



APRA'S NEW DATA COLLECTION SOLUTION

IMPLEMENTATION PLAN V1.0

APRIL 2019

INTRODUCTION

APRA is pleased to release the initial Implementation Plan for the new Data Collection Solution. This plan provides all entities with an early view of the implementation approach to the rollout of the new Data Collection Solution. It also provides high-level guidance on the key project milestones and their expected timeframes. This is an important step to assist industry to prepare for the transition to the new solution, which is expected to go-live in March 2020.

In December 2017, APRA announced its intention to replace its data collection system, Direct to APRA (D2A), with a modern, efficient, web-based solution. Following extensive industry consultation and engagement, APRA released a request for tender last August seeking a software provider to deliver an off-the-shelf, minimally customised solution to become APRA's new data collection solution. After a comprehensive and robust procurement process to identify and select a preferred vendor, APRA announced earlier this week that Vizor Software will provide the new solution, which will be delivered by Dimension Data.

Vizor Software has a proven track record in supervisory technology, having provided the platforms that are used by a number of APRA's international peers for regulatory data submissions. The company is able to demonstrate flexibility, innovation and robustness with its regulatory reporting software. In partnership with Dimension Data, I am confident they have the expertise and experience to deliver and implement the largest and most important technology project APRA has ever undertaken.

The transition to a new data collection solution represents a significant step forward in APRA's future direction for data collections. There is only a one year timeline for implementation, so entities must start ensuring their readiness for the new system now.

APRA welcomes [feedback on this Implementation Plan](#). For more information, [email](#), or visit the [APRA is replacing D2A](#) webpage to subscribe for updates.

Sean Carmody

Executive General Manager
Risk & Data Analytics

April 2019

CONTENTS

Executive summary	4	5. Roles and responsibilities	19
About this document	6	6. Next steps and feedback	20
1. What is the new Data Collection Solution?	7		
2. APRA's future direction for data collection	9		
3. Implementation principles and timeline	10		
4. Implementation approach	12		
4.1. Stakeholder engagement and communication	12		
4.2. Readiness	13		
4.3. Testing	14		
4.4. Information security	16		
4.5. Training and education	17		
4.6. Support	18		

Disclaimer and Copyright

While APRA endeavours to ensure the quality of this publication, it does not accept any responsibility for the accuracy, completeness or currency of the material included in this publication and will not be liable for any loss or damage arising out of any use of, or reliance on, this publication.

© Australian Prudential Regulation Authority (APRA)

This work is licensed under the Creative Commons Attribution 3.0 Australia Licence (CCBY 3.0). This licence allows you to copy, distribute and adapt this work, provided you attribute the work and do not suggest that APRA endorses you or your work. To view a full copy of the terms of this licence, visit <https://creativecommons.org/licenses/by/3.0/au/>

EXECUTIVE SUMMARY

APRA is transforming its data collection solution

APRA is undertaking a significant program to transform its data infrastructure to provide a robust foundation for its evolving data collection, analysis and reporting needs. An integral component of the program is the replacement of APRA's current data collection platform, Direct to APRA (D2A), with a modern, efficient and flexible collection system – the new Data Collection Solution.

APRA engaged with industry stakeholders in 2018 to seek input into requirements for a new collection solution

In order to most effectively meet stakeholder requirements, extensive engagement was undertaken with reporting entities (entities), their third-party service providers and regulatory technology (RegTech) providers. Desired solution features were published in the [Response to Industry](#)¹. Following this, APRA released a request for tender that documented requirements for the new Data Collection Solution. After a rigorous evaluation process, Vizor Software was selected to provide the new Data Collection Solution.

“The new Data Collection Solution will be a modern, efficient and flexible solution which will serve APRA and industry for years to come. The release of the Implementation Plan is an important milestone to assist industry with the transition to the new solution.”

Sean Carmody
Executive General Manager
Risk & Data Analytics



1. https://www.apra.gov.au/sites/default/files/data_collection_solution_response_to_industry_30_july_2018_final.pdf

EXECUTIVE SUMMARY *continued*

This document provides high level information on the implementation of the new solution

The Implementation Plan, developed in consultation with established reference and working groups, provides high level guidance to industry on the type of changes to plan for and the timing of these changes. The plan covers the key implementation components, including readiness, testing, training and support. As some information is still unknown and some plans may change once more information becomes available, another version of this Implementation Plan is scheduled to be released in July 2019.

