



**Te Kawa Mataaho**  
Public Service Commission

# Pūrongo-ā-tau Annual Report

Mō te mutunga o te tau i te  
30 o ngā rā o Pipiri 2020

For the year ended  
30 June 2020

I am pleased to present the Annual Report of Te Kawa Mataaho Public Service Commission for the year ended 30 June 2020. This report comprises of:

- The Annual Report of the Public Service Commissioner on the operations of the Commissioner, provided under the Public Service Act 2020,
- The Annual Report of the Chief Executive on the operations of Te Kawa Mataaho Public Service Commission and its audited financial statements, provided under the Public Finance Act 1989, and
- The Annual Report of the Chief Executive on the operations of the Social Wellbeing Agency as a Departmental Agency of Te Kawa Mataaho Public Service Commission provided under the Public Finance Act 1989



A handwritten signature in blue ink, consisting of a large 'P' followed by a stylized 'H'.

**Peter Hughes CNZM**

**Te Tumu Whakarae mō Te Kawa Mataaho  
Public Service Commissioner | Head of Service**

Presented to the House of Representatives pursuant to the Public Finance Act 1989.

CROWN COPYRIGHT ©

ISSN 2744-3701 (Print)

ISSN 2744-371X (Online)



This work is licensed under the Creative Commons Attribution 4.0 International licence. In essence, you are free to copy, distribute and adapt the work, as long as you attribute the work to Te Kawa Mataaho Public Service Commission and abide by the other licence terms. To view a copy of this licence, visit <https://creativecommons.org/licenses/by/4.0/>.

Please note that neither the Te Kawa Mataaho Public Service Commission emblem nor the New Zealand Government logo may be used in any way which infringes any provision of the Flags, Emblems, and Names Protection Act 1981. Attribution to Te Kawa Mataaho Public Service Commission should be in written form and not by reproduction of the Te Kawa Mataaho Public Service Commission emblem or New Zealand Government logo.

# Te rārangi upoko | Contents

- 5 **Tā te Kaikōmihana tirohanga**  
Commissioner's overview
- 6 **Ko te Ratonga Tūmatanui e whanakehia ana e tātou**  
The Public Service we are building together
- 8 **Te whakawhirinaki me te tika**  
Trust and legitimacy
- 14 **Tā te Ratonga Tūmatanui āheinga**  
Public Service capability
- 26 **Te urupare ki COVID-19**  
Responding to COVID-19
- 31 **Tō te Ratonga Tūmatanui Fale**  
Public Service Fale
- 32 **Te whakahaere**  
Te Kawa Mataaho - the organisation
- 38 **Te pūrongo mutunga o te tau**  
End of year reporting
- 54 **Social Wellbeing Agency (SWA) Statement of Performance**
- 58 **Tauākī pūtea me te pukapuka tāpiri**  
Financial Statements & Schedule
- 82 **Social Wellbeing Agency (SWA) Annual Report**





# Tā te Kaikōmihana tirohanga Commissioner's overview

New Zealanders have high expectations of their Public Service. They expect progress on the big issues facing the country. They expect that public services will be straightforward to access, convenient to use, and effective. And New Zealanders expect government and all its agencies to exercise power legitimately: upholding democracy and human rights, respecting the law and the Treaty, and contributing to an inclusive and cohesive society.

The job of the Public Service is to support the Government in meeting these expectations by:

- achieving outcomes for New Zealanders; real tangible improvements in the lives of individuals, whānau, and communities
- improving services to New Zealanders and New Zealand businesses by organising around their needs rather than agency function
- ensuring that the public sees government agencies, and the Public Service as a whole, as an integral part of society and legitimate in its exercise of authority
- building capability so that the Public Service is able to deliver excellently into the future.

This annual report describes the work that we have done to build towards a Public Service that can better achieve outcomes for New Zealand and provide better services for New Zealanders.

The past year has been marked by huge challenges, and by underlying continuity. The ongoing impact of the Christchurch terror attack, the White Island eruptions, and more recently the COVID-19 emergency all posed immense challenges for the Public Service; challenges that the Service rose to with a sense of commitment, service, and urgency.

The disruption caused by COVID-19 was unprecedented and I am immensely proud of how the Public Service responded throughout this time. Across government, dedicated public servants made sure that not only was the response supported but that all those services that New Zealanders rely on continued to operate. The Commission exemplified this; rapidly adapting to the new normal, taking on a leadership role in the response and continuing to deliver throughout. And through all this, the work of building the Public Service of the future has continued apace.

This year's annual report is the first to be completed following the enactment of the Public Service Act 2020 and the renaming of my role as the Public Service Commissioner, and that of the department I lead as Te Kawa Mataaho Public Service Commission (The Commission). The new Act is a ground-breaking piece of legislation and its progress to enactment defines and exemplifies the work of the past year.

The work of the past year means that the Public Service is now strongly positioned to support transformational change in the service of New Zealand. The new Public Service Act, and a robust approach to system leadership, now provide the means for the Public Service to act as a unified system able to focus and leverage the changes that will make the most difference in achieving outcomes and better services for New Zealand and New Zealanders.

**Ko te Ratonga  
Tūmatanui e  
whanakehia ana  
e tātou**

**The Public Service we  
are building together**



# Ko te Ratonga Tūmatanui e whanakehia ana e tātou | The Public Service we are building together

New Zealanders expect the Public Service to take the leadership on critical issues to deliver outcomes for individuals, whānau and communities. These issues are often complex and pressing, and they inherently span multiple portfolio areas. Such issues include reducing child poverty and eliminating family violence and sexual violence.

The performance of government is judged on the changes and improvements in outcomes in the lives of New Zealanders and for New Zealand.

New Zealanders also expect to be able to access world-leading and modern public services. People do not live their lives according to how agencies are organised. A leading edge Public Service is one that puts the needs of individuals, families and communities they serve at the centre; where digital services are easy and convenient to interact with and are organised around the needs of people (for example life events, such as the birth of a child); and where face-to-face services are fully integrated so that people accessing services no longer need to do the joining up.

There is considerable potential to improve the ability to achieve outcomes and better services for New Zealand and New Zealanders. There is scope to organise agencies around the priority outcomes of government, to track progress transparently, and to use data to better tailor interventions and learn as a system. And we can be better at organising services around people.

The Commission's responsibility is to lead the Public Service to lift its game on achieving outcomes and better services.

Partly this is about maintaining New Zealand's trust and confidence in the Public Service. This is what provides the indispensable 'licence to operate'; the basis of public legitimacy without which the Public Service cannot do its work.

And our leadership role is also about developing the capability of the system: the leadership, organisations, culture, and workforce needed to work in new and challenging ways.

In the last few years, we have taken a new approach to chief executive performance and development. Our approach places an emphasis on leadership and communication, rather than process and output.

Chief executives are increasingly asked to step beyond the management of their agency and take responsibility for system-level outcomes. The Public Service can only successfully deliver for New Zealand by harnessing the strength through the chief executives leading as a team.

This annual report describes what we are aiming to achieve, and the progress we have made over the past year. The following sections address:

- Building trust and legitimacy by:
  - ensuring a diverse Public Service workforce and inclusive workplaces
  - ensuring that the Public Service can effectively support the Crown in building relationships with Māori.
- The dimensions of Public Service capability that are needed across four key areas:
  - System Leadership
  - Organisational change
  - Public Service culture
  - Public Service workforce
- The response to COVID-19 and the Commission's role.
- The Public Service Fale – established to strengthen public sector effectiveness, democratic governance and, ultimately, improve outcomes in the Pacific region.
- The Commission – ensuring a fit for purpose organisation.

The sections also explain the contribution that the new Public Service Act will make in each area. The policy and legislative work on the Public Service Bill was a central focus of The Commission's work in 2019 and 2020, and is our major contribution to enabling a more outcomes-focused and effective Public Service by continuing to:

- unify the Public Service around a common purpose, principles and values, and a common culture based on the spirit of service to the community
- provide new organisational, leadership, and workforce development options for more flexible and innovative approaches to outcomes and services.

**Te whakawhirinaki  
me te tika**

**Trust and legitimacy**



# Te whakawhirinaki me te tika | Trust and legitimacy

It is vital that the Public Service, in providing services and making decisions that impact on people's lives, is trusted and seen as legitimate by the public. This can also be described as the Public Service's 'licence to operate'.

The role and legitimacy of the Public Service is established in law and constitutional convention, but it also arises from the Public Service itself. The Public Service can only do its work in and for New Zealand if it has a strong foundation of acceptance and support by the community, and a basic relationship of trust and respect between the Public Service and the communities that make up New Zealand. To achieve this requires strong connections between the Public Service and New Zealand's cultures and traditions – including our democratic and constitutional heritage, especially the foundation of our nation in te Tiriti o Waitangi | the Treaty of Waitangi.

Trust and confidence of the public also arises from the effectiveness of the Public Service; from a belief among the public that the Public Service is supporting the Government to tackle the major issues facing New Zealand.

We know that the Public Service has a strong reputation nationwide and we consistently rank highly in most global indices for responsiveness and effectiveness of government and in perceptions of integrity and trust:

**Transparency International.** The Corruption Perceptions Index ranks 180 countries and territories by their perceived levels of public sector corruption, according to experts and business people. NZ was ranked first equal in 2019.

**Blavatnik InCISE.** The International Civil Service Effectiveness (InCISE) Index is a comprehensive index of international indicators of civil service effectiveness. NZ ranks the highest in integrity of the 38 countries assessed.

## **Colmar Brunton Public Sector Reputation**

**Survey.** The Public Sector Reputation Survey asks approximately 2,500 New Zealanders about their views on public services, with a joint focus on trust and integrity. The survey shows improvements across the board in trust and confidence in the Public Sector.

**Kiwis Count.** For 13 years the Public Service Commission has been asking New Zealanders about their experiences and views of public services in the form of the Kiwis Count Survey. Overall, the 2019 Kiwis

Count results show satisfaction with public services and trust of New Zealand's public sector remains high with an upward trend continuing since Kiwis Count began.

We've seen the critical importance of a trusted and legitimate Public Service in the response to COVID-19. This is something that needs constant reinforcement and protection. To drive progress further and ensure trust and legitimacy into the future, the significant areas of focus for the Commission are:

- ensuring that the Public Service workforce at all levels reflects the composition of the wider society through a diverse workforce, and inclusive workplaces
- ensuring that the Public Service has the capability and capacity to assist the Crown in its relationships with Māori and to meet its obligations under te Tiriti o Waitangi.

## Diversity and Inclusion

The Public Service, either as a result of government policy or by operation of the law, makes decisions and exercises authority in ways that directly impact the lives and wellbeing of New Zealanders. It is important, therefore, that the Public Service not be seen as external to, or set apart from, society but rather as a part of New Zealand society, and representative of the communities that it serves.

This has implications for the Public Service now to ensure that:

- the leadership of the Public Service is properly representative of the wider New Zealand society
- the Public Service to be reflective of the society it serves; diverse in composition, and inclusive of all groups
- the appointment and promotion of employees in the Public Service is based on merit and that no group of New Zealanders is discriminated or subjected to unreasonable barriers in employment.

More than ever before there is a focus on achieving a diverse workforce and inclusive workplaces, and over the past year the Commission has been looking to drive a step-change in pace and momentum in all areas of

diversity and inclusion in the Public Service. This was recognised in the policy decisions behind the Public Service Act which contains a stand-alone provision on diversity and inclusion linked to the statutory good employer obligations.

In 2020, the Commission put a five-point plan to deliver change across the system into action by:

- appointing two senior chief executives as functional co-leads and mandating them to lead the diversity and inclusion programme across the Public Service
- creating a dedicated deputy commissioner role within the Commission to lead our diversity and inclusion activities and support the functional leads in their work with chief executives
- strengthening chief executive expectations in relation to diversity and inclusion and the management of performance against our work programme commitments
- making the five elements of the diversity and inclusion programme mandatory for all Public Service agencies: unconscious bias training, cultural competency training, inclusive leadership practice, professional development and support for staff and managers, and support and resourcing for employee-led networks
- requiring all Public Service agencies to publish diversity and inclusion plans and to publicly report progress against them in their Annual Reports.

Other significant achievements over the year are detailed below.

### Driving progress to close the gender pay gap

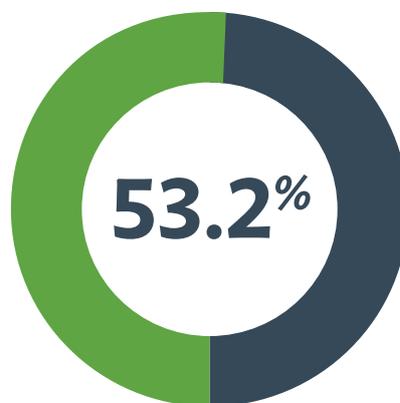
A taskforce in the Commission (a joint initiative between the Commission and the Ministry for Women, with support from the Ministry of Business, Innovation and Employment) leads the system response on closing the gender pay gap and addressing the workplace causes of gender pay gaps.

The 2020 Public Service Workforce Data shows that the public service gender pay gap fell to 9.6 percent in 2020 from 10.5 percent in 2019 and 12.2 percent in 2018. This is the largest decrease over two years ever reported, and the gender pay gap is now at the lowest level since measurement began in 2000.

In the past year, the taskforce has been working with unions and agencies on a tripartite basis to develop a suite of guidance designed to eliminate bias and discrimination from human resource policies and practices.

Since the launch of the Gender Pay Gap Action Plan in mid-2018, the Taskforce has issued a suite of guidance aimed at removing bias and discrimination from all human resources practices, two thirds of the agencies have closed any pay gaps within the same or similar roles (like-for-like), and in the past year all agencies created action plans and will publish them on their agency websites in 2020.

Percentage of women in senior management roles:



### Ensuring diversity of leaders

Gender balanced leadership is one of the four focus areas of the Gender Pay Gap Action Plan and the Commission has ensured that strong representation of women in the Public Service chief executive cohort has been maintained during the 2019-2020 year.

As at 30 June 2020, of the 34 Public Service chief executives appointed by the Commissioner, 17 were women. This means women now account for 50% of the cohort (slightly down from 53% in 2019) and they continue to occupy bigger jobs in similar proportions to their male colleagues. This has resulted in the average job size gap narrowing to just 5% below their male colleagues, compared with a 27% gap in 2016. Public Service Workforce Data shows that the proportion of women in tiers 1-3 increased from 49.6% in June 2019 to 53.2% in June 2020.

As well as addressing the current cohort of leaders, the Commission has been focused on strengthening the development of a diverse pipeline of future Public Service leaders. Career Boards have agreed targets

for diversifying the cohorts of senior leaders they are supporting, and the gender and ethnic representation on the Boards themselves have been a focus.

### Whakāro Rangatira

The Commission, in partnership with the Ministry for Pacific Peoples (MPP), delivered a six-month Pacific Mentoring Programme. This was delivered as an early learning project to a small cohort of Pacific public servants. The programme was a key part of the Pacific Workforce plan jointly sponsored by the Commission and MPP to build the pipeline of Pacific excellence in the Public Service. Meaningful and valuable mentoring relationships were reported and 40% reported a career progression that took place during the programme.

This work aligns with the aspirations to increase Pacific representation in senior leadership roles in the Public Service and to address ethnic pay gaps.

### Improving system data and insights

We measure and report on a range of diversity dimensions such as ethnic and gender representation and pay gaps, occupation types, age profiles, and regional workforce. Mostly this data is captured through the Public Service Workforce Human Resource Capability (HRC) survey.

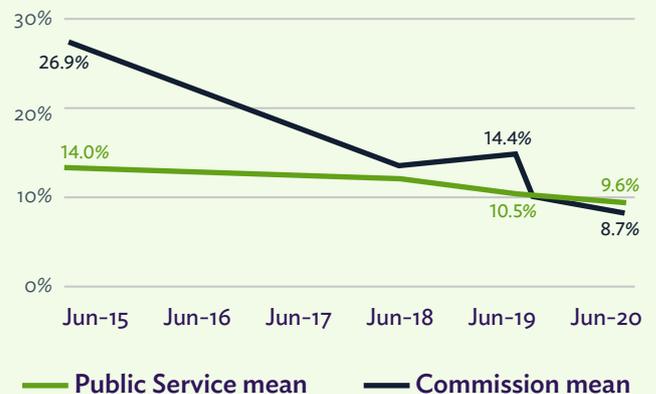
2019 also saw the Commission conduct the first WeCount survey of rainbow communities in the Public Service. The survey was created on behalf of the Public Service chief executives and in partnership with the Cross-Agency Rainbow Network and was the first step towards formally understanding the Public Service rainbow communities. Findings from the survey were publicly released and explore the barriers to inclusion faced by rainbow public servants. This shows us where we can make more of a difference.

---

Public servants  
under the age of  
**35**  
now make up  
**29%** of the  
workforce

---

### Our gender pay gap continues to decrease



## Māori Crown relationships

The Public Service has an important role in supporting the Crown in its relationships with Māori under te Tiriti o Waitangi | the Treaty of Waitangi. The new Public Service Act 2020 explicitly recognises this for the first time in law and codifies the responsibilities of the Commissioner, chief executives and all Public Service leaders. In particular:

- Public Service leaders are responsible for developing and maintaining the capability of the Public Service to engage with Māori and to understand Māori perspectives.
- the Commissioner, when developing and implementing strategies for Public Service leadership development, must recognise the aims, aspirations and employment requirements of Māori, and the need for greater involvement of Māori in the Public Service.

The new Act also carries over the current requirements on Public Service employers to operate an employment policy that recognises the aims, aspirations and employment requirements of Māori, and the need for greater involvement of Māori in the Public Service.

As well as advancing these legislative changes, the Commission has made progress this past year on improving its own Māori capability and on clarifying and strengthening system leadership for the Māori Crown relationship and improving services and outcomes for Māori.

### Strengthening expectations for the Public Service

To support the uplift in capability across the Public Service, the Commission this year has:

- advised on and supported Te Arawhiti to develop and implement guidance, tools and training for agencies on how engagement with Māori should be approached
- advised on and supported Te Arawhiti with the development of a capability framework for agencies to use to assess their maturity and areas for improvement
- worked with senior Māori Public Service leaders to develop a framework for Māori leadership practice in the Public Service
- worked with Te Arawhiti to develop Māori Crown common core development resources for Public Service leaders

- strengthened chief executive performance expectations to explicitly include a requirement to “develop and maintain the capability of the Public Service to engage with Māori and to understand Māori perspectives in order to improve outcomes”
- initiated a new te ao Māori based leadership programme for Māori early in career for all Public Service agencies.

### System leadership for the Crown’s relationship with Māori

Following the establishment of the Office for Māori-Crown Relations - Te Arawhiti in late 2018, the Commission has worked closely with Te Arawhiti, Te Puni Kōkiri, and their respective Ministers to clarify the roles of the two agencies and support their respective leadership across the Public Service as a whole.

We have worked with Te Puni Kōkiri and the Minister for Māori Development to refresh and sharpen the agency’s strategic focus, recruited a new chief executive with a clear mandate to implement this strategy, and worked with the new chief executive to undertake and complete a Performance Improvement Framework review of the agency.

The Commissioner has commenced monthly engagements with the chief executives of Te Arawhiti and Te Puni Kōkiri to advise on the implementation of the new Māori Crown provisions in the Public Service Act, with a focus on lifting the overall capability of the Public Service.

