financials

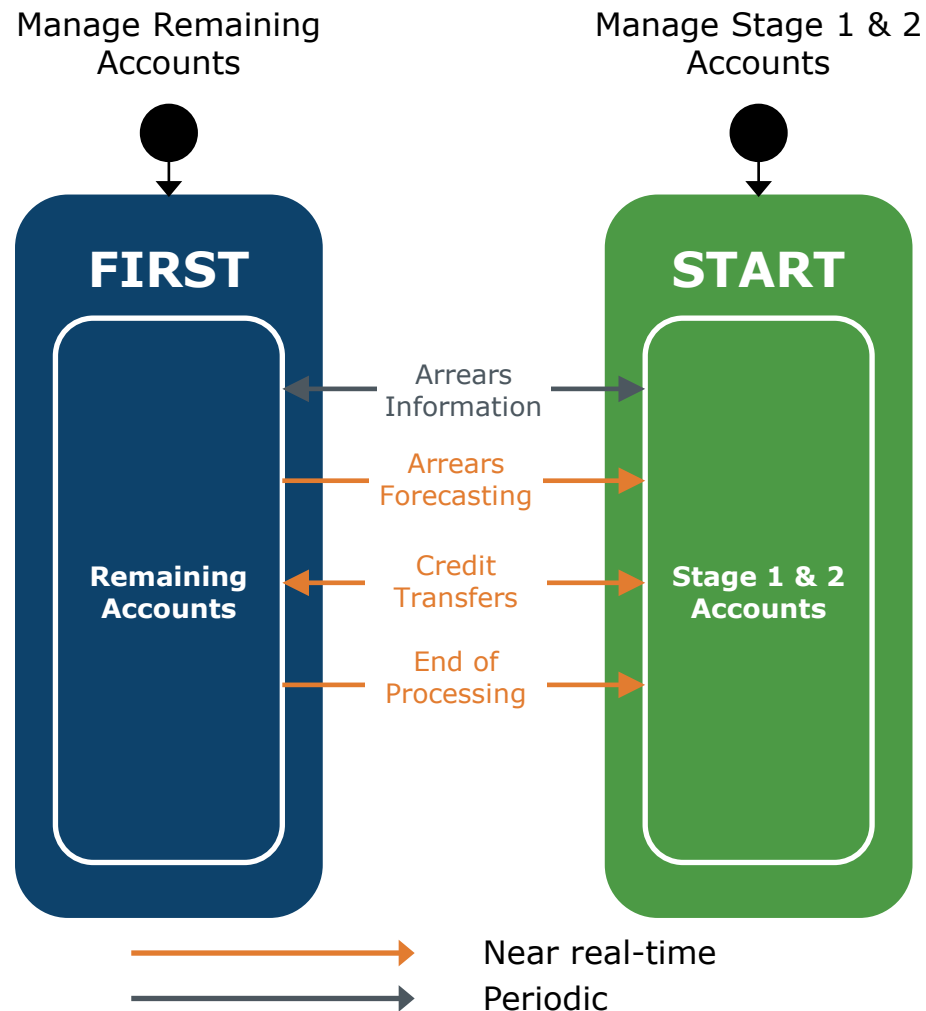| Overview | Customer | Assistance | Returns | Payments | Disbursements | **Financials** | Accounting | Compliance | Audit | Exchange |

