



**Australian Government**  

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**Inspector-General of Taxation**

INSPECTOR-GENERAL OF TAXATION – POLICY, PLANS and PROCEDURES

**Corporate Plan (2016-17)**



**Australian Government**  
**Inspector-General of Taxation**

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The Hon Kelly O'Dwyer MP  
Minister for Revenue and Financial Services  
Parliament House  
Canberra ACT 2600

Dear Minister

I am pleased to present the *Inspector-General of Taxation's 2016-17 Corporate Plan*, which outlines how the Office of the Inspector-General of Taxation (IGT) intends to deliver against its purpose over the upcoming four years.

The IGT Corporate Plan has been prepared in accordance with paragraph 35(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) for the 2016-17 period, covering the 2016-17 to 2019-20 reporting periods.

It sets out our purpose, operating environment, planned performance and capability as well as risk oversight and management.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ali Noroozi', written over a horizontal line.

Ali Noroozi  
Inspector-General of Taxation

## **Purpose**

The IGT is an independent statutory agency, established in 2003.

Our role is to improve tax administration in Australia through:

- maintaining an effective and efficient complaints handling function;
- identifying and prioritising areas of tax administration requiring improvement; and
- conducting reviews and making recommendations for improvement to Government, the Australian Taxation Office (ATO) and the Tax Practitioners Board (TPB).

## **Operating environment**

The environment in which we operate continues to evolve. We have dual responsibilities for conducting broad reviews into tax administration issues and investigating individual complaints which is an expansion of our original function.

Our complaints handling and review function provides us with the opportunity to interact with a broad range of stakeholders to gain real time insights into emerging issues. This is particularly important in light of the complexity of tax laws and its administration.

Our operating environment is also influenced by our relationships with stakeholders and their expectations regarding the delivery of our services. Our key stakeholders are:

- the general public including taxpayers, tax practitioners and representative bodies;
- Ministers, members of Parliament and Parliamentary Committees;
- public sector agencies, notably the ATO, TPB and Treasury; and
- international organisations, including overseas revenue agencies.

Critical to our role is our ability to anticipate and respond to changes, including increasing community expectations for more effective complaints handling and associated improvements to the tax system. Adapting to this changing environment remains an ongoing challenge for the office.

## **Four year outlook**

Over the next four years our focus will be on improving and establishing strategies to fulfil and manage the above expectations. We anticipate an increase in the number and complexity of tax administration complaints as awareness of our role and satisfaction with our service become more widely known.

We will also continue to conduct programme of reviews. However, we will increasingly be guided by themes emerging from our complaints handling work which we anticipate will provide real time insights into emerging issues. Similar to previous work programmes, the IGT will consult with the broader community, including taxpayers, tax practitioners and their representative bodies to identify and prioritise the tax administration issues of most concern.

## Performance

We seek to fulfil our purpose through a range of deliverables. These are set out in the tables below, along with how they will be measured. The performance framework is intended to inform Parliament as well as ensure that IGT staff are aware of the impact of their work and how the deliverables achieve the fundamental goals of the IGT.

<b><i>Deliverable 1 – Effective handling of tax administration complaints</i></b>				
<ul style="list-style-type: none"> <li>Actively investigate complaints in a fair, independent and timely manner.</li> <li>Provide understandable reasons for our decisions.</li> <li>Maintain positive and cooperative inter-agency relationships with the ATO and TPB.</li> <li>Identify and share improvement opportunities, internally and also with the ATO and TPB, to ensure effective delivery.</li> <li>Provide training and development to staff in order to maintain a specialist complaint handling team.</li> </ul>				
<b>Measures</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>
Feedback provided by stakeholders about the IGT's complaints handling function, including providing assurance about the tax administration system (via surveys, consultative forums and case studies).	✓	✓	✓	✓
Feedback from the ATO and the TPB about the IGT's complaints handling function (via regular inter-agency meetings).	✓	✓	✓	✓
Feedback from staff about the IGT's complaints handling function (via internal complaints meetings).	✓	✓	✓	✓
Number of complaints received compared to complaints actioned by the IGT.	✓	✓	✓	✓
Percentage of correspondence that meets IGT quality standards.	✓	✓	✓	✓

<b><i>Deliverable 2 – Identify and prioritise areas of tax administration for improvement</i></b>				
<ul style="list-style-type: none"> <li>Analyse data and feedback obtained from complaints and consultation to identify broader tax administration issues.</li> <li>Allocate resources appropriately to priority areas.</li> </ul>				
<b>Measures</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>
Issues identified from complaints for further review.	✓	✓	✓	✓
Issues identified from general stakeholder forums and work programme consultation for review.	✓	✓	✓	✓
Issues identified from investigations requested by Ministers, the Parliament and Parliamentary Committees or relevant agencies.	✓	✓	✓	✓
Prioritise identified issues.	✓	✓	✓	✓

***Deliverable 3 – Conduct reviews and make independent recommendations for improvement to Government, the ATO and the TPB***

- Being responsive in making effective recommendations.
- Allocating resources to conduct reviews appropriately.

<b>Measures</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>
Investigate identified issues.	✓	✓	✓	✓
Report the findings and recommendations of the reviews.	✓	✓	✓	✓

These measures will be assessed in the annual performance statement.

### **Capability**

Our people are our success and are highly valued for their work. Our strategy is centred on employing and retaining experienced tax specialists with the ability to provide a professional and effective service to the community.

We seek to provide a challenging and supportive environment in which our staff are inspired to provide the best outcomes. We will continue to enhance our capability through multi-skilling, training and development opportunities that are responsive to our requirements, the evolving needs of taxpayers and the general community. Feedback received from external stakeholders and our staff is also used to improve our service delivery.

We will continue to enhance our business capability and use technology to innovate and improve the way we manage and deliver our services. Our strategies include information management and technological solutions to manage our complaints handling function and identifying the resources required to support our existing and future organisational needs. A focus for the future is to improve our systems to efficiently identify emerging issues that arise from complaints, from which we can allocate resources to conduct broader reviews.

### **Corporate plan integration**

Our corporate plan is directly linked to the Portfolio Budget Statement, the Risk Management Policy and Framework and is reported in the annual report through the annual performance statement.

Risk management is an integral part of our business planning and governance processes. The IGT's risk management and corporate and operational planning processes reflect the size and specialist function of the office. We have established and maintained appropriate systems of risk oversight, management and internal controls in accordance with section 16 of the PGPA Act and the *Commonwealth Risk Management Policy*.

Our risks are identified, monitored and reported through our Risk Management Policy and Framework and Risk Register. Regular monitoring of risk is undertaken, considered and discussed by the management team and reported to the Audit and Risk Committee. This Committee is established and structured in accordance with section 45 of the PGPA Act and

the PGPA Rules. It meets on a periodic basis to consider audit and risk matters including fraud control.

The IGT addresses corporate and operational planning matters through:

- an annual forward planning process to set strategic priorities;
- periodic meetings to review and document operational priorities, as well as discuss internal guidelines, procedures and governance issues;
- periodic internal training and other information-sharing sessions; and
- a forward plan of review activities.

Our key risks include:

- efficient delivery of our complaint handling function that enhances the taxpayer experience;
- providing timely, accurate and high quality reports to Government with sound recommendations;
- developing and maintaining professional relationships with our stakeholders;
- attracting and retaining specialist staff with requisite skills and capabilities; and
- managing our budgets and allocating resources appropriately to ensure efficient delivery of our objectives.

Effective management of these risks requires a holistic approach and therefore responsibility for managing these risks rests with all our staff.

Details of our programme expenses can be found in the [2016-17 Portfolio Budget Statements](#).