



COVERSHEET

Minister	Hon Erica Stanford	Portfolio	Immigration
Title of Cabinet paper	Delivering a modern immigration system through the Our Future Services programme	Date to be published	14 March 2025

List of documents that have been proactively released

Date	Title	Author
October 2024	Delivering a modern immigration system through the Our Future Services programme	Office of the Minister of Immigration
23 October 2024	Delivering a modern immigration system through the Our Future Services programme ECO-24-MIN-0238 Minute	Cabinet Office
October 2024	Gateway Review Report – Our Future Services Programme	MBIE
February 2025	Our Future Services: Detailed Business Case – Modernising the immigration system end-to-end	Office of the Minister of Immigration
11 February 2025	Our Future Services: Detailed Business Case – Modernising the immigration system end-to-end EXP-25-MIN-0003 Minute	Cabinet Office
17 February 2025	Our Future Services: Detailed Business Case – Modernising the immigration system end-to-end CAB-25-MIN-0034.01 Minute	Cabinet Office
February 2025	Our Future Services: Detailed Business Case	MBIE

Information redacted

YES

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for reasons of security and international relations; free and frank opinions; commercial information and confidential advice to government.

In Confidence

Office of the Minister of Immigration

Cabinet Expenditure and Regulatory Review Committee

Our Future Services: Detailed Business Case – Modernising the immigration system end-to-end

Proposal

- 1 This paper seeks agreement to the Our Future Services Detailed Business Case (Appendix one), the preferred option for modernising the end-to-end service model for the immigration system (Option 4), and changes to the appropriations required to fund the programme from Fee and Levy revenue.

Relation to government priorities

- 2 This proposal relates directly to three core Government priorities: rebuilding the economy, delivering better public services, and supporting the Government's Fiscal Sustainability Programme.
- 3 The proposed programme will address the enduring barriers faced in delivering an efficient, customer-centric immigration service that appropriately manages risk to protect New Zealand's borders. This will optimise immigration's contribution to the economy.
- 4 MBIE is working with the Government Chief Digital Officer (GCDO) to ensure alignment with Government and Ministers' expectations of a digital public service and identify options for creating and using digital identity credentials supported by the Digital Identity Services Trust Framework. Officials will engage with GCDO throughout the programme to identify opportunities to reduce duplication of cost or effort across the public service.

Executive Summary

- 5 The immigration system relies on manual processing, legacy systems, and unsophisticated and reactive risk management. This creates challenges in delivering efficient and customer-centric immigration services.
- 6 While work has started to address these issues over recent years, I propose to accelerate delivery through the Our Future Services programme ("the programme") to create a fit for purpose immigration system that meets the expectations of Ministers, customers and stakeholders. Formalising delivery in a programme structure, with robust governance and independent assurance activities will support benefits being realised in a timely and efficient way.
- 7 I propose the programme be delivered as set out in investment ***Option 4 – modernising the end-to-end service model***. This delivers the programme over seven years, across three phases. It will cost \$336m¹, deliver approximately \$453m in monetisable benefits and result in ongoing annual net savings of \$80m (plus inflation) following delivery of

¹ All figures noted in this paper are nominal value plus inflation unless specified.

the programme. It is the best value for money and the only option delivering the level of change required to meet all the investment objectives, outcomes and benefits.

- 8 The programme will deliver a smaller, more efficient, digitally enabled immigration system that supports a better, customer-centric experience for visa applicants. This will support the key sectors and employers that rely on migrants and people travelling to New Zealand. It will include automation to improve productivity and integrate a risk analytics platform to improve risk management capabilities, to help keep New Zealand safe.
- 9 Work already completed by MBIE provides confidence in delivery of this programme. The core technology platform (ADEPT) is already in place, in use, and built on industry-standard technology (a Microsoft Power Platform application). Thirty-five percent of visa applications (by volume) are submitted and processed using ADEPT, demonstrating delivery ability and providing a robust estimate of benefits based on real experience.
- 10 The programme will be fully funded through a combination of immigration third party revenue (Fee and Levy) and realising monetary benefits. No additional funding is required.
- 11 Subject to Cabinet's agreement to progress with Option 4, MBIE will prepare for delivery, with acceleration of visa product build and commencement of related initiatives from June 2025. The Minister of Finance and I will receive quarterly reporting on progress, starting in June 2025.

