



Key outcomes

OFFICIAL External

Title:	Combined ABSIA Board & Strategic Working Group meeting		
Issue date:	16 October 2020		
Venue:	Webex		
Event date:	30 September 2020	Start: 10:00am	Finish: 3:30pm

Chair:	Martin Mane Chris Howard	Facilitator:	Martin Mane
Contact	Danielle Miller	Contact phone:	02 47257189

Attendees: names/section	<p>ATO:</p> <p>John Dardo – Chief Digital Officer and DC, Digital Delivery Martin Mane Co-chair– AC, Digital Partnerships & Strategy Paul Dwyer – A/g AC, Digital Wholesale Integration Services Larissa Evans – AC, Engagement & Support – Fund Services Ben Foster - AC, Digital Communication & Identity Services Jason Lucchese – AC, Superannuation & Employer Obligations Natalie Ross – AC, ABR Platforms Beth Strods – A/g AC, Digital Services, Individuals & Intermediaries David Baker – Director, Digital Services, Individuals & Intermediaries Michael Ferris – Director, Digital Wholesale Integration Services Kylie Johnston – Director, Digital Partnership Office Ben Spargo – Director, Risk & Strategy - Intermediaries Chi-Ho Yeung – Director, e-invoicing Sonia Lark - Digital Partnership Office Danielle Miller - Digital Partnership Office</p> <p>Industry:</p> <p>Chris Howard - Co-chair- ABSIA Mike Behling - MYOB Helena Bone - MessageXchange Max Ciereszko - FastTrack Tim Covark – Cashflow Manager Mike Denniss – Class Limited Simon Foster - Storecove</p>
-----------------------------	--

Ian Gibson - ABSIA
Maggie Leese - ABSIA
Matthew Prouse - Xero
Michael Roberts - TaxLab
Michael Ross - ABSIA
Brad Stockman - ABSIA
Michael Wright – Sage

Guest:
Natalie Plumridge – Australian Competition and Consumer
Commission

Apologies: name/section	Kerry O'Loughlin – AC, Digital Services, Individuals & Intermediaries Michael Rowell - AC, Digital Wholesale Integration Services Mark Stockwell – Director, e-invoicing Grant Doherty - Qvalent Simeon Duncan - Intuit Marjukka Mäki-Hokkonen - ABSIA
----------------------------	---

Next meeting	TBA
--------------	------------

Agenda item: 1 – Welcome and introduction

Martin Mane

Updates on action items from the last meeting were provided. Action item details can be found in the [collaboration hub](#) in Online Services for DSPs.

20200616_08: A commitment was made to have a draft view of the status of ATO initiatives out to the group within two weeks of this meeting. The document will be sent to the group with the outcomes.

Agenda item: 2 – e-invoicing

Chi-Ho Yeung

The government announced a range of digitally focused measures designed to help grow businesses and create jobs. The \$796.5 million package includes:

- \$419.9 million allocated for the Modernising Business Registers (MBR) program, and
- \$256.6 million in funding for an extension of recent work on myGovID and RAM

There was also an announcement to mandate e-invoicing across all non-corporate commonwealth government agencies by 01/07/2022. The mandate does not include commonwealth corporate entities (e.g. Australia Post, NBN). Although there is no current mandate for state and territory counterparts, NSW is well advanced in the e-invoicing journey. *Note: There are 98 commonwealth government agencies*

Treasury is expected to begin consultation on options to mandate business onboarding shortly, with ABSIA and DSPs likely to be included in the process.

Adoption

There are currently 19 accredited service providers, with an additional 26 EOIs lodged. Responses to a recent local government readiness survey are still being worked through with the intent to develop processes and strategies to assist businesses.

A champions network made up of CEOs and key influencers of large business is being established to advocate for e-invoicing adoption, with the first meeting anticipated for November 2020.

Industry stakeholder conversations are continuing to develop a best practice guide on key invoice content needed for invoice processing.

Signing of the new Peppol agreements is anticipated late November.

Agenda item: 3 – Operational Framework review

Kylie Johnston

There have been significant changes to the digital environment in the past few years, and changes are expected to continue into the future, therefore Operational Framework (OPF) will need to continually evolve as part of a maturing model.

Work is underway internally to unpack the recommendations of the independent review – once complete, consultation with the OPF working group is expected to commence within the next two weeks. It is hoped that draft guidance material will be available by early 2021.

The key recommendations from the OPF review are outlined in the presentation pack.

Agenda item: 4 – Industry customer verification

Ben Spargo

Historically, guidance (through ato.gov.au) has always been provided to registered agents in undertaking customer verification procedures. Although they are not bound by legislation, they are governed by the Tax Agent Services Act and the Tax Practitioners Board. With the recent increases in identity crime, we are seeking to work with the tax practitioner community to enhance client verification controls and set minimum standards. Consultation has commenced with members of the Tax Practitioner Steering Group (TPSG).