### Leading by example with Te Angitū

Enhancing Public Service capability to support the Māori-Crown partnerships demands that the Commission takes a strong leadership role. We have developed a plan to ensure the Commission, as leaders of the Public Service, prioritises work that will build overall proficiency in navigating te ao Māori and work diligently to incorporate Māori perspectives and culture into all workstreams.

Te Angitū – our Māori strategy – will enable us to do this by embedding te reo and tikanga Māori into our culture and ways of working. A cross-commission team co-designed Te Angitū through a series of interviews and workshops. This strategy has been developed with the intention of building our Māori proficiency internally to become an exemplar agency and to demonstrate a firm commitment to Māori and the Treaty as part of our strategic priorities.

# Walking the talk



Mabel Flight, a residential manager at Tongariro Prison, ‘walks the talk.’ She’s an exemplar of frontline excellence through her unfailing motivation to make a difference for the people in the care of the Department of Corrections.

*It is, Mabel says, about “just having that passion ... having a passion to do something and change lives.”*

Mabel works with compassion and dedication, delivering kaupapa Māori values. As a result, she is the ‘go to’ person at Tongariro Prison for anyone who wants to better understand a taha Māori approach. She is also

a valuable ‘go to’ person for the rest of the organisation, as she brings the experience and learnings from Tongariro Prison to many national Corrections forums. Mabel conducts herself with humility and integrity and a genuine belief in the role of the Public Service to help bring about safer communities for future generations.

In 2019, Mabel was awarded Te Tohu Ratonga Tūmatanui | New Zealand Public Service Medal – a Public Service Day Honour awarded to public servants who have given meritorious service. The medal, established by Royal Warrant in 2018, is part of the New Zealand Royal Honours system.

## Decades of Service

For more than 40 years, the spirit of service has shone through John Henderson’s dedicated support for New Zealanders. A Ministry of Social Development (MSD) regional commissioner for social development, John’s staunch advocacy for helping people into work, ending family violence and supporting young people to achieve their aspirations shows his commitment to putting people and their needs first.

*“It feels great to know that you’re doing your bit for your country,” John says.*

In a life-long people-focused career, John has been called to lead and serve New Zealanders through some of our biggest natural disasters and tragedies in recent times. As the Canterbury-based senior leader at MSD, John contributed to social support and recovery efforts for the people of Canterbury after the September 2010 and February 2011 earthquakes. He was unflinching in his efforts to make sure people got the services they needed after the Pike River tragedy, the 2016 Kaikōura earthquake and displayed



exceptional fortitude in the aftermath of the Ashburton shootings as he led the response to this unprecedented event. He was also the senior regional recovery officer leading the government’s response to meet the social development needs of Muslim families affected by the 2019 Christchurch mosque shootings

In 2019, John was awarded Te Tohu Ratonga Tūmatanui | New Zealand Public Service Medal – a Public Service Day Honour awarded to public servants who have given meritorious service. The medal, established by Royal Warrant in 2018, is part of the New Zealand Royal Honours system.

# **Tā te Ratonga Tūmatanui āheinga**

**Public Service  
capability**



# Tā te Ratonga Tūmatanui āheinga | Public Service capability

The New Zealand Public Service has traditionally – and particularly since the reforms of the 1980s – operated through strong departmental silos. This approach worked well for the delivery of particular services or outputs that fall clearly within the remit of a single department, but less so for delivering integrated services and achieving outcomes.

Over the last decade, we have been moving towards a Public Service that operates more effectively as a unified system and is therefore better placed to deliver the services and outcomes New Zealanders expect and deserve. Our ongoing reform of the Public Service – of which the new Public Service Act is the cornerstone – is the latest step in this journey.

The changes embedded in the new legislation aim to bring the system together not by centralising functions, but by building strong capability and leadership across the system and increasing the agility, adaptability and interoperability of the Public Service so that this capability can be accessed and deployed where it is needed. It is about building a Public Service that is fit-for-purpose now and can meet the needs and expectations of New Zealand into the future.

Building the capability of the Public Service will accelerate on the basis of the Public Service Act but the Commission has been driving work to build capability in advance of the Act. The sections below set out the work delivered by The Commission over the past year and discuss the development of capability in the system across the four key areas of system leadership, organisational change, Public Service culture, and Public Service workforce.

## System leadership

The Public Service is more than the sum of its component agencies. The greater force and value of the Public Service is seen when it works as a system with different agencies working together on common issues, and with all agencies strongly connected on matters affecting the whole Public Service. For this to happen, the Public Service needs to be led as a system. This requires a new model of leadership, where leaders share a common vision and work to align their operations and services to deliver better services and outcomes.

The Commission's statutory role in appointing and managing chief executives provides a strong lever to drive leadership across the system. Our approach to this function is underpinned by an understanding of the power of good leadership to transform organisations and systems. In the year to 30 June 2020, the Commissioner appointed five Public Service chief executives, five reappointments and supported the appointment of the Commissioner of New Zealand Police. We worked with all chief executives to ensure they had clear performance expectations and were supported to achieve.

The new Public Service Act creates a statutory basis for system leadership within the Public Service. Statutory provisions relating to the Public Service Leadership Team, system leads and Functional Chief Executives, and the requirement for a Leadership Strategy, provide for a more sophisticated and sustained approach to leading the Public Service as a system.

In anticipation of the new Act, we have been working to put in place the basic elements of more highly developed system leadership. This work has occurred across five areas of focus.

## Leading and supporting the Public Service Leadership Team

Since 2017, Public Service chief executives and chief executives of the major Crown agents have been working together as a leadership team for the Public Service focused on system-wide issues. Now known as the Public Service Leadership Team (PSLT), it continues to be convened by the Public Service Commissioner, Head of Service and led and supported by the Commission.

Over the past year, the Public Service Leadership Team has been able to focus more closely on the central strategic issues facing the Public Service while also making time to reflect on how they are performing as a team. In addition to influencing the development of the Public Service Act, areas that PSLT focused on have included joining-up government in the regions, digital security and privacy issues, diversity and inclusion of the Public Service and the response to COVID-19.

## Working with system leaders to improve performance across the Public Service

Functional leads and heads of profession have been in place for several years as cross-system leaders with defined areas of responsibility. The Public Service response to COVID-19 was more timely and agile because there were already cross-system leadership roles – the Government Chief Digital Officer in particular – and because stronger relationships have been built between chief executives over the past several years.

The Commission supports functional leaders to operate effectively by addressing barriers to cross-system leadership and changing the way they operate in terms of scope, mandate and intervention to manage system risk. During 2019-20, improvements were made to digital, data, government property, procurement and information security functional leadership. In addition, two chief executives were appointed to a new functional leadership role to strengthen diversity and inclusion across the system, and the Secretary to the Treasury was designated as lead for regulatory system stewardship and assurance.

## Joining up public services in the regions

The Commission has been leading work with chief executives through PSLT on critical challenges such as joining up public services better in the regions. The Commissioner worked with chief executives to designate eleven senior public servants as Regional Public Service Leads to join up government in regions.

Another early action has been to develop regional profiles showing key social and economic indicators, together with current government agency activities. The profiles are used to develop regional priorities aligned with national priorities. As opportunities arise, regional boundaries of government agencies will be aligned, and regional offices co-located.

## Te Rōpū Kaiarataki i te Ratonga Tūmatanui, the Public Service Leaders Group

The Commission leads the leadership and talent programme for the Public Service in partnership with chief executives. Te Rōpū Kaiarataki i te Ratonga

Tūmatanui, the Public Service Leaders Group (PSLG), is a key focus of this programme. The group comprises approximately 1000 senior public servants in the most complex and influential leadership roles and, collectively, they lead the Public Service.

Leadership in the Public Service is shifting from a strong focus on agency leadership to strengthening system and future-focused leadership. To help effect this shift in the PSLG, work began in late 2019 on the development of a new Leadership Strategy for the system, in consultation with senior leaders. One priority in this leadership shift is increasing the capability of our senior leaders to support Māori Crown relations. To begin this journey, a Māori leadership as practice profile – Whakaaro Rangatira – is being co-designed with Māori senior public servants, which focuses on leadership at the point where the Crown and Māori engage.

The Commission has further supported the leaders of the Public Service through:

- delivering the fourth annual **Public Service Leaders Summit** in July 2020. Due to COVID-19 restrictions the summit was held virtually and more than 500 leaders joined from around the country to connect, join-up priorities across the Public Service, and discuss the challenges ahead
- publishing **Whakapakari**, a bi-monthly newsletter to PSLG members that shares stories of leadership development
- continuing to support **Career Boards** through a senior leader development broker to provide targeted development for senior leaders beyond their home agencies. Of the 112 senior leaders the active cohort Career Boards worked with in 2019/20, 75% were showcased by the Broker and received development actions and support.

## Leadership Development Centre

The Leadership Development Centre (LDC) works in partnership with Public Service agencies to design and implement common and core development. During 2019/20 this work has focused on the implementation of new people leader development and the design and testing of leader of leaders development.

Leadership development specialists at LDC work collaboratively with leaders, agency human resources and government function leads to develop high quality learning material for leaders. They develop the support material needed to implement and deliver that development. LDC partnered with 24 agencies as they started to implement common and core development for new people leaders in the 2019/20 year. LDC delivered two leader of leaders pilot programmes, one in Auckland and one in Wellington involving 17 leaders from 11 agencies.

in partnership. Further, it makes a significant change in reflecting the role of Crown agents as part of the Public Service, sharing in the same purpose, principles and values.

The response to COVID-19 demonstrated what is possible in terms of rapid establishment of new collaborative arrangements. The point of the Public Service Act is to make this kind of agility normal and sustainable, rather than crisis-driven and transitory.

## Here to ‘give back’

Bronwyn Hiku celebrated 24 years of working at the Ministry of Social Development (MSD) in April 2020, during the COVID-19 response. She spent the day leading a pop-up team of people processing wage subsidies, having trained more than 300 MSD employees in the previous few weeks – from senior managers and policy analysts to those on the frontline – to help employers and their employees get through COVID-19.

*“I stay here to give back – the heart of what I do is giving back to those less fortunate than myself,” Bronwyn says.*



Te horopaki | Case study

## System design

The Public Service works within a fast changing and turbulent environment, and serves an ever more diverse and complex society. Consequently, the Public Service must be able to flexibly and agilely reorganise in response to changing priorities and imperatives. Traditionally this has been accomplished through the establishment of new agencies, changes or transfers of agency functions, and the merger and/or disestablishment of particular agencies.

Policy work leading to the Public Service Bill has resulted in legislation which expands the range of options for ensuring an agile response to emerging and complex issues. The Public Service Act now provides for interdepartmental executive boards and ventures, both of which provide ways of formally and robustly bringing separate agencies together to work

Our achievements in 2020 include:

### Supporting innovations in cross-agency working

The Commission provides guidance and supports an ongoing commitment to drive a shift in mindset around how the Public Service, as a system, can work together to improve outcomes. Over the past year, the Commission has been involved in key initiatives that will build experience and capability in new ways of working.

One such initiative is the Family Violence and Sexual Violence Joint Venture. This is a cross-agency approach that focuses on how the system needs to deliver collectively on outcomes that no one agency can achieve on its own. It was the first of its kind, and continues to drive a new way of working in the system. Because the Venture is an example of how

## Showing they care

Georgina (Georgie) Delamere and Penni Gray are probation officers helping create safer communities by supporting New Zealanders living in East Coast areas that historically have been difficult for the Department of Corrections to service. Often working in isolated circumstances, they are flexible and adaptable and get things done.

Georgie and Penni exemplify te ao Māori values in their everyday practice with clients from all cultures. Every Wednesday they travel about 240km from Ōpōtiki to Potaka and back. They meet, support and encourage the community, whānau, clients and external stakeholders to develop a “korowai o manaaki” (wrap-around service of support) to those living in predominantly small Māori communities along the coast.

***“You’re not doing it because you want them to do something. You’re doing it because you want them to know that you care,” says Georgie.***



In 2019, their outstanding spirit of service resulted in being awarded Te Tohu Amorangi a Te Kawa Mataaho | Public Service Commissioner’s Commendation for Frontline Excellence.



## Partnering to success

A Ministry of Social Development and Ngāti Pāhauwera partnership is enabling iwi to realise their plans and ambitions for sustainable employment in economically deprived areas of the Hawke’s Bay.

This partnership, which resulted in moving 200 hard-to-place people into employment, won an inaugural Spirit of Service 2019 award celebrating outstanding contributions to strengthening Māori Crown relationships.

Te Tohu mō te Tūhonotanga a Ngāi Māori me te Karauna | Māori Crown Relationships Award is a celebration of auahatanga | innovation, whakapūmautanga | durability and kōwhiringa | opportunities.

# Leadership in governance



Enabling Good Lives is a partnership between the disability sector and government agencies aimed at long-term transformation of how disabled people and families are supported to live everyday lives.

In the inaugural 2019 Spirit of Service Awards, the Ministry of Social Development and Ministry of Health won Te Tohu mō te Kaiārahi Mahi Whakahaere | Leadership in Governance Award for the shared governance of Enabling Good Lives. This programme for disability system reform is sharing risk and control with the disabled people most impacted by decisions made. And 91% of participants in pilot projects in Christchurch, Waikato and the central North Island report they have achieved more than half of their desired outcomes.

The Spirit of Service Awards are hosted by the Commission and are aimed at nurturing the spirit of service public servants bring to their work, promote Public Service values and share ways of working that are delivering great results for New Zealand.



## Real change

Public service agencies, covering more than 52,000 employees, are working to close their gender pay gaps.

Joanne Hacking moved from one Public Service agency to another at the end of 2019. She attributes the smooth negotiations she had around her starting salary and flexible work arrangements to the clear commitment to close the gender pay gap and support given to agencies.

*“It’s given those of us who work in the departments the power to speak more openly about such matters and it’s leading to real change,” she says.*

the Public Service needs change to address some of society's biggest issues in a more collaborative way, the Commission continues to work closely with it and share learnings back into the system.

Our response to COVID-19 also accelerated the move to a joined-up government. New cross-agency initiatives have emerged and tackled long term issues such as co-ordinating our support of New Zealand's homeless through Aotearoa New Zealand Homelessness Action Plan (2020-2023).

### Providing advice on configuring the Public Service to deliver

The Commission is the government's lead adviser on the design and operation of the system of government agencies. The effectiveness of the Commission's system design and operating model work depends crucially on the ability to communicate complex advice effectively to the Minister of State Services and other Ministers.

The changes we advised on in 2019/20 include:

Reshaping the system to enhance outcomes within key areas:

- The NZ Institute of Skills and Technology (established 1 April 2020) brings together the main vocational training institutions around NZ as subsidiaries to a single large agency.
- Kāinga Ora (established 1 October 2019) brings together the government's social housing functions – the former Housing New Zealand, Hobsonville Land Company and Kiwibuild.

Support and advice in relation to a number of new entities, including recruitment of chief executives for two new departmental agencies:

- Infrastructure Commission – established 26 September 2019
- Water regulator (Taumata Arowai) – Bill passed 22 July 2020
- Mental Health and Wellbeing Commission – to be established February 2021
- Cancer Control Agency – established 1 December 2019

- Climate Change Commission – established 14 November 2019
- National Emergency Management Agency – established 1 December 2019
- Strengthening land transport regulation (Land Transport (NZTA) Legislation Amendment Bill passed 22 July 2020, includes a statutory Director of Land Transport)

We have also been involved in longer term governance and form issues (for example, strengthening independent oversight of the Oranga Tamariki system, cannabis regulation, disability system transformation, and different functions under the Arms Act 2020).

### Building connections with and across Crown entities

Crown entities are a key 'face of government'. They account for around 40 percent of government expenditure, employ the vast majority of public servants, and deliver most of the critical public services to New Zealanders. Governance of Crown entities, either by boards or individuals, is key to ensuring and overseeing Crown entity service delivery.

The Commission works with agencies to promote good practice monitoring, provide advice and guidance on the classification and remuneration for members of governance and other Crown bodies, and advise on the terms and conditions including remuneration for new appointments and remuneration reviews for Crown entity chief executives.

This year, the Commission worked with the Ministry for Women to lead a series of workshops focused on board appointment processes, diversity on Crown boards, and growing a deeper and more capable pool of candidates.

The Commission also continues to host workshops with Crown entity chairs throughout the year to build a stronger sense of cohesion and unity across the entities. In July 2019, an engagement with Crown entity chairs discussed the Public Service legislative reforms and what this means for the wider public sector. In addition, on 25 June 2020 an online workshop, which included the Ministers of State Services and Finance and involved 71 Crown entity chairs, took place.

## Culture of the Public Service

To be effective in our communities and make a difference, we need to have the trust and confidence of New Zealanders. Ensuring that the Public Service works with a common purpose and set of values is an important element to earning and keeping this trust. New Zealanders need to have confidence that the Public Service works with a spirit of service to the community, and public servants must be supported and encouraged to build a shared culture founded on a spirit of service.

The spirit of service is expressed in many ways depending on the role of the public servant and the function of the agency in which they work. But for all, it must be expressed in a concern with ethical conduct and common adherence to the values of Public Service. At agency level, it must be expressed in adherence to the principles that guide the Public Service.

The COVID-19 response has demonstrated how strong the underlying culture of the Public Service is. Public servants quickly rose to the challenge to drive not just the Government's emergency response, but to ensure that the everyday delivery of services to the public got through. This involved rapidly adapting and embracing new ways of working, flexibly changing their substantive duties to match what was needed at the time and working far more collaboratively than before with other agency partners. All in the face of the uncertainty and anxiety that characterised life during the lockdown.

The focus on building the Public Service culture has formed a greater part of the Commission's activity in recent years with greater priority given to this in the Commissioner's messaging and rigorous investigation of ethics issues. Last year's policy work on the Public Service Act included a statement of the purpose of the Public Service and associated statements of Public Service principles and values entrenched in legislation. Internationally, this is a ground-breaking piece of legislation that gives prominence to the expected behaviours and ways of working of that underpin the Public Service.

## Recognising and celebrating the spirit of service

The awards and recognition programme was established by Public Service chief executives to nurture the spirit of service public servants bring to their work, promote diversity and inclusion, Public Service values and share

ways of working that are delivering great results for NZ. The Commission runs the awards on behalf of the Public Service.

The Spirit of Service Awards celebrate outstanding public sector governance, young leaders and initiatives delivering great outcomes for New Zealand motivated by a spirit of service to the community. The five award categories reflect the chief executives' commitment to delivering better outcomes and services for New Zealanders, strengthened Māori Crown relationships and world-class public sector governance and leadership.

Eighty-four entries were received for the inaugural Spirit of Service Awards and winners were recognised at an event at Museum of New Zealand I Te Papa Tongarewa on 19 September 2019.

The Public Service Day Awards recognise public servants who exemplify the spirit of service and are making a real difference through their everyday work for New Zealand or New Zealanders.

In 2019 the New Zealand Public Service Medal was awarded to six public servants and the Commissioner's Commendation was awarded to ten individual public servants. In addition, four posthumous commendations were awarded at special memorial services organised by the Department of Conservation and the Ministry for Social Development in 2019.

