



Proactive Release

The following documents have been proactively released by the Department of the Prime Minister and Cabinet (DPMC), on behalf of the Deputy Prime Minister, Hon Grant Robertson:

Rapid Assessment of the Immigration Rebalance Contingency Planning

The following documents have been included in this release:

Title of paper: Rapid Assessment of the Immigration Rebalance Contingency Planning (CPC-22-SUB-0029)

- Briefing: Rapid assessment of the Immigration Rebalance.
- Attachment A: INZ – Process of Intervention.
- Attachment B: INZ – Current status across priorities and intervention.

Title of minute: Rapid Assessment of the Immigration Rebalance Contingency Planning (CPC-22-MIN-0029)

Title of minute: Report of the Cabinet Priorities Committee: Period Ended 16 September 2022 (CAB-22-MIN-0387)

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act). Where this is the case, the relevant section of the Act that would apply has been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Key to redaction codes:

- 9(2)(a) to protect the privacy of individuals;
- 9(2)(f)(iv) to maintain the confidentiality of advice tendered by or to Ministers and officials;
- 9(2)(g)(i) to maintain the effective conduct of public affairs through the free and frank expression of opinion;

~~[In Confidence]~~

Office of the Minister Hon Grant Robertson
Deputy Prime Minister

Chair, Cabinet Priorities Committee

Rapid Assessment of the Immigration Rebalance Contingency Planning

Proposal

1. This paper is an update on the Implementation Unit's (the Unit) work programme. It covers the Rapid Assessment (the Assessment) of the Immigration Rebalance Contingency Planning delivered to me on 18 August 2022.

Relation to government priorities

2. The Unit's operations are critical to enabling the successful delivery of Government priorities, particularly *accelerating economic recovery* and *laying foundations for the future*.

Background

3. On 26 July 2022, the Cabinet Priorities Committee [**CPC-22-MIN-0016** refers]:
 - 3.1. **agreed** that a rapid assessment of the Immigration Rebalance should be undertaken by the Unit.

Rapid Assessment of the Immigration Rebalance Contingency Planning

4. Visa processing has ramped up with the opening of the border from 31 July 2022. Priorities include the new Accredited Employer Work Visa (AEWV), visitor and student visas, and processing the 2021 Resident Visas (RV 2021).
5. The assessment focussed on whether there are contingency plans ready to be employed across the visa categories (so that performance standards for visa processing are not compromised) if there is a system failure, or demand exceeds forecasts; or where there is a combination of both higher demand and system failure, or where the plans need to change if operational settings impact on performance.
6. There are clear processing standards across the four priority visa products. These are set for straightforward applications ranging from a combination of 10 to 20 days for each of the three gateways under AEWV, 20 days for visitor visas, 30 days for student visas, and an overall performance measure that 80% of all RV 21 applications will be processed by June 2023. These performance measures provide the foundation for confidence in the NZ immigration system and INZ, at a time of unprecedented national and global demand for labour.
7. The Unit reported its Assessment to me on 18 August 2022. A copy of the Assessment is in Appendix A.
8. The Unit found that Immigration New Zealand (INZ) makes tactical and pragmatic decisions to adjust operational settings (not policy settings) and move resources when faced with increased demand or processing challenges based on the volume and complexity of actual applications. It pivots resources and operational settings to the triggers in its daily assessments

using live dashboards tracking performance against the priority visa areas. It responds to feedback it receives from those affected by its decisions, and to what it sees in the data 'day to day'.

9. The assessment also found that INZ needs to be able to make assumptions and forecast the percentage of applications that will be straightforward across its priority visas, and those that will not be, up until at least June 2023. It can use its daily monitoring and tactical meetings to inform the forecasts while continuing to move resources and adjust its operational settings, where required.
10. While there are elements of contingency planning across INZ's business, it is hard to see it documented in a way that guides and drives responses including trade-offs across different parts of the business, with multiple visa products and differing processing timeframes.
11. INZ can move staff as needed while acknowledging that a proportion of its workforce is new and learning new systems. This is not unusual in an operational setting but reinforces the need for sound contingency planning.
12. The Unit's assessment did not find that a wider staff response across the Ministry of Business, Innovation and Employment (MBIE) or reaching out to the wider Public Service is needed at this stage, but that INZ needs test that assumption in its planning for a contingency response for the scenario where cumulative issues occur at the same time and or for a prolonged period across the priority visa types.
13. INZ has increased its external engagement, is setting up a workstream on automation and has established an internal Visa Processing Taskforce.
14. Robust contingency planning using an overall performance dashboard to inform understanding and monitor performance against the processing standards will strengthen the initiatives INZ is putting in place. These initiatives will help move it further towards an evidence and system-led approach, informed by engagement, alongside its tactical response strengths.
15. I discussed the Unit's report and recommendations with the Minister of Immigration on 6 September 2022.

Update on AEWV visa processing

16. On 22 August 2022, following consideration of the Unit's Assessment, I asked the Unit to provide my office with a weekly update on the status of the Job Check applications under AEWV, s9(2)(g)(i)

Applications requiring higher assessment and verification are taking longer as is clear in Table One below.

17. As at 5 September 2022, progress against the Job Check applications has improved to 58% of applications being decided within 10 days. The percentage across the other two AEWV gateways of Employer Accreditation and the granting of Work Visas is also set out in Tables Two and Three below. For Employer Accreditation, 81% of applications are being decided

within 10 days, and for the Work Visa applications, 54% are being decided within 10 days as at 5 September 2022.