Co-existence Approach

- **Financial accounts will be mastered at system level**

- **Penalties, Interest and Grace Periods will be managed at a system level**

- **Each system will have rules to manage offsets**

- **Existing technical integration to support co-existence will be modified**

- **Existing manual business processes to support co-existence will need to be revised**
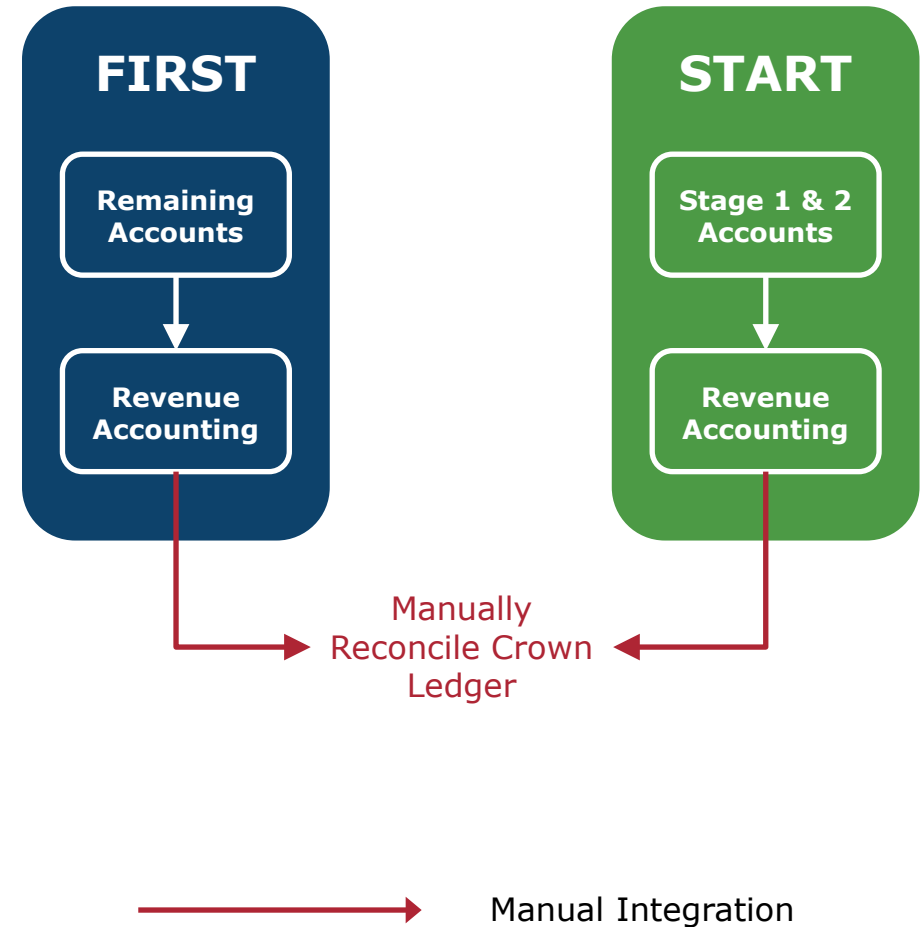
Technical Integration

Manage Remaining Accounts

Manage Stage 1 & 2 Accounts

FIRST — Remaining Accounts

START — Stage 1 & 2 Accounts

- Arrears Information
- Arrears Forecasting
- Credit Transfers
- End of Processing

→ Near real-time
→ Periodic

Co-existence Approach

- **Revenue accounts will be maintained at a system level**
- **Consolidation of accounting information will occur manually**
- **This is a continuation of the approach from Stage 1**
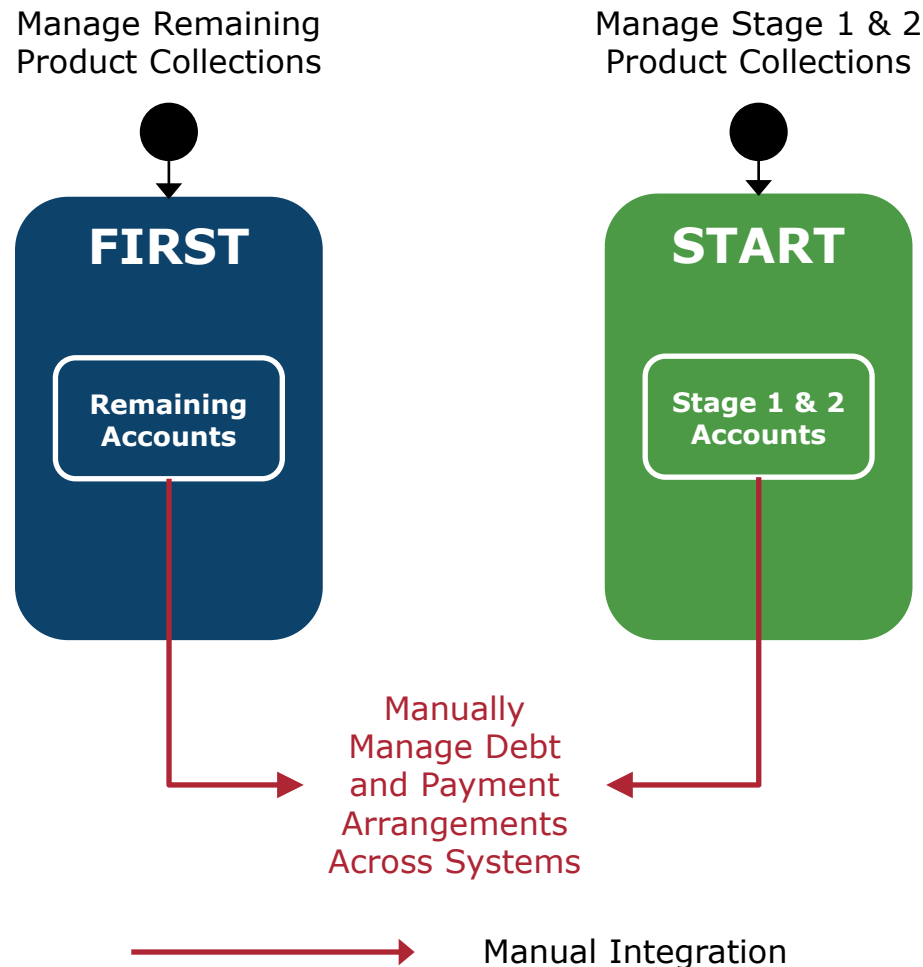
Technical Integration