## Promoting open government

The Public Service Act 2020 includes the principle of open government and a commitment to facilitating active citizenship in New Zealand. In line with the new Act, the Commission has been working with agencies to develop initiatives that support New Zealanders to take a more active role in government decisions and community life.

New Zealand is a member of the Open Government Partnership (OGP) and the Commission leads and coordinates the participation of the Public Service. OGP has 78 member nations, with each nation preparing and delivering two-year National Action Plans with a series of commitments relating to open government themes. In New Zealand, our current National Action Plan contains twelve commitments related to participation

in democracy, public participation to develop policy and services, and transparency and accountability.

Though COVID-19 has delayed the requirement for a new action plan to 2021, throughout the year we have maintained regular contact with our international counterparts, sharing good practice and learning from one another as we prepare New Zealand's fourth National Action Plan.

### **Clarifying processes for whistleblowers to report wrongdoing**

Following public consultation on the issues in late 2018, in 2019/20 the Commission developed proposals for legislative change and worked with Parliamentary Counsel on the drafting of a new Bill. The Protected Disclosures (Protection of Whistleblowers) Bill was introduced to Parliament and had its first reading on 30 June 2020, and all parties supported its referral to the Education and Workforce Select Committee. The Bill clarifies the legal framework to help individuals and employers in all organisations to raise and resolve issues of serious wrongdoing.

### **Ensuring a culture of integrity and ethics**

The reputation of the Public Service depends on our ability to build and maintain a high trust system and a workplace culture that promotes integrity as central to our values and work. The Commission sets standards of integrity and conduct, provides advice and guidance, and investigates matters of integrity and conduct.

The Commission carried out one investigation in the last year and a certificate was issued under the State Sector Act 1988. The investigation, led by Ms Jenn Bestwick, looked into how sensitive Budget information was accessed on the Treasury website two days before the 2019 Budget was to be announced. The Commissioner said the Treasury's failure to keep Budget sensitive information secure was not acceptable.

Model Standards set out the Commissioner's minimum expectations for agencies and staff in the Public Service and other Crown entities on specific integrity areas. During 2019/20 the Commission issued new model standards and guidance relating to Positive and Safe Workplaces and completed work those for Workforce Assurance.

## **Workforce and employment**

Skilled and capable public servants are the foundation of the Public Service. New Zealand needs the Public Service to be an attractive place to work, and one which develops and deploys the skills that the Public Service will need now and in future. These are not just agency-level challenges; the challenge of workforce development, and ensuring that the Public Service can access the skills it needs, is a cross-Public Service issue requiring a system-level response.

Provisions of the new Public Service Act are designed to enable a cross-system response and will enable greater progress to be made on workforce strategy, on common Public Service approaches to employment (including standard terms and conditions), and on progressing fair and equitable pay.

The Commission has a critical role in ensuring a system response to, and assurance of, these issues and providing support and guidance across the Public Service to proactively address emerging workforce and employment relations matters. The Commission actively partners with a range of relevant unions in this area.

### **Futures-thinking to plan for the future workforce**

The Commission recognises the need for a system-wide strategy to guide the development of the Public Service workforce into the future. Over the past eighteen months, the Commission has led a system-wide strategic conversation on the future Public Service workforce and has facilitated the creation of a cross-Public Service vision for the Public Service workforce in 2035. This will provide a foundation for longer term strategic workforce planning capability and practice within the Public Service.

### **Leading the Public Service on employment relations**

The Commission provides advice and support to Ministers and chief executives on public sector employment relations, including bargaining. In 2020 we provided insight into and oversight of the public sector employment relations environment by providing Ministers with advice and analysis on trends and developments to support government priorities in employment relations. This included providing expertise for, and oversight of, the pay equity settlement process.

The Commission provides oversight and support to agencies bargaining under delegation from the Commissioner and where there is a statutory requirement to consult the Commissioner. In the last year this applied to 14 collective agreements covering approximately 11,300 FTEs. Over the past year, we have ensured that agencies deliver a modern high-quality employment relations environment that helps deliver the Government's employment relations expectations and supports the reforms in the Public Service Act and our workforce response to COVID-19.

We also built stronger relationships with unions as a basis for a more proactive approach to employment and workforce issues in the Public Service. This has encompassed tripartite initiatives such as the Public Service Association and Public Service Leadership Team Strategic Forum as well as engagement on specific topics including the COVID-19 workforce guidelines and the Public Service Act.

### Supporting public servants early in their careers

We know that the way the Public Service will work in the future will be different, and our early-in-career workforce will need to be successful in this evolving context. The Commission hosts inductions for summer interns and graduates, these events highlight career opportunities within the Public Service and help new professionals to create networks amongst peers and form connections across agencies. We have also worked alongside the Ministry of Business, Innovation and Employment to support the development and expansion of the Tupu Tai internship initiative.

To model best practice and showcase our system leadership function, the Commission last year applied a targeted approach to our summer internship by hosting four Māori and Pasifika interns through the Tupu Toa, Tupu Tai and Victoria University Māori internship programmes.

### Engaging agencies to support flexible work by default

Employees are seeking workplace flexibility to help their work life balance. Meeting this expectation will help the Public Service attract and retain diverse talent. It will contribute to more inclusive workplaces.

The Gender Pay Taskforce engaged with agency and union representatives to co-design a framework and approach for agencies to use when moving to a flexible-by-default work environment. Twenty-three agencies piloted this way of working to test the concepts and approach.

The Commission issued guidance in June 2020 to provide resources and tools for agencies to use to develop sustainable flexible working policies and practices that balance the needs of the agency, employee and team, while recognising the significant shift to remote working that occurred during the COVID-19 lockdown period.

### Supporting modern and safe workplaces

Issued in August 2019, the Safe and Positive Workplace Model Standards set out the Commissioner's minimum expectations for staff and organisations in the Public Service in building a workplace culture that promotes respect, inclusion, trust and productivity and helps prevent inappropriate behaviour.

The Positive Workplace Cultures programme (led by two chief executives, Ms Rebecca Kitteridge CVO, Director of the New Zealand Security Intelligence Service and Mr Ray Smith, Director-General Ministry for Primary Industries) was officially launched on 6 December 2019 and an evidence-based culture change framework was introduced to agencies at the programme launch to support them to explore the different elements that shift culture.



*23 agencies are piloting flexible-by-default working*

# A young leader proud to be a public servant



In 2008, Jade Kinghazel joined the Department of Conservation as a fresh-faced cadet who wanted to protect and preserve New Zealand’s unique biodiversity so it could be enjoyed by future generations.

Now, with an unwavering ambition, Jade is leading the way in one of the department’s more complex roles as Operations Manager for the Whakatāne, Whirinaki, Ōpōtiki district.

In 2019, Jade was awarded the inaugural Spirit of Service Te Tohu mō te Kaiārahi Rangatahi o te Tau | Young Leader of the Year award.

***“I have a real sense of pride as a public servant,” Jade says.***

“I want New Zealanders to be able to experience and see what I have over my time within the department. Connection to our places and our identity as a nation is what drives me every day within my role and I believe that is the core of what I do in managing te taiao. It’s about what I can do to make a difference for people.”

The Spirit of Service Awards aim to nurture the spirit of service public servants bring to their work, promote Public Service values and share ways of working that are delivering great results for New Zealand.

## Opening the door to new opportunities

Former Tupu Toa intern Hannah Dewes (Ngāti Porou) has no doubt about the value internships have for graduates looking for career opportunities.

“I knew very little about the Public Service and even less about what kind of work was available across the system,” she says. “I’ve always looked to work in government and my internship helped me to get my foot in the door.”

Hannah, who recently completed her Waikato University Bachelor of Laws, alongside study in te reo Māori and English, spent about three months as an intern at Te Kawa Mataaho Public Service Commission. She was employed by the Commission earlier this year after her internship finished.

***“We need to encourage young Māori to seek a career in the Public Service and the Public Service needs to support Māori to stay” she says.***



Hannah likes the idea of working for a unified Public Service.

“We’re all here for a reason ... we aim to serve all people and all people equally,” she says.

“That’s something I’m committed to doing.”

## Uniting on a common goal

COVID-19 took Tara Swadi from work in the Population Health and Prevention Directorate to the National Health Coordination Centre at the Ministry of Health.

Tara says her role involved everything from cluster management to supporting managed isolation, working with cross-government colleagues, and helping develop information for Director-General of Health Ashley Bloomfield's daily media stand ups. Every day was different, and the pace was incredibly fast. Tara says it was a giant learning curve. "I've met so many incredibly passionate and knowledgeable people from across the Ministry and across government, that I wouldn't have met in my normal role," she says.



*"This has been a great example of how public servants can all unite to work together towards a common goal."*

## An intention to improve lives

Firoza Shaikh provided exceptional service to the Christchurch community in the wake of the 2019 mosque attacks.

A Ministry of Social Development assistant service centre manager, Firoza stepped away from her substantive, more senior role in Auckland to support the Muslim community and MSD colleagues providing support after the Christchurch attacks.

"I am in a position to help. I have the ability to impact the quality of someone else's life, the direction of someone else's life. That's a very powerful privilege to have and it's a responsibility that I take quite seriously," Firoza says.

***"Being a public servant is about serving your community with an intention to improve lives."***



There is no doubt Firoza made a genuine positive difference in lives of victims of the mosque attacks.

In 2019, Firoza received Te Tohu Amorangi a Te Kawa Mataaho | Public Service Commissioner's Commendation for Frontline Excellence for her outstanding spirit of service.

# Te urupare ki COVID-19

## Responding to COVID-19



# Te urupare ki COVID-19 | Responding to COVID-19

Tens of thousands of public servants provided essential services to New Zealanders throughout the COVID-19 response. The most visible being our doctors and nurses fronting our health response, police officers maintaining compliance with the Alert levels, and more recently border staff providing our first line of defence to keep COVID-19 out of New Zealand. But there were thousands more ensuring essential services were delivered who were less visible, whether it be staff of the Ministry of Business, Innovation and Employment providing advice to the numerous business seeking information on how to operate safely, or individuals utilising the support packages as administered by Ministry of Social Development. Existing government services had to keep delivering and new services had to be stood up rapidly.

Not only did COVID-19 impact the way the Commission operated, with the entire Commission working remotely over levels 3 and 4, but the role of the Commission changed too. The organisation adapted rapidly to ensure ongoing delivery of our existing roles and responsibilities while also taking on a key role to back the response. This included providing assurance to government that the Public Service was operating effectively and was up to the challenge posed by COVID-19.

As a member of The Officials Committee for Domestic and External Security Coordination the Commission provided advice to and support of the All of Government response. We worked with chief executives to ensure they had the tools and support to lead through COVID-19. The response was rapid and when issues arose the Commission leaned in where necessary. Assurance was provided to the Government on a regular basis, including regular reports.

The Commission also had some specific roles and responsibilities as established under the New Zealand Pandemic Plan, and through workstreams within the All-of-Government COVID-19 response.

## Reporting on business continuity

The Commission led a workstream within the Operations Command Centre of the All-of-Government COVID-19 response to monitor and report on Public Service agencies business continuity.

This also encompassed our responsibility under the New Zealand Influenza Pandemic Plan to monitor staff absences of the Public Service as part of the broader sentinel reporting of COVID-19.

A cross-commission team was established to collect information across the public sector via surveys and situation reports. This was co-ordinated with other workstreams led out of the Ministry of Business Innovation and Employment and the Department of Internal Affairs on government workforce and IT. This vast amount of intelligence was collected, collated and analysed to assess the system, and provide assurance to the Government that critical services could continue during the pandemic and that government services remained available to New Zealanders. This model is now an embedded framework and the system is well placed to operationalise at short notice should it be required.

## Workforce guidance

Throughout the response it was essential that public servants were managed in a consistent, fair and transparent way that enabled the workforce to focus on the immediate response required to keep New Zealanders safe, while continuing to deliver public services and improve outcomes for New Zealanders.

Commission staff regularly met digitally with heads of human resources and set up a COVID-19 enquiries channel to meet agency needs for information and answer questions. Guidance was rapidly developed that addressed management of leave, remote working, how to respond to employee absence through illness or contact with COVID-19, and how to enable rapid deployment of public servants to new areas of need resulting from the response to the pandemic.

The Commission also issued a range of additional guidance such as pay restraint in the aftermath of the lockdown to ensure agencies considered the changing economic circumstances impacting New Zealand.

## Establishment of an interim workforce deployment service

To enable agencies to meet their immediate workforce needs, and to support our overarching goal of working together to ensure skilled public servants

are retained in roles across the system, an interim workforce deployment service was rapidly built within the Commission in May 2020.

The new service built on the initial MBIE redeployment service established over the COVID-19 Alert Level 4 and Alert Level 3 period. This service supports agencies with contracting or expanding workforces, creating visibility of opportunities across the Public Service to enable management of this in a coordinated way by connecting agencies with available resources with agencies with resourcing needs.

As part of this work, the Commission has been engaging with agency heads of human resources and recruitment teams to understand the likely workforce impact of COVID-19 during the response and recovery phases and the appetite for strengthened system-level solutions to better enable workforce deployment in the future.



*Public servants, state servants and business leaders collaborated in new ways to work through the many complex policy and operational challenges thrown up by COVID-19*



## A central and local government collaboration

In mid-March, central and local government expertise was brought together to support local government leaders respond to the evolving COVID-19 challenges, with the establishment of the COVID-19 Local Government Response Unit.

This dedicated working group comprised senior leaders from Te Tari Taiwhenua Department of Internal Affairs, Local Government New Zealand, the Society of Local Government Managers and the National Emergency Management Agency.

The unit recognises the critical role local government plays in ensuring the wellbeing and safety of local communities throughout New Zealand. It also provides a vital link to the All-of-Government COVID-19 national response effort and a conduit for essential information back out to the local government sector.

## Pitching in together

The Government's Contact Centre Reserve set up in March 2020 to help government agencies under pressure with high call volumes and reduced staffing levels responded to a total of 30,257 enquiries, including 11,099 emails and 19,163 phone calls.

The reserve helped the public with a wide range of enquiries relating to COVID-19, including cases of financial hardship, where people needed specific assistance and questions about the various alert level restrictions. The customer focus of the reserve agents reduced the need for the caller to ring multiple government contact centres to get their enquiry resolved.

A total of 246 public servants (including Chris Hall, pictured) from agencies that included ACC, Customs, Education Review Office, Ministry of Housing and Urban Development, MBIE, Kāinga Ora, New Zealand Defence Force, Social Wellbeing Agency, Te Puni Kōkiri and the Real Estate Authority all pitched in.



*This is an outstanding example of public servants volunteering, to help New Zealanders.*

# A celebration of long service

Te Tohu Manawaroa a Te Kawa Mataaho | Public Service Commissioner's Commendation for Service was launched in December 2019 to recognise public servants who have completed 30, 40 or 50 years of service.

These public servants have committed their careers to serving New Zealand and New Zealanders.

More than 100 recipients have already been identified to receive a personally signed certificate from the Public Service Commissioner (formerly the State Services Commissioner).

Nicky Dirks, pictured, was the first female recipient of this award when she completed 30 years of service.



## Support for homeless people

As the nation prepared to keep safe in their homes at COVID-19 Alert Level 4, a small portion of our population were in a particularly vulnerable situation – the homeless.

Blair Carpenter, pictured, (DIA Hāpai Hapori Community Advisor in Nelson), working with Nelson Tasman Civil Defence Emergency Management, pulled together a group of 12 frontline community organisations on day one of Level 4 to develop and implement a support response for homeless people in the region.

In an excellent example of central and local government working with the local community, about 90 percent of the “rough sleepers” in Nelson were safely housed.

Blair says most of the remaining homeless chose not to live in the accommodation provided.

“We are continuously working on solutions with the remaining individuals.”



Public  
Service  
Fale

# Tō te Ratonga Tūmatanui Fale Public Service Fale

A well-known Samoan proverb states *o le ala i le pule o le tautua*. This is translated as ‘leadership is through service’. The concept of service is at the heart of the Public Service Fale – an innovative and flagship programme housed at the Public Service Commission, supported by the Ministry of Foreign Affairs and Trade, but Pacific led by the Pacific Commissioners.

The Fale exists to strengthen Pacific public sector effectiveness and democratic governance, and ultimately improve outcomes for citizens of the Pacific region. The first programme of its kind in New Zealand, it was established in January 2020 at the request of Pacific Public Service Commissioners who wanted a central hub where they could seek advice and information to support tailored solutions for their own public services and citizens.

Pacific Commissioners have enormous experience and expertise in the needs of the public services in their countries so the Fale works closely with them, their teams, expert practitioners, key partners, and stakeholders to scope, co-design, and deliver the

work programme. The Fale also acts as a secretariat for the Public Service Commissioners’ quarterly meetings and annual Fono. The Honourable Luamanuvao Dame Winnie Laban is Chair of the interim governance group.

Being housed in the Commission, the Fale is uniquely placed to access and leverage expertise from within the Commission and across the New Zealand Public Service. The Commission’s mandate as steward and system lead means the Fale can cut through traditional barriers and respond deftly to requests from Pacific Commissioners. It has already responded to nearly 40 requests, some of which have become multi-country projects, including a leadership development programme of work, and developing a Pacific-wide Code of Conduct and Ethics.

Relationships, respect, and reciprocity are central to Pacific cultures and the Fale’s operating model is unique in its partnership approach. The team of mostly Pacific New Zealand public servants come from a range of professional backgrounds, but also have deep cultural knowledge, connections and networks which all contribute to the successful delivery of the work.

# Te whakahaere

## Te Kawa Mataaho – the organisation

This year we have continued to grow our organisation's capability to deliver and perform at its best. We can make a big difference to the Public Service and New Zealanders by ensuring the Commission is high performing and is a great place to work.

Organisational health, continuous improvement of the operating model and modelling best practice for the Public Service are important parts of the Commission being ahead of the game, fit for the future and enabled to lead and serve.

### Our workforce

To succeed in driving change, we need to attract and retain talented and driven people who relish the opportunity to work on complex issues, can see the big picture, inspire and influence others. It is also important that our teams reflect the communities that we serve.

The Commission continues to grow a diverse and capable workforce. The Commission currently has 179 people. This is a 16% increase from last year and

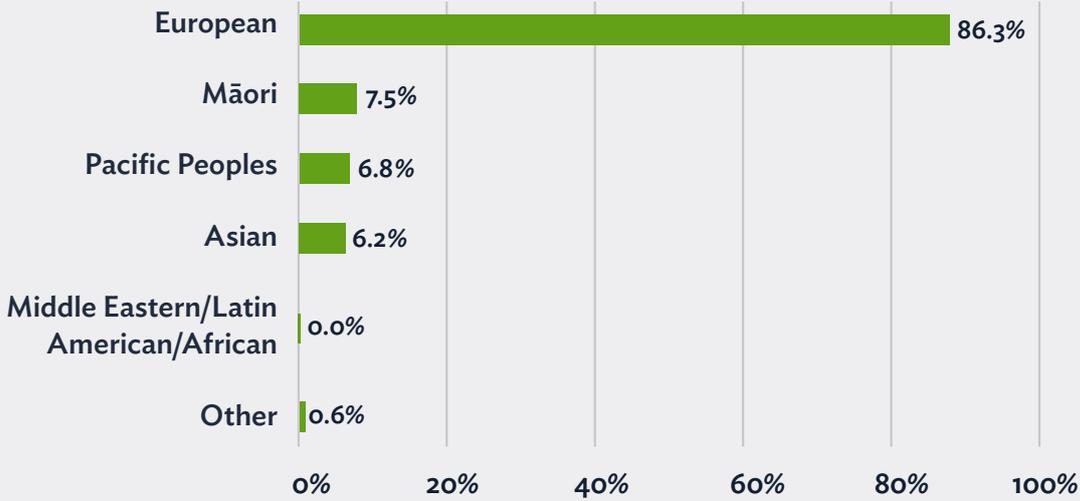
includes an increase in Advisory FTE to meet current work programmes. In addition, two new business units were established including the Public Service Fale and the establishment of a new Deputy Commissioner focused on Leadership, Diversity and Inclusion. Our focus on creating a strong, mission-focused culture has resulted in a further reduction in our core unplanned turnover which is now at 13.9% compared to last year 15.8%.

