

# NZ Digital Advisory Group

## Group Charter

Version 1.2 - October 2021

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## Context

### Name

NZ Digital Advisory Group (the “DAG”).

### Type of Group

The DAG is a representative advisory group intended to provide support and perspective from software developers and digital service providers to the NZ Inland Revenue Department (IRD) and other government agencies tasked with the smooth operation and ongoing digital transformation of the tax system.

### Background

This charter (the “Charter”) is maintained by the Association of Digital Service Providers Australia New Zealand (DSPANZ) on behalf of software developers (the digital service providers or “DSPs”) listed as members of the DAG.

The DSPs historically worked together with IRD on digital initiatives, but as separate voices in the industry. The DSPs consider it better for all interested parties if the DSPs have a common voice to work with IRD and other interested parties under a common charter.

## Terms of Reference

### Purpose

1. The purpose of this group is to provide an agreed industry voice to the IRD regarding digital wholesale services. This is to provide IRD with clarification on what the developer community requires to service New Zealand taxpayers and their intermediaries with world-class business, payroll and tax compliance software.
2. The purpose of this group has the following objectives:
  - a. Assist IRD with strategic initiatives such as which APIs to invest in.
  - b. Develop working groups to help implement these initiatives in a way that is beneficial to the wider DSP group.
  - c. Develop a community of practice that is consistent with current and emerging global and regional standards.
  - d. The group provides a whole of industry perspective which helps shape decisions that impact IRD's digital partners.
3. To be successful this group will need buy-in from senior members of IRD. As such, it is intended that the DAG will:

- a. Have a champion at the Commissioner or Deputy Commissioner level
- b. Be included early in the development process on initiatives that impact the DSP group.
- c. Ensure senior subject matter experts and senior business leaders attend meetings.

## Scope

1. The scope of the Digital Advisory Group is:
  - a. Represent DSPs in relation to tax and technology issues, broader finance-based and whole-of-government applications with NZ IRD.
  - b. Provide a representative view of DSPs rather than be a channel for individual or company issues.
  - c. Develop a process for identifying, documenting and addressing, in a timely fashion, issues and questions that software developers may raise.
  - d. Technical and architectural design issues for digital services supporting the New Zealand taxation system, in the context of the whole of government and whole of industry.
  - e. Understand and to help manage the IRD-DSP partnership at a strategic level from a whole of industry and whole of IRD perspective.
2. Excluded from the scope of this group are:
  - a. Matters which are of a business or strategic nature which should be referred to the relevant project or initiative group.
  - b. Technical and architectural design issues that are specific only to a project or initiative, which can be managed via the normal IRD change process.

## Membership

### Members

1. A representative of DSPANZ and a representative of NZ IRD are considered permanent members of the DAG.
2. The DAG must have a minimum of 5 Members representing DSPs operating in New Zealand at any time.
3. Membership is reviewed on an annual basis.
4. DSPs are not required to be financial members of the Association of Digital Service Providers Australia New Zealand to participate.
  - a. Current Members of the DAG are listed on the DSPANZ website.

| Developer                 | Contact Person | Email Address            |
|---------------------------|----------------|--------------------------|
| <b>Permanent</b> - DSPANZ | Emma Dobson    | emma.dobson@dspanz.org   |
| <b>Permanent</b> - IRD    | Rogan Clarke   | Rogan.Clarke@ird.govt.nz |

|                             |                  |                                  |
|-----------------------------|------------------|----------------------------------|
| Advanced Management Systems | Gaston Milsom    | gaston.milsom@ams.co.nz          |
| Datacom                     | Chris Mar        | chrism@datacom.co.nz             |
| ELMO Software               | Simone Dixon     | simone.dixon@elmosoftware.com.au |
| MYOB                        | Mike Behling     | mike.behling@myob.com            |
| ReadyTech                   | Kathryn Cavanagh | kathryn.cavanagh@readytech.io    |
| Reckon APS                  | Edwin McLean     | edwin.mclean@reckon.com          |
| SAP                         | Katherine Truman | katherine.truman@sap.com         |
| TaxLab                      | Karl Farrand     | karl@taxlab.online               |
| Xero                        | Jason Langworthy | jason.langworthy@xero.com        |

## Appropriate representation

1. The group is required to have senior representation from NZ IRD and the Association of Digital Service Providers Australian New Zealand.
2. Membership will be organisation based, with individuals representing their respective organisation.
3. Membership is filled by Expression of Interest for each calendar year.
4. The minimum number of DSP members is 5 and the maximum number of DSP members is 12.
5. Membership will be confined to developers of software relating to taxation and superannuation obligations, payroll applications, business management, company administration, welfare benefits and payments, finance-based applications including whole-of-government.
6. Membership will be determined based on size and service offering of the different firms. With an aim to get a diverse group that represents the industry as a whole. DSPANZ will determine the non-government attendees and membership upon consultation with New Zealand based members.
7. The large corporate/government, medium corporate and small/micro, as well as developers from niche markets, "in house", payroll, business accounting, financial investment, point of sale, e-invoicing, income tax preparation and superannuation developers should be represented (list not exhaustive).
8. Other government agencies and industry guests will be invited to present on an as needed basis.
9. Participating IRD staff will be selected by the IRD co-chair for the group.