Background

- 12 In October 2024, Cabinet noted the immigration system faces enduring challenges with inefficient visa processing, increasing risk of technology and service failure, reactive and unsophisticated risk management, and poor customer and user experience. It also noted MBIE officials were developing the Our Future Services programme to address these challenges [CAB-24-MIN-0413]. An overview of the programme is in *Appendix two: Summary of programme objectives and outcomes*.
- 13 This paper responds to Cabinet's invitation to present a Detailed Business Case for the Our Future Services programme and seeks agreement to my preferred investment option for delivering the programme – ***Option 4: Modernising the end-to-end service model***.

MBIE has identified what is required to address enduring challenges

- 14 The Advanced Digital Employer-led Processing and Targeting (ADEPT) platform (a Microsoft Power Platform application) was launched in 2022 to provide a modern, cloud-based platform for visa application submission and processing. It has already delivered efficiency and customer experience benefits.
- 15 The programme will accelerate building all visa products onto ADEPT. Under the preferred option, delivery will provide a single submission and processing channel within seven years, rather than twelve years at the current pace and cost of delivery.
- 16 The programme will enhance the ADEPT platform to deliver an improved customer and user experience. Outdated legacy systems will be decommissioned, and risk

management tools will enable a more sophisticated and proactive approach to mitigating and managing immigration harm.

- 17 Improvements to the immigration system will be measured through nine monetised and non-monetised benefits across four outcome areas: improved service efficiency, improved risk identification and management, improved systems agility, and improved customer and staff experience.

Improving productivity through the Our Future Services programme

- 18 Investment in the programme will deliver productivity gains by introducing task automation across all visa products. Once a risk analytics platform is connected to ADEPT, it will further improve productivity by introducing end-to-end automated decision-making on low-risk applications for some products.
- 19 Productivity gains will result in an increase in the number of visa decisions made each day. For example, processing of Student visa products in ADEPT will enable a 30% increase in the number of applications decided each day.

The Detailed Business Case identifies a preferred way forward

- 20 As the programme is a continuation of work already underway, it is moving directly to a Detailed Business Case. This approach is supported by Treasury and was supported through the October Gateway Review process, which noted the role of the Detailed Business Case to highlight the benefit of taking a programme approach to acceleration of existing work.
- 21 The Detailed Business Case outlines three investment objectives for the programme:
 - 21.1 to create a unified immigration technology eco-system that consolidates visa application submission and processing into a single platform and decommissions legacy systems
 - 21.2 to implement new risk capabilities and strengthen processes and frameworks to better understand, mitigate and manage immigration risk
 - 21.3 to develop and deliver an immigration system that is easy to understand, interact and comply with.
- 22 MBIE officials have identified four investment options for the programme building in scale of investment, accelerated delivery, and improvement in outcome quality, as set out in *Appendix three: Summary of investment options*. Each option has been assessed against set evaluation criteria.
- 23 In October 2024, Cabinet noted that **Option 4 – Modernising the end-to-end service model** was my preferred investment option for the programme. This remains the preferred option now the Detailed Business Case is finalised.
- 24 While Option 4 requires the greatest investment, it provides the highest return on investment and value for money. It is the only option to deliver the change required to achieve all the investment objectives and deliver \$453m in monetised benefits. It will also provide non-monetised benefits through improved risk identification and management and improved customer and user experience.
- 25 Option 4 scores less favourably on three of the critical success factors – ‘implementation complexity’, ‘affordability/upfront investment’ and ‘time horizon’ –

but this reflects the scale of change required to achieve all the investment objectives successfully. Careful management of implementation dependencies, the programme roadmap and benefits realisation will mitigate these factors.