Through the implementation of our own agency's gender pay gap action plan, we have made substantial progress in decreasing our gender pay gap in the last year, from 14.4% (June 2019) to 8.7% (June 2020). We have also exceeded the gender balanced leadership milestone with 67% women in senior leadership roles. We have met our equal pay milestone with no 'like for like' gaps in the same or similar roles.

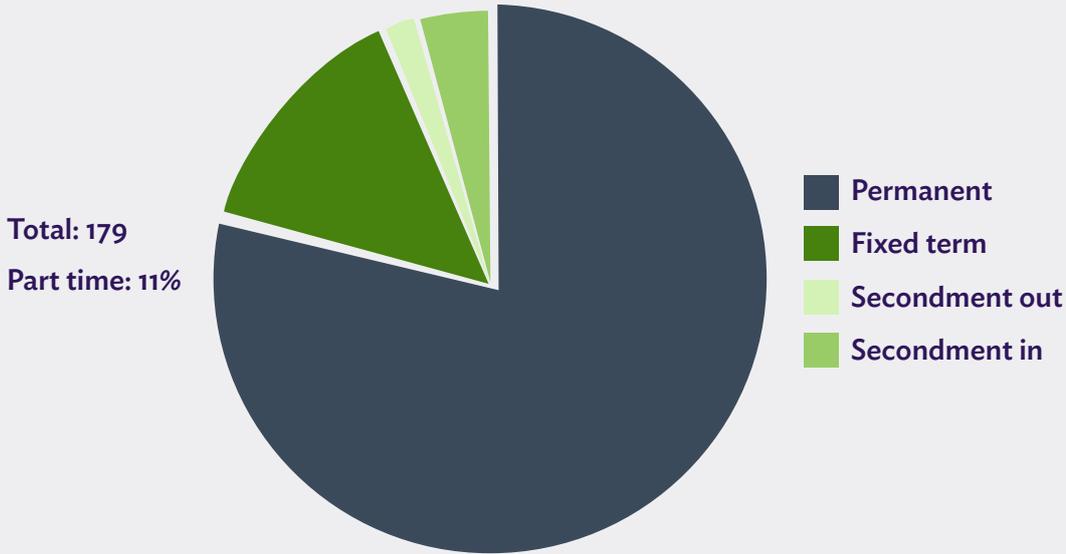
This year we have continued to foster a development rich organisation through providing opportunities for our people to learn, grow and develop. We have defined clear career pathways through our Whakatipu



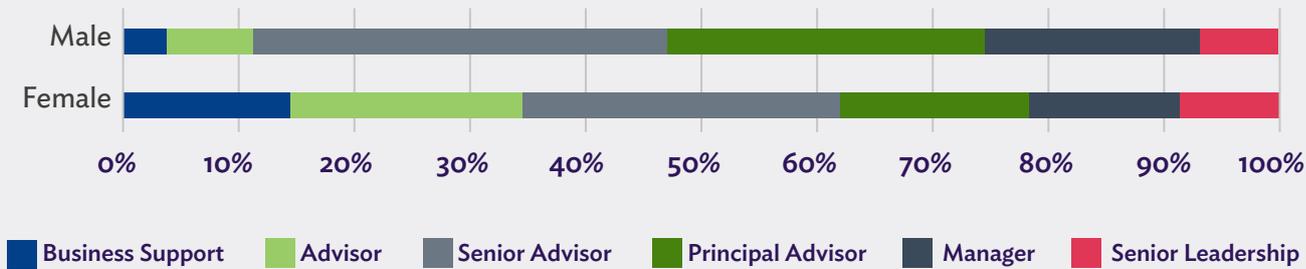
### Staff Ethnicities<sup>1</sup>



### Headcount by contract type



### Staff Gender Representation by Role Level



<sup>1</sup> The Commission’s ethnicity data is based on the number of staff who volunteer this information. Some people may report more than one ethnic group, which can result in numbers adding up to more than the total number of staff.

framework which enables development conversations and provides clear expectations at different levels and the progression requirements. As part of this we also provided opportunities for our people to grow their Māori capability through piloting foundation cultural competency training and hosting weekly lunchtime te reo practice sessions – kai te me korero – and our Waiata group.

### **Supporting diversity and building cultural competency**

This year has seen an increase in activity and the establishment of new employee led networks. This year we reinvigorated the Women's Network and commenced a staff Rainbow Network with regular meetings and events. The Oceans Network (consisting of staff of Pacific origin) have supported the Commission to celebrate various Language Weeks including Tongan Language Week and Samoan Language Week, building our Pacific cultural intelligence and supporting Pacific interns.

We have also supported diverse early in career public servants to build their experience through summer internships, with a focus on Māori and Pacific talent through participating in the Tupu Tai and Tupu Toa programmes.

Our all-staff wānanga, held in December 2019, gave insight into different methods of cross-commission collaboration. Held at Pipitea marae, our staff were able to work in a te ao Māori environment allowing for genuine opportunities to build sound Māori proficiency and cultural awareness, and provided the commission staff the opportunity to develop a bicultural understanding of our Kawa – Ways of Working. The Commission worked closely with Te Ati Awa to ensure the correct tikanga was observed.

We are proud to have been recertified with the Rainbow Tick accreditation and continue to put a focus on celebrating the richness our diversity brings to our workplace and our mahi.

### **Our workplace**

We are committed to building a modern and flexible workplace and a great place to work. At the Commission, we foster an inclusive, respectful, positive

working environment. We have continued to develop and evolve our ways of working to incorporate flexible by default practices in a way that supports our high-performance operating model. This includes taking the best of what we learned during COVID-19 forward into our future.

Our investment in information technology and enabling employees to work more flexibly has proven its worth, not least during the COVID-19 lockdown when the work of The Commission was able to continue as employees relocated to their homes. The Commission is a cloud-only organisation meaning that we are agile and adaptable to change. Most of our licensing is evergreen making sure that we are updated to the latest security standards. Our people can communicate with each other over whatever channel suits them best – mobile, online or in person. This approach was pivotal to the Commission achieving 99% of staff working remotely as part of our COVID-19 response during Alert Levels 2, 3 and 4.

We are committed to providing a safe and healthy workplace for our people and we continue to enhance and mature our health and safety practices. We gained insights into organisational health through staff engagement and are considered to be a 'Performing Business' under the SafePlus performance requirements.

### **Investment approach**

The Commission continues to deliver to a high level on a small budget. However, there has been increasing pressure on the Commission's resources, particularly in its expanding leadership role and in meeting increasing Government expectations. Additional funding was received in 2019/20 to address these pressures which allowed the Commission to bring in additional resources, but pressures remain as the Commission's workload continues to expand. This is currently managed through taking an adaptable and flexible approach where resources (both people and funding) are constantly redistributed and prioritised to the highest areas. Going forward we anticipate the need for investment to allow the Commission to continue to fulfil expectations with regard to its leadership role. The Commission takes financial management seriously and is always seeking to get the best value for its funding.



## Celebrating ground-breaking outcomes

The Public Service has a key role in supporting improved wellbeing outcomes in New Zealand. An outstanding example of an initiative achieving ground-breaking outcomes in areas that matter most for the long-term wellbeing of New Zealanders is the Healthy Homes Initiative.

It won the Spirit of Service 2019 Te Tohu mō ngā Hua E Pai Ake Ana | Better Outcomes Award for significantly reducing hospital visits and antibiotic prescriptions for children in 16,000 families through 46,000 housing interventions to create warmer, drier homes.

***Focused on the needs of whānau, the initiative allows frontline providers to innovate, with people on the ground setting priorities with whānau and telling agencies what's needed.***

Award winners were the Ministry of Health, with Housing New Zealand, Ministry of Social Development, Ministry of Business, Innovation and Employment, Energy Efficiency and Conservation Authority, and Auckland Council.

The initiative was also the overall winner of the 2019 awards, receiving Te Tohu a te Pirimia | Prime Minister's Award.

# Transformed relationships



The response to the 2019 Pigeon Valley Fires transformed relationships between iwi, councils and government agencies in the Tasman region and changed the way iwi are included in emergency centre operations.

It also won the inaugural Spirit of Service 2019 Te Tohu mō te Ratonga Whakahirahira | Service Excellence Award celebrating leading-edge service improvements making a real difference to the lives of New Zealanders.

Winners were: Tasman District Council, Nelson City Council, Nelson Tasman Civil Defence and Emergency Management, Fire and Emergency New Zealand, Department of Conservation, New Zealand Police, Civil Defence and Emergency Management, Te Puni Kōkiri, Te Ātiawa o Te Waka-a-Māui Trust, Ngāti Tama ki Te Waipounamu Trust, Ngāti Koata Trust, Te Rūnanga o Ngāti Rārua, Te Rūnanga o Ngāti Kuia, Ngāti Apa ki te Rā Tō Trust, Te Rūnanga a Rangitāne o Wairau, Trust, Te Rūnanga O Toa Rangatira Inc.

## Making a tangible difference

When COVID-19 hit, public servant Alma Shaw volunteered to help out in the National Crisis Management Centre (NCMC) as MP liaison officer, working with MPs and their constituents.

Alma's usual job was with the Social Wellbeing Agency and Private Secretary for the Minister of Social Development. She decided early on not just to answer MP queries, but to check in on them from time to time too.

"We sometimes forget that MPs are just like us, with families and their own personal issues and concerns," says Alma. "I built up a rapport with some MPs to the point where some even know my children now. It's 'he tangata, the people'."

***Alma says the most satisfying experience was making a tangible difference in peoples' lives.***



"One of the more memorable ones was right at the beginning of level 4 and helping a woman who had returned from Australia where she had undertaken specialist medical treatment. This was her final chance. And it worked. When the woman returned to NZ she had to be in isolation and was worried about her health. I negotiated with the various agencies and groups on her behalf and made arrangements to get her home, which we did."

## Showing empathy and understanding

Sulaiman Hartley is an East Auckland Stats NZ Tatauranga Aotearoa survey interviewer who changed roles during COVID lockdown to help New Zealanders calling the COVID-19 information line.

“What I found most people appreciated was that there was someone on the other side of the line who understood and empathised with them, and that they were not alone in this,” Sulaiman says.

***“I feel humbled that I could contribute in some small way and hope that it made a positive difference in at least one other New Zealander’s life.”***

“My role changed to become part of the escalations team, which we called ‘Wizards’. We supported the call centre team and raced to find information for them; this was definitely a team effort.”



## Regional Public Service leads

Eleven regional Public Service leads were appointed in 2019 to support cultural change in the way agencies work together, encouraging a joined-up system able to tackle complex issues and enhance regional wellbeing.

All are heavily involved in the COVID-19 response and recovery efforts, from supporting other social sector leaders and the private sector, to helping displaced workers gain or retain employment.

The Ministry of Social Development’s Te Tai Tokerau Regional Commissioner Eru R. Lyndon says having the new regional Public Service leads in place not long before COVID-19 made a big difference.

For instance, it was much easier, he says, for key stakeholders like iwi Māori, industry organisations, and local government to engage with Public Service agencies.

# **Te pūrongo mutunga o te tau**

## End of year reporting



## Statement of Responsibility

I am responsible, as Chief Executive of Te Kawa Mataaho Public Service Commission (the Commission), for:

- The preparation of the Commission's financial statements, and statements of expenses and capital expenditure, and for the judgements expressed in them
- Having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting
- Ensuring that end-of-year performance information on each appropriation administered by the Commission is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this Annual Report, and
- The accuracy of any end-of-year performance information prepared by the Commission, whether or not that information is included in the Annual Report.

In my opinion:

- The financial statements fairly reflect the financial position of the Commission as at 30 June 2020 and its operations for the year ended on that date, and
- The forecast financial statements fairly reflect the forecast financial position of the Commission as at 30 June 2020 and its operations for the year ending on that date.



**Peter Hughes**

**Te Tumu Whakarae mō Te Kawa Mataaho  
Public Service Commissioner | Head of Service**

# Independent Auditors Report

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

## Independent Auditor's Report

### To the readers of the Public Service Commission's annual report for the year ended 30 June 2020

The Auditor-General is the auditor of the Public Service Commission (the Commission) which until 6 August 2020 was known as the State Services Commission. The Auditor-General has appointed me, Stephen Lucy, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- the financial statements of the Commission on pages 59 to 78, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2020, the statement of comprehensive revenue and expenses, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the performance information prepared by the Commission for the year ended 30 June 2020 on pages 7 to 31, 45 to 55 and 88 to 90; and
- the statements of expenses and capital expenditure of the Commission for the year ended 30 June 2020 on pages 56 to 57; and
- the schedules of non-departmental activities which are managed by the Commission on behalf of the Crown on pages 79 to 81 that comprise:
  - the schedules of assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2020;
  - the schedules of expenses; and revenue for the year ended 30 June 2020; and
  - the notes to the schedules that include accounting policies and other explanatory information.

## Opinion

In our opinion:

- the financial statements of the Commission on pages 59 to 78:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2020; and

- its financial performance and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards.
- the performance information of the Commission on pages 7 to 31, 45 to 55 and 88 to 90:
  - presents fairly, in all material respects, for the year ended 30 June 2020:
    - what has been achieved with the appropriation; and
    - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure; and
  - complies with generally accepted accounting practice in New Zealand.
- the statements of expenses and capital expenditure of the Commission on pages 79 to 81 are presented fairly, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.
- the schedules of non-departmental activities which are managed by the Commission on behalf of the Crown on pages 56 to 57 present fairly, in all material respects, in accordance with the Treasury Instructions:
  - the assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2020; and
  - expenses; and revenue for the year ended 30 June 2020.

Our audit was completed on 30 November 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw attention to the impact of Covid-19 on the Commission and the activities it manages on behalf of the Crown. In addition, we outline the responsibilities of the Public Service Commissioner, our responsibilities relating to the information to be audited, we comment on other information, and we explain our independence.

### **Emphasis of matter – Impact of Covid-19**

Without modifying our opinion, we draw attention to the disclosures about the impact of Covid-19 on the Commission as set out in note 16 to the financial statements and pages 27 to 30 of the performance information.

### **Basis for our opinion**

We carried out our audit in accordance with the Auditor-General’s Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing

(New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of the Public Service Commissioner for the information to be audited**

The Public Service Commissioner is responsible on behalf of the Commission for preparing:

- financial statements that present fairly the Commission's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand.
- performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand.
- statements of expenses and capital expenditure of the Commission, that are presented fairly, in accordance with the requirements of the Public Finance Act 1989.
- schedules of non-departmental activities, in accordance with the Treasury Instructions, that present fairly those activities managed by the Commission on behalf of the Crown.

The Public Service Commissioner is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Public Service Commissioner is responsible on behalf of the Commission for assessing the Commission's ability to continue as a going concern. The Public Service Commissioner is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Commission, or there is no realistic alternative but to do so.

The Public Service Commissioner's responsibilities arise from the Public Finance Act 1989.

### **Responsibilities of the auditor for the information to be audited**

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material

misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Commission's Strategic Intentions 2017-22, Estimates, Supplementary Estimates and Addition to Supplementary Estimates of Appropriations 2019/20 for Vote State Services, and the 2019/20 forecast financial figures in the Commission's 2018/19 Annual Report.

We did not evaluate the security and controls over the electronic publication of the information we audited.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Public Service Commissioner.
- We evaluate the appropriateness of the reported performance information within the Commission's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Public Service Commissioner and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Public Service Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

### **Other information**

The Public Service Commissioner is responsible for the other information. The other information comprises the information included on pages 5, 32 to 39, 82 to 88 and 90 to 93, but does not include the information we audited, and our auditor's report thereon.

Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Independence**

We are independent of the Commission in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Commission.



S B Lucy  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand

# Te Tauākī Whakatutukitanga | Public Service Commission's Statement of Performance

for the year ended 30 June 2020

## Policy Advice and Leadership of the Public Sector

The single overarching purpose of this appropriation is to support decision making by Ministers on Government policy matters and leading the Public Management System.

### Multi-category Appropriation (MCA)

2019 Actual \$000		2020 Actual \$000	2020 Budget \$000	2020 Supp. Estimates \$000
29,997	Expenses	33,714	32,150	35,491
23,902	Revenue Crown	26,992	26,572	26,992
5,678	Revenue Department and Other	7,247	5,578	8,499
<b>29,580</b>	<b>Total Revenue</b>	<b>34,239</b>	<b>32,150</b>	<b>35,491</b>

### Policy Advice (Category)

This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to the Public Management System.

2019 Actual \$000		2020 Actual \$000	2020 Budget \$000	2020 Supp. Estimates \$000
5,355	Expenses	4,390	5,729	5,729
5,867	Revenue Crown	5,729	5,729	5,729
<b>5,527</b>	<b>Revenue</b>	<b>5,729</b>	<b>5,729</b>	<b>5,729</b>

Expenditure in this category was less than budgeted due to vacant positions and the re-prioritisation of resources into the Leadership of the Public Management System category.

## What was achieved

Performance Measure	Actual 2018/19	Budgeted Standard Target 2019/20	Actual 2019/20
Technical quality of policy advice papers assessed using the Policy Quality Framework <sup>1</sup>	71%	70%	70%
<b>Measurement Approach</b>			
Policy advice provided by the Commission is reviewed by a panel in accordance with the guidance for assessment panels in the Policy Quality Framework. Papers are independently scored by panel members, and moderated, before arriving at an overall score. The Commission looks at a random selection of papers, adjusted to ensure spread across business groups, of all policy papers provided to Ministers. This includes policy briefings, Cabinet papers, and related/similar material.			
Minister of State Services has satisfaction with policy advice <sup>2</sup>	80%	80%	85%
<b>Measurement Approach</b>			
The Minister of State Services is surveyed to assess satisfaction with policy advice provided during the reporting period. Policy advice papers are papers provided to the Minister of State Services for presentation to, and endorsement by, Cabinet.			

## Leadership of the Public Management System (Category)

This category is limited to ensuring the Public Management System has the design, capability and performance to deliver public services.

2019 Actual \$000		2020 Actual \$000	2020 Budget \$000	2020 Supp. Estimates \$000
24,642	Expenses	29,324	26,421	29,762
18,035	Revenue Crown	21,263	20,843	21,263
4,733	Revenue Department	6,337	4,878	7,385
945	Revenue other	910	700	1,114
<b>23,713</b>	<b>Revenue</b>	<b>28,510</b>	<b>26,421</b>	<b>29,762</b>

<sup>1</sup> Assessment is conducted by an internal committee within the Commission based on methodology developed by the Department of Prime Minister and Cabinet's Policy Project. This measure is the same as last year's "Technical quality of policy advice papers assessed by a survey with a methodical robustness of 90%." Last year's information for this measure is included as they are comparable as they use the same methodology.