## Appointment of members

1. Members are appointed annually by a selection process.
2. DAG members are to be refreshed periodically by a selection process.

3. DAG members are to be appointed for a maximum of 12 months, after which they may reapply for selection through the EOI process.
4. The Co-Chairs must work together to ensure that DAG membership is reflective and representative of the diversity of the NZ DSP community.

## Expectations of members

1. All Members are expected to:
  - a. Agree for the names of individuals and their company to be published by the Secretariat for the purpose of contact by Digital Service industry peers.
  - b. Have subject matter knowledge, skills and experience related to the purpose and scope of the group.
  - c. Ensure they and closely associated parties meet legislative requirements regarding their personal tax obligations and maintain integrity of their tax affairs.
  - d. Represent fairly and responsibly the wider group of DSPs and/or clients, rather than specific issues affecting a single individual or company.
  - e. Act in the best interests of the government and industry as a whole.
  - f. Have a capacity and willingness to be a conduit for peers in their industry and/or market segment to provide input or receive feedback.
  - g. Members and their organisations commit to attend the quarterly events. Members are to nominate a proxy who will attend should they not be able to make a meeting.
  - h. Contribute to the effectiveness of the group in meeting its purpose as defined in the terms of reference of the group.
  - i. Engage in constructive, open and frank discussion in bringing a members' perspective to group discussions (excluding commercial sensitivities).
  - j. Work together in a collegiate manner with other members and other representatives associated with the group ethically and with courtesy, respect and integrity, and abiding by any embargo arrangements.
  - k. Maintain a satisfactory attendance record for meetings
  - l. Act with due diligence.
  - m. Members of the group will not use their membership for any commercial advantage, including marketing.
  - n. Members of the group will abide by roles and responsibilities of the forum.
  - o. Members will commit to attend and contribute to the forum's activities, including abiding by deadlines and the dissemination of information to non-members that they interact with in the normal course of business.
  - p. Members of the group will faithfully and openly represent non-members.
  - q. Members of the group are considered as equals and will be treated accordingly by others.
  - r. Members of the group will act professionally, interact and communicate with courtesy and diplomacy and use appropriate language during meetings.
  - s. Members of the group will abide by embargo arrangements.
  - t. Members of the group will not take unfair advantage of access to privileged information.

- u. Each person who represents a company or organisation on the group is responsible for making their company or organisation aware of the ethical responsibilities associated with forum membership.
- v. Members will declare any conflict of interest to the secretariat. Eg: conflicts regarding procurement opportunities.
- w. Members will act in the best interests of the New Zealand community.

## Resignation of a member

1. A Member may resign from the DAG at any time giving appropriate notice.
2. A replacement Member can be appointed by the Co-Chairs within 14 days following an “expression of interest” process to be administered by the DSPANZ Secretariat.

## Operations

### Work Plan

1. The Co-Chairs are responsible for developing an annual work plan and draft schedule of meetings.
2. The work plan should be informed by the NZ IRD corporate plan and the considered priorities of New Zealand DSPs operating in the tax, payroll, superannuation or accounting spaces.
3. The work plan should be shared with DAG Members and can be published on the DSPANZ website at the discretion of the Co-Chairs.

### Meetings

1. The DAG will meet regularly with a formal agenda, appropriate presentations and pre-reading material.
2. Minutes and action items will be recorded by the Secretariat.

### Roles in Meetings

1. Definitions of these roles are found in [Appendix A](#).
2. Roles in meetings are to be filled as follows:
  - a. Chair: Meeting will be co-chaired by the IRD and DSPANZ.
  - b. Secretariat: DSPANZ will supply secretariat support. The contact email for the Secretariat is [nzdag@dspanz.org](mailto:nzdag@dspanz.org).
  - c. DSP Co-Chair: A DSP Co-Chair is appointed annually by the DSPANZ Board and must represent digital service providers. The DSP Co-Chair must be New Zealand based.
  - d. IRD Co-Chair: NZ Inland Revenue Department is responsible for appointing an appropriate permanent employee to serve as IRD Co-Chair on an annual basis. By convention, the IRD Co-Chair will be a Deputy Commissioner or equivalent.
  - e. Members: Actively participate in meetings.

## Funding

1. DSPANZ will cover the cost of virtual meetings and provide a secretariat.
2. IRD will cover costs for the venue, hospitality and administration for meetings hosted in-person by IRD.
3. Member representatives will cover their own travel and accommodation costs.

## Frequency of meetings

1. Meetings will be scheduled six times per year determined jointly by DSPANZ and the IRD, aligned to industry events where appropriate.
2. Meetings may also be held out-of-session at the discretion of the Co-Chairs.
3. Members can request an out of session meeting via the DSPANZ Secretariat.