- 26 A summary of the rationale for not choosing the other options is outlined below:
- 26.1 **Option 1 – Status quo** is the least desirable against the evaluation criteria as it does not meet the identified investment objectives. The time taken to build all products on ADEPT does not maximise efficiency potential, and an estimated \$224m (including inflation) investment would be required to ensure legacy systems remain fit for purpose over 13 years.
 - 26.2 **Option 2 – Do minimum** has the lowest whole of life costs and includes decommissioning legacy systems, providing more efficiency benefits over Option 1. However, it does not enable improvements to risk management nor maximise customer improvement opportunities to address the investment objectives and does not fully meet most critical factors required for successful delivery. While it has low/medium implementation complexity, it does not address technology and key business risks which could lead to vulnerabilities over the longer-term.
 - 26.3 **Option 3 – Do minimum faster** delivers increased efficiency benefits through acceleration of building visa products in ADEPT and decommissioning legacy systems, but still will not enable the full productivity gains that can be achieved through platform self-service enhancements and introducing end-to-end automated decision-making. It will only partially achieve the investment objective of simplified experience as products will mainly be built using a ‘lift and shift’ approach and does not include any activities that strengthen risk management. It carries more implementation risk than Option 1 and 2 due to the accelerated delivery approach. While it is a lower investment than Option 4, it is not good value for money.

The programme will be delivered over three phases across five workstreams

- 27 The programme will be delivered in three phases over the following five workstreams and will incrementally deliver monetary and non-monetary benefits across all three phases.
- 27.1 ADEPT Platform Optimisation
 - 27.2 ADEPT Product Build
 - 27.3 Legacy System Decommissioning
 - 27.4 Enabling Foundations
 - 27.5 Workforce of the Future.
- 28 While the phases are interdependent, the approach provides structured decision points to use lessons from the previous phase to determine how and whether to proceed to the next stage and allows for any adjustments to the delivery approach to be made if required to support the realisation of benefits. This may include incorporating new technology advancements to enable faster programme delivery.
- 29 Phase one (February 2025 to June 2026) is deliberately the shortest phase to build momentum and confidence. While phase one begins in February 2025, this will initially be a continuation of BAU and preparation activities, such as recruitment and the development of supporting strategies, to enable accelerated delivery from June 2025.

- 30 The roadmap for the ADEPT Product Build workstream starts with products currently on the Immigration Global Management System (IGMS) which carries the largest proportion of risk and a number of high-volume products. To support the programme's roadmap, planning of policy changes will consider the programme's schedule to align decisions and product build as much as possible.

External assurance has been undertaken on the Detailed Business Case

- 31 An independent quality assurance review completed on the business case in August 2024, confirmed the robustness of the cost model, including the work to determine monetisable benefits. The review made ten recommendations, all of which were accepted. Eight are completed and two are incorporated into the implementation readiness activities for the programme.
- 32 A quantitative risk assessment completed on the costings in October 2024 confirmed that the contingency level in the cost model for the programme is sufficient.
- 33 A Gateway review completed in October 2024, assessed the start-up stage of the programme. The review team rated the programme Amber, with the report identifying this as the expected status given the stage of the programme.
- 34 The review team made five recommendations to strengthen the progress of the programme covering resourcing, organisational readiness and change, integrated planning and governance. Some recommendations have been completed and the remaining will be completed by the end of May 2025. The next Gateway will be in June 2025.

Foundations have been laid to set the programme up for success

- 35 I have confidence in MBIE's ability to deliver the programme and its associated benefits within the estimated timeframe. The implementation readiness plan has a number of preparation activities already completed or underway.

A robust approach to benefits realisation has been developed

- 36 The programme will achieve \$453m in monetised benefits of:
- 36.1 \$344m savings from a reduction in visa processing workforce requirements
 - 36.2 \$3m savings from a reduction in postage and storage costs
 - 36.3 \$20m savings from a reduction in Customer Service Centre call volumes
 - 36.4 \$86m savings from decommissioning legacy systems.
- 37 A monetised benefits model has been created with input from MBIE subject matter experts and is largely based on evidence from previous ADEPT product builds. A conservative estimation approach has been applied to ensure benefits are achievable.
- 38 A benefits realisation plan has been developed, and a dedicated benefits realisation role within the programme team will ensure effective monitoring.
- 39 The largest portion of monetised benefits will be achieved through a reduction in visa processing workforce requirements, as a result of improved processing productivity and will primarily be delivered through attrition. The required reduction has been mapped over seven years aligned with the ADEPT visa product build roadmap and against attrition forecasts.

