

CENTRALISED INFORMATION REPOSITORY AND THE BUSINESS PORTAL

1 Executive Summary

1.1 This paper investigates the feasibility and/or requirements for the establishment of a 'Centralised Information Repository (CIR)', arising from the Quality Regulation Review (QRR) Final Report. It is proposed to relocate the Business Portal (www.business.govt.nz) from New Zealand Trade and Enterprise, to the Ministry of Economic Development, under the management of the Companies Office, as the portal vision and objectives clearly align with the underlying objective of a "one-stop-shop" in recommending a CIR'.

1.2 The portal is currently a valuable source of information for business. However, the true benefit for business would come from the ability to utilise the portal as a true one-stop-shop for submitting information to and transacting with government via the portal. The neutral status of the portal is also an advantage, in that it is not perceived to be linked to any one specific government agency.

2 Background

2.1 On 27 August 2007, the Quality Regulation Review (QRR) Final Report was presented to Cabinet [CAB Min (07) 31/10 refers]. It outlined, among other issues, ways in which the sharing of government-held information could be improved. Two particular areas were highlighted as avenues for potential improvements in cross-government information sharing – the implementation of Standard Business Reporting (SBR) and a CIR¹.

2.2 As part of the QRR Final Report, Cabinet directed the Ministry of Economic Development (MED) (lead), Inland Revenue, Statistics New Zealand and the Accident Compensation Corporation (ACC) to report back to POL by 30 April 2008 on:

- The business case, governance arrangements, project plan and timetable for implementing Standard Business Reporting;
- Ministerial sponsor and Cabinet oversight arrangements;
- Governance arrangements, including the need for the Privacy Commissioner's involvement and other relevant parties;
- The cross-departmental project team and Vote implications;
- A high level project plan and timeframe from 2008/09 to 2009/10; and
- A detailed analysis as to the feasibility and/or requirements for the establishment of a Centralised Information Repository.

2.3 An SBR Working Group was then convened, comprising officials from each of the agencies named in the Cabinet directive.

2.4 Standard Business Reporting (SBR) is a technology based transactional medium for business to government reporting. The business case, governance arrangements, project plan and timetable for implementing Standard Business Reporting is outside the scope of this

¹ Quality Regulation Review: Final Report; paragraphs 35-38.

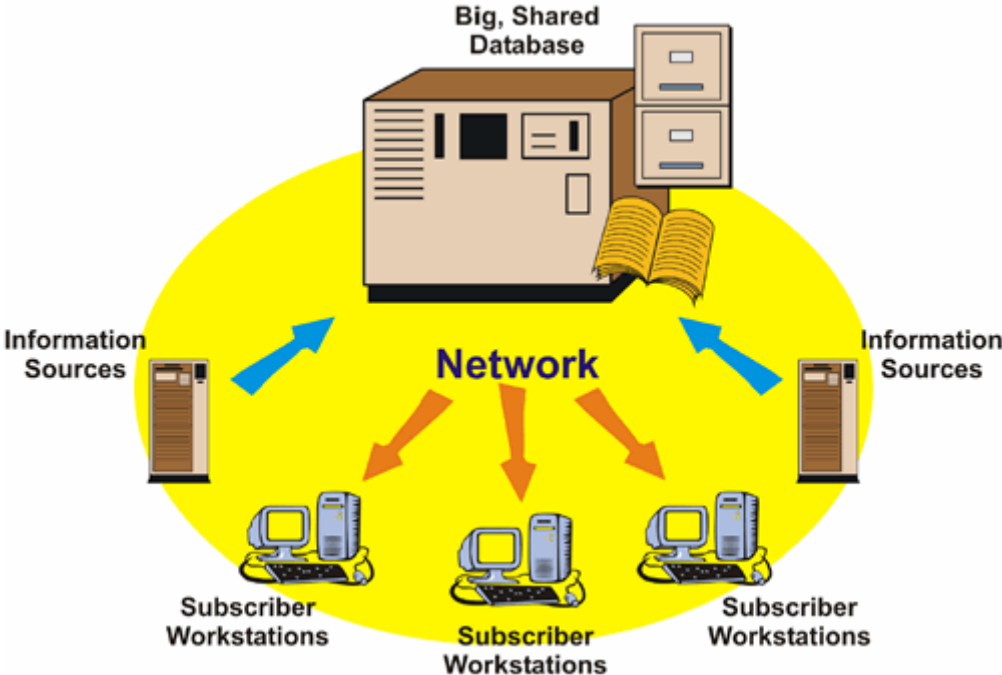
document and is the subject of a separate paper for Cabinet consideration. This paper focuses solely on the CIR issue.

