Remediation of Technology Project Controls

Report

16 September 2026

MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

New Zealand Government
Te Kāwanatanga o Aotearoa

Contents

Purpose 3

Background 3

Actions MBIE took to remediate technology project controls 4

External review 5

Lessons from the remediation exercise 6

Ensuring project controls remain effective 6

Purpose

1. This paper summarises the actions MBIE has taken to assess and remediate controls across its 31 formally governed in-flight technology projects and explains the basis for concluding that the controls reviewed are now operating effectively.

Background

2. In response to the serious issues identified by the independent review of the Biometric Capability Update project, MBIE undertook a stocktake of its in-flight technology projects to confirm whether governance, assurance, reporting, escalation, financial and delivery controls were operating effectively and to identify where intervention was required.

3. The stocktake did not identify any projects operating outside Treasury, Ministerial or Cabinet delegations or approvals.

4. The stocktake assessed 31 formally governed projects against the relevant control domains set out below. The domains assessed varied according to each project's nature and stage of delivery:

   a. Investment definition and viability

   b. Governance, accountability and decision-making

   c. Risk assurance and escalation

   d. Delivery performance and confidence

   e. Financial oversight, control and reporting

   f. Reporting, capability and benefits

5. Each of the 31 formally governed projects was assigned an overall rating of Effective, Partially Effective, Not Effective or Not Assessed, depending on the project stage and evidence available for review.

6. Of the 31 projects:

   - 11 were rated Effective overall, although six of these projects had at least one control rated Partially Effective.
   - 16 were rated Partially Effective overall.
   - Four projects were assessed as N/A as they remained in initiation or pre-delivery phases and had not progressed sufficiently for the relevant control domains to be assessed.

7. The following criteria were used to assess the projects:

Rating	Definitions
Effective	The criterion is fully met. Control/process in place and operating as intended. Documentation is current, and there are no significant gaps that would affect delivery confidence or decision-making.
	The criterion is partly met, but there are one or more gaps, inconsistencies, or weaknesses. While the control or process exists and is generally operating,

Partially Effective	improvements are required to fully meet expectations or demonstrate consistent application. The gaps do not currently represent a significant delivery risk but warrant management attention.
Not Effective	The criterion is not met, or evidence is insufficient to demonstrate that it is being met. Key controls, processes, governance arrangements, or documentation are absent, not operating as intended, or are ineffective. The weakness could adversely affect project oversight, decision-making, delivery confidence, or achievement of project outcomes.
N/A	Not assessed: project had not progressed enough for any of the control domains to be assessed.

8. The overall rating was not calculated by adding up the Effective, Partially Effective or Not Effective control ratings. Instead, it reflected the assessors' overall judgement of each project's control environment after considering all findings collectively. Particular weight was given to the significance of the issues identified and their potential impact on successful project delivery. As a result, projects with a similar pattern of control ratings may have received different overall ratings, depending on the nature and severity of the underlying issues.
9. Further information on the assessment methodology, including how overall project ratings were determined, is provided in the companion report Stocktake of Technology Enabled Initiatives.
10. Controls were generally assessed as Partially Effective where the stocktake could not obtain sufficient evidence to demonstrate that:
    a. Project viability was reconsidered following material changes
    b. Financial information was complete, consistent and traceable; and
    c. Benefits were clearly defined, measurable and assigned to accountable owners.
11. MBIE took action to ensure that all projects with partially effective controls, regardless of their overall rating, had interventions and provided evidence that the control gap had been addressed by 30 September 2026. One example of this includes the provision of minutes recording evidence of a governance decision.

Actions MBIE took to remediate technology project controls

12. Since the original stocktake, four of the 31 formally governed projects have closed.
13. Internal Assurance met with representatives from each of the 27 projects that remained open to review the stocktake findings, consider any additional evidence or context that had not been available during the desktop review, and determine whether remediation was required. A project was considered remediated only when Internal Assurance had reviewed sufficient evidence to conclude that the original finding had been addressed and the relevant control was operating effectively.
14. In many cases, the reassessment was supported by additional information including,
    - Minuted governance decisions to approve a change request
    - Evidence of updated financial information

This information was often in place but dispersed across systems.