- 40 While in most cases the realisation of workforce related benefits can be achieved through attrition in line with the visa product build roadmap, there may be periods where it is appropriate to pause recruitment and operate with reduced staff in anticipation of a product build onto ADEPT, to ensure benefits are realised through attrition.
- 41 The analysis completed provides MBIE officials confidence in realising these reductions. The approach is agreed with immigration system senior leadership, who will be responsible for recruitment decisions to ensure workforce benefits can be realised at the appropriate times.

The capacity and capability to deliver programme initiatives has been determined

- 42 The programme will be delivered by dedicated teams made up of existing internal MBIE staff, additional resourcing, and some vendors.
- 43 As the programme is built around existing architecture, no procurement is needed for the ADEPT platform and acceleration can begin once additional resourcing is in place. Vendors may be engaged for some smaller capabilities, such as decision intelligence and knowledge management.

A comprehensive assurance plan has been developed for the programme

- 44 Strong internal and external assurance arrangements will ensure the programme is well managed and successfully delivers, as set out in the Management case.
- 45 A Programme Board is established to provide governance throughout programme delivery. It is accountable for the overall success of the programme, including decision-making and benefits realisation. The Programme Board is chaired by the Senior Responsible Owner (the Deputy Secretary, Immigration New Zealand) and includes senior leaders from across the immigration system, and external membership with experience in delivering large scale change programmes.
- 46 An external independent quality assurance or technical quality assurance review will be conducted six-monthly, in addition to the recommended Better Business Case Gateway reviews. MBIE will also complete six-monthly internal reviews.
- 47 The programme will report regularly through existing MBIE governance channels, including the MBIE leadership team, to ensure appropriate oversight of delivery, financial performance, risk and benefits realisation.
- 48 The Minister of Finance and I will receive quarterly updates from June 2025 on programme delivery, including costs and benefits realisation. Cabinet will receive an annual progress update.

Key programme risks have been identified and mitigations put in place

- 49 A risk register has been developed for the programme and will be regularly monitored by the Programme Board. Six risks are rated as high, with mitigations in place. A summary of these risks is in *Appendix four: Summary of highest rated programme risks and mitigations*.

Implementation

- 50 Subject to agreement, building products in ADEPT will continue at the current pace while MBIE officials take the necessary steps to ensure programme acceleration from June 2025.
- 51 An implementation readiness plan is based around six pillars: programme management and planning, programme delivery structure and resourcing, governance and assurance, communication and change, supporting strategies and focused benefits management. All activities in the implementation readiness plan will be completed prior to the next Gateway review.

Cost-of-living Implications

- 52 There are no cost-of-living implications arising from this proposal.

Financial Implications

53 Free and frank opinions

- 54 The programme has an estimated cost of \$336m, including 20 per cent contingency. The programme will be funded through:
 - 54.1 \$106.4m from immigration third party revenue (Fee and Levy), subject to Cabinet agreement through this paper
 - 54.2 \$229.8m from realising monetary benefits. The monetary benefits will start to exceed costs and contribute towards programme funding from year 4.
- 55 Forecast for revenue has been modelled at 90% of forecast volume using the new Fee and Levy rates that came into effect in October 2024. Should there be a significant event that results in lower-than-expected revenue and the expected monetary benefits cannot be realised, there are gateways at the end of each phase that provide opportunities to stop or scale back the programme, as needed.
- 56 The breakdown of year-on-year costs and identified funding can be found below:

(\$m)	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	8-year total*
Costs									
Operating costs (incl. contingency)	4.30	41.11	46.66	43.26	48.38	50.08	64.18	27.29	325.27
Capital costs (incl. contingency)	0.04	3.39	5.76	1.69	-	-	-	-	10.88
Total programme costs	4.34	44.50	52.42	44.95	48.38	50.08	64.18	27.29	336.15
Funding identified									
Cost met through immigration fee revenue (memo account)	4.14	27.75	10.98	-	-	-	-	-	42.87
Cost met through immigration levy revenue (hypothecation account)	0.20	13.72	14.36	9.10	7.18	7.43	11.49	-	63.48