2.5 The six principles which the SBR business case is being based – and on which this paper is also based – are:

- Reducing the costs of reporting for business;
- Improving the quality of information;
- Existing legislative frameworks remain unchanged in the short term
- Minimising transitional costs for business;
- Central governance to maintain commitment and consistency; and
- The principles of the Privacy Act 1993 are to be adhered to.

3 Centralised Information Repository

3.1 A common approach to information sharing on a wide scale is the establishment of a “Centralised Information Repository (CIR)” model. Information is generally held in a large database, and interested parties subscribe to the database, connected through public or private networks. With this subscription comes the ability to query the database and generate reports based on the information contained within². This model is represented conceptually below.



3.2 The repository owner (in this context, the New Zealand government) has the ability to define all of the security policies, requirements, and practices for information access and use. However, with this flexibility comes the responsibility to implement policies that subscribers can practically implement to enforce the security policy and to safeguard the integrity and availability of the information.

² United States Department of Justice guidance at <http://it.ojp.gov/documents/asp/models/section3.htm>

3.3 The CIR system supports information sharing by collecting information from sources (in this context, New Zealand business), processing and storing it and subsequently distributing it to subscribers (e.g. various government agencies).

3.4 It appears that such models are able to provide benefits for large private organisations. However, implementing such a repository model across government would have significant legislative, privacy and cost implications.

3.5 Referring back to the QRR Final Report provides context for the concept of a CIR:
*"Another area where government can improve its interactions with business is the sharing of non-financial data – for example, a company name change or a business address change. Alongside Standard Business Reporting, it has been proposed that the idea of a wider Centralised Information Repository be investigated. This repository would form a 'one-stop-shop' where business could submit a range of both financial and non-financial data to government and from there those changes be relayed to the relevant government agencies"*³.

3.6 It is clear from the previous paragraph, that a central *store* of information is not what was intended by the use of the term "Centralised Information Repository". Rather it was intended to act as a central gateway from which information provided by business could be disseminated to the relevant agencies.

3.7 The SBR Working Group investigated whether any existing government programmes or platforms exist which may meet the 'one-stop-shop' objective, and considered the following options:

- (a) Recourse to existing web-based facilities hosted by agencies such as Inland Revenue, ACC and the Companies Office;
- (b) Establishment of an SBR specific portal; and
- (c) Adapting the Business Portal hosted by New Zealand Trade and Enterprise (NZTE).

4 Preferred Option – Alignment with Business Portal

4.1 Conceptualising a CIR as a 'one-stop-shop' clearly aligns with the vision and objectives of the Business Portal – www.business.govt.nz. The recommendation of the SBR Working Group is to adapt and promote the Business Portal, principally because of its neutral status, in that it is not perceived to be intrinsically linked to the principal business facing agencies (IR, ACC and Statistics NZ).

4.2 As part of Budget 2005, the government allocated \$9.9m to Vote: Economic, Industry and Regional Development over the next four years for the development and implementation of the business portal, envisaging that it would be an initiative which:

*"Builds on the leading New Zealand business portal (biz.org.nz) and reinforces existing relationships with key government providers of business information; provides impartial advice; is driven by the business communities needs, and will introduce toolsets which provide guidance and personalisation beyond anything already in place"*⁴

4.3 The first phase of the project involved building and establishing the new business portal. This was essentially about technology solutions, providing access to a wide range of

³ Quality Regulation Review: Final Report, August 2007, Paragraph 37

⁴ Business Portal – System Vision, December 2006, page 7

information, and enabling search capability and personal registration within the business portal. Since the launch of the business portal in August 2007, the project has entered a consolidation phase aimed at:

"Reinforcing and enhancing the delivered capabilities and developing any further capabilities that will drive utilisation and enhance the credibility of business.govt.nz"⁵.