<sup>2</sup> Ministerial satisfaction with the Commission's policy advice is a performance measure set by the Department of Prime Minister and Cabinet's Policy Project. The ministerial satisfaction score is based on a standard survey developed by the Policy Project, which provides a quantitative representation of Minister's satisfaction with an agency's policy advice. This survey is conducted annually and came into effect in August 2019, replacing Treasury's policy performance measure. The shift from Treasury's performance measure to the Policy Project's performance measure resulted in a change in methodology.

Expenditure and revenue in this category increased in 2019/20. This is because the Commission received new funding to meet cost pressures arising from its expanding statutory leadership role and increasing government expectations.

Expenditure for the year was more than the original budget due to the inception of the Public Service Fale, payment of legal fees and additional work on Diversity and Inclusion. Revenue for the year was more than the original budget due to the inception of the Public Service Fale, support for the Pay Equity and Gender Pay Gap Taskforce and the PIF programme.

### What was achieved

Performance Measure	Actual 2018/19	Budgeted Standard Target 2019/20	Actual 2019/20
The Commission works with Public Service chief executives to agree individual development plans.	New Measure	100% of Public Service chief executives have an agreed development plan	Achieved
<b>Measurement Approach</b> A current development plan must be in place for all chief executives appointed by the Commission to achieve this measure. The Commission works with Public Service chief executives to agree and finalise their development plans; this is evidenced through their signing the document or committing to the content of the plan through other means. The Commission maintains a log of all development plans as they are established and maintained for all Public Service chief executives.			
A succession plan is developed for the chief executive position of all Public Service agencies.	New Measure	100% of Public Service Chief Executives positions have a succession plan.	Achieved
<b>Measurement Approach</b> The Commission maintains a record of roles, incumbents, expiry of the current term and potential successors for all chief executive positions appointed by the Commission.			
The Kiwis Count trust and confidence survey is run by the Commission with reporting provided yearly that identifies the public's perceptions and experiences of trust and confidence in public services.	New Measure	Annual results are published by 30 June	Published 24 June 2020
<b>Measurement Approach</b> Participants are selected from names on the electoral roll. Approximately 500 people take part every quarter (three months) and around 2,000 every year.			

Performance Measure (continued)	Actual 2018/19	Budgeted Standard Target 2019/20	Actual 2019/20
Respondents in the Kiwis Count survey agree or strongly agree that, based on their last service experience, they could trust public servants to do what is right	80%	80%	79%

### Measurement Approach

All respondents who confirm they have ‘used or had contact with a Public Service organisation’ within the last 12 months receive the question with regard to the Public Service “Overall, you can trust them to do what is right”. Respondents provide a numeric response on a 1-5 scale (1 = strongly disagree, 5= strongly agree). The scale also has an ‘N/A’ option.

### Commentary

This result is within the margin of error for this survey and does not necessarily reflect a downward movement. 79% remains a strong result for trust based on their last service experience and an overall upward trend since 2007.

The Commission strengthens Public Service leadership through all Public Service departments being members of the Leadership Development Centre.	New Measure	100% membership	97% membership
---	-------------	-----------------	----------------

### Measurement Approach

Public Service Departments pay a membership subscription to participate on the Leadership Development Centre (LDC). Membership of LDC will include at least the 32 organisations defined as “Public Service departments”.

### Commentary

Only 1 agency of the 32 Public Service Departments is not a member. This is the Pike River Recovery Agency, who are not members due to the limited tenure of the agency.

The Commission strengthens Public Service leadership by promoting attendance at the Public Service Leaders’ Summit	New Measure	At least 500 invitees	1051 invitees
--	-------------	-----------------------	---------------

### Measurement Approach

The annual Public Service Leaders’ Summit is arranged by the Commission and attendance for the event is recorded leading up to the day of the summit. At least 500 attendees are invited to attend the event.

### Commentary

1,051 leaders were invited to attend the Summit that was held in July 2020 (initially scheduled for March 2020 and delayed as a result of COVID-19). This number includes the Public Service Leadership Team (approximately 42 people). 507 leaders from across the Public Service attended the summit.

Performance Measure (continued)	Actual 2018/19	Budgeted Standard Target 2019/20	Actual 2019/20
The Commission strengthens Public Service leadership by supporting career boards.	New Measure	At least 90 active members across all career board cohorts.	112 active members as at 30 June 2020
<b>Measurement Approach</b> Established practice is to record Career Board cohort members as 'Active', 'Wider', or 'Wider-Development network'. The active cohort is recorded in Talent Exchange and the size of the active cohort is reported quarterly. At the end of the reporting period, Talent Exchange will be interrogated to validate that there are at least 90 active members across the four career boards.			
The Commission collects and publishes Public Service workforce data annually.	New Measure	Published no later than 15 December	Achieved
<b>Measurement Approach</b> As reporting is prepared annually, and published no later than 15 December, the measure will relate to the report for the previous year. The Commission is measured for its action within the reporting period (compiling and publication of the report) rather than the data contained in the report that relates to the previous period.			
The Commission reports the remuneration of Public Service chief executives every financial year.	New Measure	100% of all CE remuneration is published	Achieved
<b>Measurement Approach</b> The Commission has previously published a single annual report of chief executive expenditure. This approach did not accommodate the varied remuneration cycles of chief executives.  Part way through the 2019/20 year, the Commission moved to quarterly reporting of the chief executives whose remuneration cycle renewed during the quarter. Reporting is made available on the Commission's website and can be reconciled with the list of Public Service departments.			

Performance Measure (continued)	Actual 2018/19	Budgeted Standard Target 2019/20	Actual 2019/20
The Commission meets its statutory requirements for appointment, reappointment and transfer of Public Service chief executives.	New Measure	100%	Achieved
<p><b>Measurement Approach</b></p> <p>The Commission retains evidence of compliance with each of the requirements. Compliance will be recorded in the register of CE appointments. Evidence may include (depending on the nature of the appointment/reappointment/transfer):</p> <ul style="list-style-type: none"> <li>— correspondence with Ministers and the Governor-General in council to advise of vacancies, make recommendations and receive decisions.</li> <li>— Public notification of the role.</li> <li>— Selection and meeting dates of the selection panel.</li> </ul>			
The Commission, in partnership with the Ministry for Women, support all Public Service agencies to publish their Gender Pay Gap action plans before 31 December 2020.	New Measure	100% of Public Service agencies publish their Gender Pay Gap action plans before 31 December	N/A
<p><b>Measurement Approach</b></p> <p>This target is applicable to the 36 Public Service departments and agencies listed on the Commission website</p> <p><b>Commentary</b></p> <p>Agencies have until 31 December this year to publish externally to achieve the target. As of 20 August 2020, 20 agencies had published their Gender Pay Gap action plan, indicating we are on track to meet the target.</p>			

Performance Measure (continued)	Actual 2018/19	Budgeted Standard Target 2019/20	Actual 2019/20
The Commission develops and oversees the implementation of the Open Government Partnership (OGP) National Action Plan. A National Action Plan and associated End-of-Term Self-Assessment is published in accordance with OGP requirements.	New Measure	Achieved	Achieved

### Measurement Approach

OGP National Action Plans are published by the Commission. The date of publication is dependent on a number of factors but occurs prior to the period to which the plan relates to.

Whilst publication date will vary for each plan, in years where no plan is published, the Commission will report progress towards the completion of the priorities articulated in the plan.

### Commentary

In 2019/20 there was no requirement for the Commission to publish a new National Action Plan. The current plan (NAP3) is still being implemented, with a revised completion date of June 2021 due to the impact of COVID-19. The Commission has published various NAP3 progress reports on the implementation of commitments in accordance with OGP requirements, including quarterly publications of commitment progress reports. We also publish the agendas and minutes of the quarterly Expert Advisory Panel & Officials Group meetings and any other ad hoc meetings that occur.

A report on the development and content of the Commission's plan was published by the OGP Independent Review Mechanism on 12 February 2020 (IRM Design Report for NAP3). A second report on the implementation of the plan will be published after the NAP3 plan is complete (IRM End-of-Term Report for NAP3).

Performance Measure (continued)	Actual 2018/19	Budgeted Standard Target 2019/20	Actual 2019/20
The Commission publishes Official Information Act (OIA) request statistics for government agencies that are subject to the Act every six months within three months of the end of the reporting period or as otherwise agreed with the Office of the Ombudsmen.	New Measure	Achieved	Achieved

### Measurement Approach

The statistics published by the Commission capture five elements:

- the number of requests completed by agencies in the six-month reporting period
- the number and proportion of these requests where legislative timeliness requirements were met
- the number of responses proactively published on an agency’s website
- OIA complaints to the Ombudsman that were notified to the agency
- final views issued by the Ombudsman where a deficiency was identified.

The Commission publishes the report including each of these five elements within three months of the end of the reporting period. Where extraordinary circumstances impact the ability to report within this timeframe alternative arrangements are agreed with the Office of the Ombudsman.

### Commentary

Reporting is available on the Commission’s website.

The Commission recognises the contribution of public servants through the coordination of annual awards and recognition events by recognising and publicising the recipients within one month of the medal’s award.	New measure	100% of recipients recognised within one month.	Achieved
---	-------------	---	----------

### Measurement Approach

The Commission maintains a register of recipients of the New Zealand Public Service medal. This record is updated with the date on which they were presented with the award.

Within one month of the medal being given to the recipient the Commission recognises them publicly where it is appropriate to identify the individual recipient. The Commission maintains a record of medal recipients and the date of award which can be reconciled to the publicly available list.

## Te Kawa Mataaho Public Service Commission – Capital Expenditure PLA

This appropriation is limited to the purchase or development of assets by and for the use of Te Kawa Mataaho Public Service Commission, as authorised by section 24(1) of the Public Finance Act 1989.

2019 Actual \$000		2020 Actual \$000	2020 Budget \$000	2020 Supp. Estimates \$000
596	Property, plant and equipment	565	190	412
1,271	Intangibles	89	-	-
<b>1,867</b>	<b>Total appropriation</b>	<b>654</b>	<b>190</b>	<b>412</b>

Section 24(1) of the Public Finance Act 1989 allows the Commission to purchase assets to the extent its working capital allows. This allows the Commission to exceed the budget, provided it has the working capital to do so.

The majority of 2019/20 capital expenditure was spent on computer hardware. This can be separated between the standard process of refreshing laptops and monitors and the unified communications strategy; the latter being brought forward in response to COVID-19. There was also capital spend on a refresh of the LDC premises, including new furniture and computer equipment.

# Social Wellbeing Agency (SWA)

## Statement of Performance for the year ended 30 June 2020

### Designing and implementing Social Investment

This appropriation is limited to identifying where and how to implement a social investment approach, assessing how well this approach is being delivered in these areas, and providing tools and support to agencies to assist them in implementing a social investment approach.

This appropriation is intended to achieve the provision of tools and infrastructure by the SWA required to enable a collective social investment approach, allowing investment in what works to improve the lives of New Zealanders, creating lasting change.

2019 Actual \$000		2020 Actual \$000	2020 Budget \$000	2020 Supp. Estimates \$000
12,332	Expenses	10,677	13,445	13,880
15,040	Revenue Crown	13,615	13,445	13,615
-	Revenue Department	10	-	265
<b>15,040</b>	<b>Total Revenue</b>	<b>13,625</b>	<b>13,445</b>	<b>13,880</b>

Expenditure in this category was underspent due to an extension of the Data Exchange delivery now occurring in 2020/21.

#### What was achieved

Performance Measure	Actual 2018/19	Budgeted Standard Target 2019/20	Actual 2019/20
The satisfaction rating given by the Minister for the quality and timeliness of advice.	70%	At least 70%	81.75%
<b>Measurement Approach</b>			
The Ministerial Satisfaction Survey asks the Minister for Social Development as at June 2020 to use a 5-point scale to rate the Social Wellbeing Agency's performance across four questions.			
<b>Commentary</b>			
The Minister for Social Development rated the Agency as 80% for two of the questions and 83% and 84% for the remaining questions.			
The combined number of agencies and NGOs on-boarded to the Data Exchange will not be less than 80% of the number committed.	Achieved	80% or higher	Achieved
<b>Measurement Approach</b>			
The Data Exchange Business Case committed to signing up 52 organisations (10 Agencies and 42 NGOs) over a three-year period. These targets are tied to the end date of the business case of 30 June 2021.			
<b>Commentary</b>			
At the end of the 2019/20 financial year, SWA had signed up 44 organisations (12 Agencies and 32 NGOs).			

Performance Measure (continued)	Actual 2018/19	Budgeted Standard Target 2019/20	Actual 2019/20
The percentage of key deliverables agreed with the Minister completed in accordance with organisational priorities and agreed standards will be no less than 85%.	Not measured	85% or higher	88%

### Measurement Approach

The work programme and organisational priorities of SWA were set out in our annual business plan and agreed to by the Minister. There were 22 work programs for the agency to deliver on during 19/20. Five work items were removed as our work programme evolved.

### Commentary

During the year SWA's work programme continued as the requirements for SWA were clarified following the introduction of an improving social wellbeing approach in March 2020.

SWA's work programme was impacted by COVID-19 with two items delayed into the first quarter of the new financial year.

## Place-based initiatives – National Support

This appropriation is limited to providing support and evaluation across place-based initiatives.

This appropriation is intended to achieve the successful implementation and functioning of place-based initiatives to improve outcomes for at-risk children, young people and their families.

2019 Actual \$000		2020 Actual \$000	2019 Budget \$000	2020 Supp. Estimates \$000
214	Expenses	282	400	522
450	Revenue Crown	522	400	522

Expenditure for the year was less than the original budget due to the initial expectation that quantitative analysis using the integrated data infrastructure would be useful. However, the early stages of the evaluation showed this was not the case.

Performance Measure	Actual 2018/19	Budgeted Standard Target 2019/20	Actual 2019/20
The commissioned evaluation is expected to support place-based decisions by June 2020.	Achieved	Achieved	Achieved

### Measurement Approach

The main evaluation report was used to support Cabinet decisions on Place-Based Initiatives funding.

### Commentary

The main evaluation report for the Place-Based Initiatives was completed in December 2019 and was published in early 2020. It has already been a key input into recent Cabinet decisions on Place-Based Initiatives funding (refer to “Place-Based Initiatives: Evaluation Findings and Long-Term Funding” in the Cabinet minute SWC-20-MIN-0065 which is available on the Ministry of Social Development’s website).

## Statement of Budgeted and Actual Departmental and Non-Departmental Expenses and Capital Expenditure Incurred Against Appropriation

for the year ended 30 June 2020

	2020 Actual \$000	2020 Budget \$000	2020 Supp. Estimates \$000	Location of End-of-year Performance Information
<b>Public Service Commission</b>				
<b>Departmental Capital Expenditure</b>				
Public Service Commission – Capital Expenditure under Permanent Legislative Authority	654	190	412	The Commission Annual Report
<b>Non-departmental Other Expenses</b>				
Open Government Partnership	200	200	200	Exempt
Remuneration and Related Employment Costs of Chief Executives	15,338	16,395	16,395	
Settlement of Legal Liabilities	-	7	-	
<b>Total Non-departmental Other Expenses</b>	<b>15,538</b>	<b>16,602</b>	<b>16,595</b>	
<b>Multi-category Expenses and Capital Expenditure</b>				
<i>Policy Advice and Leadership of the Public Sector MCA</i>				The Commission Annual Report
<b>Departmental Output Expenses</b>				
Policy Advice	4,390	5,729	5,729	
Leadership of Public Management System	29,324	26,421	29,762	
<b>Total Multi-category Expenses and Capital Expenditure</b>	<b>33,714</b>	<b>32,150</b>	<b>35,491</b>	
<b>Total Annual and MCA Expenses</b>	<b>49,906</b>	<b>48,942</b>	<b>52,498</b>	
<b>Social Wellbeing Agency</b>				
<b>Departmental Output Expenses</b>				
Designing and implementing Social Investment	10,677	13,445	13,880	The Commission Annual Report
Place-based initiatives - National Support	282	400	522	
<b>Total Annual Expenses</b>	<b>12,546</b>	<b>13,428</b>	<b>15,490</b>	
<b>Total Annual and MCA Expenses for the Commission and SWA</b>	<b>60,865</b>	<b>62,787</b>	<b>66,900</b>	

## Reconciliation of Appropriations to Comprehensive Revenue and Expenses

	Policy Advice	Leadership of Public Management System	Designing and Implementing Social Investment	Place-based Initiatives - National Support	Comprehensive Revenue/ Expenses
Revenue Crown	5,729	21,263	13,615	522	41,129
Revenue Department and Other	-	7,247	10	-	7,257
Eliminations of inter-entity transactions	-	(171)	-	-	(171)
<b>Total Revenue after eliminations</b>	<b>5,729</b>	<b>28,339</b>	<b>13,625</b>	<b>522</b>	<b>48,215</b>
Expenses	4,390	29,324	10,677	282	44,673
Eliminations of inter-entity transactions	-	(167)	(4)	-	(171)
<b>Expenses after eliminations</b>	<b>4,390</b>	<b>29,157</b>	<b>10,673</b>	<b>282</b>	<b>44,502</b>

## Statement of Departmental and Non-departmental Expenses and Capital Expenditure Incurred Without, or in Excess of, Appropriation or Other Authority for the year ended 30 June 2020

*Expenses and capital expenditure incurred in excess of appropriation*

Nil (2019: Nil).

*Expenses and capital expenditure incurred without appropriation or other authority, or outside scope of appropriation*

Nil (2019: Nil).

## Statement of Departmental Capital Injections for the year ended 30 June 2020

2019 Actual capital injections \$'000		2020 Actual capital injections \$'000	2020 appropriation \$'000
1,822	Capital Injection	475	475

## Statement of Departmental Capital Injections Without, or in Excess of, Authority for the year ended 30 June 2020

The Commission has not received any capital injections during the year without, or in excess of, authority (2019: Nil)

# **Tauākī pūtea me te pukapuka tāpiri**

## **Financial Statements & Schedule**



# Departmental Financial Statements

for the year ended 30 June 2020

The financial statements record the revenue, expenses, assets, liabilities, commitments, contingent liabilities and contingent assets that the Commission and SWA manages.

## Statement of Comprehensive Revenue and Expenses

for the year ended 30 June 2020

2019 Actual \$000		Notes	2020 Actual \$000	2020 Budget \$000	2020 Supps \$000	2021 Forecast \$000
	<b>Revenue</b>					
40,392	Revenue Crown	2	41,129	40,417	41,129	34,464
5,678	Revenue other	2	7,086	5,578	7,790	4,650
<b>46,070</b>	<b>Total revenue</b>		<b>48,215</b>	<b>45,995</b>	<b>48,919</b>	<b>39,114</b>
	<b>Expenditure</b>					
25,410	Personnel costs	3	31,248	28,516	30,721	30,136
163	Capital charge	4	247	210	256	210
571	Depreciation and amortisation expense	6	951	521	761	691
17,399	Other operating expenses	5	12,056	16,748	13,989	8,077
<b>43,543</b>	<b>Total expenditure</b>		<b>44,502</b>	<b>45,995</b>	<b>45,727</b>	<b>39,114</b>
<b>2,527</b>	<b>Net surplus/(deficit)</b>		<b>3,713</b>	-	<b>3,192</b>	-
-	<b>Other comprehensive revenue</b>		-	-	-	-
<b>2,527</b>	<b>Total comprehensive revenue</b>		<b>3,713</b>	-	<b>3,192</b>	-

Explanations of major variances against budget are detailed in note 15.

