

# BT Scope Rating

This document provides guidance when rating scope items in the BT Scope Project.

## A. PRIORITY

Value assessment and prioritisation is primarily assessed against the **BENEFITS Contribution** the initiative makes to one or a combination of the three broad benefits categories:

1. **Customer** (Compliance effort/cost), including improved experience
2. **Government** (Expected impact to assessed revenue), and
3. **Inland Revenue** (Change to IR administration costs), (a more efficient IR)

If the above is not the primary contribution but rather a purely **Technical Contribution** the following three broad categories can be substituted:

- A: Contribution to Reduction of Risk,**
- B: Reduction or Elimination of Technical Debt and**
- C: Contribution to Operational Cost Savings** (a more efficient IR)

The assessment is then balanced against the **CHANGE Impact** which is measured against **COST Impact** (one-off delivery cost (from scoping to early life support) and/ or ongoing cost to IR, **Work Effort / Complexity** (High, Medium, Low), and **SCHEDULE impact** assessed against impact on the programme or project's (critical path and/or key deliverable dates). To support the above, **Organisation/Customer Impact** is assessed and measured against the impact of policy change, a change to the work environment, tools used and/or, skills required, as well as new ways of working.

**In addition** to looking at how the change contributes to achieving benefit and how complex it may be to implement, there are several additional factors to consider when assessing the priority and ranking of an opportunity or initiative:

- **Reputational risk** (to the Ministry, to personal & business privacy and to IR as a tax authority)
- **Key impacted stakeholders** (Business, Individuals, Families, Employers, Government Departments, etc)
- **Number of Customers impacted** (Low, Medium, High)
- **Critical customer processes impacted** (Filing at tax return, receiving entitlements, etc)
- **Government priorities** (Legislation, integrity of the tax system, Crown Accounting, etc)
- **Business impact** (hours per month)
- **Urgency** (when do we need to make the change - measured in months)
- Is the function **available as a standard** feature in an off the shelf application or system or available in the next version/release of IR applications or systems?
- **Workarounds available** (Yes or No)

A **prioritisation & ranking tool** is available to assist in assessing the above.

## B. MoSCoW Prioritisation

**Must Do (Committed):** No further assessment is required. Qualified, definitely in, Fully Committed, no argument, a Quick Win, required to deliver the programme outcome and/or minimum viable product – no further assessment required.

**Should Do and/or Could Do (For Consideration):** On the list but needs a Value Assessment. Use the framework to assess and rank, is aligned to Business Priorities (e.g., data quality, failure-driven demand, peak season flattening, partner efficiency) is needed to ensure the Technology strategy is delivered but is currently unqualified – complete definition and use framework to rank.

- **Should Do:** Is in IRs best interest to resolve. Customer/IR integrity impact: medium-high.
- **Could Do:** Fixing these issues would either result in an improvement or make things easier either for IR or IR's customer. Customer/IR integrity impact: low-minimal

### Won't Do:

- Not in current scope but external influences such as policy, legislation or other may require us to revisit it in the future, it is not clear what the business or customer value is, and we expected there is a lot of analysis required to establish this – no further assessment at present. These issues may impact a small number of customers. Changes that fundamentally impact how START has been designed fall into this category. Customer/IR integrity impact: minimal
- No further assessment is required. - Definitely out, the business has found a better way or the requirement and/or problem has gone away.



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## C. IMPACT

Use the IMPACT table below to derive an early assessment of the overall / summary level scope item impact. As further analysis is completed this initial value will be superseded by the detail assessment values derived.

Impact	Schedule	Risk	Effort	Resources	Benefits
	<i>Anticipated change to the baselined schedule</i>	<i>Risk associated with the change</i>	<i>Resource effort incurred</i>	<i>Anticipated change to delivery resources</i>	<i>Anticipated change to delivery benefits</i>
None	<u>No change</u> to the critical path, deliverable dates, or milestones.	No Risk	No change	No change	No Impact to benefits
Low	Change that will <u>not</u> affect the critical path or key milestones, but <u>will</u> affect deliverable dates by < 2 weeks	Low	0 to 10 days	<u>Low</u> (Assess Number Required, Skills Required and Availability)	Possible Low Impact (BT benefits team to provide rating)
Medium	<u>Change</u> that will <u>not</u> affect the critical path, but <u>will</u> affect key milestones and/or deliverable dates by < 4 weeks	Medium	10 to 20 days	Medium (Assess Number Required, Skills Required and Availability)	Possible Medium Impact (BT benefits team to provide rating)
High	Change that <u>will</u> affect the critical path and/or key milestones and/or deliverable dates by > 4 weeks	High	> 20 days	High (Assess Number Required, Skills Required and Availability)	Possible High Impact (BT benefits team to provide rating)