Table One: Employer Accreditation – Gateway One

| Decision period | Data as at | | |
|--------------------------|---------------------------------|----------------------------------|----------------------------------|
| | 24 August | 1 September | 5 September |
| 0 to 10 days | 81 percent | 81 percent | 81 percent |
| 11 to 20 days | 12 percent | 12 percent | 12 percent |
| 21 to 30 days | 4 percent | 4 percent | 4 percent |
| 31 days or more | 3 percent | 3 percent | 3 percent |
| | | | |
| Average time to decision | 6 working days | 6 working days | 6 working days |
| | | | |
| Applications decided | 9,078 decided of 9,849 received | 9,551 decided of 10,399 received | 9,764 decided of 10,593 received |

Table Two: Job Check – Gateway Two

| Decision period | Data as at | | |
|--------------------------|---------------------------------|---------------------------------|---------------------------------|
| | 24 August | 1 September | 5 September |
| 0 to 10 days | 52 percent | 56 percent | 58 percent |
| 11 to 20 days | 34 percent | 29 percent | 28 percent |
| 21 to 30 days | 8 percent | 8 percent | 8 percent |
| 31 days or more | 5 percent | 5 percent | 6 percent |
| | | | |
| Average time to decision | 10 working days | 10 working days | 9 working days |
| | | | |
| Applications decided | 4,482 decided of 6,300 received | 5,657 decided of 7,168 received | 6,165 decided of 7,499 received |

Table Three: Accredited Employer Work Visa - Gateway Three

| Decision period | Data as at | | |
|--------------------------|-------------------------------|---------------------------------|---------------------------------|
| | 24 August | 1 September | 5 September |
| 0 to 10 days | 44 percent | 51 percent | 54 percent |
| 11 to 20 days | 45 percent | 39 percent | 38 percent |
| 21 to 30 days | 10 percent | 10 percent | 8 percent |
| 31 days or more | 0 percent | 0 percent | 0 percent |
| | | | |
| Average time to decision | 11 working days | 10 working days | 10 working days |
| | | | |
| Applications decided | 225 decided of 2,673 received | 1,287 decided of 4,093 received | 1,701 decided of 4,782 received |

Next steps

18. I have asked the Unit to work alongside INZ until June 2023 given the anticipated AEWV peaks in April and May 2023 with a focus on the development and deployment of an overall contingency plan to ensure performance timeframes can be met across priority visa categories.
19. The Minister of Immigration and INZ support this approach. INZ has also developed an action plan in response to the recommendations in the Assessment. I have also been advised that MBIE has stood up a Reconnecting New Zealand (RCNZ) Incident Management Team (IMT), with authority to make decisions to speed up processing. It will look at ways to leverage the new online platform, increase the automation of more tasks, improve processes, and build greater collaboration, responsiveness and continuous improvement across all parts of MBIE involved in immigration. It will also oversee the implementation of the response to the Rapid Assessment to ensure alignment and sustained improvement post the IMT.
20. Progress against the recommendations will also be included in the quarterly reports I provide to CPC on the work undertaken by the Unit.

Consultation

21. The Ministry of Business, Innovation and Employment (MBIE) including INZ, was consulted on this paper, and the Assessment at Appendix A. The Public Service Commission and the Treasury were informed of this paper, and the Assessment.

Financial Implications

22. There are no direct financial implications from this paper.

Legislative Implications

23. There are no legislative implications arising from this paper.

Impact Analysis

24. An Impact Statement is not necessary for this paper.

Human Rights

25. There are no Human Rights implications arising from this paper.

Gender Implications

26. There are no gender implications arising from this paper.

Disability Perspective

27. There are no matters arising from this paper that require a disability perspective.

Publicity

28. No publicity is planned as a result of this paper.

Proactive Release

29. I intend to proactively release this paper and its associated minute after the standard 30 business days from the decision being made by Cabinet.

Recommendations

I recommend that the Committee:

- (a) **Note** that the Unit delivered its Rapid Assessment of the Immigration Rebalance Contingency to me on 18 August 2022.
- (b) **Note** that I discussed the recommendations in the Unit's Assessment with the Minister of Immigration on 6 September 2022, and we have agreed on the recommendations.
- (c) **Note** that progress against the recommendations will be included in the quarterly reports I provide to CPC on the work undertaken by the Unit.

Authorised for lodgement

Hon Grant Robertson
Deputy Prime Minister

Proactively Released



Coversheet

Briefing: Rapid Assessment of the Immigration Rebalance Contingency Planning

| | | | |
|--------------|------------|------------------------|-------------------|
| Date: | 18/08/2022 | Report No: | DPMC-2021/22-2579 |
| | | Security Level: | [IN-CONFIDENCE] |
| | | Priority level: | Medium |

| | Action sought | Deadline |
|---|--------------------------|------------|
| Hon Grant Robertson The Deputy Prime Minister | agree to recommendations | 31/08/2022 |

| Name | Position | Telephone | |
|---------------|---|-----------|-----|
| Katrina Casey | Executive Director, Implementation Unit | s9(2)(a) | N/A |
| Erin Wynne | Advisor, Implementation Unit | s9(2)(a) | N/A |

| Departments/agencies consulted on Briefing |
|--|
| The Ministry of Business, Employment, and Innovation (MBIE) including Immigration New Zealand (INZ). |

Minister's Office

Status:

Signed

Withdrawn

Comment for agency

| | |
|--|--------------------------|
| Briefing: Rapid assessment of the Immigration Rebalance | DPMC-2021/22-2579 |
|--|--------------------------|

Briefing

Rapid assessment of the Immigration Rebalance

To: Hon Grant Robertson
The Deputy Prime Minister

| | | | |
|------|------------|----------------|-----------------|
| Date | 18/08/2022 | Security Level | [IN-CONFIDENCE] |
|------|------------|----------------|-----------------|

Purpose

1. This rapid assessment examines Immigration New Zealand's (INZ) planning and approach to visa processing for the border reopening with a focus on contingency planning including risk management, and resourcing versus forecast demand.

