Technical Health Programme: Accounting Officer Assessment

It is normal practice for Accounting Officers to scrutinise significant policy proposals or plans to start or vary major projects and assess whether they measure up to the standards set out in Managing Public Money guidelines. From April 2017, the government has committed to make a summary of the key points from these assessments available to Parliament when an accounting officer has agreed an assessment of projects within the Government Major Projects Portfolio (GMPP).

Background and context

In September 2023 the Technical Health Programme (THP) was established to reduce the risk of the highest priority technical issues from occurring and improve the technical health of HMRC's IT estate.

The primary objectives of the programme are to remediate security vulnerabilities on high priority critical national infrastructure systems, decommission services with an end-of-life status and deploy technology to improve monitoring of the performance and availability of live services. THP was formed from a merger of the Enterprise Security Programme (ESP) and the Critical Platform Transformation Programme (CPT). Whilst ESP and CPT were being delivered separately, the close link between the requirement to increase defence against threat actors and reduce levels of technical debt was recognised.

A decision was taken to merge the programmes enabling HMRC to focus on delivering the highest priority initiatives and improving the technical health of HMRC's estate as a single, combined aim. Following the closure of the Securing Our Technical Future Programme, some of the remaining scope of that programme has also been incorporated into THP.

Assessment against the Accounting Officer Standards

Regularity

No regulatory changes are required to enact this programme. The programme's focus is to deliver remediation and transformational activity to contribute towards HMRC achieving a stable, baseline position of technical health maturity across the estate. The programme will be delivered within existing powers and legislation, ensuring that effective controls are in place to protect government, HMRC and customer data, including compliance with the General Data Protection Regulation and other regulations that govern data within HMRC.

Propriety

The programme adheres to HM Treasury and HMRC's Change Lifecycle governance and procurement standards, which are applied throughout. The programme also complies with Cabinet Office controls for IT and procurement. The first iteration of the programme business case was approved internally at the HMRC Change Investment and Design Committee in February 2024 and the next iteration of the business case will be submitted for internal approval in August 2024. Planning is underway for the programme to undertake the appropriate Treasury Approval Process (TAP) in September or October 2024.

Clear governance and reporting processes have been established for effective programme management. A programme board, chaired by a suitably experienced and empowered Senior Responsible Officer (SRO), is established as the main decision-making authority and key internal and external stakeholder representation is in place. Formal GMPP reporting and compliance for THP commenced with programme mobilisation in September 2023.

Feasibility

The programme is being delivered via a dedicated team of experienced project and programme specialists alongside HMRC IT colleagues to ensure the appropriate skills and knowledge are available to support delivery. The programme's leadership, supported by delivery partners, has the skills and experience required to deliver the programme's outcomes.

Through the development of a robust scope prioritisation process, the programme is able to make quick data-driven decisions around priority initiatives to be delivered. The centralised list of all scope for consideration by THP in priority order enables the programme to effectively manage any fluctuations in delivery and funding. It also allows the Senior Leadership Team and programme board to actively manage the capacity of the programme, bringing in new items from the scope list in a controlled manner.

The programme had its first Infrastructure and Projects Authority (IPA) Gate 0 review in February 2024, providing an Amber Delivery Confidence Assessment rating. Good progress is being made with the recommendations and a further combined Gate 4 Readiness for Service and Gate 5 Operations Review and Benefit Realisation review will be scheduled for quarter 4 of financial year 2024 to 2025.

Value for money

The programme has undertaken a full options appraisal in line with HM Treasury's Green Book guidance which has been documented within the programme business case.

The latest THP business case sets out current assumptions for scope, timelines and associated financial information. The preferred option offers the highest potential to

successfully remediate HMRC's most critical technical challenges and avoid negative impacts on the department's operational performance and ability to collect taxes. These impacts on national systems could otherwise lead to service outages and costs measured in millions of pounds per day. The approved option stabilises HMRC's most critical infrastructure and live services.

Technical Health Maturity is the programme's primary quantifiable benefit. A maturity model has been developed which demonstrates THP's contribution to increasing HMRC's technical health maturity level. The delivery of programme outcomes is essential to reducing IT risks such as cyber-attacks or service failures. Further investment will be required in future years to continue to remediate HMRC's IT estate.

Conclusion

As the Accounting Officer for HMRC, I have considered my assessment of the Technical Health Programme and concluded that the proposal is value for money and deliverable. I have therefore approved it as of 20 August 2024. I have prepared this summary to set out the key points which informed my decision. If any of these factors change materially during the lifetime of this programme, I undertake to prepare a revised summary, setting out my updated assessment. This summary will be published on the government's website (GOV.UK). Copies will be deposited in the Library of the House of Commons and sent to the Comptroller and Auditor General and Treasury Officer of Accounts.

Accounting Officer's name: Jim Harra, Chief Executive, HM Revenue and Customs.

Signature:

Date of signing: 20 August 2024