I N C O N F I D E N C E

Cost met through realising programme benefits (savings/efficiencies)	-	3.03	27.08	35.86	41.19	42.66	52.69	27.29	229.80
Total funding identified	4.34	44.50	52.42	44.95	48.38	50.08	64.18	27.29	336.15
Monetary benefits									
Total monetary benefits	-	3.03	27.08	52.36	77.07	88.66	97.46	107.23	452.89
Operating funding									
Total operating funding per Financial Recommendation below	4.34	41.47	25.34	9.10	7.18	7.43	11.49	-	106.35

*The programme is delivered over seven calendar years, which runs over eight financial years.

- 57 The expenses and savings related to the programme will impact the Immigration Visa Services Memorandum and hypothecation accounts. This initiative is expected to reduce the hypothecation account balance by \$61m and improve the memorandum account balance by \$178m over eight financial years, under current Fee and Levy settings. However, as the expenses and revenue of memorandum and hypothecation accounts balance over time, this initiative is not expected to improve the government’s overall fiscal position in the long term. Reduced costs for third parties should be reflected in future immigration Fee and Levy reviews to rebalance the Memorandum and hypothecation accounts.
- 58 The business case sets out modelling on two scenarios to demonstrate the impact on overall affordability in the event that 10% to 25% of the benefits are not realised. The model projects an additional \$3m to \$7m cash shortfall would arise in these scenarios. This shortfall would need to be met through the MBIE balance sheet and equity account.

Legislative and regulatory impacts

- 59 There are no direct legislative or regulatory implications identified at this stage, but as visa products are reviewed and built, changes to regulations and/or immigration instructions may be identified to support implementation and achieve the full programme benefits.

Climate Impacts

- 60 There are no climate impacts arising from the proposals in this paper.

Population and Human Rights Implications

- 61 There are no population or human rights implications arising from the proposal.

Use of external resources

- 62 No external resources were used in developing this paper. External resources were used as part of the independent quality assurance review, the quantitative risk assessment, and Gateway review. They will also be used for any additional external assurance activities for the programme.

Consultation

- 63 The Department of Prime Minister and Cabinet, Government Chief Digital Officer, the Treasury, New Zealand Security Intelligence Service and Customs were consulted on the proposals in this paper.

Communications

- 64 A communications plan has been developed to accompany the proactive release of this Cabinet paper. Subject to Cabinet approval, the approach for communicating the Our Future Services programme will be agreed with my office.

Proactive Release

- 65 This paper and the Detailed Business Case will be proactively released subject to redactions as appropriate, consistent with the Official Information Act 1982. The paper noted by Cabinet in October – *Delivering a modern immigration system through the Our Future Services programme* [CAB-24-MIN-0413] will also be proactively released at the same time.

Recommendations

The Minister of Immigration recommends that the Committee:

- 1 **note** that in October 2024, Cabinet invited me to present a Detailed Business Case for the Our Future Services programme, to address enduring challenges the immigration system is facing;
- 2 **note** that the Our Future Services programme will deliver a digitally enabled immigration system that is smaller, more efficient, more customer-centric and better manages risk;
- 3 **note** that the Ministry of Business, Innovation and Employment (MBIE) has developed a Detailed Business Case, which identifies four investment options;
- 4 **agree** to MBIE progressing work to implement ***Option 4 – modernising the end-to-end service model***, as it provides the most value for money and is the only option to fulfil all the investment objectives of the programme;
- 5 **note** that Option 4 will be delivered in three phases over seven years, with structured check points, or off ramps, if necessary, at the end of the first two phases;
- 6 **note** that for the programme to deliver successfully within expected timeframes, any policy change to existing visa products needs to be aligned to the programme roadmap;
- 7 **note** that Option 4 will cost \$336m and deliver ongoing annual net savings of \$80m plus inflation following programme completion;
- 8 **note** that Option 4 will be funded through a combination of existing immigration third party revenue (Fee and Levy) and realising monetary benefits;
- 9 **note** that the Visa Services memorandum account cash shortfall of \$35.8m will be met through the MBIE balance sheet and equity account, which will then be replenished once the programme starts to generate net savings (projected from FY27/28);