FIRST
- Remaining Accounts → Revenue Accounting

START
- Stage 1 & 2 Accounts → Revenue Accounting

Manually Reconcile Crown Ledger

→ Manual Integration

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Business Transformation

✔ Compliance

| Overview | Customer | Assistance | Returns | Payments | Disbursements | Financials | Accounting | **Compliance** | Audit | Exchange |

Co-existence Approach

- **Each system will remain responsible for the creation, maintenance and closure of debt for products which it administers, with no technical integration**

- **Collections staff will continue to manage payment arrangements for debt spread across both systems manually**

- **FIRST will remain responsible for automated deduction notices issued to employers (under s157 of TAA)**

- **FIRST will be updated to cease processing debt for products it no longer administers**

- **Bankruptcy and insolvency of customers will move into START with the customer master**

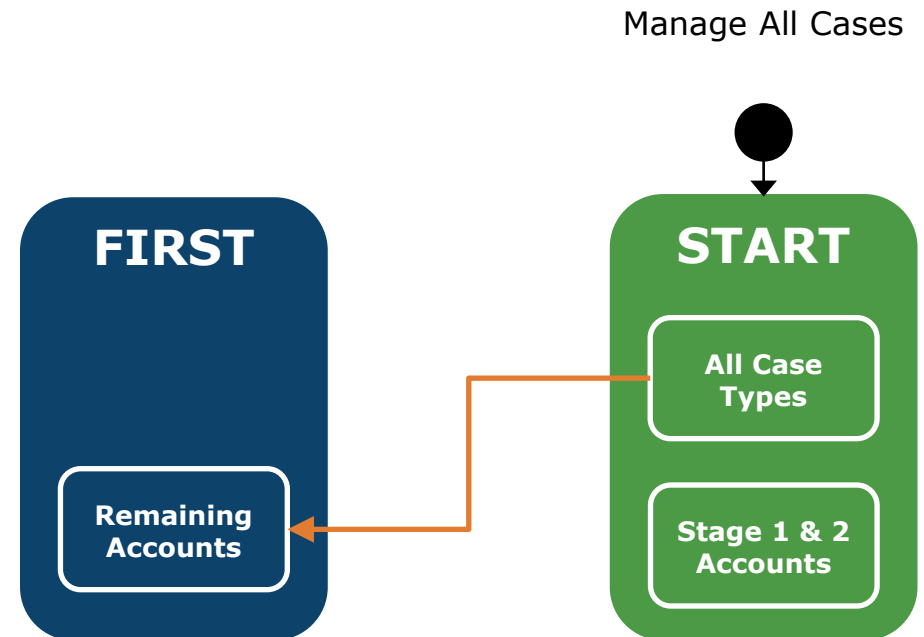## Technical Integration

Manage Remaining Product Collections

Manage Stage 1 & 2 Product Collections

FIRST

Remaining Accounts

START

Stage 1 & 2 Accounts

Manually Manage Debt and Payment Arrangements Across Systems

→ Manual Integration

Audit

Overview	Customer	Assistance	Returns	Payments	Disbursements	Financials	Accounting	Compliance	**Audit**	Exchange

Co-existence Approach

- **START will be responsible for all case management that was previously conducted within [Information redacted]**

- **Investigation resource management and time tracking will now be consolidated within START**

- **Standalone case management systems will continue to operate independently and will not be impacted for Stage 2**

Technical Integration

Manage All Cases

FIRST

Remaining Accounts

START

All Case Types

Stage 1 & 2 Accounts

→ Near real-time
→ Periodic

Reporting and Information Exchange

Co-existence Approach

- **Each platform will be responsible for generating its own reports independently, using data sources available to the respective system**

- **START will manage secure file transfer of data to [Information redacted]**

- **START will manage secure file transfer of data to the [Information redacted] START will be responsible for managing discovery activity for campaigns**

Technical Integration

Information Exchange & Transactions Processing with External Partners

Information Exchange & Transactions Processing with External Partners

heritage

Stage 2 heritage Related Product Information

NSP

Stage 2 NSP Related Product Information

Manual Consolidation of Reports

Manual Integration

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