Entity readiness is key to the successful implementation of the new solution

While APRA will help entities to prepare for the change, entities need to start planning their transition to the new Data Collection Solution to ensure they continue to meet their reporting obligations. Readiness checklists will be provided to entities, which will specify required actions throughout the transition, including involvement in testing and training activities. Readiness activities will occur in the second half of 2019 and early 2020.



APRA will not grant extensions to entities that are not prepared for transition.

Timely data is essential for:

- Prudential supervision
- Statistical publications, which have public release schedules
- Industry analysis and risk assessment
- Partner agencies (RBA, ABS and ASIC)

The new Data Collection Solution will not have a production parallel run with D2A. However, a test environment will be made available before go-live which will enable entities to test uploading data and to perform a range of functions. A production parallel run is not possible due to the wide range of entity reporting due dates.



What to do now:

- Become familiar with key project dates for the Data Collection Solution
- Plan for appropriate resource availability
- Budget for implementation costs
- Provide feedback to APRA on this Implementation Plan

ABOUT THIS DOCUMENT

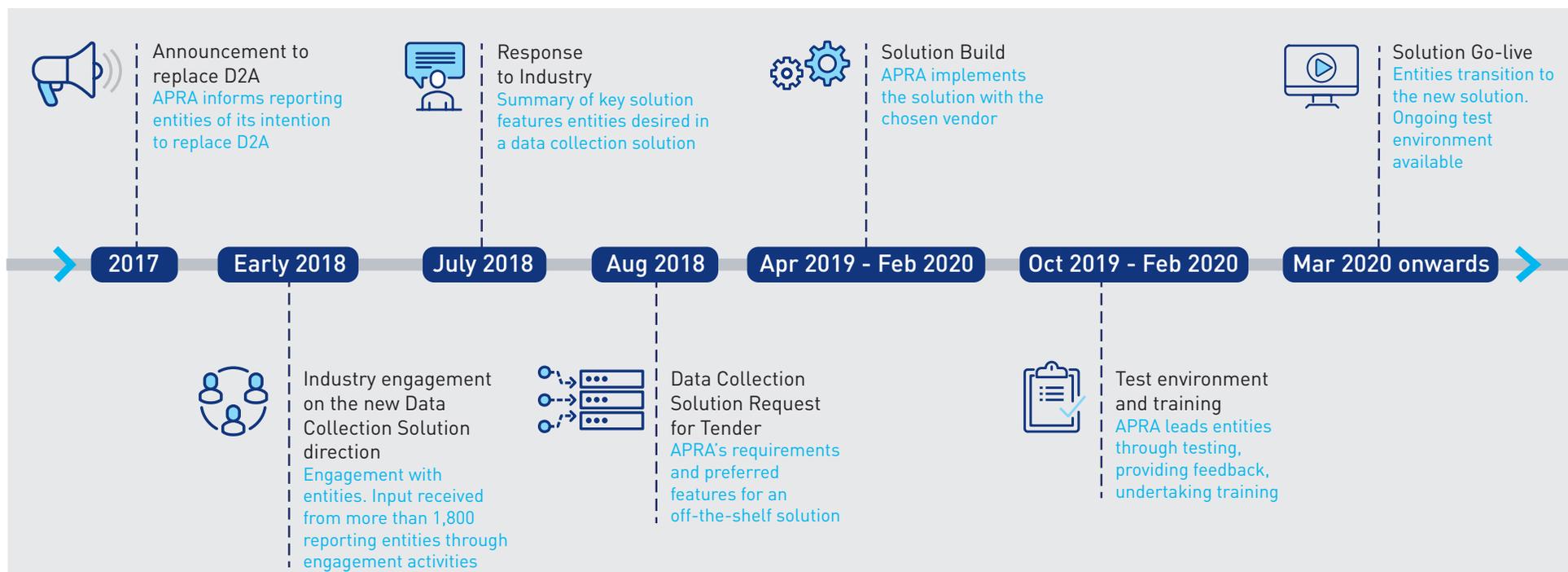
The Implementation Plan provides information to entities, third-party service providers and RegTech providers to assist with planning for the implementation of the new Data Collection Solution. The Plan provides guidance on the type of changes to prepare for and enables entities to plan for the time required and to seek advice to assist the transition.