## Format of meetings

1. Meetings are conducted via web-conference or otherwise as agreed by participants.
2. Slide packs and pre-reading materials must be distributed by the DSPANZ secretariat at least 3 business days before the meeting.
3. Web conference facilities must be accessible with dial in services and live captions available for participants.
4. Face-to-face meetings may be scheduled by agreement of Members. Where possible, face-to-face meetings should be organised to leverage the travel of Members.

## Participation

1. Member substitutions in meetings can only be the person nominated on the Expression of Interest (EOI) form as the 'nominated authorised replacement'. In exceptional circumstances the Chair can approve a substitution.
2. Guest participants may be invited to contribute to meetings from time to time by the Chair or Secretariat (usually to provide subject matter expertise).

## Documentation and record keeping

1. Documentation is distributed on a transparent basis to Members and the public according to the following principles:
  - a. All artefacts and documentation should be made available to all DSPs via an externally accessible open system. (e.g. DSPANZ website). Draft documents can be withheld at the discretion of the co-chairs.
  - b. Action items and issues should be recorded in a common register hosted by DSPANZ.
  - c. Membership lists (Name & Company) will be maintained and published for public visibility.
2. This group's operating documents (agendas, artefacts, outcomes, etc) are published on DSPANZ website and/or a website to be maintained for software developers by NZ Inland Revenue.

## Governance

1. This group reports outcomes and organisational details to:
  - (a) DSPANZ website; and/or
  - (b) a website to be maintained for software developers by NZ Inland Revenue.

## Review of Charter

This Charter should be formally reviewed by Members and approved at least every two years.

## Appendix A - Definition of Roles

### DSP Co-Chair

1. DSP Co-Chair is responsible for:
  - a. Defining and approving the direction of the agenda and forward roadmap of the group and setting the agenda from the perspective of digital service providers.
  - b. Working closely with the IRD Co-Chair.
  - c. Ensuring that outcomes are reported to the appropriate stakeholders.
  - d. Representing the group in other forums.
  - e. Conducting meetings.
2. The DSP Co-Chair must be based in New Zealand.

### IRD Co-Chair

1. IRD Co-Chair is responsible for (in conjunction with the DSP co-chair and the secretariat):
  - a. Defining and setting the agenda from the perspective of NZ Inland Revenue
  - b. Working closely with the DSP Co-Chair.
  - c. Representing the group in other forums within government.
  - d. Taking appropriate actions to organise NZ IRD contributions and conversations with DAG members.
  - e. Conducting meetings.

### Secretariat

1. Secretariat is provided by DSPANZ and is responsible for:
  - a. Defining and setting the agenda for discussion and forward roadmap.
  - b. Administrative and organisational tasks.



- c. Distributing papers and documents prior to meetings.
- d. Publishing content and meeting outcomes on DSPANZ website.

## Members

1. Members are responsible for:
  - a. Attending and participating as per member expectations.
  - b. Notifying of substitutions on the original Expression of Interest form.
2. For DAG substitutions, only the nominated persons can attend on behalf of the Member. The Chair can allow another substitution in exceptional circumstances.

## Appendix B - Membership Selection Criteria

### Representation

1. Representatives are desired from a wide range of DSP service segments which are impacted according to the purpose of the group.
2. Representatives should be subject matter experts with the relevant skills and experience to provide value to the group
3. For this group, industry segment representatives may include (but not exclusively):
  - a. Business Accounting (including specialist Business Management Software)
  - b. Enterprise Resource Planning
  - c. Finance and Investment
  - d. Gateway services
  - e. Government agencies
  - f. Payroll systems
  - g. Point of Sale
  - h. Superannuation
  - i. Tax Preparation
  - j. Other segments that are approved by the co-chairs
4. Representatives are desired from DSPs with different levels of experience in the New Zealand market e.g. new to established; startup to large corporate.

### Expression of interest process

1. DSPANZ is required to publicly call for an “expression of interest” (EOI) for DAG membership on an annual basis.
2. Criteria and meeting requirements must be published on the DSPANZ website and cannot be “members only” content.
3. Applicants can submit their “expression of interest” via the DSPANZ website or via email to [nzdag@dspanz.org](mailto:nzdag@dspanz.org).
4. The EOI process must be open for a minimum of 30 days.
5. Applicants will need to provide the following information:

- a. Name of the digital service provider or software developer
  - b. Name of the representative
  - c. Which industry segments are represented by their product/s
  - d. Which target market does the product/s best serve?
6. Applicants will need to make a declaration that they can abide by the Member obligations outlined in the DAG charter.
  7. The DAG Co-Chairs will be responsible for assessing the applicants and choosing the 5-12 DAG participants.
  8. The Co-Chairs must work together to ensure that DAG membership is reflective and representative of the diversity of the NZ DSP community.
  9. Successful applicants must be notified before 30 November each calendar year.