The accompanying accounting policies and notes form part of these financial statements.

## Statement of Financial Position

as at 30 June 2020

2019 Actual \$'000		Notes	2020 Actual \$'000	2020 Budget \$'000	2020 Supps \$'000	2021 Forecast \$'000
	<b>Assets</b>					
	<i>Current assets</i>					
8,958	Cash and cash equivalents		10,897	7,753	8,229	8,820
3,028	Debtor Crown		3,028	3,029	3,028	3,028
3,370	Debtors and other receivables	7	2,151	701	3,370	3,370
28	Prepayments		273	197	28	28
<b>15,384</b>	<b>Total current assets</b>		<b>16,349</b>	<b>11,680</b>	<b>14,655</b>	<b>15,246</b>
	<i>Non-current assets</i>					
1,609	Property, plant and equipment	6	1,727	1,349	1,592	1,313
1,139	Intangible assets	6	721	434	807	496
<b>2,748</b>	<b>Total non-current assets</b>		<b>2,448</b>	<b>1,783</b>	<b>2,399</b>	<b>1,809</b>
<b>18,132</b>	<b>Total assets</b>		<b>18,797</b>	<b>13,463</b>	<b>17,054</b>	<b>17,055</b>
	<b>Liabilities</b>					
	<i>Current liabilities</i>					
4,368	Creditors and other payables	8	4,083	3,335	5,569	5,570
3,701	Revenue - advance		2,884	2,908	3,701	3,701
2,112	Return of operating surplus		3,713	-	-	-
-	Provisions	10	254	152	-	-
1,642	Employee entitlements	9	1,756	1,153	1,642	1,642
<b>11,823</b>	<b>Total current liabilities</b>		<b>12,690</b>	<b>7,548</b>	<b>10,912</b>	<b>10,913</b>
	<i>Non-current liabilities</i>					
119	Provisions	10	119	119	119	119
104	Employee entitlements	9	69	125	104	104
<b>223</b>	<b>Total non-current liabilities</b>		<b>188</b>	<b>244</b>	<b>223</b>	<b>223</b>
<b>12,046</b>	<b>Total liabilities</b>		<b>12,878</b>	<b>7,792</b>	<b>11,135</b>	<b>11,136</b>
<b>6,086</b>	<b>Net assets</b>		<b>5,919</b>	<b>5,671</b>	<b>5,919</b>	<b>5,919</b>
	<i>Equity</i>					
5,990	Taxpayers' funds		5,823	5,575	5,823	5,823
96	Artwork revaluation reserves		96	96	96	96
<b>6,086</b>	<b>Total equity</b>		<b>5,919</b>	<b>5,671</b>	<b>5,919</b>	<b>5,919</b>

Explanations of major variances against budget are detailed in note 15.

The accompanying accounting policies and notes form part of these financial statements.

## Statement of Changes in Equity

for the year ended 30 June 2020

2019 Actual \$'000		Notes	2020 Actual \$'000	2020 Budget \$'000	2020 Supps \$'000	2021 Forecast \$'000
3,909	Balance as at 1 July		6,086	5,671	6,086	5,919
	<b>Comprehensive revenue / (expense)</b>					
2,527	Net surplus/(deficit) for the year		3,713	-	3,192	-
1,822	Capital contribution		475	-	475	-
(60)	Capital withdrawal		(642)	-	(642)	-
(2,112)	Return of operating surplus to the Crown		(3,713)	-	(3,192)	-
<b>6,086</b>	<b>Balance as at 30 June</b>		<b>5,919</b>	<b>5,671</b>	<b>5,919</b>	<b>5,919</b>

Explanations of major variances against budget are detailed in note 15.

The accompanying accounting policies and notes form part of these financial statements.

## Statement of Cash Flows

for the year ended 30 June 2020

2019 Actual \$000		Notes	2020 Actual \$000	20120 Budget \$000	2020 Supps \$000	2021 Forecast \$000
	<b>Cash flows from operating activities</b>					
40,392	Receipts from Crown		41,129	40,417	41,129	34,464
5,719	Receipts from other revenue		7,489	5,578	7,790	4,650
(22,552)	Payments to suppliers		(12,475)	(16,563)	(15,152)	(10,066)
(25,029)	Payments to employees		(31,069)	(28,358)	(31,549)	(28,147)
(156)	Payments for capital charge		(254)	(210)	(256)	(210)
(124)	Goods and services tax (net)		52	-	-	-
<b>(1,750)</b>	<b>Net cash flows from operating activities</b>	<b>11</b>	<b>4,872</b>	<b>864</b>	<b>1,962</b>	<b>691</b>
	<b>Cash flows from investing activities</b>					
(529)	Purchase of property, plant and equipment		(565)	(190)	(412)	(100)
(1,014)	Purchase of intangible assets		(89)	-	-	-
<b>(1,543)</b>	<b>Net cash flows from investing activities</b>		<b>(654)</b>	<b>(190)</b>	<b>(412)</b>	<b>(100)</b>
	<b>Cash flows from financing activities</b>					
(4,324)	Repayment of operating surplus		(2,112)	-	(2,112)	-
1,600	Capital (withdrawal)/injection		(167)	-	(167)	-
<b>(2,724)</b>	<b>Net cash flows from financing activities</b>		<b>(2,279)</b>	<b>-</b>	<b>(2,279)</b>	<b>-</b>
(6,017)	Net (decrease) / increase in cash		1,939	674	(729)	591
14,975	Cash at the beginning of the year		8,958	7,079	8,958	8,229
<b>8,958</b>	<b>Cash at the end of the year</b>		<b>10,897</b>	<b>7,753</b>	<b>8,229</b>	<b>8,820</b>

Explanations of major variances against budget are detailed in note 15.

The accompanying accounting policies and notes form part of these Financial Statements

## Statement of Commitments

as at 30 June 2020

2019 Actual \$'000		2020 Actual \$'000
	<b>Non-cancellable operating lease commitments</b>	
1,058	Not later than one year	694
598	Later than one year and not later than 5 years	-
<b>1,656</b>	<b>Total non-cancellable operating lease commitments</b>	<b>694</b>
<b>1,656</b>	<b>Total Commitments</b>	<b>694</b>

## Statement of Contingent Liabilities and Contingent Assets

as at 30 June 2020

### Unquantifiable Contingent Liabilities and Assets

There are no unquantifiable contingent liabilities and assets as at 30 June 2020 (2019: There was no unquantifiable contingent liability)

### Quantifiable Contingent Liabilities and Assets

There are no quantifiable contingent liabilities and assets as at 30 June 2020 (2019: There was no quantifiable contingent liability)

The accompanying accounting policies and notes form part of these financial statements.

## Notes to the Departmental Financial Statements and Non-departmental Schedules (for the year ended 30 June 2020)

### 1 – Statement of accounting policies

#### Reporting entity

The Public Service Commission (the Commission) is a New Zealand government department as defined by section 2 of the Public Finance Act 1989. The Social Wellbeing Agency (SWA) is a departmental agency as defined by section 2 of the Public Finance Act 1989, which is hosted within the Commission, unless explicitly stated references to the Commission covers both the Commission and SWA. Prior to 6 August 2020, the Commission was known as the State Services Commission.

In addition, the Commission has reported separately, in the Non-departmental Schedules, financial information on public funds managed by the Commission on behalf of the Crown.

The primary objective of the Commission is to provide services to the public rather than making a financial return. Accordingly, the Commission is designated as a Public Benefit Entity (PBE) for financial reporting purposes.

The Financial Statements of the Commission are for the year ended 30 June 2020. The Forecast Financial Statements are for the year ending 30 June 2021. These Financial Statements were authorised for issue by the Chief Executive on 30 November 2020.

The financial Statements of the Commission for the year ended 30 June 2020 are consolidated financial statements including both the Commission and SWA. They are shown as Group in this annual report.

The Departmental Financial Statements and the financial information reported in the Non-departmental Schedules are consolidated into the Financial Statements of the Government and, therefore, readers of these schedules should also refer

to the Financial Statements of the Government for the year ended 30 June 2020.

#### Statement of compliance

The Departmental Financial Statements, non-departmental schedules and unaudited Departmental Forecast Financial Statements of the Commission have been prepared in accordance with the requirements of the Public Finance Act 1989, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practices (NZ GAAP), Treasury Instructions and Treasury Circulars. These Financial Statements comply with PBE accounting standards as appropriate for Tier 1 entities. These Financial Statements have been prepared in accordance with Tier 1 NZ PBE accounting standards. Measurement and recognition rules applied in the preparation of the Non-departmental Supplementary Financial Schedules are consistent with NZ GAAP and Crown accounting policies and are detailed in the Financial Statements of the Government.

#### Basis of preparation

The Departmental Financial Statements and Non-departmental Schedules have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

#### Measurement base

The Departmental Financial Statements and Non-departmental Schedules have been prepared on an historical cost basis with the exception of Artwork which is revalued every five years.

#### Functional and presentation currency

The Departmental Financial Statements and Non-departmental Schedules are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Commission is New Zealand dollars.

#### Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks.

## Income tax

The Commission is a public authority and consequently is exempt from income tax. Accordingly, no provision has been made for income tax.

## Changes in accounting policies

### *Standards issued and not yet effective and not early adopted*

An amendment to PBE IPSAS 2 Statement of cash flows requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The Commission does not intend to early adopt the amendment.

The External Reporting Board XRB issued PBE IPSAS 41 Financial Instruments in March 2019. This standard supersedes PBE IFRS 9 Financial Instruments, which was issued as an interim standard. It is effective for reporting periods beginning on or after 1 January 2022. The Commission will adopt PBE IFRS 41 Financial Instruments on or after 1 July 2021. Although the Commission has not assessed the effect of the new standard, it does not expect any significant changes as the requirements are similar to PBE IFRS 9.

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 and is effective for reporting periods beginning on or after 1 January 2022. The Commission will assess how application of PBE FRS 48 will affect its statement of performance during the year ending 30 June 2021.

There are no other standards or amendments issued that are expected to have a material impact the Commission.

There have been no changes in accounting policies during the financial year.

## Budget figures

The budget figures are those included in the Department's Budget Estimates for the year ended 30 June 2020, which are consistent with the financial information in the Main Estimates. The budget figures are unaudited.

## Forecast figures

### *Basis of preparation*

Forecast Departmental Financial Statements and Non-departmental Schedules have been prepared in accordance with the accounting policies expected to be used in the future for reporting historical general purpose financial statements and based on a group basis including the Social Wellbeing Agency, which is a Departmental Agency.

These Forecast Financial Statements are unaudited and have been prepared in accordance with, and comply with, FRS 42 Prospective Financial Statements.

These financial forecasts are based on Budget Economic Fiscal Update 2020 (BEFU) and have been prepared on the basis of assumptions as to future events that the Commission reasonably expects to occur, associated with the actions it reasonably expects to take. They have been compiled on the basis of existing government policies and ministerial expectations at the date that the information was prepared.

The main assumptions were as follows:

- The Commission's activities and output expectations will remain substantially the same as the previous year focusing on the Government's priorities.
- Personnel costs were based on current wages and salary costs, adjusted for anticipated remuneration changes.
- Operating costs were based on historical experience and other factors that are believed to be reasonable in the circumstances and are the Commission's best estimate of future costs that will be incurred.
- Inclusion of Social Wellbeing Agency.

Additional factors that could lead to material differences between the Forecast Financial Statements and the 2019/20 Actual Financial Statements include changes to the baseline budget through new initiatives, transfer of funding across financial years or technical adjustment.

### *Authorisation statement*

These Forecast Financial Statements were authorised for issue by the Chief Executive of the Commission on 30 March 2020. The Chief Executive is responsible for the Forecast Financial Statements presented, including the appropriateness of the assumptions underlying the Forecast Financial Statements and all other required disclosure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual financial results achieved for the period covered are likely to vary from the information presented, and the variations may be material.

### **Statement of cost allocation policies for Departmental Financial Statements**

The Commission has determined the cost of outputs and categories using the following cost allocation system:

- Direct costs are expenses incurred from activities in producing outputs. These costs are charged directly to the related appropriations.
- Indirect costs are expenses incurred by corporate services functions that cannot be identified with a specific output. Indirect costs are allocated to each appropriation based on full-time equivalent personnel.

There have been no changes in the Commission's general cost accounting policies since the date of the last audited Financial Statements.

### **Critical accounting estimates and assumptions**

There are no critical accounting estimates and assumptions made in preparing these Financial Statements.

### **Capital management**

The Commission manages its revenues, expenses, assets, liabilities, and general financial dealings prudently. Its equity is largely managed as a by-product of managing revenue, expenses, assets, liabilities, and compliance with the government budget processes, Treasury Instructions, and the Public Finance Act 1989.

## **2 – Revenue**

### **Revenue Crown – non-exchange**

Revenue from the Crown is measured based on the Commission's funding entitlement for the reporting period as reported in the Departmental Financial Statements.

The funding entitlement is established by Parliament when it passes the Appropriation Acts for the financial year. The amount of revenue recognised takes into account any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year and certain other unconditional funding adjustments formally approved prior to balance date. There are no conditions attached to the funding from the Crown. However, the Commission can incur expenses only within the scope and limits of its appropriations.

The fair value of Revenue Crown has been determined to be equivalent to the funding entitlement.

### **Other revenue**

#### **PIF reviews – exchange**

Revenue from reviews is recognised based on percentage completed.

#### **LDC Levies and LDC courses – exchange**

Revenue from Levies for the Leadership Development Centre and courses are recognised as revenue on a straight line basis over life of each course.

#### **Recovery of rental costs and secondments – exchange**

Recovery of rental costs and secondments from participating agencies is recognised as revenue on a straight line basis.

## Breakdown of other revenue and further information

2019 Actual \$'000		2020 Actual \$'000
91	Agency contribution towards PIF reviews	170
2,095	LDC Levies	2,218
1,341	LDC Course and other revenue	770
2,151	Other revenue (including recoveries)	3,928
<b>5,678</b>	<b>Total other and departmental revenue</b>	<b>7,086</b>

## 3 – Personnel costs

2019 Actual \$'000		2020 Actual \$'000
23,491	Salaries and wages	29,071
249	Staff training and development	354
719	Superannuation contributions to defined contribution plans	918
231	Increase/(decrease) in employee entitlements	144
-	Redundancy	112
720	Other	649
<b>25,410</b>	<b>Total personnel costs</b>	<b>31,248</b>

## 4 – Capital charge

The Commission pays a capital charge to the Crown based on its equity as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2020 was 6% (2019: 6%).

## 5 – Other operating expenses

2019 Actual \$'000		2020 Actual \$'000	2020 Budget \$'000	2020 Supps \$'000	2021 Forecast \$'000
2,232	Consultancy	1,615	1,157	1,637	1,531
737	Chief executives' recruitment costs	478	450	754	450
261	Legal fees	664	384	794	154
111	Fees to Audit New Zealand for audit of financial statements – the Commission	113	111	120	120
1,238	Rental and operating lease costs	1,361	1,258	1,352	1,156
303	Other occupancy costs	306	373	296	171
2,083	IT and communication costs	2,732	2,551	2,856	2,257
531	Travel	303	465	506	209
1	Loss on disposal of property, plant and equipment	3	-	-	-
275	Sponsorship	100	115	115	159
4,029	Contractor fees for SWA	1,189	2,790	1,205	735
1,289	Costs paid to the Treasury for CASS*	350	2,700	350	350
-	LDC Fellowships	159	-	227	-
4,309	Other operating costs	2,684	4,394	3,777	785
<b>17,399</b>	<b>Total operating costs</b>	<b>12,056</b>	<b>16,748</b>	<b>13,989</b>	<b>8,077</b>

\*Central Agencies Shared Services

## 6 – Property, plant and equipment and intangible assets

### Accounting policy

Property, plant and equipment is measured at cost, less accumulated depreciation and impairment losses, except for Artwork which is revalued to fair values every five years, subject to regular assessment of market movements to ensure they do not differ materially from fair value. The latest revaluation was performed as at 30 June 2018.

Intangible assets are capitalised on the basis of the costs incurred to acquire and bring to use the specific asset. Direct costs include software acquisition and customisation costs by consultants or staff. Staff training costs are recognised as an expense when incurred. Intangible assets with finite lives are subsequently recorded at cost, less any amortisation and impairment losses. The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life.

Amortisation begins when an asset is available for use and ceases at the date that an asset is de-recognised. The amortisation charge for each period is recognised in the Statement of Comprehensive Revenue and Expenses.

The useful lives of all classes of assets have been estimated as follows:

Asset Type	Useful Life	Depreciation/ Amortisation Rate	Method
Computer Equipment	3 – 5 years	20% – 33.33%	Straight line
Office equipment	4 – 5 years	20% – 25%	Straight line
Leasehold improvements	5 years	20%	Straight line
Works of art	N/A	N/A	N/A
Furniture and fittings	3 – 5 years	20% – 33.33%	Straight line
Intangible	3 – 5 years	20% – 33.33%	Straight line

## Property, Plant and Equipment

	Computer Equipment \$000	Office Equipment \$000	Leasehold Improvements \$000	Works of Art \$000	Furniture and Fittings \$000	Total \$000
<b>Cost</b>						
<b>Balance at 1 July 2018</b>	<b>50</b>	<b>220</b>	<b>703</b>	<b>126</b>	<b>1,619</b>	<b>2,718</b>
Additions	365	101	2	-	68	536
Disposals/transfers	(4)	(82)	-	-	(743)	(829)
<b>Balance at 30 June/ 1 July 2019</b>	<b>411</b>	<b>239</b>	<b>705</b>	<b>126</b>	<b>944</b>	<b>2,425</b>
Additions	365	-	-	-	200	565
Disposals/transfers	(49)	(98)	-	-	(225)	(372)
Other Movements	14	8	-	-	47	69
<b>Balance at 30 June 2020</b>	<b>741</b>	<b>149</b>	<b>705</b>	<b>126</b>	<b>966</b>	<b>2,687</b>
<b>Accumulated depreciation and impairment losses</b>						
<b>Balance at 1 July 2018</b>	<b>14</b>	<b>164</b>	<b>64</b>	<b>-</b>	<b>1,046</b>	<b>1,288</b>
Depreciation expense	54	38	113	-	150	355
Elimination on disposal	(3)	(82)	-	-	(742)	(827)
<b>Balance at 30 June/ 1 July 2019</b>	<b>65</b>	<b>120</b>	<b>177</b>	<b>-</b>	<b>454</b>	<b>816</b>
Depreciation expense	123	42	115	-	164	444
Elimination on disposal	(32)	(90)	-	-	(178)	(300)
<b>Balance at 30 June 2020</b>	<b>156</b>	<b>72</b>	<b>292</b>	<b>-</b>	<b>440</b>	<b>960</b>
<b>Carrying amounts</b>						
At 1 July 2018	36	56	639	126	573	1,430
At 1 July 2019	346	119	528	126	490	1,609
<b>At 30 June 2020</b>	<b>585</b>	<b>77</b>	<b>413</b>	<b>126</b>	<b>526</b>	<b>1,727</b>

## Intangible Assets

	Intangible Assets \$'000	Work in Progress \$'000	Total \$'000
<b>Cost</b>			
<b>Balance at 1 July 2018</b>	<b>185</b>	-	<b>185</b>
Additions	1,113	119	1,232
<b>Balance at 30 June/1 July 2019</b>	<b>1,298</b>	<b>119</b>	<b>1,417</b>
Additions	59	30	89
Disposals/transfers	119	(119)	-
<b>Balance at 30 June 2020</b>	<b>1,476</b>	<b>30</b>	<b>1,506</b>
<b>Accumulated Amortisation and impairment losses</b>			
<b>Balance at 1 July 2018</b>	<b>62</b>	-	<b>62</b>
Amortisation expense	216	-	216
<b>Balance at 30 June/1 July 2019</b>	<b>278</b>	-	<b>278</b>
Amortisation expense	507	-	507
<b>Balance at 30 June 2020</b>	<b>785</b>	-	<b>785</b>
<b>Carrying amounts</b>			
At 1 July 2018	123	-	123
At 1 July 2019	1,020	119	1,139
<b>At 30 June 2020</b>	<b>691</b>	<b>30</b>	<b>721</b>

## 7 – Receivables

### Accounting policy

Short-term receivables are recorded at the amount due, less any provision for uncollectability.

