

SENATE STANDING COMMITTEE ON ECONOMICS QUESTION
(Supplementary Budget Estimates 20 October – 21 October)

Question: SBT 225

Topic: Dates of conclusion of the ATO change program

Senator Xenophon asked:

Senator XENOPHON—I have some questions for Mr D'Ascenzo in relation to the change program. When we last met in estimates there was a problem with the change program—the BAS being switched over to the change program. Can you tell me whether that has happened and, if not, whether it is likely to happen and what issues there are in respect of that?

Mr D'Ascenzo—The BAS was originally in the 2004 contract. Over time the requirements to the BAS have changed, which would mean that we would need to enter into new contracts to pick up any changes to the BAS from the date of the original contract. Over time, including propositions raised in the AFTS review, there was consideration as to whether or not an integrated system for BAS would be sensible. So we have since arranged for BAS not to be part of the change program contract underway.

Senator XENOPHON—When was that decision made?

Mr D'Ascenzo—That was done in the wrap-up of the change program. Mr Butler can give you greater detail.

Mr Butler—The change program contract came to conclusion on 30 June this year. The negotiations with Accenture continued over a number of months before and after 30 June. I would need to check the exact dates that we finalised the negotiations.

Senator XENOPHON—If you could take that on notice. As I understand it, there are fewer complaints in relation to issues with delays. Would it be fair to say that some of the problems have been ironed out in relation to the change program?

Answer:

In-principle agreement was reached by ATO and Accenture executives on 22 January 2010 to revise the arrangements for the Change Program. These revised arrangements provided for the removal of Business Activity Statements from scope, as well as a focus on the delivery and support for the upcoming Income Tax release.

Extensive contract negotiations occurred from January 2010 to reflect mutual understandings of the agreement. The ATO sought independent legal advice during these negotiations. The revised contract was signed by both parties on 14 July 2010.