Executive Summary

2. Visa processing is ramping up with the opening of the border from 31 July 2022. INZ is progressively migrating visa categories onto improved technology as it is available.
3. Priorities include the progressive introduction of the new Accredited Employer Work Visa (AEWV), completing each step of the border reopening effectively after its closure at the start of the COVID-19 pandemic in March 2020, most recently visitor and student visas, and processing the 2021 Resident Visa (RV 21).
4. This assessment considers whether there are robust contingency plans ready to be deployed across the visa categories (so that performance standards for visa processing are not compromised) if there is a system failure, or demand exceeds forecasts; or where there is a combination of both higher volume demand and system failure.
5. There are clear processing standards across the four priority visa products for straightforward applications ranging from a combination of 10 to 20 days for each of the three gateways under AEWV, 20 days for visitor visas, 30 days for student visas, and an overall performance measure that 80% of all RV 21 applications will be processed by June 2023. These performance measures provide the foundation for confidence in the NZ immigration system and INZ, at a time of unprecedented national and global demand for labour.
6. This assessment found that INZ makes tactical and pragmatic decisions to make adjustments to operational settings (not policy settings) and move resources when faced with increased demand or processing challenges based on actual applications. It pivots resources and operational settings to the triggers in its daily assessments using live dashboards tracking performance against the priority visa areas. It responds both to feedback from those affected by its decisions, and from what it sees in the data 'day to day'.
7. This assessment also found that INZ needs to be able to make assumptions and forecast the percentage of applications that will be straightforward across its priority visas, and those that will not be, up until at least June 2023. It can use its daily monitoring and tactical meetings to

inform the forecasts while continuing to move resources and adjust its operating settings including the use of automation, where required.

8. There needs to be a better match between forecasts, resourcing plans and the average times communicated to stakeholders. As data builds up there needs to be close attention paid to the actual times non-straightforward applications are taking.
9. While INZ's tactical and pragmatic approach has been effective so far, it is not always based on systematic early warnings or triggers and as the volume of applications builds up this will be tested. This approach is necessary but not sufficient for robust contingency planning to meet visa processing standards across the priority visa products.
10. The contingency approach recommended in this assessment should draw on the range of risk products and analyses that INZ has available. It has both quantitative information (live dashboard per priority visa product) and qualitative advice (feedback from focus groups and engagement process) to build on and draw from.
11. While there are elements of contingency planning across INZ's business, it is hard to see it documented in a way that guides and drives responses including trade-offs across different parts of the business, with multiple visa products and differing processing timeframes.
12. INZ can move staff as needed while acknowledging that a proportion of its workforce is new and learning new systems. This is not unusual in an operational setting but reinforces the need for sound contingency planning. This assessment did not find that a wider staff response across MBIE (outside of INZ) or reaching out to the wider Public Service is needed at this stage but that needs to be tested in planning for the response should cumulative issues occur at the same time and or for a prolonged period across the priority visa types.
13. INZ has increased its external engagement and consultation and has set up a focus group to work alongside the Deputy Secretary, Immigration. INZ needs to monitor whether stakeholders have correctly interpreted the average processing standards and timeframes communicated to them. This could test whether this sits behind some of the concern expressed by employers around the immigration system in particular, AEWV.
14. INZ has adjusted automation settings, is setting up a specific workstream to focus on system automation and established an internal INZ Visa Processing Taskforce (VPT). This assessment supports the VPT working with the Chief Operating Officer (COO) so that all data (hard and soft) is considered as decisions to change operational settings and resourcing levels are made. This will ensure that the responsibility does not sit with one role (COO) only given the complexities and dynamic changes afoot as NZ reopens its borders.
15. Robust contingency planning using an overall performance dashboard to inform understanding and monitor performance against the processing standards will strengthen the initiatives NZ is putting in place. These initiatives will help move it further towards an evidence and system-led approach, informed by engagement, alongside its tactical response strengths.

Recommendations

We recommend you:

1. **note** that while INZ is tactical and pragmatic in taking action to ensure priority visa processing timeframes are met, there needs to be a documented contingency plan, which brings together all elements of contingency planning across the priority visa products (AEWV, visitor, student, 2021 Resident Visa) to cover increased demand and/or system failure individually or cumulatively across the visa types.
2. **note** that INZ is establishing workstreams on:
 - a) system automation to better anticipate high demand and embed new system efficiencies
 - b) ensuring stakeholder communications provide up to date processing times and transparency on the average processing times across different visa products
 - c) reporting and oversight across its response levers, including an overall performance dashboard, to ensure its responses to triggers are balanced, and can be adjusted as needed.
3. **agree** to discuss with the Minister of Immigration the need for INZ to:
 - a) have an overarching contingency plan responding to scenarios of increased demand, not meeting performance standards, and/or system failure to ensure that agreed processing standards can be met across all visa products
 - b) expand its visa forecasting and resourcing models to cover estimates of straightforward versus other visa applications to June 2023, and test whether they are fit for purpose to meet processing standards under AEWV (at its anticipated peaks in April and May 2023) and across the other priority visa categories
 - c) develop an overall dashboard across its priority visa products to give a snapshot of performance that informs its contingency planning and enables it to combine the benefits of taking both a tactical and system-led approach.
4. **agree** to the Implementation Unit (IU) working alongside INZ until June 2023 given the anticipated AEWV peaks in April and May 2023 with a focus on the development and deployment of an overall contingency plan to ensure performance timeframes can be met across priority visa categories.