This consolidation phase has included consideration of new opportunities for the business portal, such as business registration transactions and call centre integration.

4.4 The Strategic Plan for the portal also includes a goal, which closely aligns with the one-stop-shop objective, namely:

"Assess the feasibility of the portal becoming the primary business transaction entry point or interface with the whole of government"⁶.

4.5 The SBR Working Group believes the proposed SBR programme presents an opportunity to reposition the business portal over the medium to long-term and deliver on the stated vision and objectives, articulated by the then Minister for Small Business, on launching the business portal in August 2007:

"That business.govt.nz will eventually become the primary point for New Zealand business to interact and transact with the whole of government"⁷

4.6 The Small Business Advisory Group (SBAG) have also noted in their latest report to government that many small businesses would benefit from the development of a comprehensive web-based business centre that is able to be a business information sorting and delivery channel and to deliver all the tools essential for the management and running of a small business.

5 International Developments

5.1 The Australian government has also been looking to improve their business portal provision. The website www.business.gov.au is not dissimilar to the business portal in New Zealand in that it is a whole-of-government service providing information on planning, starting and running a business.

5.2 The free Business Licence Information Service (BLIS) – www.bli.net.au – has taken information provision to another stage, by providing details of all licences and permits required to operate businesses in Australia, including Commonwealth, State/Territory and Local Government requirements. While New Zealand does not face the same issues with licensing, it may be worth considering whether the business portal could be expanded to include local government, as well as central government information.

5.3 Industry Canada is currently running the BizPal project – www.bizpal.ca – in partnership with several provincial governments to simplify the business permit, licence and other regulatory compliance processes for entrepreneurs, governments and third party business providers.

5.4 Internationally, the growth of "i-Government" (information government) is tending toward the portal approach, as opposed to a proliferation of individual government agency websites. In the United Kingdom, for example, 551 of the 951 central government websites

⁵ Vision outline, (discussed by Steering Committee on 15 October 2007)

⁶ Strategic Plan for the biz Portal, October 2005, page 2

⁷ Speech by Hon Lianne Dalziel, Official Launch of business.govt.nz, Te Papa, 15 August 2007

that existed in early 2006 have been closed, and no new websites are permitted. The aim is to shift content onto www.direct.gov.uk, the British government's central information point, and to sister site www.businesslink.gov.uk which offers online public services to business.⁸

6 Relocation of Business Portal to Ministry of Economic Development

6.1 While the business portal is currently located within NZTE, it is funded through the Ministry of Economic Development via Vote: Economic, Industry and Regional Development. The current governance structure of the project can be found at Appendix A.

6.2 As noted in paragraph 4.3, the portal has entered a consolidation phase. SBR presents an opportunity to reposition the portal over the medium to long-term and deliver on the vision and objectives to fully realise the potential benefits of the portal. It is timely to consider the potential gains in relocating the business portal to MED, under the management of the Companies Office, as part of the SBR Programme.

6.3 There may also be issues of optimal organisational fit given the service delivery units within MED interact primarily with small and medium-sized enterprises (SMEs). The Companies Office are expert in providing structure, direction and support to internet-based applications.

6.4 The portal has only recently been re-launched and is in a period of bedding down, with no immediate need for change. It was built and is supported by Hewlett Packard, who are a preferred supplier for both NZTE and MED. The business.govt.nz domain is also owned by the Companies Office.

6.5 The Companies Office has broad experience in implementation of transactional government-to-business websites, and is highly regarded by the business community. This is demonstrated in the Companies Office being named the most helpful government agency in each of the five years that the KPMG/Business NZ Compliance Cost Survey has been conducted⁹.