IN CONFIDENCE

- 10 **note** that the Immigration levy is a non-departmental revenue stream and is therefore reflected as revenue Crown in the below financial recommendations for the departmental Immigration MCA;
- 11 **approve** the following changes to appropriations for the increased costs relating to the programme, to be provided for from Fee and Levy revenue, with no corresponding impact on the operating balance and net debt;

	\$m- increase/(decrease)						
	2024/2 5	2025/2 6	2026/2 7	2027/2 8	2028/2 9	2029/3 0	2030/3 1
Vote Labour Market Minister of Immigration Multi-Category Expenses and Capital Expenditure							
Immigration Services MCA: Departmental Output Expenses							
Assessment and Processing services (funded by revenue Crown)	0.20	13.72	14.36	9.10	7.18	7.43	11.49
Assessment and Processing services (funded by revenue other)	4.14	27.75	10.98	-	-	-	-
Total operating	4.34	41.47	25.34	9.10	7.18	7.43	11.49

- 12 **agree** that the changes to appropriation in the above recommendation be included in the 2024/25 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 13 **note** that the recommendations above will have an ongoing impact on the immigration fee memorandum account balances in MBIE’s Annual Report and the Estimates of Appropriations;
- 14 **note** that appropriate assurance arrangements are in place, including a dedicated Programme Board and planned external assurance reviews;
- 15 **note** that the Minister of Finance and I will receive quarterly reporting on the implementation of the programme from end of June 2025; and
- 16 **note** that MBIE will report back on progress to Cabinet annually, starting in February 2026.

Hon Erica Stanford
Minister of Immigration

Appendices

Appendix one: Our Future Services: Detailed Business Case

Appendix two: Summary of programme objectives and outcomes

Appendix three: Summary of investment options

Appendix four: Summary of highest rated programme risks and mitigations

Appendix two: Summary of programme objectives and outcomes

Where we are today

Inefficient visa processing
 Reliance on multiple online systems and paper applications causes processing inefficiencies. A significant amount of processing work can only be done manually and increased volumes can only be managed with more staff or accepting slower processing times.

65% Of application volume is received outside of ADEPT and processed using multiple systems

160,000 Paper applications received each year (approx)

Visa applications are split across **five submission channels** (ADEPT, paper, Phone, IGMS, Online Services)

Increasing risk of technology and service failure
 Legacy platforms are at the end-of-life stage, carry significant risk and require high ongoing maintenance costs. It is complex and expensive to implement critical business enhancements and policy change, or to adjust as context or priorities change.

\$224 million Over the next 13 years we will need to invest \$224m (including inflation) to maintain legacy systems

33 tech risks We carry an average of 33 tech risks at a time

3 months A simple system change affecting visa settings usually take three months

Reactive and unsophisticated risk management
 The immigration system does not have a single view of risk advice and lacks the tools and capabilities to proactively predict and respond to risk. The types of data collected and methods of collection are limited, reducing the efficacy and accuracy of how immigration risk is identified, mitigated and managed.

35% Of customers are not declaring the same information on their application as is found on their passport (estimate)

Risk rules are blunt and difficult to modify

Data is not connected across systems and the risk analysts platform is not connected to ADEPT

Poor customer and user experience
 There is a lack of fit-for-purpose online services that enable customers to self-serve. Complex processes and unclear guidance make it challenging for customers to know what to do, resulting in incomplete applications that significantly impact visa processing productivity.

64% of student visas in **30 days**

82% of work and visitor visas in **20 days**

52.5% Of calls to the contact centre are for updates on their application status

Multiple knowledge tools and information sources for frontline staff

Investment objectives

Create a unified INZ technology eco-system which is fit for purpose and enables our future service model.

Consolidate our submission and processing applications into a single platform.

Benefits

Reduced manual effort for visa processing and support.

Reduction in licencing and maintenance costs (IGMS, Plone and AMS).