If the Fibonacci scale is used to rank scope items, references have been provided in the Benefits Contribution and, Delivery Cost tables below to assist in determining your JIRA ratings for this scale. JIRA uses the Low to Significant value range.

## D. BENEFITS Contribution

Benefit Contribution is used to track the contribution that a scope item makes to the top five benefits listed in the original BT the business plan. (Please see this document for more information about the high-level benefits).

Benefits are captured within three broad categories –

1. **Customer,**
2. **Government, and**
3. **Inland Revenue.**

It is not expected that a scope item needs to contribute to all benefits. It may contribute at a medium level to multiple benefits. A rule of thumb is to use **the highest rating** if a scope item contributes across more than one category:



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## Benefits Contribution

Category	Benefits Contribution Value	None	Low	Medium	High	Significant
		1, 2 and 3	5 and 8	13 and 21	34 and 55	89 and 144
		Little to no change	< 10% change	<25% change	<50% change	> 50% change
<b>GOVERNMENT</b> (Revenue)	Expected impact to and/or additional Crown Revenue	Little to no change	@\$200m/annum (< \$20m p.a.)	@\$500m/annum (< \$50m p.a.)	@\$1,000m/annum (< \$100m p.a.)	\$1.5 billion/annum (> \$100m p.a.)
<b>CUSTOMER</b> (Compliance effort/cost)	Customers will experience compliance cost savings, with improved integration to accounting and payroll	Little to no change	@ \$40m/annum (2 hrs/customer) Improved integration between customers' accounting/payroll	@\$100m/annum (3 hrs/customer)	@ \$500m/annum (9 hrs/customer)	@ \$2.1bn/annum (24 hrs/customer)
	Customers will find it easier to meet their obligations and receive their entitlements. (Improved integration / Reduced complexity / Improved self-service tools)	Little to no change	< 10% change Improved integration, Reduction in complexity	<25% change Significant improvements to self-service	<50% change	> 50% change Exemplar uses of proactive intelligence, Very strong external integration
<b>INLAND REVENUE</b> (Admin costs)	Change to / Savings to IR administrative costs	Little to no change	@\$40m/annum (< \$100k/annum)	@\$100m/annum (< \$1m/annum)	@\$200m/annum (< \$10m/annum)	@\$500m/annum (> \$10m/annum)
	The revenue system will be simpler (improved architecture), be more resilient, and recover more quickly from failure, with lower complexity	Little to no change	< 10% change Improved Architecture, Improved system complexity or resilience, Improved system maturity	<25% change	<50% change	> 50% change
	Time and cost for to implement (policy) change will be markedly reduced, with improvement to agility.	Little to no change	< 10% change	<25% change Time and cost for Inland, Revenue to implement policy, changes will be reduced.	<50% change	> 50% change Exemplar improvement to agility

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Or use this table:

Impact		Customer (Compliance Effort)	Government (Assessed Revenue)	Inland Revenue (Administrative Cost)
		“Imposed additional or relieved customer effort required to meet tax obligations and/or seek entitlements”	“Expected impact to assessed revenue”	“Change to IR administration costs”
Negative	Positive	n/a	n/a	n/a
Low	Low	Less than 10% change	Less than \$20m p.a.	Less than \$100k p.a.
Medium	Medium	Less than 25% change	Less than \$50m p.a.	Less than \$1m p.a.
High	High	Less than 50% change	Less than \$100m p.a.	Less than \$10m p.a.
Significant	Significant	Greater than 50% change	Greater than \$100m p.a.	Greater than \$10m p.a.