YES / NO

YES / NO

YES / NO

YES/NO

5. **agree** to proactively release this report, subject to any appropriate withholding of information that would be justified under the Official Information Act 1982. **YES / NO**

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|--|
|  Katrina Casey Executive Director Implementation Unit |
| 18/08/2022 |

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|--|
| Hon Grant Robertson The Deputy Prime Minister |
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Proactively Released

Background

16. On 26 July 2022, the Cabinet Priorities Committee agreed that a rapid assessment of the Immigration Rebalance should be undertaken by the Implementation Unit (IU) [CPC-22-MIN-0016 refers].
17. This report is a rapid assessment of INZ's planning and approach to visa processing for the border reopening on 31 July 2022 with a focus on risk management, contingency planning, and resourcing versus forecast demand.
18. This includes systems, processes, and capability to deliver on key targets and how the impact of any delays in technology will be managed.
19. This assessment is agnostic of what technology or system is being applied, whether it is the new Immigration Online system or any of INZ's legacy systems. s9(2)(f)(iv)

Contingency planning

Status at August 2022

20. This assessment focussed on whether there are contingency plans ready to be employed across the visa categories (so that performance standards for visa processing are not compromised) if there is a system failure, or demand exceeds forecasts; or where there is a combination of both higher volume demand and system failure, or where the plans need to change due to new operational settings.
21. The explicit identification of triggers and activation timeframes have also been considered as has identifying in contingency plans what and how any trade-offs will be made across visa priorities.
22. The assessment found that while there are good elements of contingency planning including risk management across INZ, it is spread across a range of different documents rather than clearly laid out and easily accessible in one place. The contingency response to adjust operational settings or increase resourcing is tactical and pragmatic and done largely through daily check ins and weekly tactical meetings (where early warnings and triggers are determined).

Tactical and Pragmatic approach necessary but not sufficient

23. While a tactical and pragmatic operational approach is necessary, it is not sufficient to provide a comprehensive picture of contingency planning across INZ that sets out the:
 - a) forecasts
 - b) different processing times and standards
 - c) triggers or early warning systems that one or more visa categories is or is close to off track
 - d) standards used in the 'daily check in' to determine early warnings and triggers (while acknowledging that sometimes a response can only be determined at the time given the dynamic nature of the immigration system)
 - e) response required and how long it will take to stand up any response, including the cumulative impact and actions if more than one of the priority visa types is off track

- f) communications required so that stakeholders and applicants are clear on what to expect.

Average processing standards

24. The processing standards for a **straightforward** application across the four priority visa types are:

| | |
|---|----------------------------------|
| AEWV (employer accreditation) | 10 working days |
| AEWV (job check) | 10 working days |
| AEWV (work visa) | 20 working days |
| Visitor visa and visitor visa waiver | 20 working days |
| Student visa | 30 working days |
| Resident Visa 2021 | 80% of applications by June 2023 |

Intervention process

25. Attachment A sets out a combination of the intervention process INZ has in place and is currently working on and was developed during this assessment so with more time it can be improved on. It outlines the process following a trigger (determined at daily check ins and weekly meetings) including:

- a) the levers and levels of intervention
- b) how quickly an intervention can be stood up to bring processing times back within the required timeframe
- c) reviews to ensure the response is effective including communications to stakeholders.

26. INZ makes intervention calls based on daily or weekly data leading that result in a reactive contingency response such as:

- a) adjusting the process dial to enable quicker decisions to be made on applications
- b) increasing automation (longer lead in time of up to two months)
- c) increasing and shifting resources to areas of greater or emerging demand e.g., the use of operational levers to clear the queue of job check applications under AEWV by the adjustment of the processing settings applied by Immigration Officers (IOs) in making decisions.

27. This tactical response reflects an agile approach that can be effective. It should be strengthened and documented as to what the triggers for intervention are, how the COO decides when to intervene within and across visa products, (and the threshold for when an issue is escalated to the Deputy Secretary, Immigration for a decision), including how decisions are made to prioritise and adjust across visa settings, and how quickly any response can be stood up depending on the intervention.

28. Five months ago, INZ established the role of the COO, and has moved the data and insights, as well as planning teams under this position. This is intended to ensure clearer accountability for oversight and performance monitoring of the status of processing efficiency.

Overarching contingency plan

29. An overarching contingency plan could set out:

- a) a range of possible scenarios (higher volumes than forecast, system outage or failure or a combination of issues both within and across priority visa types)
- b) a strategic system level view drawing on risk and other intelligence products to inform tactical and trade-off decisions, and resourcing direction over the medium to long term
- c) whether the need to deploy a contingency arises from higher levels of demand than forecast, a system outage or issue/failure, unintended or anticipated behaviour, or effects, or a combination of issues
- d) the decision rights and responsibility for considering the cumulative impact such as when visa processing resourcing is taken from one visa product area to address issues in another visa product area
- e) how resource allocation and the adjustment of settings is applied, and any trade-offs identified and formally agreed to.

30. There is an overall readiness plan for Reconnecting New Zealand (RCNZ) including risk registers. These key documents contain elements of contingency planning largely focussed on tactical responses.

31. INZ is developing an overall dashboard across the priority visa products. It is suggested that the dashboard track the volumes of all visa applications and track progress against the forecasts, processing standards, and the impact of the interventions triggered including resourcing changes to ensure processing meets agreed timeframes. It will be a key product to guide and inform contingency planning.

Risk management

32. INZ and MBIE have a range of performance and risk data and analyses. There are good products, which could be used more to inform their contingency planning and decision-making.

33. While there is a focus on the key risks in the readiness plan (Immigration Online system, forecasting difficulties and workforce restraints), it could be developed further to show the contingency measures to be activated based on what triggers (e.g., documenting early warnings, extent processing timeframes are breached), how the other levers are deployed, and at what point a contingency plan becomes operational.

34. While a pattern of not meeting the average days' timeframe for visa processing is considered a trigger to take contingency action, there needs to be a documented rather than mainly tactical approach as to what the actual response should be whether it is a combination of adjusting the levers, planning for more automation, and/or deploying more staff to add additional processing capacity to meet the timeframes. This should be matched to the scale of the processing timeframe issues that could occur.

35. INZ has set up a workstream to focus on system automation, using insights from its response levers so that it can better anticipate and plan for high demand.

Forecast demand informing resourcing decisions

36. It would be useful to map how INZ's forecasting, and border and visa workforce resourcing and visa processing plans inform decisions, and the use of other settings and levers. It will be important to track changes in visa volumes and match these to new and changing workforce requirements.