The content of this document was developed in consultation with established reference and working groups – Strategic Industry Reference Group (SIRG) and

the Technical Working Group (TWG). These advisory groups represent industries' preferences and perspectives.

Feedback from the SIRG and TWG indicated stakeholders prefer early information, even though it may not be complete. APRA will keep entities updated as more information becomes available.

Timeline for APRA's implementation of the new Data Collection Solution:



1. WHAT IS THE NEW DATA COLLECTION SOLUTION?

The new Data Collection Solution is the current term used to describe the system that will replace APRA's data collection platform, D2A. Replacing D2A with a modern, efficient and flexible data collection solution is an integral part of APRA's data transformation program.

The new Data Collection Solution will be a web-based system through which users will be able to authenticate themselves and submit their organisation's data to meet their reporting requirements. Users will also be able to view the schedule of upcoming reporting obligations and due dates, and make these submissions in a number of formats.

Reporting forms, layout, data fields, and due dates will remain as they are in D2A, and entities may continue to rely on D2A attribute codes for all current reporting forms. Third-party service providers will still be able to submit on behalf of reporting entities.

The new Data Collection Solution will be the single portal through which entities will submit APRA reporting returns and supporting documents, such as audit reports. Over time, it is expected that all other types of documents and online forms sent by entities through SecureDoc, APRA's extranet, and email, will also be submitted through the new Data Collection Solution.



General insurance intermediaries that submit Form 701 will need to use the new Data Collection Solution – email, mail or fax will no longer be an option.

Benefits of the new Data Collection Solution

Easier to use

The new Data Collection Solution will have a modern, intuitive user interface and will enable more options for data uploads.

Less ongoing maintenance required

The new Data Collection Solution will be web-based and will not require additional software to be installed on a user's machine, simplifying system maintenance.

Adaptable to future needs

The solution will adapt as reporting requirements, data analytics and technology evolve, and will provide greater flexibility for automation of data submission.



APRA plans to migrate several years of entity data into the new Data Collection Solution to facilitate resubmissions and cross-period validations.

Features of the new Data Collection Solution

The new Data Collection Solution will deliver improved functionality in the key areas identified by stakeholders. This will assist in the reduction of time it takes to submit data, as well as an improved and simplified user experience.

Multiple submission channels and formats

Users will be able to submit data via manual entry, XML and XBRL upload, Microsoft Excel (new), and machine-to-machine via an Application Programming Interface (API) (new).

An improved validation and query experience

APRA recognises that many user concerns with the data validation process cannot be addressed by the solution itself and will explore ways to improve the current experience with validations.

Test environments for transition and ongoing support

A test environment will be available from October 2019, and will be available on an ongoing basis for testing and training purposes.



APRA will provide information on the technical specifications for the solution in the next implementation plan, and as details become available.



The new Data Collection Solution is a secure, web-based portal where users will be able to:

- Use standard web browsers to access the solution
- Work simultaneously on returns and responding to queries
- Upload files and other unstructured data (for example audit reports)
- View a return's status and post-submission queries on an easy-to-read dashboard
- View communication, notifications, submission receipts, queries and responses
- Export submitted data in Microsoft Excel format, or retrieve in XML or XBRL (if used for submission)

2. APRA'S FUTURE DIRECTION FOR DATA COLLECTION

APRA is aiming to minimise changes to reporting requirements when the new Data Collection Solution goes live. Looking further into the future, the new solution will enable changes to reporting requirements to meet evolving regulatory needs. This section describes longer-term developments that APRA is considering so that entities may factor these possible future changes into their planning for the transition to the new Data Collection Solution.

Collect once, use multiple times

APRA partners with a number of government agencies to act as a single data collection point. This streamlines reporting for entities, and enables re-use of information across government. The new Data Collection Solution will enable new opportunities across government to reduce duplication.

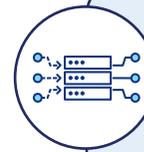
More granular data to support supervision

D2A is not able to support the collection of granular data². The new Data Collection Solution will enable more detailed, granular collections in key risk areas to better inform supervision. Examples may include:

- Loan-level information on residential mortgages from ADIs
- Policy and claim-level information from insurers
- More detailed investment option-level information from superannuation trustees

Data models defining requirements

In the future APRA may define reporting requirements through data models rather than tabular forms. Data models explain the data structure and relationships between data items. This approach may reduce reporting burden and increase flexibility to update reporting requirements in a timely manner.