**ALSO:** If the benefits/value contribution for **ONLY technical scope** falls into three broad categories and used instead of the Customer, IR, and Government Revenue assessment:

- **A: Contribution to Reduction of Risk,**
- **B: Reduction or Elimination of Technical Debt, and**
- **C: Contribution to Operational Cost Savings**

Benefits Contribution Value	1, 2 and 3	5 and 8	13 and 21	34 and 55	89 and 144
	None	Low	Medium	High	Significant
	No change	< 10% change	<25% change	<50% change	> 50% change
<b>A: Contribution to Risk Reduction</b>	NEGLIGIBLE	LOW	MEDIUM	HIGH	SIGNIFICANT
<b>B: Contribution to Reduction or Elimination of Technical Debt</b>	None or very little	< \$100,000 p.a.	< \$1m p.a.	< \$10m p.a.	> \$10m p.a.
<b>C: Contribution to Operational Cost Savings</b>	None or very little	< \$20m p.a.	< \$50m p.a.	< \$100m p.a.	> \$100m p.a.

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## E. DELIVERY COST (and Schedule impact) – CHANGE Impact

Delivery cost impact is either the **implementation cost**, an **on-going cost** to the business, a **combination** of these **or** you may not know these but know the **work effort / complexity**, either way choose the one with the **highest rating** to assess against your benefit contribution rating.

- On-going cost to the business, is a permanent cost borne by IR per annum [p.a.] for example software licenses.

Delivery Cost IMPACT	None	Low	Medium	High	Significant
	1, 2 and 3	5 and 8	13 and 21	34 and 55	89 and 144
<b>Implementation Cost</b> <i>“Costs incurred to deliver outputs, services” e.g., commissioning the datacentre</i>	None or very little	\$250K - <\$500K	\$500K ->\$1M	\$1M ->\$5M	\$5M ->\$10M
<b>On-going cost to IR</b> <i>“Permanent on-going costs borne by IR per annum[p.a.] e.g., software licenses”</i>	None or very little	< \$100k p.a.	> \$100k p.a.	> \$1m p.a.	> \$10m p.a.

Or use this table:

Delivery Cost Impact		Programme implementation cost	On-going cost to IR
		<i>“Costs incurred by the programme to deliver outputs, services i.e., commissioning datacentre”</i>	<i>“Permanent on-going costs borne by IR per annum[p.a.] i.e., software licenses”</i>
None	1,2, 3	n/a	n/a
Low	5, 8	Less than \$1m	Less than \$100k p.a.
Medium	13, 21	Greater than \$1m	Greater than \$100k p.a.
High	34, 55	Greater than \$5m	Greater than \$1m p.a.
Significant	89, 144	Greater than \$10m	Greater than \$10m p.a.

If an initiative is being “added via change control” to work that is currently underway and/or baselined, assess **schedule impact** and balance this against benefit contribution. Once again choose the **highest rating** to assess against benefit contribution.

Schedule IMPACT	1, 2 and 3	5 and 8	13 and 21	34 and 55	89 and 144
	None	Low	Medium	High	Significant
Impact to <b>critical path</b>	None or very little	No affect to critical path or key milestones	No affect to critical path but will affect key milestones	Will affect critical path and/or key milestones	Will affect critical path and/or key milestones
Impact to <b>deliverable dates</b>	None or very little	Affects deliverable dates by < 2 weeks	Affects deliverable dates by < 4 weeks	Affects deliverable dates by <= 4 weeks	Affects deliverable dates by > 4 weeks

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## F. DELIVERY EFFORT

The following effort guide can be used to T-shirt size the effort required to delivery an initiative or item of scope

EFFORT (T-SHIRT SIZING) <i>(Person days)</i>		Dev Effort	Test Effort	OCM&T Effort	OTHER e.g. DES	PCR Impact
Significant	XXL	>100	>100	>100	>100	Very High
Extra Large	XL	31-100	31-100	31-100	31-100	High
Large	L	16-30	16-30	16-30	16-30	High
						Medium
Medium	M	6-15	6-15	6-15	6-15	Medium
						Low
Small	S	2-5	2-5	2-5	2-5	Low
Tiny	T	<1	<1	<1	<1	No change