37. Workforce issues are signalled in several documents and these issues include:
- a) a significant proportion of staff in training or development
 - b) that productivity has dropped as visa processing complexity has increased
 - c) the need for a proactive approach to workforce reallocation to products
 - d) unknown levels of demand as the border opens more widely (while INZ can model likely scenarios and draw on international experience, our distance to other countries make the NZ context unique)
 - e) movement, over time from a case management processing model to a task-based approach.
38. INZ actively prioritises and moves resource to respond to areas of demand or where processing times meet challenges. This capability needs to be applied to plan for the peaks or complex applications across its visa categories e.g., the forecast AEWV peaks in April and May 2023.
39. There needs to be continued attention by INZ to the training needs of current and new staff so that:
- a) capability grows in a more generalised way (to a planned balance between generalised across and specialised by visa type), which the new Immigration Online system is intended to enable
 - b) resources can be moved deftly where the need arises as forecasts change or other issues arise
 - c) the potential need for 'tiger' teams is realised to assist and train staff on how to clear any backlogs, and/or deal with applications that are not straightforward and cannot be processed within the average processing time.
40. While productivity rates are set and consider that 30% of the INZ workforce is developing their competencies over three to six months (due to a high level of recruitment), how this affects INZ's capacity to deploy staff to new systems and the impact of this on processing standards needs to be explicitly outlined and monitored. This is against the backdrop of a highly competitive global labour market where skills shortages are pronounced and is something INZ is aware of and giving thought to.

Workforce allocation - ability to pivot resource across visa priorities

41. Attachment B sets out the status as at 15 August 2022 across visa priorities and the intervention options. It has been developed by INZ to inform this rapid assessment. It sets out how resources can be moved in an immediate or follow-up (secondary) allocation where, for example, processing times across any of the priority visas start to track away from meeting the processing commitments.
42. Using AEWV as a case in point, as an immediate response, it could move 36 additional Immigration Officers to AEWV if needed with only a minor impact to timelines for RV 21, which is considered well ahead of schedule. This movement would need to be approved by the COO.
43. A secondary response would draw on a further 341 IOs trained in the system and able to pivot within one week. This would be a larger trade-off decision that would impact on other priority products such as RV 21, and again would require approval by the COO.
44. There is no suggestion at this stage that resourcing could be required from MBIE staff beyond INZ or from the wider Public Service. Based on the material considered and discussions held,

it does not appear that at this time this needs to be actively factored into the preparation of an overarching contingency plan. That said, the scenario of issues occurring across the priority visa types at the same time needs to be tested as part of contingency planning to identify if cumulative processing time, demand or system issues would require INZ reaching for resources outside its own staffing base. Under that scenario there may need to be contingency planning to bring in staff from outside of INZs current plans.

Visa Processing Taskforce (VPT)

45. An internal VPT was stood up by the Chief Executive of MBIE on 15 July 2022. Its membership is made up of senior officials across INZ, some with chain of command responsibilities. Its role is to explore efficiencies within the process or across the suite of immigration visa applications. Its stated purpose is to:
 - a) identify immediate steps to simplify processing within the immigration system
 - b) improve timeliness, while maintaining appropriate governance and quality given the challenge of running two visa processing and technology systems in an unprecedented situation of reopening the border
 - c) ensure the integrity of the immigration system is not jeopardised by any changes
 - d) consider capacity and capability issues.
46. It would be useful for MBIE to consider the value of broadening the VPTs terms of reference to look beyond the immediate issues to assess the forecasts over the medium to long term and plan for what interventions might be needed to ensure standards are met. It could also consider qualitative feedback from customers and other stakeholders to inform its responses.
47. The VPT has the potential to reinforce the strong chains of command that enable effective tactical decisions to also inform the strategic picture for the medium to long-term using key metrics on how visa categories are tracking against standards and timeframes.

Case Study: Accredited Employer Work Visa (AEWV)

48. AEWV decisions in 2019 predated the Immigration Rebalance and the AEWV framework is being used and modified to achieve the Rebalance goals. It is a critical component of rebalancing towards higher skilled migrants moving away from New Zealand's pre-COVID 19 reliance on low paid low skilled workers. It is a three-stage approach: employer accreditation, job checks and work visas. Both INZ staff and employers are adapting to the new approach in a period of unprecedented global demand for labour.
49. Implementing the AEWV involves new technology, new policy settings and newly recruited Immigration Officers. While this is not unusual in a delivery context it reinforces the need for strong contingency plans to be employed where any one or combined areas face teething or (un)expected challenges.
50. As at 15 August 2022, INZ received:
 - a) 9,205 employer accreditation applications since applications opened on 23 May 2022
 - b) 8,353 of which have been decided in an average of six working days (decisions being made in less than the average day of 10 days)
 - c) 5,083 job check applications, of which 3,051 have been decided in an average of six working days.

51. Since work visa applications opened on 4 July 2022:
- a) 1,336 applications have been received from migrants
 - b) 66 have been approved.

Gateway One – Employer Accreditation

52. INZ expects to see a higher proportion of applications being decided within 10 days (the timeframe which INZ has committed to processing straightforward applications in). As at 15 August, the average processing time for employer accreditation is six working days. Of the applications decided as at 15 August (8,353 decided of 9,205 received):
- a) 81% have been completed in 0 to 10 days
 - b) 12% have been completed in 11 to 20 days
 - c) 4% have been completed in 21 to 30 days
 - d) 3% have been completed in 31 days or more.
53. For those completed outside of the 10 days, INZ considers it largely represents those applications where information has needed to be clarified with employers or where INZ has decided a higher touch approach is needed (i.e., applications from employers who have a triangular or franchise business model or where an employer has been in operation for less than 12 months).
54. It will be important that INZ can forecast and plan its resources based on robust forecast of the percentage of applications that will be within the average times, and those that will not. Although this is challenging it is an area that needs attention.
55. It is noted that it is possible to forecast high level numbers only but not by employer type at this stage, and that the actual volume and nature of applications over the next few months will inform ongoing volume and resourcing forecasts. One of the forecasting challenges is that only a few employers employ migrants; most employ people on open work visas such as working holiday makers without being accredited.