Future state – Measuring our success

Improved efficiency of services
 A single submission and processing channel will improve efficiency and enable cost savings across the immigration system. Adopting a digitally-enabled approach and leveraging automation capabilities will further improve our productivity.

20% Reduction in call volumes and emails

40% End-to-end automation will be implemented for five low-risk, low complex visa products informed by analytical models

Reduction in visa processing workforce requirements and Customer Service Centre call volumes

Increase in the number of **decisions per day**

7.36	Complex applications
3.07	Non-complex applications
15.95	
23.94	

Improved systems agility
 Decommissioning legacy systems and moving to a single cloud-based system (ADEPT) will enable faster and more effective responses as demands on the immigration system change. A more flexible approach to service delivery will be unlocked to remove reliance on increasing frontline staff to respond to changes in volumes or priority.

\$86m savings From licencing and maintenance costs through decommissioning legacy systems and scaling back AMS

An enhanced visa processing model allocates work based on staff capacity and capability, rather than the platforms the staff are trained to operate

Faster change delivery due to a consolidated technology landscape and enhancements to ADEPT

Improved identification and management of risk
 New capability will enable an intelligence-led visa processing model that is supported by enhanced data analytics and better data connections across the immigration system. This will enable better prediction and mitigation of risk, based on agreed data formatting, well-integrated intelligence and outcomes.

Development of an **immigration harm index**

Enhanced identity capabilities, such as eChip passport reader and liveness checks

Decision intelligence capability that integrates existing and enhanced data-rich technologies with human judgement

Improved experience for customers and staff
 A service design approach will ensure customers are put at the centre of the design and delivery of immigration services. Ensuring both customers and staff have access to the right information at the right time will drive productivity benefits and reduce pressure across the immigration system.

10% improvement in customer satisfaction

86-89% of customers will be satisfied with the overall experience of applying for a visa

Improvements to the **self-service portal** enabling customers to manage their application with ease

An **accurate and searchable knowledge base** supporting quality decision-making in a timely manner

I N C O N F I D E N C E

Appendix three: Summary of investment options

	Option 1: Status quo	Option 2: Do minimum	Option 3: Do minimum faster	Option 4: Modernising the end-to-end service model (preferred)
Delivery timeframe	12 years	12.5 years	7 years	7 years
Scope	<ul style="list-style-type: none"> • All products built in ADEPT. • Legacy systems remain. • No improvements to risk management. 	<ul style="list-style-type: none"> • All products built in ADEPT. • Legacy systems decommissioned. • No improvements to risk management. 	<ul style="list-style-type: none"> • Accelerated approach to building all products in ADEPT – predominately a lift and shift approach. • Limited customer- and user- centric enhancements to ADEPT platform. • Accelerated approach to decommissioning legacy systems. • No improvements to risk management. 	<ul style="list-style-type: none"> • Accelerated approach to building all products in ADEPT – including customer-centric redesign of products. • Accelerated approach to decommissioning legacy systems. • Customer- and user-centric enhancements to ADEPT platform, i.e. options for self-service. • Improvements to risk management. • Connection of risk analytics platform to enable end-to-end automation.
Whole of life costs (\$m)	(203)	(164)	(209)	(275)
Cost-Benefit Breakdown				
Present Value of Benefits (\$m)	218	283	398	511
Present Value of Costs (\$m)	(203)	(164)	(209)	(275)
Benefit Cost Ratio	1.08	1.72	1.91	1.86
Net Present Value (NPV, \$m)	15	119	189	236
NPV Rank (out of 4)	4	3	2	1
Investment returns				
Pay back period (Years)	N/A	5.40	5.31	5.70
Annual net positive return	N/A	Year 5	Year 4	Year 4
Ongoing annual impact on annual ongoing immigration system expenditure				
	Increase of an estimated \$4.6m plus annual inflation, from FY36/37	Reduction of an estimated \$43m plus annual inflation, from FY36/37	Reduction of an estimated \$63m plus annual inflation, from FY31/32	Reduction of an estimated \$80m plus annual inflation, from FY31/32