APRA is working with ASIC on its recurrent data collection pilots, which include collection of loan-level information on residential mortgages. Although APRA and ASIC's specific data needs vary with our mandates, there is significant overlap in the data required and by partnering on data collection topics of joint interest, the regulators will work to minimise the collection burden (including the collection mechanism) on entities. The pilot approach is a useful preliminary step for both regulators and reporting entities to learn about the challenges and benefits of more granular data collections.

Importance of intermediaries

Future developments in regulatory reporting may result in significant technology shifts for reporting entities. APRA aims to foster a RegTech ecosystem to promote productivity and efficiency gains.

Data exchange rather than data collection

It is expected that reporting entities will continue to submit data to APRA for the medium term. However, in the longer term it may be possible for regulators to directly access information from entities on an as-needs basis. Many challenges would need to be overcome before this approach would be possible.

2. For example, APRA outsourced the collection of the National Claims and Policies Database for general insurers due to the limitations of D2A.

3. IMPLEMENTATION PRINCIPLES AND TIMELINE

APRA is taking a measured approach to implementing the new Data Collection Solution, taking into account considerations which include data feeds to other government agencies and the replacement of the whole-of-government authentication tool AUSkey.

The go-live date for the new Data Collection Solution is expected to be in March 2020

- All reporting entities will use the new solution from the go-live date
- Entities will no longer be able to use D2A, and the option to submit via email or mail, or fax will no longer be available
- APRA will confirm the go-live date in the next version of the implementation plan due for release in July 2019

There will be one go-live date for the new solution

D2A will become unavailable on the same date the new solution goes live. The two systems will not run in parallel in production, but testing of the new Data Collection Solution will occur before go-live.

The first submission date using the new Data Collection Solution will vary across reporting entities

- Entities' first submission date in the new Data Collection Solution is based on their financial year end and reporting requirements. Some entities will not have any returns due in the go-live month, so will first report using the new Data Collection Solution when their next reporting due date occurs after the go-live date.
- All data resubmissions after the go-live date will need to occur via the new Data Collection Solution.

Managing implementation risks

As with all large-scale technology-related projects, APRA needs to manage and mitigate identified risks. APRA has a risk management framework in place with assurance processes to ensure risks are considered and appropriate mitigation plans and contingencies are in place.

APRA is dependent on the implementation of the new whole-of-government authentication solution by the Australian Taxation Office and is focused on reducing timeline risk for key milestones including the commencement of testing and go-live. Contingency plans are being developed as updated information about myGovID becomes available.

