



2 November 2018

Ref: OIA 1819-0607

Dear Rebecca,

Thank you for your email of 15/10/2018 to the Ministry of Business, Innovation and Employment requesting, under the Official Information Act 1982 (OIA), the following information:

*"I was reading this article <https://www.radionz.co.nz/news/national/363428/immigration-nz-forced-to-address-privacy-concerns-with-realme> and I would like to know how much the online immigration system cost to develop, when did development on it start (in any form since the beginning of its life time), how much has been spent on it to date not limited to but including maintenance, support, development, incident management, bug fixing, projects, updating, etc. Categorized by type and year, if possible."*

I have interpreted your request to be:

- How much did the Immigration Online system cost to develop? Immigration Online is the online visa application system that requires a RealMe login, that is discussed in the article.
- When did development start?
- What has been the ongoing operational cost of the system including subsequent Immigration Online related maintenance and enhancement?

I have the following information in response to your request.

#### **Cost to develop**

The capitalised cost of Immigration Online is \$76,663,522 which includes software development cost, establishment of underlying platforms (such as a document management system) and infrastructure, as well as testing, design, project management, requirements analysis, and other costs associated with building the Immigration Online asset. It is appropriate to consider all these costs because all of these are supporting or dependent component parts of the Immigration Online solution. We are unable to provide a component cost breakdown below this level as this would require substantial research. I am therefore refusing this aspect of your request under Section 18(f) as it would require substantial collation or research.

#### **Development timeline**

The business case for the Immigration Online initiative was approved by Cabinet in October 2011. Development commenced in 2012.

#### **Operational cost since implementation**

The information that you seek *"how much has been spent on it to date"* does not currently exist in a form that is able to be readily shared with you, so I am unable to provide ongoing operational costs as they relate to Immigration Online. I am therefore refusing this aspect of your request under Section 18(f) as it would require substantial collation or research.

Immigration Online is one piece of an integrated system that includes many components e.g. Immigration Health System and the IDMe Identity process system. Operational costs for these are not itemised by application. They are included within wider ICT operational costs. Vendor operational support agreements span multiple components and locations.

The items that you have noted as example categories "*maintenance, support, development, incident management...*" are covered by agreements that cover multiple systems. For example, the category "*bug fix*" would be covered by one agreement that covers multiple services for several systems. Bug fixes that relate to Immigration Online are not billed separately, but are included under one charge for a period. In addition to this there is internal cost sharing between Ministry of Business Innovation and Employment and Immigration New Zealand for some agreements.

Attempting to isolate the cost of Immigration Online would therefore require substantial cost and effort, and furthermore would involve making assumptions in relation to cost apportionment, that are likely to undermine the accuracy of the resulting cost information.

You have the right to seek an investigation and review by the Ombudsman of our response to your request. Information about how to make a complaint is available at: [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or freephone: 0800 802 602.

I trust that you find the information helpful.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Stephen Dunstan', written over a faint horizontal line.

Stephen Dunstan  
General Manager  
Service Design and Performance  
Ministry of Business, Innovation and Employment