A receivable is considered to be uncollectable when there is evidence that the amount will not be fully collectable. The amount that is uncollectable is the difference between the carrying amount due and the present value of the amount expected to be collected.

### Ageing of debtors and other receivables

2019 Actual \$000		2020 Actual \$000
3,109	Current	1,992
169	Past due 31 - 60 days	-
18	Past due 61 - 90 days	-
74	Past due over 91 days not impaired	159
<b>3,370</b>	<b>Total</b>	<b>2,151</b>

## 8 – Creditors and other payables

### Accounting policy

Creditors and other payables are recorded at their face value.

2019 Actual \$000		2020 Actual \$000
	<b>Payables under exchange transactions</b>	
1,504	Trade Creditors	1,210
1,636	Accrued Expenses	1,526
3,140	<i>Total Payables under exchange transactions</i>	2,736
	<b>Payables under non-exchange transactions</b>	
1,228	Taxes Payable	1,347
1,228	<i>Total Payables under non-exchange</i>	1,347
<b>4,368</b>	<b>Total Trade Payables and Other Payables</b>	<b>4,083</b>

## 9 – Employee entitlements

2019 Actual \$000		2020 Actual \$000
	<b>Current liabilities</b>	
423	Accrued salaries and performance pay	358
964	Annual leave	1,297
29	Sick leave	38
226	Retirement and long service leave	63
<b>1,642</b>	<b>Total current portion</b>	<b>1,756</b>
	<b>Non-current liabilities</b>	
104	Long service leave	69
<b>104</b>	<b>Total non-current portion</b>	<b>69</b>
<b>1,746</b>	<b>Total employee entitlements</b>	<b>1,825</b>

The present value of the retirement and long service leave obligations depends on a number of factors that are determined on an actuarial basis using some assumptions. Two key assumptions used in calculating this liability include the discount rate (year 1: 0.220%; year 2: 0.250%; year 3+ : 1.63%) and the salary-inflation factor (year 1: 2.00%; year 2+: 2.72%). Any changes in these assumptions will impact on the carrying amount of the liability. In determining the appropriate discount rate, the Commission adopts the central table of risk-free discount rates and Consumer Price Index (CPI) assumptions provided by the Treasury.

## 10 – Provisions

The Commission is required at the expiry of the lease term in the Reserve Bank on 28 February 2021 to make good the premises. \$0.119 million has been provided for this.

	Lease Make Good \$000	LDC Fellowships \$000	Ria McBride Award \$000	SWA Redundancy \$000
Opening balance at 1 July 2019	119	-	-	-
Additional provisions made	-	130	15	109
<b>Closing balance at 30 June 2020</b>	<b>119</b>	<b>130</b>	<b>15</b>	<b>109</b>

## 11 – Reconciliation of Net Surplus to Net Cash Flows from Operating Activities

2019 Actual \$000		2020 Actual \$000
2,527	<b>Net Surplus (Deficit)</b>	3,713
	<b>Add/(Less) Non-Cash Items</b>	
571	Depreciation and Amortisation	951
571	Total Non-Cash Items	951
	<b>Add/(Less) Working Capital Movement</b>	
(582)	(Increase)/Decrease in Receivables and Prepayments	975
(4,458)	Increase/(Decrease) in Creditors and Other Payables	(1,152)
(124)	Increase/(Decrease) in GST	52
(152)	Increase/(Decrease) in Provisions	254
489	Increase/(Decrease) in Employee Entitlements	114
(4,827)	Total Net Movement in Working Capital Items	243
(21)	Add/(Less) Movements in Non-current Liabilities	(35)
	<b>Add/(Less) Items Classified As Investing Or Financing Activities</b>	
-	(Gain)/Losses on Disposal of Property, Plant and Equipment	-
<b>(1,750)</b>	<b>Net Cash Flows from Operating Activities</b>	<b>4,872</b>

## 12 – Summary Analysis of the Public Service Commission and the Social Wellbeing Agency

Revenue and Expenses	The Commission Actual 2020 \$000	SWA Actual 2020 \$000	Total Actual 2020 \$000
<b>Revenue</b>			
Revenue Crown	26,992	14,137	41,129
Revenue other	7,076	10	7,086
<b>Total Revenue</b>	<b>34,068</b>	<b>14,147</b>	<b>48,215</b>
<b>Expenditure</b>			
Personnel costs	24,622	6,626	31,248
Capital charge	247	-	247
Depreciation and amortisation	951	-	951
Other operating	7,723	4,333	12,056
<b>Total Expenses</b>	<b>33,543</b>	<b>10,959</b>	<b>44,502</b>
<b>Net Surplus</b>	<b>525</b>	<b>3,188</b>	<b>3,713</b>

Assets and Liabilities	The Commission Actual 2020 \$000	SWA Actual 2020 \$000	Total Actual 2020 \$000
Current assets	11,016	5,333	16,349
Non-current assets	2,448	-	2,448
Current liabilities	7,357	5,333	12,690
Non-current liabilities	188	-	188
<b>Net Assets</b>	<b>5,919</b>	<b>-</b>	<b>5,919</b>
<b>Total Equity</b>	<b>5,919</b>	<b>-</b>	<b>5,919</b>

### 13 – Related party transactions

All related party transactions have been entered into on an arm’s-length basis. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

The Commission is a wholly-owned entity of the Crown. The Government significantly influences the roles of the Commission as well as being its major source of revenue.

In conducting its activities, the Commission is required to pay various taxes and levies (such as GST, FBT, PAYE and ACC levies) to the Crown and entities related to the Crown. The payment of these taxes and levies, other than income tax, is based on the standard terms and conditions that apply to all tax and levy payers.

#### Key management personnel

The Commission Actual 2019 \$000	SWA Actual 2019 \$000		The Commission Actual 2020 \$000	SWA Actual 2020 \$000
		<b>Leadership team, including the Public Service Commissioner</b>		
3,318	1,337	Remuneration	3,523	1,940
10	7.7	Full-time equivalent staff	10.47	8.7

The above key management personnel compensation excludes the remuneration and other benefits the Minister of State Services receives. The Minister’s remuneration and other benefits are not received only for his role as a member of key management personnel of the Commission. The Minister’s remuneration and other benefits are set by the Remuneration Authority under the Members of Parliament (Remuneration and Services) Act 2013 and are paid under Permanent Legislative Authority, and not paid by the Commission.

#### Related party transactions involving key management personnel (or their close family members)

There were no related party transactions involving key management personnel or their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties (2019: Nil).

## 14 – Events after balance date

There have been no significant events subsequent to balance date that require adjustment to the Financial Statements or disclosure.

## 15 – Explanation of major variances against budget

The following major budget variations occurred between the 2019/20 Actuals and the 2019/20 Budget:

### Statement of Comprehensive Revenue and Expense

#### *Revenue*

Revenue Crown was higher than originally budgeted mainly due to a retention of surplus from 2018/19 in the Leadership Development Centre and a transfer from 2018/19 due to the delay of the Social Sector Research Hub. Revenue other was higher than originally budgeted primarily due to the incorporation of the Public Service Fale which is fully funded by revenue other. Other contributions to the increase include the support received from the Ministry for Women and the Ministry of Business, Innovation and Employment towards the Pay Equity and Gender Pay Gap Taskforce, secondment recoveries, and the PIF programme.

#### *Expenditure*

Personnel costs were higher than budgeted due to the Commission's \$3 million in new funding being prioritised on creating new FTE positions. The inception of the Public Service Fale also increased personnel costs. Depreciation and Amortisation costs were higher than budgeted due to increased capital expenditure on the refresh of computer hardware, the LDC refit, and the unified communications strategy. The lower spend in other operating expenditure corresponds to the prioritisation of permanent staff mentioned above.

### Statement of Financial Position, Cashflow and Changes in Equity

Variances in the Statement of Position and Statement of Cashflow are largely due to timing differences between when the goods or services were delivered and when the cash changed hands. The bank balance is higher than budgeted due to the unbudgeted surplus made during the year. This can also be seen in the Statement of Cash Flow where actual net cash flow exceeds budgeted net cash flow. This surplus will be repaid to the Crown.

There are variances in the Statement of Changes in Equity for both capital contributions and capital withdrawals. The contributions relate to the retention of surplus for LDC and an operating to capital swap to allow for the LDC refresh. The capital withdrawals relate to capital to operating swaps, allowing LDC to spend retained earnings from previous years.

## 16 – COVID-19 Pandemic and Impact

On 11 March 2020, the World Health Organisation declared a global pandemic as a result of the outbreak and spread of COVID-19. On 26 March 2020, the New Zealand Government raised its COVID-19 alert level to Alert Level 4 and a nationwide lockdown commenced. The Commission continued to operate at full capacity throughout the lockdown under Alert Level 4 and subsequent alert levels. The Commission operated in line with official government guidance according to each Alert Level, and the Workforce Guidelines issued by the Commission and published on its website.

The Commission played a significant role during COVID-19 by providing assurance to government and advice to the All of Government response (this includes the secondment of a staff member). Furthermore, the Commission led the work on reporting on business continuity, providing workforce guidance, and establishing an interim workforce deployment service. This all occurred while the Commission continued to deliver on its existing workplan. The impact of COVID-19 on the Commission, and the influence of the Commission on the COVID-19 response, has been commented on in more detail in the COVID-19 section in part one (page 25), and in the individual performance measures in Part 2 where applicable.

The impact on the Financial Statements of the Commission resulting from COVID-19 has been minor, such as

- the cancellation of 3 professional development courses run by the Leadership Development Centre as these were scheduled to occur during (or soon after) the lockdown
- the delay in recruiting a Deputy Commissioner for the Public Service Fale
- Public Service chief executives electing to forego 20% of their salary due to COVID-19. This was implemented on 11 May 2020 and affects the Non-Departmental schedules
- lower travel costs across the board, with the Commission opting for virtual solutions to achieve the same outcomes.

None of these items have had a significant impact on the financial statements of the Commission.

## Non-departmental Schedules

for the year ended 30 June 2020

The Non-departmental Schedules record the revenue, expenses, assets, liabilities, commitments, contingent liabilities and contingent assets that the Commission and SWA manages on behalf of the Crown.

### *Schedule of Non-departmental Expenses*

for the year ended 30 June 2020

2019 Actual \$'000		2020 Actual \$'000	2020 Budget \$'000
14,967	Remuneration and related employment costs of chief executives	15,338	16,395
14,863	<b>Consists of:</b> Remuneration and leave costs	15,268	16,195
68	Training and development	70	100
36	Relocation costs	-	100
-	Settlement of Legal liabilities	-	7
200	Open Government Partnership	200	200
28	GST Input expense	8	-
<b>15,195</b>	<b>Total non-departmental expenses</b>	<b>15,546</b>	<b>16,602</b>

The accompanying accounting policies and notes form part of these Financial Statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

## Schedule of Non-departmental Revenue and Receipts

for the year ended 30 June 2020

The Schedule of Non-departmental Revenue and Receipts summarises Non-departmental revenues and receipts that the Commission and SWA administers on behalf of the Crown.

2019 Actual \$000		2020 Actual \$000	2020 Budget \$000
14,574	Reimbursement of chief executives' remuneration	14,768	16,146
<b>14,574</b>	<b>Total non-departmental revenue</b>	<b>14,768</b>	<b>16,146</b>

The accompanying accounting policies and notes form part of these Financial Statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

## Schedule of Non-departmental Assets

as at 30 June 2020

2019 Actual \$000		2020 Actual \$000	2020 Budget \$000
9,537	Cash	9,553	8,592
232	Debtors and other receivables	-	-
<b>9,769</b>	<b>Total non-departmental assets</b>	<b>9,553</b>	<b>8,592</b>

The accompanying accounting policies and notes form part of these Financial Statements. For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

## Schedule of Non-departmental Liabilities

as at 30 June 2020

2019 Actual \$000		2020 Actual \$000	2020 Budget \$000
209	<b>Creditors and other payables</b>	16	242
	<b>Current liabilities – employee entitlements</b>		
101	Salaries and wages	347	595
927	Annual leave	1225	2740
1,028	Total current liabilities – employee entitlements	1,572	3,335
	<b>Long-term liabilities</b>		
657	Retirement leave	701	63
1,685	Total current and long-term provision for employee entitlements	2,269	3,398
<b>1,894</b>	<b>Total non-departmental liabilities</b>	<b>2,285</b>	<b>3,640</b>

## Schedule of Non-departmental Commitments

as at 30 June 2020

There are no non-departmental commitments as at 30 June 2020 (2019: Nil).

## Schedule of Non-departmental Contingent Liabilities and Contingent Assets

There are no non-departmental contingent liabilities and contingent assets as at 30 June 2020 (2019: Nil).

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

# Annual Report

## 2019–2020

The Social Wellbeing Agency, formerly the Social Investment Agency, was established 1 July 2017, and is a Departmental Agency hosted within Te Kawa Mataaho Public Service Commission.

## Executive summary

Our work over the past year has consolidated the Agency's role working across the social system. We aim to achieve sustainable improvements for the wellbeing of New Zealanders. In March 2020, our name changed to Social Wellbeing Agency – Toi Hau Tāngata. We have transitioned smoothly to our renewed remit, leveraging what we have learned about social wellbeing and continuing to work with our partners to deliver actionable insights to decision-makers.

### From Social Investment to Social Wellbeing

#### Changing our name

In March 2020 we became the Social Wellbeing Agency – Toi Hau Tāngata, after the Minister responsible for the Social Wellbeing Agency, Hon Carmel Sepuloni, announced the launch of the agency along with the new improving social wellbeing approach on 20 February 2020.

Cabinet agreed in 2019 that improving social wellbeing is enabling people, whānau and communities to live the lives to which they aspire and includes both material conditions and quality of life. It was further agreed that the improving social wellbeing approach is centred on people, with an emphasis on broad measures of wellbeing.

#### The improving social wellbeing approach is based on six principles:

1. We take a strengths-based approach that focuses on people not just as individuals, but as members of broader family, whānau, iwi, communities, and regions.
2. We use a broad and inclusive set of measures of wellbeing.
3. We provide a range of support services for all New Zealanders.
4. We are clear about the outcomes we are seeking to achieve.
5. We use a wide range of data ranging from administrative data, lived experiences, and survey data.
6. We will increase our focus on how to make the best choices among possible interventions.

## Launching the Social Wellbeing Agency

The shift from a social investment approach to an improving social wellbeing approach meant our newly launched agency required functional changes to accommodate our renewed mandate and reflect a reduction in funding to the agency. Project Māramatanga developed and implemented our new organisational design. The project established three new business groups to provide strategic leadership over the work we do.

The **Office of the Chief Executive** ensures the support and advice we provide to the Social Wellbeing Board, the Minister responsible for the Social Wellbeing Agency and their office is seamless, on point, and timely. The Office manages key relationships with social sector agencies to ensure we are contributing to the sector's key priorities. Our Chief Māori and Chief Science Advisors provide strategic advice and support, ensuring Māori perspectives, along with social science expertise and knowledge are incorporated in our work.

**Advisory Services** is our core delivery function designed to create maximum value for the Agency's stakeholders. This group includes the technical capabilities we need to work with the social sector to create insights and analytical tools and practices that improve people's wellbeing.

**Organisational Performance** enables us to deliver our work programme by putting in place the necessary organisational policies and strategies, capabilities and practices. This ensures our portfolio of work and projects are well planned and executed.

## About us

We are a small government agency that works across the social system. We take a broad view, looking at issues that New Zealanders face but do not fit neatly into the work of a single agency. We are specialised, nimble and innovative. This allows us to get actionable insights to decision-makers, and ensure that real people – whānau and communities – are involved in and benefit from the work we do.

We use a broad and inclusive set of wellbeing measures that tell us whether people are leading full, meaningful lives. We create tools and practices to target gaps in the social sector's knowledge. We partner with the social sector, combining science, data and lived experience to draw insights that are enriched by whānau voices.

We support the sector's capability to utilise insights by creating tools and practices that stimulate innovation. We work with decision-makers to take insights and apply them. Ultimately, we want our approaches to achieve sustainable improvements for the wellbeing of New Zealanders.

### The meaning behind Toi Hau Tāngata:

Our reo Māori name, Toi Hau Tāngata signifies the valuable aspects of living life – manifesting in the wellbeing of the people.

The individual words have many meanings, including:

**Toi** | peak

**Hau** | vital essence

**Tāngata** | humankind

Mohi Apou of Taranaki-Whanganui descent gifted the name to us. Toi Hau Tāngata comes from a karakia unique to Taranaki-Whanganui Iwi, 'Te Hau Tai Tāngata' – the principles influencing the creation of mankind. The karakia is not written but passed from one generation to the next as he taonga tuku iho, or oral tradition.

## Our values help guide us

Our values, developed by our people, focus our efforts in every way and are used internally and externally to help guide us. We took the opportunity to refresh the imagery of our values in line with our name change. Our people identified concepts that reflected our values in a meaningful way for them. From that work we were able to create imagery that is meaningful for staff and which strengthens our values.



### TĀNGATA

**We're about people**

People will do better, sooner and for longer, when the social system works in partnership, acting on better evidence to develop and deliver services.



### MANAWA MĀUI

**We are a catalyst for change**

We challenge the status quo constructively and seek better ways of doing things. We help create change to improve lives through different approaches.



### TAUNAKITANGA

**We influence through evidence**

We use evidence to influence positive change for New Zealanders.



### PUARETANGA

**We're transparent by nature**

We will share what we're doing, how we're doing it, and what we learn.

## Our People

### He tāngata, he tāngata, he tāngata

Our people strategy Tāngata builds on our workplace culture where everyone is valued, respected and can bring their whole selves to work. It puts our people at our centre, because we know that investing in them supports the agency's capability to improve wellbeing for New Zealanders.

Tāngata focuses on building an environment that enables, supports and invests in our people's development and performance for a strong, productive culture. We want the Agency to be known as an employer that grows talent and as a great place to work.