The activity we are seeing shows criminals build identity profiles over time. For example:

1. They will use false name, DOB and address to engage an agent.
2. They will use pre-fill or other high risk services to build an identity profile – possibly giving them enough information to access or create profiles through government services i.e. (myGov and ATO Online for individuals).
3. With the stronger identity profile, further fraudulent activity is likely.

Opportunities exists for software to support agents in the customer verification practices including recording activity/action logs. It is not ideal to store copies of identity documents.

Agenda item: 5 – ATO Digital Services Modernisation program

Paul Dwyer

The ATO are currently in a delivery phase for the Digital Services Gateway (DSG) after awarding the contract for its delivery to Terem Technologies in June.

Delivery is well progressed on the developer portal (demonstrated at the session) and the ATO with Terem are currently receiving feedback on the design of this part of the system through workshops and demonstrations. It is expected that MBR (B2G) and STP (G2G) API's will be made available in the new year for consumption through the gateway.

DWIS will continue to work with the DARG as the DSG is delivered with regular updates feeding through to the SWG.

Agenda item: 6 – Reflections on past year and future program

John Dardo

John Dardo talked through some of the key achievements from the past 12 months including the adoption of myGovID as a security credential the development of Online Services for Business, e-invoicing, and the ADSM program of work.

There was some discussion around the four main themes driving the future program of work:

- Identity
- Eliminating paper and calls
- Evolving M2M
- Whole-of-government perspectives

Action item:
20200930_01

Due date:
Next meeting

Responsibility:
Kylie Johnston

Q: *Are there plans to standardise/internationalise the Operational Framework accreditation process into a standard of sorts?*

Kylie Johnston will progress internally and provide a response at the next meeting (2021).

Agenda item: 7 – MBR program of work

Natalie Ross

An update on the MBR program of work was provided – see *presentation pack*, including the timeline for delivery of Director Identity Number. Some concern was raised around delivery of tranche 2 (linking DIN to company) planned for late 2022 and its dependency on the timely delivery of tranche 1 (creation of DIN) expected late 2021.

Natalie Ross is keen to understand DSP appetite and work with industry toward a wholesale solution for Director ID.

Supplementary services

Work is continuing to progress on the ability to use STP data to help business by pre-filling PAYGW values into activity statements. Decisions around rolling this out have been delayed due to COVID-19, however it will not be released into production until a corresponding wholesale solution is available.

The Parent Adjustment Service will allow changes to the parent W1 and W2 amounts without needing to adjust the child form(s). A decision is yet to be made whether this will be a stand-alone service or whether there will be changes made to the *update* service. Consultation is currently underway with developers.

Phase 2

The mandatory start date for STP Phase 2 is still under consideration. The underpinning legislation has passed and will commence 07/12/2020. The draft Business Implementation Guide (BIG) and associated position papers were published in March 2020. Final position papers and the BIG will be released shortly.

Data sharing began on 1 July 2020 and included the four major banks as data holders and two accredited data recipients.

The current focus is on widening the pool of accredited data recipients to increase the exposure of Consumer Data Right (CDR) and the amount of services available to consumers. The Australian Competition and Consumer Commission (ACCC) is working with parties seeking accreditation.

Next wave of initiatives

Amendments have been made to CDR Rules permitting the use of accredited intermediaries to collect data. These amended rules mean accredited businesses can now ask other accredited businesses to obtain consumer data on their behalf, with consumer consent.

A series of proposed amendments to CDR Rules are currently being consulted on which aim to:

- allow for different tiers of accreditation
- lower barriers to entry
- support more complex supply chains
- provide clarifications to the rules for CDR participants

Following the review of security obligations and related evidence requirements for accredited data recipients, the ACCC intends to recognise:

- ISO 27001 certification, together with an additional scope assurance report to supplement the ISO 27001 controls

- where a person meets the ATO's Digital Service Provider Operational Framework requirements to its highest 'standard' for a software product.

The ACCC intends to update the *Supplementary Accreditation Guidelines: information security* to reflect these proposed changes. We will provide interested parties with the details they need to rely on ISO 27001 certification in guidance material by the end of October. For recognition of the ATO's Digital Service Provider Operational Framework we are working with the ATO regarding appropriate implementation, with details to be provided in guidance material at a later date.

Any questions for the ACCC regarding CDR can be emailed to: ACCC-CDR@acc.gov.au.

Agenda item: 10 – Agent digital experience

Beth Strods

The Digital Services Strategy is still under development but focuses on:

- digital education for tax professionals
- strengthening the security of our digital ecosystem
- identifying digital solutions to improve client reporting, and
- continued integration of ATO digital services in software.

There is work occurring to expand and offer more value-add services for DSPs to add in software to align with retail offerings. This will ideally allow agents to stay in channel.

There was some discussion around what services DSPs would like to see made available for them to pick up in software and how these can be prioritised. It was agreed that the value case needs to be considered before decisions are made to build a new service.

If you have any feedback you would like to provide in regard to the Digital Services Strategy or any other topic covered by Beth, please send it through via an engagement ticket in OS4Ds.