6.6 The Companies Office website was ranked number one by visits in the *Hitwise* Business and Finance – Business Information category for the year ended 31 December 2006¹⁰. Each month, 98,618 unique visitors access the Companies Office website each month to transact, search and access information – 24 hours a day, seven days a week. This amounts to 14 million searches being conducted annually on the number one New Zealand business website¹¹. This compares extremely favourably to the monthly average of 20,000 unique visitors to the Business Portal.

6.7 It is worth noting the comparison of rank, reach and stickiness of a selection of business-to-government websites, including the Companies Office and the portal. Reach measures the number of users, rank measures the popularity of a website, and stickiness is anything about a website that encourages a visitor to stay longer. A website is also sticky if a visitor tends to stay for a long period of time and return at a later time.

⁸ *Look it up on the web*, The Economist, February 16th 2008, page 6

⁹ KPMG / Business New Zealand Compliance Cost Survey 2007, Page 3, graph on Page 12

¹⁰ The Hitwise results for 2007 are yet to be published.

¹¹ New Zealand Companies Office Profile, 2007-2008.

6.8 A key success factor in driving the business portal forward is to increase the numbers in each of those component parts. The SBR Working Group believes that the portal has yet to achieve a significant profile with business. The client base for the portal and the Companies Office websites are almost identical, yet there appears to be factors which are either preventing or discouraging that client base from utilising both services.

6.9 As Table 1 shows, the Companies Office website currently has a much wider reach, a higher rank and greater stickiness than the portal. The Companies Office online presence is also due to undergo a total infrastructure refresh in the next 18 months as part of the Enterprise Project. This will provide wide-ranging opportunities for integration of services with the Business Portal.

Table 1. Rank, Reach and Stickiness - Comparisons

Site comparison for Quarter Nov-Jan*	Reach	Traffic Rank in World	Traffic Rank in country of origin	Stickiness
*statistics from www.alexa.com	Percent of global Internet users who visit this site	Alexa traffic rank based on a combined measure of page views and users	Alexa traffic rank based on a combined measure of page views and users	The number of unique pages viewed per user per day for this site
companies.govt.nz	0.000845%	117,895	179 (NZ)	4.6
business.govt.nz	0.000095%	785,746	2,310 (NZ)	2.6
asic.gov.au	0.00255%	50,838	433 (AUS)	3.4
business.gov.au	0.00265%	44,897	322 (AUS)	4.3
companieshouse.gov.uk	0.0073%	14,484	331 (UK)	6.1
businesslink.gov.uk	0.00495%	25,492	712 (UK)	4.2

6.10 The relocation of the portal into the Standard Business Reporting project under the management of the Companies Office would provide the ability for transactional capability (e.g. company searching and Intellectual Property Office interaction) to be made available on www.business.govt.nz faster and more efficiently than if the business portal continued to be hosted within NZTE.

6.11 The Companies Office could feasibly accommodate the business portal within existing arrangements, such as locating business portal personnel alongside Wellington-based staff, and utilising current Tier Two support, web expertise and experience.

6.12 Such a move would further enhance MED service offerings to SMEs and would ultimately provide the vehicle for greater cooperation and collaboration among agencies providing services to business. Issues such as the current inter-agency work programme on SBR would be well served by a common business portal experience.

6.13 The SBR Working Group has noted that the Business Portal is currently complemented by contact centre support and regional shop-front activity under the "BIZ" banner. MED believes that improvements could be gained from utilisation of a contact centre structure dedicated to business-to-government transactions, such as that offered through the Companies Office. This model of service provision has been validated in various forms, including playing a key role in the Companies Office position as the most helpful government

agency. This functionality could easily be extended to support the business portal. Business advisory services and support will remain with NZTE's current contact centre providers.

7 Potential to Increase Functionality within Business Portal

7.1 The portal is currently focussed on the provision of information. However, the true value to business comes when information is combined with the ability to *transact* with government.