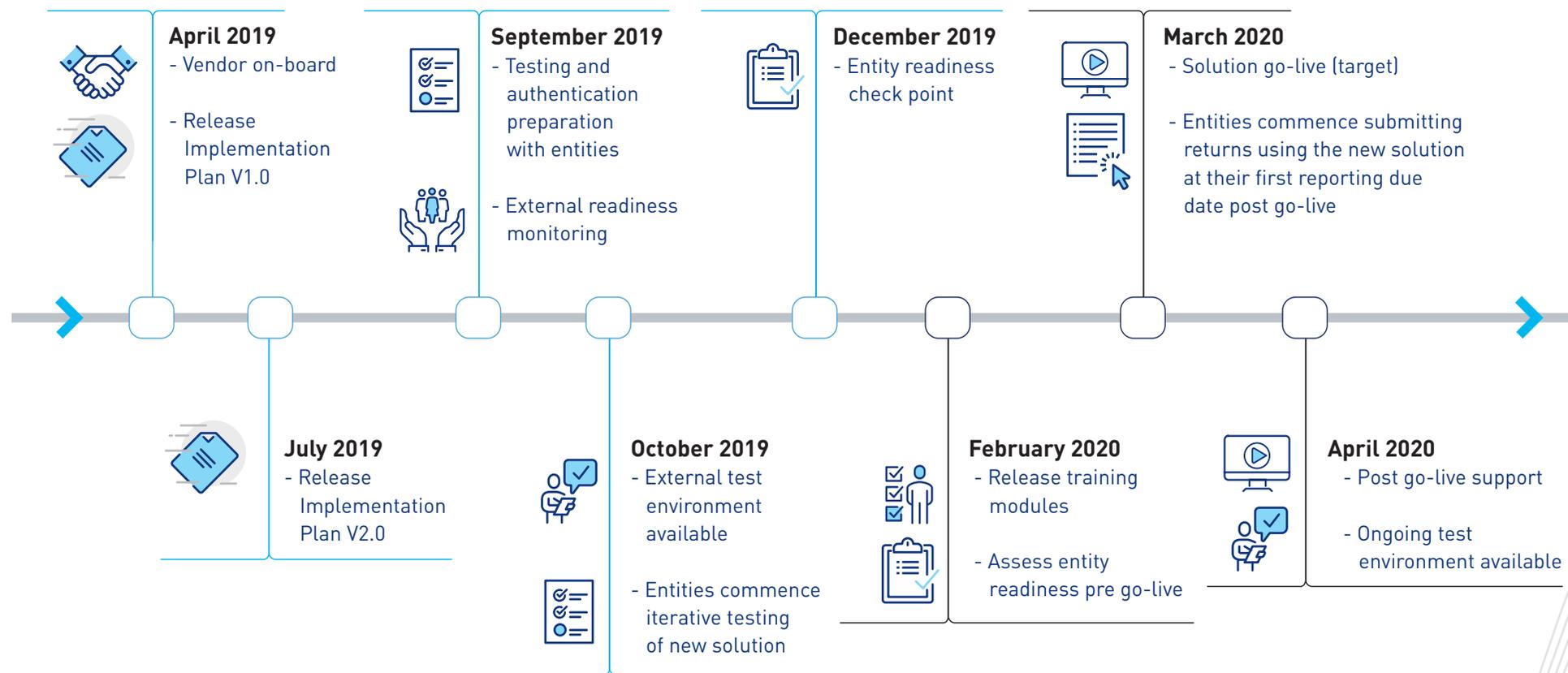
In addition, the project delivery timeline has a buffer factored in to provide greater confidence in meeting the go-live date. This time will be used if required to cater for unforeseen delays while maintaining the overall schedule.

APRA will continue to work closely with the SIRG and TWG advisory groups to discuss key risks and mitigation strategies. APRA will communicate ahead of time should there be delays to the go-live date.



AUSkey, the current whole-of-government authentication tool used to authenticate users on behalf of the businesses that submit data to government agencies, is being replaced through the Australian Government's digital identity program. APRA is committed to integrating the new Data Collection Solution with this whole-of-government strategy.

Target Implementation Timeline



4. IMPLEMENTATION APPROACH

4.1. Stakeholder engagement and communication

APRA is committed to transparency, providing entities with early and useful information throughout the transition to the new Data Collection Solution.

APRA will continue to engage with established external working groups

APRA will continue to use the SIRG, TWG and Software Vendor Working Group (SVWG) as advisory groups representing industries' preferences and perspectives on the implementation and transition to the new solution. APRA will equip the reference and working group members with key information to pass on to their respective industries.

Information about the reference and working groups is available on the [APRA is replacing D2A³](https://www.apra.gov.au/apra-replacing-d2a) webpage on APRA's website.

APRA will use multiple channels to keep entities informed

Regular and ongoing engagement will be provided through reference and working groups, website updates on the [APRA is replacing D2A](#) webpage, emails, industry body forums, and webinars to ensure entities receive the right information with sufficient time to prepare for the change.

Entities will have opportunities to provide feedback through the transition

Entities will be given the opportunity to provide feedback through formal and informal channels, which may include surveys, webinars and FAQs. APRA encourages all entities to make use of these feedback channels.



What to expect in the next version of the Implementation Plan:

- A forward plan of stakeholder engagement and communications, including key external engagement dates and guidance on when key information will be provided

3. <https://www.apra.gov.au/apra-replacing-d2a>

4.2. Readiness

Entities need to be ready to use the new Data Collection Solution by the go-live date to ensure their reporting obligations are met. This is essential because no returns will be accepted outside the new Data Collection Solution after the go-live date.

Readiness checklists will be provided to enable entities to prepare

APRA will provide entities with information to help them prepare for the transition, including identifying key activities to be completed by entities, such as testing and training. The checklists will outline entity responsibilities, expected involvement and effort. APRA will provide this information in advance with sufficient time to carry out the necessary activities. Readiness activities will primarily occur in the second half of 2019 and early 2020.