Gateway Two – Job Check

56. For the job check stage, INZ has committed to processing straightforward applications within 10 working days. As at 15 August, the average processing time is 11 working days, and of those decided (3,051 decided of 5,083 received):
- a) 45% have been completed in 0 to 10 days
 - b) 41% have been completed in 11 to 20 days
 - c) 10% have been completed in 21 to 30 days
 - d) 4% have been completed in 31 days or more.
57. In the first few weeks of operation, the process did not run as intended due to information gaps across applications. INZ has given additional time for employers to rectify the issues so the application can be decided e.g., in the case of the advertising requirement, employers are given a further 21 days to rectify the advertising (to ensure New Zealanders are not available) before the job check application is progressed.
58. To help smooth the transition to the new AEWV and given the current labour market climate, INZ is taking a facilitative approach to processing job checks including outward calling to get needed information more quickly. This may be an approach that could be expanded as part of the contingency planning, noting it would impact on resourcing levels.

Gateway Three: Work Visa

59. For the third gateway under AEWV (Work Visa), INZ is already beginning to assess whether any adjustment to its operational settings are needed based on what it is seeing with the applications received. While there is no explicit early warning or the trigger has not yet been met (risk or evidence of not meeting the processing time of 20 days), it is starting this work now. Planning for how the contingency will be deployed when a trigger is determined is sound practice.
60. INZ considers it is too soon to draw any conclusions from what it is seeing in the work visa of AEWV or what proportion of applications are likely to be straightforward. This assessment suggests it is crucial that they focus on this as a priority (using whatever early indications they have) given it is the last and important stage of granting work visas to allow new migrant workers to arrive in New Zealand.

Interventions in practice across AEWV

Using the second gateway (job check) of AEWV as an example, a 'trigger' point was recently hit as the number of received applications was increasing with the decision rate not keeping pace with the average 10-day commitment.

A combination of calibration and other meetings were held and the Deputy Secretary, Immigration agreed to new operational levers to clear the job check queue. This had the effect of increasing decision making by Immigration Officers. The average processing time is starting to come down and as at 15 August is sitting at 11 days based on this intervention made over the last three weeks.

61. It is evidence of INZ being able to move quickly to address issues as they arise but a systematic plan against different triggers and scenarios would still be beneficial particularly in preparation for the AEWV peaks in the forecasts modelled to occur in April and May 2023.

Testing understanding

62. The importance of clear communications with stakeholders (outside of the main representative groups or peak bodies) and guiding communications is central to the success of these significant changes in the NZ immigration system.
63. AEWV is an area where employers have voiced both support and concern, including:
- a) the accreditation process is working smoothly and ahead of processing standards (six as opposed to the 10-day performance standard)
 - b) job checks encountered initial teething problems, which are being resolved by adjusting the processing standards for Immigration Officers to apply (not meeting the 10-day processing time)
 - c) there are issues around stage three (the granting of work visas) and an estimated processing time of within 20 days cannot be verified at this stage.
64. INZ is being proactive in ensuring issues are anticipated and don't arise under stage three while noting it is considered early days with applicants needing to complete health and identity checks.
65. While the average processing times set out in some external communications are clear, particularly around the AEWV, they could lead to a misinterpretation of how quickly applications can be processed. INZ could monitor whether employers have interpreted the

processing standards and timeframes correctly. This could test whether this is the cause of some of the feedback from employers around the roll-out of AEWV.

66. The different processing timeframes or standards under AEWV show the potential confusion for employers and migrants. The communication around an average time of 10 days for accreditation for a straightforward application, 10 days for job checks, and 20 working days for work visas could oversimplify the reality of the process, potentially leading to confusion amongst employers.
67. INZ will also ensure that communications to stakeholders and applicants are providing up to date processing times and provide transparency about what the average processing times are across priority visa products (and what is required to have a decision ready application).
68. INZ is reviewing what information is released publicly and how to ensure the information released is clear and easily understood by customers. It is also considering what other jurisdictions report, such as the Migration Five partners (United States, Australia, United Kingdom, Canada, and New Zealand) to ensure best practice in reporting.
69. INZ has increased its external engagement and consultation and has set up an external focus group to work alongside the Deputy Secretary, Immigration.
70. This assessment supports this approach, intended to move INZ closer toward an evidence-based system led approach informed by high levels of engagement with stakeholders.

Developing a system view

71. INZ is commissioning work to better understand how current labour demand flows through the immigration system and where any impacts and areas for improvement might be e.g., to find out more about why employers in some sectors may not be applying through AEWV – this is useful and will enable a strategic view on how much reach there is into the NZ labour market.
72. The Risk Activity (Referral) Monitoring Report – AEWV (Three Gateways) usefully tracks outstanding referrals by type and status as an example. The Accredited Employer Risk Management Approach analyses how employer risk will be managed both pre-and post-decision using a risk-based prioritisation process with a focus on building data and intelligence.

Assessment of contingency response in AEWV

73. It appears the tactical contingency measures INZ is using are influencing processing times, but it needs to use these levers as part of an overall contingency plan to inform its preparedness for the peaks in the AEWV forecast for April and May 2023. Its approach is to ensure the settings are sustainable throughout including to cover any peaks in volume.
74. 115 Immigration Officers are currently allocated to processing AEWV across all three stages based on forecast demand to June 2023. From the third week of August, 36 IOs could be moved across to AEWV drawing from the previous MIQ team, and the next cohort of recruits into the Christchurch office could deal with emerging issues. This provides room for INZ to move quickly should there be issues with AEWV. It does not mitigate the need for a contingency plan that covers the expected peak of April and May 2023 or the cumulative impact of issues in other priority visa types.

Wider implications from AEWV case study

75. The AEWV case study shows the value of understanding the degree to which the average standards are being met and being clear on what the triggers or early warnings are to take action to bring processing times back on track. This approach should be developed further and applied across other priority visa products building on what is set out under Attachment B.