7.2 As mentioned earlier, the rebuild of the Companies Office online presence – the Enterprise Project – is being undertaken with the future in mind. Shifting responsibility for the portal to the Companies Office will enable company search functionality to be seamlessly embedded in the portal. From there, this could be expanded to include further ability to search MED hosted registers, such as the Intellectual Property Office.

7.3 The strategy to deploy applications into the business portal, including the potential for the Government Electronic Tenders Service, Business Capability and business services transactions make a move to the Companies Office a practical solution.

7.4 There are already examples of private companies offering the ability to conduct searches of the Companies Register from within their websites – for example, www.bizoffice.co.nz/company-search/. The Companies Office could provide an even better integration into the portal.

8 Name and Address Changes

8.1 The QRR Final Report raised the issue of business name and addresses changes having to be notified to each individual agency as a specific area to consider for improvement.¹² The agencies involved in this report-back currently collect the following address information for businesses.

Inland Revenue

8.2 For each business, Inland Revenue currently capture a physical address, postal address and the address of any tax agent. The collection, storage and sharing of these addresses are governed by the general secrecy provisions of IR and there is no legislative provision preventing IR from sharing this information. In practice, addresses are provided to ACC as requested.

Accident Compensation Corporation

8.3 ACC receives most employer address updates from IR through their joint agreement to supply information. However, due to an “address hierarchy”, these updates are not always automatically updated as the primary address. ACC relies on customers to either write or phone to advise address changes, as there is currently no ability to do this online. There are no specific requirements or restrictions other than those under the Privacy Act 1993.

Statistics New Zealand

8.4 Statistics New Zealand maintains the Business Frame (BF), which is a statistical register of all the economically significant businesses in New Zealand (currently 450,000 businesses). The BF holds both a postal and location address for each business. All BF data

¹² Quality Regulation Review: Final Report, August 2007, Paragraph 37

is collected and used under the conditions of the Statistics Act 1975. Any use of BF data is restricted to producing official statistics of national importance¹³.

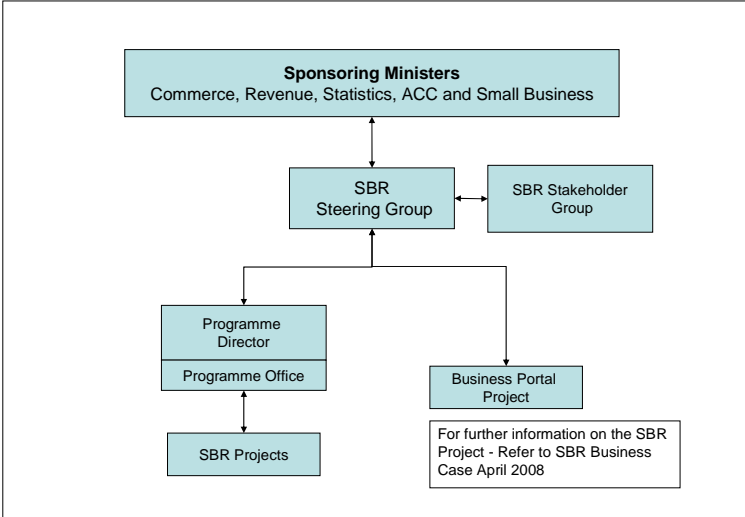
MED (Companies Office)

8.5 The Companies Office currently hold address information for each company incorporated on the New Zealand Companies Register. The registered office address and address for service must both be physical addresses, but need not be the same address. An address for communication may be a P.O. Box. number. Company directors and shareholders must provide their residential address.

8.6 The Single Business Number work-stream of SBR (discussed below) could provide a means for addressing this issue.

9 Link with Standard Business Reporting

9.1 The SBR programme has a core focus on “machine-to-machine” automated reporting of information between business and government. The proposed work on the transfer and further development of the business portal is intended to provide the “human-to-machine” facet of SBR. The Business Portal project fits within the governance of the SBR programme as follows:



9.2 The absence of a single business number (SBN) in New Zealand has been raised as a potential obstacle to the successful implementation of SBR. A business can have a range of government identity numbers, such as an IRD number, GST number, ACC number, Statistics New Zealand number, and a company number (if it is a company). Each of these agency centric numbers requires business to prove their identity on first contact with each agency, and update each agency separately of any relevant changes.