Readiness of entities will be monitored and followed up on throughout the implementation period

APRA plans to monitor how ready all entities are for go-live. Readiness monitoring will be based on the readiness checklists provided and will include items such as tracking the successful execution of test cases, setting up authenticated users and the completion of relevant training modules. APRA will engage with entities that are lagging to understand any key issues and provide additional guidance and support as required.

APRA will support RegTech providers

The RegTech community plays a role in supporting entities to meet their regulatory obligations. RegTech providers have emphasised their capability to support entities through the transition to the new platform. Requirements for RegTech providers will be clearly articulated to demonstrate what is needed to support entity transition.



What to expect in the next version of the Implementation Plan:

- Sample readiness checklist for entities and RegTech providers

4.3. Testing

The availability of a test environment is very important for entities, service providers and RegTech providers in their transition to the new Data Collection Solution. The test environment will provide entities with early access to functionality and the look and feel of the new solution. This will provide entities with the opportunity to conduct testing and to provide feedback on issues encountered.

In addition to involving entities, APRA will conduct its own performance and load testing on the new Data Collection Solution.

A test environment will be available from October 2019

A test environment will be provided for entities, service providers and RegTech providers and it will continue to be available after the new Data Collection Solution is live.

APRA will provide test scenarios for readiness

To ensure entities have the opportunity to familiarise themselves with various features and functions of the new Data Collection Solution, test scenarios will be provided including a walk-through of basic features. Some of the functions that entities will be able to test include: logging in, submitting and resubmitting returns using their own data, and choosing a variety of submission methods.

The test environment will be fully secure

Data uploaded in the new Data Collection Solution test environment will be secure and will not be accessible by other entities using the same environment.



APRA expects all reporting entities to participate in testing and to complete all key testing activities which will be stipulated in the readiness checklist. APRA will monitor entity progress throughout the transition period.

4.3. Testing *continued*

There will be iterative releases with multiple testing windows

Functionality within the test environment will become progressively available from October 2019 through scheduled releases. Entities will be encouraged to explore the features and screens. It is recommended that entities take the opportunity to test as each incremental release is made available to ensure a gradual familiarity with the new solution can be achieved.

Third-party service providers and RegTech providers are expected to participate

Third-party service providers and RegTech providers that submit returns for entities should also use the test environment to perform the functions required to submit data on behalf of other entities. These activities include authentication, selecting the relevant reporting entity and submitting data.

Integration with AUSkey replacement is planned

The test environment is expected to be integrated with the myGovID authentication tool, which will be introduced by mid-2019 and will replace AUSkey. Entities will need to obtain their own myGovID credentials in order to conduct testing in the Data Collection Solution test environment.



What to expect in the next version of the Implementation Plan:

- Schedule of testing releases planned
- Details of required testing involvement
- Further information on using myGovID with the new Data Collection Solution test environment

4.4. Information security

All information collected through the new Data Collection Solution will be secure in transit and at rest. This applies to all interactions with and functions of the new solution and includes user authentication and access, transmission of entity returns and storage of submitted data.

All data will remain in Australia and within APRA's data centres

All historic and future data provided by entities will remain within Australia, even though APRA will use an international software developer. In addition, the solution will be hosted within APRA's data centres.

APRA will seek independent assurance on the security of the new solution

To ensure that information is effectively secured, APRA will engage an independent party to conduct an Information Security Registered Assessors Program (IRAP) Assessment to ensure compliance with the Australian Government Information Security Manual. This process will assess whether the new solution's security controls are appropriate and effective, and will identify if any security deficiencies exist. Identified deficiencies will be remediated prior to go-live.

APRA will continue to adopt the whole-of-government authentication solution

AUSkey is currently used as the authentication solution for user access to D2A. The new Data Collection Solution will be integrated with myGovID, the whole-of-government replacement for AUSkey.



What to expect in the next version of the Implementation Plan:

- Further information about the use of myGovID
- Further information about the security controls in place for the new solution

4.5. Training and education

APRA will facilitate training to help entities and third-party service providers use the new Data Collection Solution. Users will be expected to access the test environment in preparation for go-live to enhance their familiarisation of the new solution.

Access to training will be provided in advance of the go-live date

APRA commits to providing adequate time for entities to access the training modules so that entities can learn how to perform various functions in the new solution.