Treaty of Waitangi considerations and te ao Māori perspective

76. Treaty of Waitangi considerations and a te ao Māori perspective have not been canvassed for this Rapid Assessment given its focus on contingency planning for the processing of priority immigration visas.

Financial implications

77. There are no financial implications arising from this paper.

Consultation

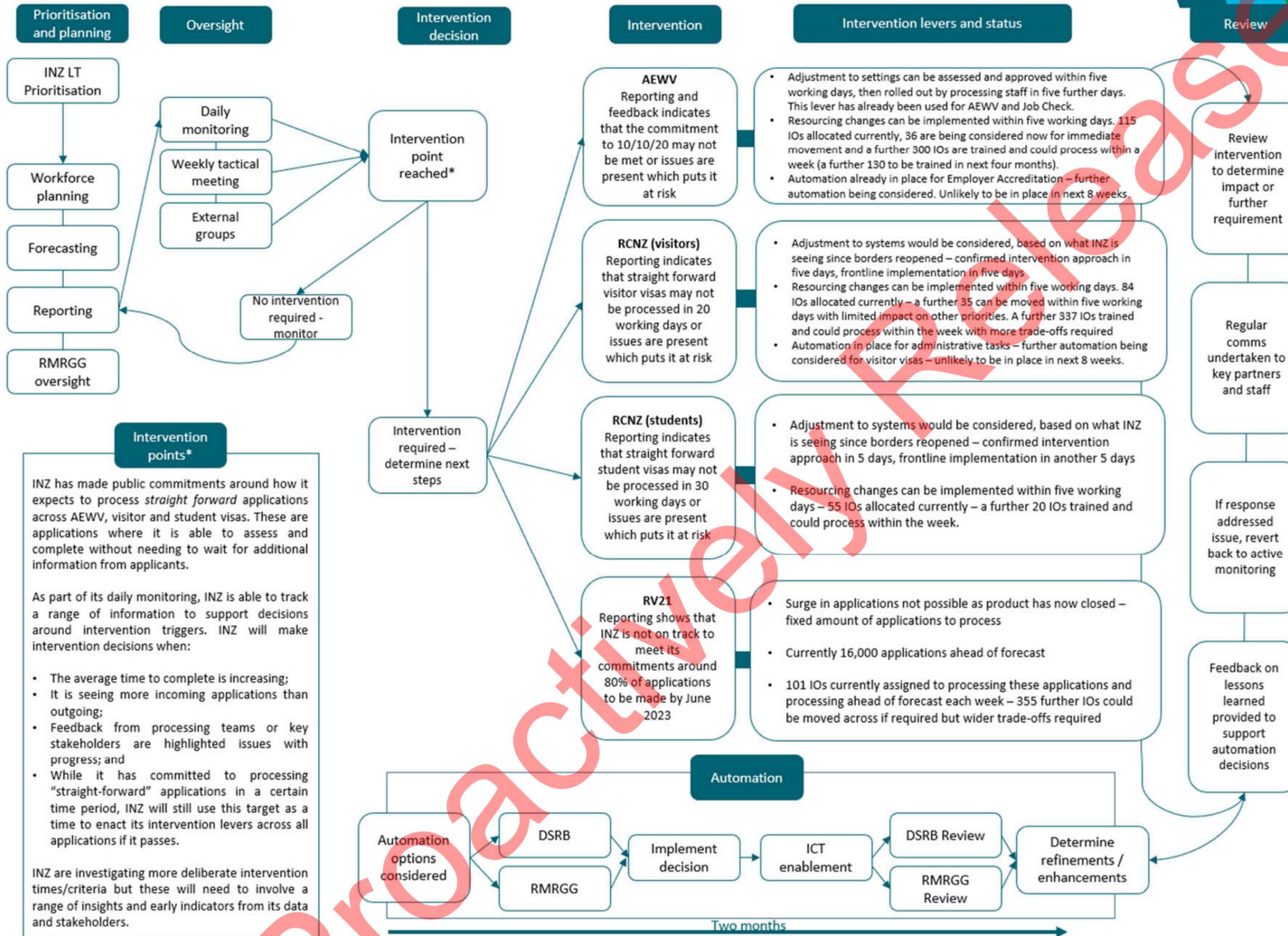
78. This rapid assessment was prepared by the Implementation Unit with information and support from the Ministry of Business, Innovation and Employment (MBIE) including INZ.

Next steps

79. The next step is for you to meet with the Minister of Immigration to discuss this report and suggested next steps and recommendations. The Report will then be reported to the Cabinet Priorities Committee meeting in September 2022.

| Attachments: | Title | Security classification |
|----------------------|--|-------------------------|
| Attachment A: | A3: INZ process of intervention | |
| Attachment B: | A3: Current status across visa priorities and intervention options | |