15. A smaller number of projects required targeted action such as:
    - Strengthened benefits
    - Clarification as to how project viability was considered when a change request was made via walking through the process with project managers and understanding the endorsements required for change, from Finance, Subject Matter Experts, Sponsors, Business Owners and Governance Approval.

16. The stocktake identified weaknesses primarily relating to the availability, traceability and consistency of evidence supporting project controls rather than a widespread absence of governance, assurance, financial or delivery controls. Remediation involved a combination of additional evidence, clarification of existing project practices and targeted actions to address identified gaps. In some cases, the remediation process also identified broader opportunities to strengthen MBIE's technology investment system, including more explicit consideration of project viability when approving significant change requests and improving the integration and traceability of financial and project reporting information. These broader improvements are being addressed through the Strengthening MBIE's Technology Investment Systems and Processes programme.

17. As at 3 September 2026, 22 of the 27 open projects were rated as Effective overall. 4 were not given overall ratings due to being in initiation stages, with insufficient progress for control domains to be assessed. IPE was assessed as Partially Effective overall due to limitations in assessing the project independently from the Biometric Capability Update project, making it difficult to reliably draw conclusions on the effectiveness of IPE control domains.

18. An Effective assessment means that the controls reviewed were supported by sufficient evidence and were operating as intended at the time of assessment. It does not mean that a project is free from delivery issues or risks. A project may have effective controls while still experiencing challenges such as delays, cost pressures, scope changes or risks to benefits realisation. Effective controls should ensure that these issues are identified, reported, escalated and managed appropriately.

External review

19. Maven Consulting independently undertook sample testing of five projects which had completed project remediation to verify the work performed by Internal Assurance and the conclusions drawn to update control ratings. Based on the sample of five they reviewed, Maven concluded that the remediation activities sampled supported the revised ratings in all cases with the exception of the change in rating relating to benefits, for the Callaghan Innovation Systems Transition project. Maven's view was that the evidence in support of the change to Effective from Partially Effective for this project was not conclusive.

20. Internal Assurance reached a different conclusion from Maven on Callaghan Innovation Systems Transition project and retained the Effective rating. Internal Assurance's assessment took into account additional context provided by the project team that the identified delivery of the government directed transition was the primary intended outcome of the investment, and that the documented outcome was appropriate to the nature and purpose of the initiative. This was consistent with the approach internal assurance took during the stocktake in checking whether benefits had been clearly documented with intended outcomes in line with the nature of the project.

21. Maven also cautioned that the high number of Effective ratings should not be interpreted as meaning that there is no scope to improve MBIE's wider project standards and practices. As set out earlier in this report, these broader opportunities are being addressed through the implementation plan in Strengthening MBIE's Technology Investment Systems and Processes.

Lessons from the remediation exercise

22. The remediation exercise confirmed that MBIE has most of the frameworks, governance structures, controls and processes expected of a large public sector organisation managing technology investments. Most findings related to the consistency, traceability and accessibility of project information rather than a widespread absence of controls. However, the effort required to assemble a reliable view of each project reinforces the need for the portfolio oversight, reporting and system improvements proposed in Strengthening MBIE's Technology Investment Systems and Processes.

Ensuring project controls remain effective

23. Alongside the remediation workstream, MBIE is delivering a programme of work to strengthen its technology investment system and address the issues identified through the initial control assessment.

24. A key action in the Strengthening MBIE's Technology Investment Systems and Processes implementation plan is to strengthen the Enterprise Portfolio Management Office. One of the key initiatives MBIE already have underway is the establishment an Enterprise Investment and Portfolio Management Office, which is expected to strengthen organisation-wide portfolio oversight, information quality and visibility of project controls by embedding consistent investment, governance, assurance and integrated reporting disciplines across the investment portfolio and lifecycle. As part of its three-year work programme planning, Internal Assurance is looking at conducting periodic independent reviews of whether key project controls have been implemented as intended, continue to operate effectively and are delivering sustained improvement.