



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI

SLT Risk Profile: Reconnecting NZ

Q3 FY 2021/22 – Risk Profile Review



SLT Risk Profile: Reconnecting New Zealand **NEW**

SR-12

Risk Description: Risk that INZ fails to deliver on the Government's timetable to reconnect New Zealand in an effective and efficient manner including managing current and subsequent workflows.

DS Lead: DS INZ

Functional Lead: Chief Operating Officer (COO)

Risk Commentary:

In light of the changing global risk profile of COVID-19, the Government has announced a staged re-opening of New Zealand's international borders to facilitate NZ reconnecting with the world. The current / proposed timeframes for re-opening the border (which are subject to change) coincides with:

- The launch of the new 'Employer Accreditation and Work Visa' – a three stage process for those seeking to hire migrants on an Accredited Employer Work Visa.
- The bulk of application processing for 2021 Resident Visa – received under Phase 2, and with a current commitment to have 80% of all applications decided by 30 November 2022.
- Delivery of enhancements to Immigration Online (internally branded as ADEPT), which will see paperless visa processing technology phased in for certain visa types – including Phase 2 of 2021RV (March) and the Employer Accreditation and Work Visa (May and July)

All of the above is dependant on an already stretched workforce dealing with the residual impacts of COVID-19. Further the need to move forward at pace has created an ICT bottleneck in July with pressure on internal resources and more importantly scarce vendor capacity.

Inherent Risk			Residual Risk			Target Risk		
Likelihood	Consequence	Risk Rating	Likelihood	Consequence	Risk Rating	Likelihood	Consequence	Risk Rating
Almost Certain	Severe	Very High	Likely	Major	High	Likely	Moderate	Medium

Risk Causes:

- Quantum and speed of change (historic and in the next 12 months)
- [OR-6] Lack of capacity – inability to recruit and/ or retain staff (in a tightening labour market)
- Lack of presence / capacity offshore – R&V network may not be in country ahead of re-opening of markets e.g. India
- [OR-7] Lack of capability – new / changing visa types while running dual processing systems (AMS and ADEPT)
- Lack of certainty / changing policy requirements
- Uncertainty of demand (history no indication of future demand) / likely peaks due to categories opening simultaneously
- Technology limitations / system failures due to speed and quantum of change
- Ongoing impacts of pandemic especially on existing resource
- Reliance on MBIE partners (also dealing with the ongoing impacts of COVID, resource pressures etc.) for a co-ordinated response
- Reliance on 3rd parties (also dealing with the ongoing impacts of COVID, resource pressures etc.) to complete work, for information, etc.
- Lack of reliable intel / data to feed 'demand' forecast – which in turn limits the reliability of resource requirements / supply side

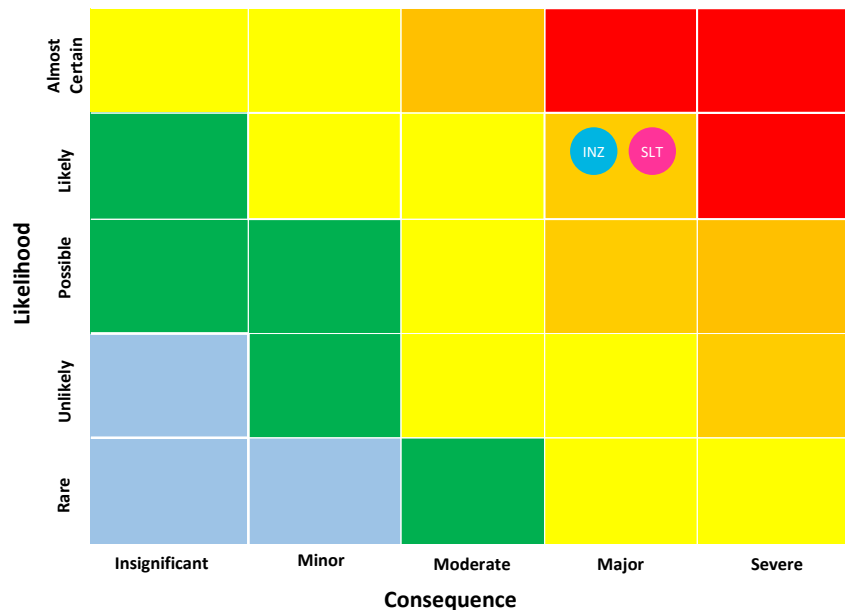
Risk Consequences:

- Loss of trust and confidence (Minister / Government)
- Degradation in service leading to customer and / or stakeholder dissatisfaction
- Increased scrutiny from Statutory bodies
- Reduced staff productivity, increased presenteeism / absenteeism – staff engagement reduced due to negative media etc.
- Increased turnover rate
- Reputational damage, loss of preferred employer status, etc.