INZ - Process of intervention



Key

RMRGG
Risk Monitoring and Review Governance Group

INZLT
Immigration New Zealand Leadership Team

DSRB
Data Science Review Board

INZ - Current status across priorities and intervention

| Visa product | Current status | RAG | Processing commitment | Current processing time | IO allocation | Resource allocation | | Adjust Settings | Automation |
|--------------------------------------|--|--------|--|--|---|---|---|--|--|
| | | | | | | Immediate | Secondary | | |
| AEWV – employer accreditation | These applications are being processed well within time commitment. As at 15 August, INZ has received 9,205 employer accreditation applications since applications opened on 23 May. Of those, 8,353 applications have been approved (over 90%). | Green | Straight forward applications to be processed in 10 working days | The average processing time for employer accreditation applications as at 15 August 22: 6 days | 115 Immigration Officers (IOs) are allocated to processing AEWV applications across each of the three stages. | 36 additional IOs being considered to be moved to AEWV – this includes the 11 FTE from the “MIQ team” and 25 new IOs which have been recruited. This decision is due to be made in the week of 15 August. There will be a minor impact to the timeliness of RV21 but well ahead of schedule for processing. | Outside of the 115 IOs currently assigned to AEWV, there are a further 341 IOs trained in the system and able to pivot within one week. This would involve more of a trade-off decision as would impact on other products, such as RV21. Any movement would be approved by the Chief Operating Officer. | No adjustment to settings being considered as it is being processed well within the agreed timeframes | Automation decisions already taken and benefits of this being seen. |
| AEWV – job check | Processing commitment was at risk and would have been considered “red”. Since then intervention undertaken and positive progress now being seen (average processing has decreased from 13 days to 11 days in the past two weeks). Expect to be inflow in two weeks and tracking to green at this point. The intervention includes an acceleration in job checks approved based on the Taskforce intervention, and familiarisation with the policy. As at 15 August, it has now received 5,083 applications and decided 3,050. The number being decided is also now consistently above those being received (on 15 August, 203 received and 298 decided). | Yellow | Straight forward applications to be processed in 10 working days | The average processing time for job check applications as at 15 August 22: 11 days | | | | Adjustment to the settings approved on 25 July 2022 and implemented. INZ is now seeing a significant increase in decisions for Job Check. | Automation options being considered and developed. Likely to be available no sooner than in eight weeks. |
| AEWV – work visa | Since work visa applications opened on 4 July, 1,336 visa applications have been received from migrants, of which 66 have been decided. | Yellow | Straight forward applications to be processed in 20 working days | The average processing time for work visa applications still to be finalised. | | | | Adjustment to settings currently being assessed by Taskforce and expected to be in place by week of 15 August. | Automation options being considered and developed. Likely to be available no sooner than in eight weeks. |
| Visitor visa and visitor visa waiver | Visitor visas fully reopened on 31 July. As at 15 August, 22,156 applications have been received, 1,575 applications have been approved and 44 declined. It is too soon to determine whether the time commitment will be met but application numbers are higher than forecast. Early intervention decisions are being considered and monitored daily. | Yellow | Straight forward applications to be processed in 20 working days | Too soon since reopening to accurately report on average processing time. | 84 IOs allocated to processing applications. | A further 35 IOs being considered for movement if volumes continue. | A further 372 IOs trained and able to pivot within one week. More significant trade-off decision needed if used. | Taskforce commissioned to assess whether any adjustment to settings required based on what INZ is observing since reopening. Meeting to be held in the week of 15 August with advice on changes to follow. | Automation options being considered and developed. Likely to be available no sooner than in eight weeks. |
| | Visitor visa waiver arrivals reopened on 1 May 2022. As at 15 August, 180,090 ETAs processed with 98% auto approved. 61,131 of these have arrived on shore (not including Australians). | Green | | | | | | | |
| Student visa | Visitor visas fully reopened on 31 July. As at 15 August, 4,127 applications have been received and 443 approved. It is too soon to determine whether the time commitment will be met but applications are in line with forecast volumes. This is being monitored. | Yellow | Straight forward applications to be processed in 30 working days | Too soon since reopening to accurately report on average processing time. | 55 IOs allocated to processing applications. | A further 20 IOs assigned as back-up for processing student visas. Can be moved within a week. | Any further movement of IOs would require further training of staff, so 2+ weeks to move. | Taskforce meeting held on 12 August to assess whether any adjustment to settings required based on what INZ is observing since reopening. | Student visas being processed on Immigration Online system – automation not possible in this system. |
| Resident Visa 2021 | RV21 closed on 31 July 2022. No more applications to be received, so clear understanding of workload requirement. | Green | 80% of applications to be processed by June 2023 | Well ahead of time commitment. 16,000 applications ahead. | 101 IOs allocated to processing applications. | Movement of IOs off RV21 being considered. | A further 355 IOs trained and able to pivot within one week. | No adjustment to settings being considered as it is being processed well within the agreed timeframes. | No further automation being considered as it is being processed well within the agreed timeframes. |



Cabinet Priorities Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Rapid Assessment of the Immigration Rebalance Contingency Planning

Portfolio **Deputy Prime Minister**

On 13 September 2022, the Cabinet Priorities Committee (CPC):

- 1 **noted** that in July 2022, CPC agreed to new assignments for the Implementation Unit (the Unit) for the second half of 2022, including a rapid assessment of the Immigration Rebalance [CPC-22-MIN-0021];
- 2 **noted** that the Unit delivered its rapid assessment of the Immigration Rebalance Contingency to the Deputy Prime Minister on 18 August 2022;
- 3 **noted** that the Deputy Prime Minister discussed the recommendations in the Unit's assessment with the Minister of Immigration on 6 September 2022, and the Ministers have agreed on the recommendations;
- 4 **noted** that progress against the recommendations will be included in the quarterly reports that the Deputy Prime Minister submits to CPC on the work undertaken by the Unit.

Jenny Vickers
Committee Secretary

Present:

Hon Grant Robertson (Chair)
Hon Kelvin Davis
Hon Dr Megan Woods
Hon Chris Hipkins
Hon Carmel Sepuloni
Hon David Parker
Hon Nanaia Mahuta
Hon Stuart Nash
Hon Peeni Henare
Hon Kiri Allan

Officials present from:

Office of the Prime Minister
Department of the Prime Minister and Cabinet



Cabinet

Minute of Decision

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Report of the Cabinet Priorities Committee: Period Ended 16 September 2022

On 19 September 2022, Cabinet made the following decisions on the work of the Cabinet Priorities Committee for the period ended 16 September 2022:

| | | |
|-----------------|---|------------|
| [REDACTED] | [REDACTED] | [REDACTED] |
| CPC-22-MIN-0029 | Rapid Assessment of the Immigration Rebalance Contingency Planning Portfolio: Deputy Prime Minister | CONFIRMED |
| [REDACTED] | [REDACTED] | [REDACTED] |

Rachel Hayward
Acting Secretary of the Cabinet

Proactively Released