Training will be delivered through online channels

APRA will primarily provide online self-paced training due to the wide geographical distribution of reporting entities. This will provide greater flexibility for entities to access the training at the most suitable time for them. Other training (including recorded webinars) will be provided for broader education and engagement.

Training will be developed and delivered in modular packages

Entities' interactions with the new Data Collection Solution will differ based on varying organisational processes and roles (e.g. manual entry, file upload, outsourcing to a service provider). Modular training will enable users to easily access relevant content and only complete the minimum required learning for their role.

Training materials will be designed with reusability and sustainability in mind

Training materials will continue to be made available beyond the go-live date to assist new users and new entities. The core training materials will not assume prior knowledge of D2A, and will be relevant to all entities that need to submit data to APRA into the future.



What to expect in the next version of the Implementation Plan:

- Refinement and confirmation of the training approach
- Details of the anticipated training modules and associated delivery media
- The planned timing for the availability of training modules

4.6. Support

APRA will provide enhanced support during the transition period to respond to entity queries and any solution issues.

A range of support materials will be available

APRA will provide entities with access to support materials such as quick reference guides and FAQs to help resolve any functional and transitional questions. These materials are likely to be accessible from the [APRA is replacing D2A](#) webpage.

Existing APRA support channels will continue

APRA will maintain existing phone and email support to entities for questions and assistance relating to the new Data Collection Solution.

Additional technical support will be provided during in the initial post go-live period

APRA plans to provide extended support hours during the initial implementation period (the first few months post the go-live date and leading up to reporting due dates in the subsequent months) to assist with entities' technical issues and to provide guidance on functional queries.



What to expect in the next version of the Implementation Plan:

- Explanation of the specific support materials that will be made available
- Greater clarity on the extent of additional support that will be provided post go-live

5. ROLES AND RESPONSIBILITIES

Reporting entities will be expected to:

- Manage their own internal readiness for the new Data Collection Solution
- Ensure the relevant people within their entities are receiving new Data Collection Solution project communications from APRA
- Develop internal business cases for funding and establish project teams as required to enable their own readiness
- Participate in the testing process to ensure they are able submit returns prior to go-live
- Ensure all relevant users are set up with authentication credentials for testing and go-live
- Ensure all relevant users complete the provided training prior to go-live
- Provide feedback and raise any concerns throughout the implementation
- Submit all data, including resubmissions, through the new solution post go-live

RegTech software vendors are expected to:

- Participate in the software vendor working group to continue to receive updates and information regarding the implementation
- Perform their own testing to ensure that their product aligns to the new solution

APRA will:

- Provide clarity to entities on the implementation approach and plan
- Provide readiness checklists to guide entities on the required steps to complete to enable their own readiness
- Establish new channels for stakeholders to be informed of any changes to validation rules and any changes to the Standard Business Reporting taxonomy
- Provide regular and transparent communication on progress, key activities and actions required of entities
- Provide entities and software vendors with a test environment, test scripts and required involvement in testing activities
- Provide entities with access to training and support materials ahead of go-live
- Consider feedback raised and incorporate into forward plans where feasible
- Provide support to entities pre and post go-live to assist them with the transition to the new solution



Should entities use third-party service providers or RegTech providers to assist in the submission of their returns, it will be the entity's responsibility to liaise and confirm with their providers that they are well-prepared for go-live.

6. NEXT STEPS AND FEEDBACK

APRA will continue to provide updates at regular intervals. Interested parties can [subscribe to receive email updates](#)⁴ about the new Data Collection Solution.

APRA encourages entities to:

- Familiarise themselves with key project dates for the Data Collection Solution
- Ensure contact details for all relevant individuals within an entity are provided to APRA
- Plan for appropriate resource availability
- Budget for any foreseen implementation costs
- Provide feedback on this Implementation Plan



Feedback:

APRA welcomes feedback from interested parties to support the development of the implementation approach and will continue to work closely with industry bodies, external reference and working groups, as well as other key stakeholders on further updates to the plan.

Feedback on the direction and approach can be provided by [completing a short survey](#)⁵ or by emailing newdatacollectionsolution@apra.gov.au

4. https://apra.au1.qualtrics.com/jfe/form/SV_c06g3NeRiGfUFRX

5. <https://tinyurl.com/apradcs>



Contact email: newdatacollectionsolution@apra.gov.au