Appendix four: Summary of highest rated programme risks and mitigations

Risk description	Mitigations
<p>Supporting staff through change: If change is not managed with staff, including appropriate leadership, then there may be a negative reaction that will impact the immigration system's ability to deliver effectively.</p>	<ul style="list-style-type: none"> • Use of existing MBIE change management frameworks to support change management. • Internal messaging key consideration for the communications and engagement plan with focus on authentic engagement focused on opportunities. • A change lead is engaged and change programme is created with frequent messaging targeted to leaders who are kept informed and engaged in the process. • Workforce of the future workstream includes clear focus on change management and empowering leaders by providing the training needed to support their staff through the change.
<p>Unexpected change in priorities: If there are unexpected external factors that change immigration system priorities, such as delivery of the programme no longer prioritised against the delivery of the wider MBIE change enterprise programme and delivery of Government priorities, this would change the scope or interrupt the delivery of the programme, and the programme could fail to deliver the benefits within the expected timeframe.</p>	<ul style="list-style-type: none"> • Programme set up to be agile and responsive to changes in the operating environment, including phased approach and development of a business continuity plan, including options for a minimum viable product for the programme. • Implications of changes to roadmap are understood, with development of clear process and principles providing clarity on when any policy change/updates need to be made outside of the programme or delayed and included in the roadmap. (Any new visa products implemented throughout the duration of the programme are funded separately.) • Change pipeline process and associated governance group in place to make decisions around the necessity of any proposed change and ensure any change external to the programme is appropriately prioritised. • Robust governance structure with clear decision-making hierarchy to manage scope of the programme and external assurance at regular intervals (minimum of six monthly).
<p>Programme benefits are not realised: If we fail to deliver programme benefits then we fail to realise programme outcomes, including ability to fund the programme.</p>	<ul style="list-style-type: none"> • Approach to developing assumptions (e.g. build timeframes, productivity improvements) are well documented and transparent, and wherever possible are based on evidence, such as previous work to build visa products onto ADEPT. • Business engagement supports confidence in assumptions, including clear baselines being validated with business owners. • Information related to environmental and operational context that have informed assumptions will be reviewed six-monthly. • Benefits assumptions worked through and agreed with relevant business owners and Deputy Secretaries and a benefits realisation plan has been developed and approved. • Benefits realisation reporting will be provided monthly to the Programme Board and quarterly to the Minister of Immigration and the Minister of Finance.
<p>Ability to stay the course: If the delivery risks across emerging technology, change fatigue and scope changes cannot be managed across the planned duration of the programme, then the programme will not remain consistent and a priority and it will fail to deliver.</p>	<ul style="list-style-type: none"> • Programme devised over three phases with checkpoints that provide opportunities to re-phase or re-prioritise if required, including accelerating delivery. • Benefits are phased throughout the programme, so some benefits will still be realised should there be changes to the programme later on. • ADEPT is a cloud-based platform that provides the ability to upgrade and integrate changes as appropriate. • The terms of reference for the OFS Programme Board incorporates the need to review the programme against technological developments to ensure we can take advantage of newly emerging technologies.

IN CONFIDENCE

Risk description	Mitigations
<p>Vendor resource capacity and capability: If the vendors do not have the resource capability or capacity or contracts are not well managed, then the programme will be delayed resulting in impacts to the schedule, costs and deliverables.</p>	<ul style="list-style-type: none"> • Dedicated commercial manager specialist in the programme team. • Early engagement with vendors so they can plan their capacity and capability. • Commercial expertise on the OFS Programme Board.
<p>ADEPT licencing model: If the programme cannot work with Microsoft to define the consumption model accurately, then it will incur high licensing cost resulting in increased whole of life costs and reduced benefits.</p>	<ul style="list-style-type: none"> • Organisational approach to engagement with Microsoft to understand all spend areas. • Technical ADEPT workstream will have features focused on reducing ADEPT consumption and support costs. • Early and ongoing regular engagement with Microsoft to give them a clear view of the pipeline of activity and to engage with them on what levers can be used to ensure the best value for money. • Overestimated licensing fees in the cost model, including applied uncertainty contingency to ADEPT license costs.