Risk Controls:

- Governance mechanisms in place to facilitate discussions held / decisions made at the right level e.g. ILT, ELT, etc
- Active recruitment within BVO and V&C
- Workforce planning (BVO and R&V) based on current phasing of workstreams
- Regular review and prioritisation of activities ('Our Top 3') to focus collective business effort, and compel trade offs
- Strong relationship / clear process for information flows between INZ and MBIE policy (potential to strengthen further) – including provision of advice to the MoI on the risks, options and potential trade-offs around compressing the reconnecting timeframes
- Relationships with 3rd parties National security or defence . actively managed to understand their capacity constraints and enable INZ planning to match capacity to need (where possible) and / or factor in the flow on effect
- Testing of critical systems (ADEPT) with relevant service providers prior to 'go-live' and provision of Early Life support (ELS)
- MBIE Functional lead (DDI) controls for system and data availability [see OR-3]
- MBIE Functional lead (Ngā Pou o te Tamarau) controls for staff wellbeing [see OR-5]
- Reconnecting NZ focus groups (including external stakeholders) meets regularly to help set ongoing agenda for work

Business Group Risk



Key: ■ Very Low ■ Low ■ Medium ■ High ■ Very High

Risk Actions	Owner	Target Date
Reconnecting NZ Programme to co-ordinate various workstreams, strengthened in mid April with appointment of a dedicated Programme lead	Head of Reconnecting NZ	Ongoing
Resourcing up the new Christchurch "build" to provide additional resource capacity	GM BVO	Progressive build*
Expansion of Workforce planning across the whole of the visa processing system (including R&V teams etc.)	COO	Ongoing
Reviewing approach to recruitment and exploring the use of surge capacity – potentially sourced from MIQ workforce and the private sector (will require MBIE support and potential CAPEX should new / additional premises be required)	GM BVO	30/6/22
Work to simplify / streamline processes where possible	Head of Reconnecting NZ	Ongoing
Frequent reforecasting of both demand (applications) and supply (workforce needs) side	COO	Ongoing
Review of immigration (risk) levers to ensure they remain fit for purpose in a changing landscape	GM V&C	Ongoing
Working with ICC and DDI to identify and prioritise work that supports INZ	COO	Ongoing
Obtain funding for INZ third party revenue shortfall as part of Budget 2022	DS INZ	31/5/22

MBIE Risk Rating Criteria

		Likelihood risk rating criteria		
		Description	Probability	Frequency
Likelihood	Almost Certain	The event is expected to occur and is almost inevitable	Greater than 95% chance of occurring	< 1 year
	Likely	The event is expected to occur in most circumstances	60% to 95% chance of occurring	1-2 years
	Possible	The event might occur in some circumstances	30% to 60% chance of occurring	2-3 years
	Unlikely	The event is not expected but could occur in some circumstances	5% to 30% chance of occurring	3-20 years
	Rare	The event may occur but only in exceptional circumstances	Less than 5% chance of occurring	> 20 years