9.3 In contrast, Australia introduced the Australian Business Number (ABN) in 1999, with registration information held in a centralised Australian Business Register. Over time, government agency unique identifiers will be withdrawn.

¹³ For further information, see the Business Frame Release Policy <http://www.stats.govt.nz/about-us/policies-and-guidelines/general/business-frame.htm>

9.4 A work-stream has been included in the SBR programme to consider the merits of implementing a Single Business Number (SBN) in New Zealand and also to determine whether it is a necessity for the implementation of SBR.

9.5 A single business number, and the central register that would be required to support it, could move the concept of the “many arms of government extending a single hand to business” one step closer to reality. It may also be the solution to the name and address change issue, in that the central register would require business addresses to be held and shared among relevant government agencies.

9.6 Further discussion on these issues can be found in the Standard Business Reporting Business Case.

10 Financial & Resource Implications

10.1 Relocating the Business Portal from NZTE to MED would be reasonably straight forward financially, given funding is provided through Vote: Economic, Industry and Regional Development. The relocation would result in funding moving to Vote: Commerce. It is expected that the remaining funds of \$0.90 million which remains from the \$9.90 million allocated in Budget 2005 would be transferred. It is anticipated that permanent employees currently assigned to the Business Portal project would transfer to MED.

10.2 It is proposed that MED would take responsibility for the Business Portal on a date to be determined and agreed upon by the respective Chief Executives.

10.3 Funding of \$766,000 for further enhancements to the functionality and features of the Business Portal would be met from the SBR project for 2008/09, as detailed below, contingent on Cabinet approval of these recommendations in principle, and delegated Minister’s funding approval at a later report back:

	Cost per month	No. of months	No. of people	FTE %	Cost	Total Cost
<i>Operational</i>						
Integration of Companies Office searching functionality					140,000	
Integration of PPSR searching functionality					160,000	
Integration of Portal into Companies Office infrastructure					30,000	
Website enhancements					70,000	
Usability consulting					50,000	
Enhanced capability (Business Analyst)	8,000	12	1	100%	96,000	
GLS Implementation (Analysis)	10,000	2	2	100%	40,000	
‘One stop shop’ business address changes(Analysis)	10,000	2	2	100%	40,000	
						\$626,000
<i>Capital</i>						
Server acquisition					140,000	
						\$140,000
						\$766,000

11 Recommendations

Note the SBR Officials Working Group has recommended the Business Portal meets the objectives of a 'Centralised Information Repository' for a business to government transactional 'one-stop-shop';

Note the potential for the Companies Office to include additional functionality within the Business Portal, provide contact centre support, and drive internet traffic to the Business Portal site;

Note the potential for the single business number work-stream within Standard Business Reporting to become the solution to the business name and address changes issue;

Agree to relocate the Business Portal, along with any allocated funds, from New Zealand Trade and Enterprise to the Ministry of Economic Development (Companies Office) as of 1 September 2008 or a later date to be determined and agreed upon by the respective Chief Executives.

APPENDIX A

Business Portal – Existing Governance

In October 2007, the Business Portal Steering Committee received a document aimed at presenting the Governance and Project Structure for transitioning the biz project, in order to deliver the business portal into both an operational business with project responsibilities.

The following organisational chart shows the proposed governance structure as made up of the following teams:

- Steering Group
 - providing the overall governance
- Stakeholder Group
 - providing advice from businesses and relevant government agencies
- Content Working Group
 - providing standards and quality content for the business portal
- Project and Support Team
 - to develop business.govt.nz and support its day-to-day running

While this governance proposal is sound, the Ministry of Economic Development (MED) considers that some economies could be achieved through relocation of the business portal responsibilities to the Companies Office within MED. This is as some of the roles proposed mirror those already in existence – eBusiness Web and Client Advisors in particular.