		Consequence risk rating criteria				
		Financial	Service Delivery & Change	Reputation & Trust	People Safety & Security	Legal & Compliance
Consequence	Severe	<ul style="list-style-type: none"> >\$10m Financial impact on business or change related activities, funding, success, shortfalls, costs or savings Impact cannot be managed or contained without additional funding from Government 	<ul style="list-style-type: none"> >48 hour outage or long term delays to high volume and/or business critical services Failure to achieve more than one Ministry or Business Group outcome or priority, to the extent that multiple targets will not be achieved Impact cannot be managed or contained without significant additional resources 	<ul style="list-style-type: none"> Loss of confidence in the Chief Executive and Senior Leaders Irreparable widespread damage to internal and external stakeholder trust and relationships; Extensive targeted media interest Loss or reduction in Ministry's core services or functions 	<ul style="list-style-type: none"> Loss of life and/or physical or mental wellbeing injuries with serious permanent effects; Single or multiple fatality Attrition of several critical roles and/or >17% turnover across the Ministry in 12 month period 	<ul style="list-style-type: none"> Action, omission, or issue resulting in a critical breach, external investigation and prosecution of the Ministry The Ministry is held liable or found to be negligent
	Major	<ul style="list-style-type: none"> \$5m - \$10m Financial impact on business or change related activities, funding, success, shortfalls, costs or savings 	<ul style="list-style-type: none"> 24-48 hour outage or sustained delays to high volume and/or business critical services Failure to achieve one Ministry or Business Group outcome or priority Ministry impacted by significant slippage in business or change activity or service levels Impact cannot be managed or contained without re-planning 	<ul style="list-style-type: none"> Sustained ministerial scrutiny or investigation Temporary adverse impact (widespread) on internal and external stakeholder trust and relationships of significant interest to ministers Targeted media interest Significant increase in parliamentary questions, ministerial and/or Official Information Act enquiries 	<ul style="list-style-type: none"> Multiple physical or mental wellbeing injuries with serious non-permanent effects; Single or multiple serious injury (SI) Attrition of several critical roles and/or >17% turnover in more than one Business Group in 12 month period 	<ul style="list-style-type: none"> Action, omission, or issue resulting in a significant breach and external investigation of the Ministry
	Moderate	<ul style="list-style-type: none"> \$1m - \$5m Financial impact on business or change related activities, funding, success, shortfalls, costs or savings 	<ul style="list-style-type: none"> 4-24 hour outage or intermittent delays to high volume and/or business critical services Business Group impacted by significant slippage in business or change activity or service levels Impact can be managed or contained with resource reallocation and some re-planning 	<ul style="list-style-type: none"> Targeted ministerial scrutiny or investigation Temporary impact on internal and external stakeholder trust and relationships of interest to minister Scrutiny by external bodies/ central agencies Short-term media interest Noticeable increase in parliamentary questions, ministerial and/or Official Information Act enquiries 	<ul style="list-style-type: none"> Short term physical or mental injuries; Lost Time Injury (LTI) Attrition of one or more Key People / critical roles and/or >17% turnover within one Business Group in 12 month period Sustained patterns of wellbeing issues or concerns not being addressed 	<ul style="list-style-type: none"> Action, omission, or issue resulting in a serious breach, external investigation of the Ministry, compliance order and/or other sanction
	Minor	<ul style="list-style-type: none"> \$100k-\$1m Financial impact on business or change related activities, funding, success, shortfalls, costs or savings 	<ul style="list-style-type: none"> A number of brief infrequent service outages or short-term delays Branch impacted by slippage in business or change activity or service levels Impact can be managed or contained within current resources, with some re-planning 	<ul style="list-style-type: none"> Limited media interest and/or coverage Limited impact on internal and external stakeholder trust and relationships Routine parliamentary questions, ministerial and/or Official Information Act enquiries 	<ul style="list-style-type: none"> Short term physical injury; Medical Treatment Injury (MTI); Restricted Work Injury (RWI) Attrition of one or more Key People and/or >17% turnover within a Branch in 12 month period Short term wellbeing issues or concerns not being addressed 	<ul style="list-style-type: none"> Action, omission, or issue resulting in a non-material breach requiring increased internal and external intervention and monitoring
	Insignificant	<ul style="list-style-type: none"> <\$100k Financial impact on business or change related activities, funding, success, shortfalls, costs or savings 	<ul style="list-style-type: none"> One brief isolated service outage or delay Business Team impacted by slippage in business or change activity or service levels Impact can be managed within current resources and does not require re-planning 	<ul style="list-style-type: none"> No media interest or visible adverse local or regional impact Negligible loss of credibility with key internal and external stakeholders 	<ul style="list-style-type: none"> First aid treatment; First Aid (FAI); Early Pain and Discomfort (EPD) Attrition of one or more Key People and/or >17% turnover within a Business Team in 12 month period 	<ul style="list-style-type: none"> Action, omission, or issue (including near miss) that constitutes a non-material breach of a legal obligation