Tāngata has a five-year horizon and focuses on:

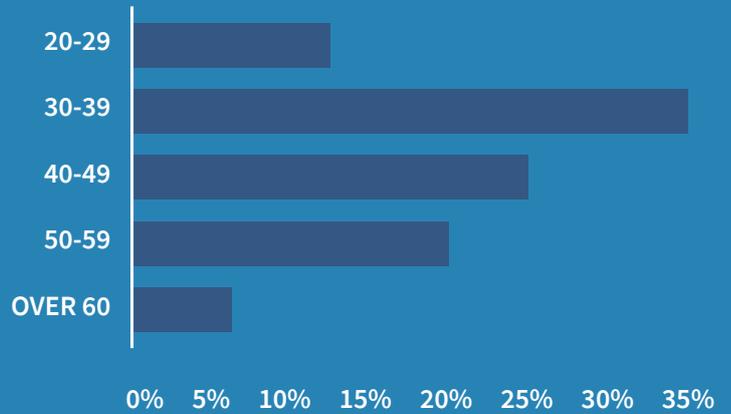
- delivering high quality strategic performance
- supporting our people to perform and develop their skills, expertise and careers
- creating a healthy and safe working environment, and
- understanding diversity and how to manage it for the value it can add to our agency and performance.

# Our agency at a glance

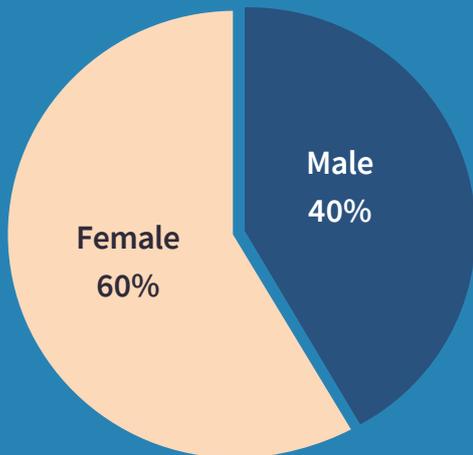
Permanent and  
fixed term people  
as at June 30 2020

# 35

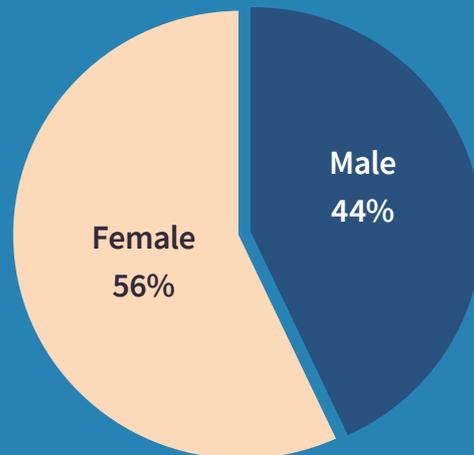
### Agency breakdown by age



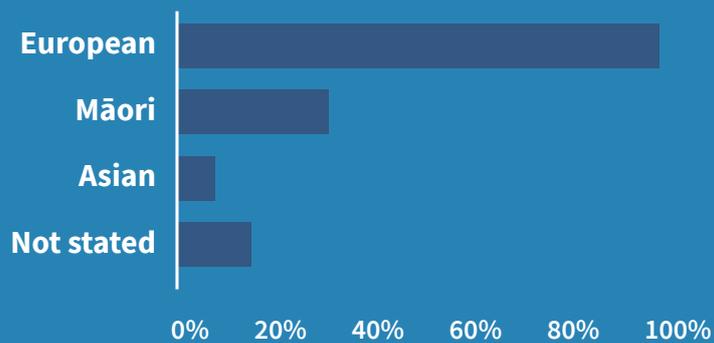
### Agency breakdown by gender



### People leaders breakdown by gender



### Agency breakdown by ethnicity



## Practicing inclusivity through Tātou

As Aotearoa New Zealand becomes more diverse it's important our agency employs and supports people with diverse backgrounds, thinking and ideas to ensure our work improves the wellbeing of all New Zealanders. During 2019-20 our diversity and inclusion working group, Tātou, have been implementing our diversity and inclusion strategic plan. This is important work that we prioritise and value.

Tātou envisions our agency:

- having a workforce that reflects Aotearoa New Zealand
- being a safe place where individual ideas, background and cultures are valued, and
- having an inclusive culture, free from bullying and harassment, and where bias is understood and minimised.

We are focused on:

- improving our **gender balance** and percentage of females in leadership and reducing the gender pay gap
- attracting and retaining an **ethnically diverse** workforce that reflects Aotearoa New Zealand
- building our **Māori capability** within the agency, including training on Te Tiriti o Waitangi, through our capability programme Te Aho Kura
- creating an **accessible** workplace that caters for and welcomes disabled people
- creating a welcoming and safe environment for our people who are members of the **rainbow community**
- promoting good **mental health** and wellbeing, and
- establishing **reporting, monitoring** and regular communications.

In 2019/20 Tātou led the agency-wide review of our gender pay gap action plan and updated it for 2020. We are progressing well towards the Public Service Gender Pay Gap Milestones and we have achieved gender balance in our tier two and three leadership roles. The group developed our agency's principles for flexible-working-by-default to guide the development of our flexible-working-by-default policy. We also started developing a recruitment policy that is free from bias and discrimination and broadened our advertising channels to attract diverse applicants for vacancies.

We are committed to the Accessibility Charter and our website meets the New Zealand Government Web Accessibility Standard and the Web Usability Standard. Our Chief Executive has signed the Panel Pledge and is committed to diverse perspectives, experience and expertise on panels and at conferences.

Each year we ask our people through our Kōrero Mai survey what they think about working at our agency, including questions on diversity and inclusion. You can find some of our results throughout this report.

In 2019/20 we assessed the Tātou strategic plan against the five priority commitments set out by Papa Pounamu, a steering group of twelve public sector CEs who are driving a collaborative programme of diversity and inclusion across the Public Service. We are working towards increasing our maturity in 2020-21 as we are a young agency.

I feel I am able to balance my work and private life\*

84%

SWA values diversity\*

80%

\*Kōrero Mai survey 2020

## Our work towards Papa Pounamu priority commitments

Priority commitments	What we did in the past year
Addressing bias and discrimination	We held a session for our people on understanding unconscious bias. We are planning unconscious bias training for all our people in 2020-21
Strengthening cultural competency	We strengthened our cultural competency through Te Aho Kura, our overarching cultural capability programme (see section below) and we are committed to doing more in the coming year
Building inclusive leadership	
Developing relationships that are responsive to diversity	In 2020-21 we will support our people leaders to build inclusive leadership and responsive relationships with training and resources
Supporting and engaging with employee-led networks	We joined the cross-agency rainbow network. As a result of our size we explored options to join other agency's employee networks, and MSD have welcomed our people to join the MSD Women's Network. We will continue this in the coming year

### Learning through Te Aho Kura

We launched Te Aho Kura, our overarching cultural capability programme, during Te Wiki o Te Reo Māori (Māori Language Week) in 2019. We also launched our Te reo Māori capability plan Kia Kaha, with Te Taura Whiri i Te Reo Māori (Māori Language Commission) Chief Executive Ngahiwi Apanui.

**Te Aho Kura is 'the special strand'. Kura is the traditional, sacred colour red, while te aho tapu, or te aho kura, the first and main thread of the korowai, weaves the key strands of the cloak together.**

Further to this work, a group representing the agency stood and performed at Te Konohete 2019, a day of Kapa Haka, kai, and whanaungatanga in celebration of being Māori and things Māori in the public sector. Over half of our agency have also attended the Treaty Wall Walk course run by Dr Simone Bull.

Together, Kia Kaha and Te Aho Kura will better equip us to achieve sustainable improvements for the wellbeing of New Zealanders.

## Performing together through Ngā Tahi

Ngā Tahi, our performance framework, was developed in consultation with all our people and it focuses on supporting them to do their best, as our success relies on their performance and capability.

Ngā Tahi takes a conversation driven approach. It focuses on regular and meaningful conversations between people and their manager to drive performance and development. We specifically focus on three areas, Contribution, Behaviour & Leadership, and Capability.

Our values are an integral part of Tāngata, and they are reflected in our day-to-day-actions, enabling us to succeed. This year we identified corresponding behaviours for each value and those behaviours have been embedded into Ngā Tahi.

**SWA has an inclusive culture where personal values, cultural beliefs and commitments are respected\***

**81%**

\*Kōrero Mai survey 2020

**Ngā Tahi means 'together' or 'as one', acknowledging that we grow together, individuals, managers, teams and the organisation alike.**

## How we focus our work

The focus areas for our work programme are:

- **Delivering actionable insights for decision making** using data, science and lived experience to understand and inform decision-makers on issues that cross the boundaries within the social sector
- **Measuring wellbeing** by developing methods, solutions and capability to measure wellbeing across a range of areas
- **Building data expertise and capability** through partnering and facilitating across the social sector to solve system-level challenges, ensuring social data and technology infrastructure connect, and
- **Building our foundations**, ensuring we are performing and delivering on our stakeholders' needs.

Some of our work on *building our foundations* is detailed in 'Our People'.

## What we completed this year

### Producing the Data Protection and Use Policy

This Policy was produced in collaboration with the social sector and is based on the findings of the 2018 "Your voice, your data, your say" public engagement.

Following Cabinet endorsement of the Policy on 13 November 2019, we focused on developing a sector implementation approach, delivering support to organisations adopting the Policy, and collaboratively establishing a toolkit to help with adopting the Policy. We will report back to Cabinet on implementation progress by December 2020.

**Five government agencies are in the process of mobilising their own internal resources to drive the adoption of the Policy:**

**Social Wellbeing Agency | Ministry of Education  
Ministry of Social Development | Oranga Tamariki | Ministry of Health**

### **Insights into Having a Baby in South Auckland with The Southern Initiative**

We partnered with The Southern Initiative (TSI) to explore a new way of working that could contribute to child, youth and family wellbeing in South Auckland, and elsewhere. Having a Baby in South Auckland aimed to better understand the conditions of prolonged cumulative stress South Auckland whānau experienced around the birth of a child.

**We wanted to understand whether it was possible to identify and learn more about stressors around the birth of a child and what might be helping to keep whānau strong and resilient**

We developed a cross-sector timeline modelling methodology, allowing analysts to plot indicative 'journeys' that expecting whānau take within the social system from six months before baby to nine months after baby's birth.

We wrapped up the project this year with the release of the case study 'Towards better social sector decision making and practice: A social wellbeing approach'. We are already considering options for building upon the insights that emerged from the case study with TSI.

**This project provides a template for an improving social wellbeing approach: focus on people, connect to community, and bring together data, science, and lived experience**

### **Developing a visualisation tool with The People's Project**

We partnered with Wise Group, a family of NGOs working across the country in the health and wellbeing sector, to assist its Housing First initiative, The People's Project. The People's Project was established by Wise Group in 2014 in response to concerns about the number of people who were living on the streets or sleeping rough in Hamilton.

**Together, we developed a visualisation tool to describe what service delivery and outcomes look like for key groups of clients using The People's Project services**

We used a similar methodology to that developed in Having a Baby in South Auckland, documenting it so it could be applied to other scenarios or service providers. We are providing ongoing user support to Wise Group as required and continue to discuss what else could develop from this piece of work.

**Te Ia Kōrero allows whānau be seen as more than just a number, and enables service providers and agencies to understand the relationship between wellbeing and their services over time.**

## Accelerating our understanding of whānau wellbeing through GovTech 2019

GovTech Accelerator is a government innovation programme that creates valuable projects in three months, reducing costs and supporting innovation in the public sector. Our team was a collaboration between the Agency and two Māori service providers; Te Hau Āwhiwhio o Otangarei Trust and Te Tihi o Ruahine Whānau Ora Alliance, with the support of the Westpac Innovation Fund. We went through twelve weeks of intense product development resulting in Te la Kōrero, a platform that amplifies whānau voices across the social sector.

Te la Kōrero is a two-part solution: a survey asking whānau to subjectively measure their wellbeing over a period of time, coupled with a dashboard with aggregated, de-identified data for service providers and agencies.

Our team was awarded \$795,000 from the Digital Government Partnership Innovation Fund, administered by Department of Internal Affairs, to further develop the platform.

## Understanding the effectiveness of Placed-Based Initiatives

The Place-Based Initiatives (PBI) model aims to improve outcomes for at-risk children and their whānau by shifting collective decision-making and discretion to the local level. This year, we completed the main evaluation report for the Place-Based Initiatives (PBIs) in December 2019 and published it in early 2020. It has been a key input into recent Cabinet decisions on PBI funding [CAB-20-MIN-0261 refers].

We are continuing with a smaller piece of follow-up evaluative work, aiming to deliver useful frameworks to measure success in the context of Place-Based Initiatives which can be used by the PBIs themselves and government decision-makers.

## Our work in the coming year

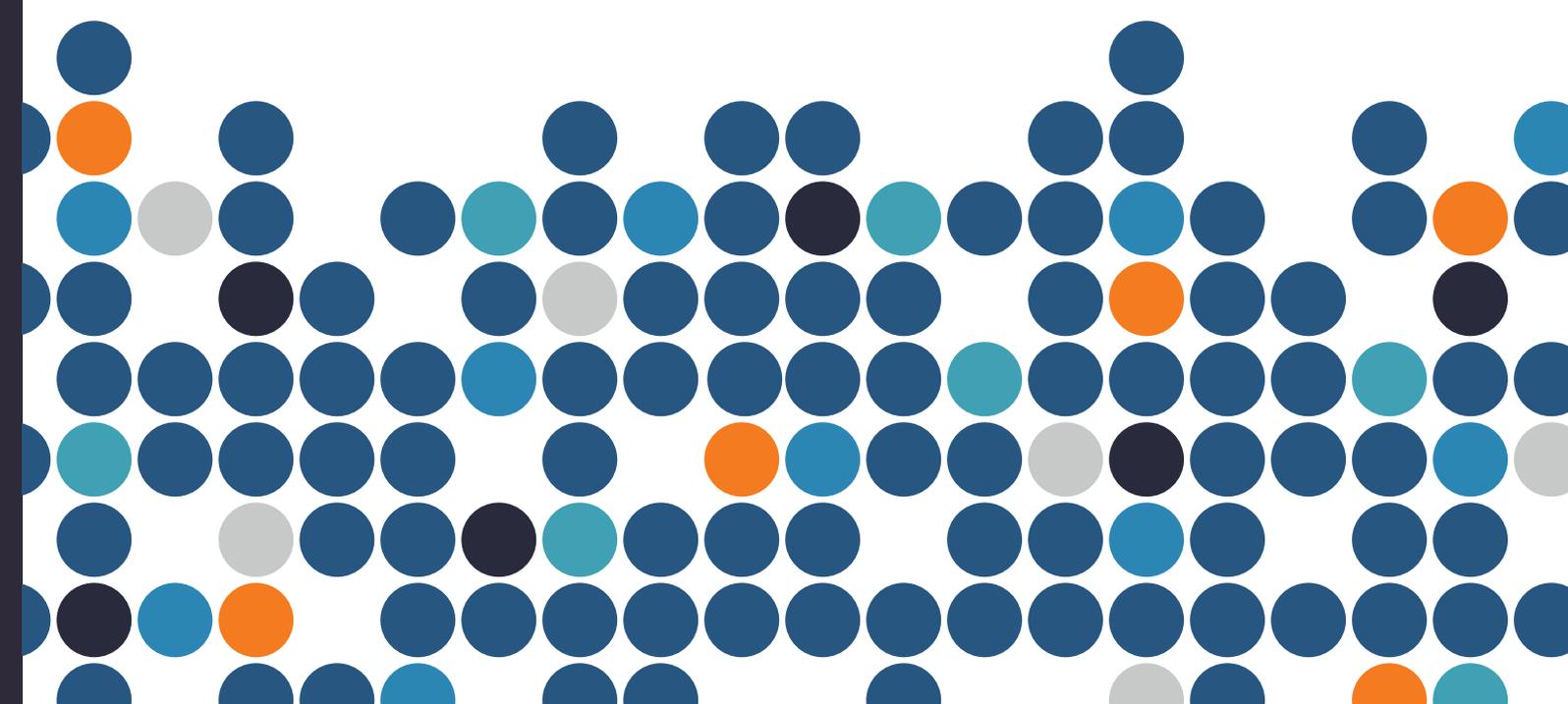
### Delivering actionable insights for decision making

#### Understanding people's debt to government

We are supporting the Debt to Government cross-agency working group, which includes Treasury, Inland Revenue, Ministry of Social Development, Ministry of Justice, and Department of Prime Minister and Cabinet, with analysis of people's debt to government. Specifically, we are looking at where people have outstanding debt across multiple government agencies. The analysis will also consider other characteristics such as education, parental status and wellbeing to see what insights we can draw. We are on track to deliver the preliminary analysis to the working group in July 2020.

#### Identifying what helps rangatahi to succeed

We are engaged with Tokona Te Raki, a Ngāi Tahu-led collaborative established to increase Māori participation, success and progression in education and employment outcomes. The project, Ngā Tapuae, is focused on data discovery, using the Integrated Data Infrastructure (IDI) to identify the most important



barriers, leavers and boosters that help young Māori to succeed. The project is looking at decisions that can be made with rangatahi in high school that affect outcomes later in life. For example, taking science subjects at school, taking a gap year, or going into industry training. The learnings from Ngā Tapuae will help young Māori to plan their career journeys.

We are intending to use representative timelines, like the methods for Having a Baby in South Auckland and The People's Project, creating a view of a population and the interactions with social services. This will provide a starting point for determining further questions and hypotheses to be tested to gain better understanding of people's experiences.

## Measuring wellbeing

### Developing a framework for measuring child wellbeing with OECD

We partnered with the OECD to tackle some longstanding challenges around the quality of data on child wellbeing. This multi-year project is looking to identify and begin to address the considerable gaps in the current coverage of child wellbeing data, along with improving the quality of data that is available.

This includes the development of an international framework for child wellbeing. The OECD are currently working on populating indicators for this framework. Our Chief Science Advisor is providing feedback on indicator selection, and we have also provided expertise on child wellbeing.

We will continue to provide advice and feedback, and assist the OECD in understanding data gaps in Aotearoa New Zealand over the next stages of this work.

## Data expertise and capability

### Connecting the social sector through the Data Exchange

The Data Exchange (DX) provides a safe, secure and easy method for government and service providers to transfer data. At 30 June 2020, the Data Exchange has a total of twelve agencies and thirty-three NGOs connected or implementing connections.

Our partnership with Eightwire, the owner and operator of the DX, has remained strong across the year. Enhancements to the DX were delayed due to COVID-19 lockdown, with plans to release in July 2020.

We expect these will be valuable additions to the product catalogue for large organisations who require data from small providers on an ad hoc basis.

### Standardising social sector data collection with the Social Sector Event Record

We developed the Social Sector Event Record (SSER) as a data standard to promote a consistent way of collecting data points and interactions that define events that happen in the social sector. This might be anything from how a service provider might refer a client to another service, to ensuring agencies receive data from multiple service providers in the same format. We now have a stable draft of the SSER, and are looking to embed the standard across the social sector.

We have begun investigating ways to incorporate comprehensive clinical terminology (SNOMED CT), which is used as a data standard in the health sector, as a suitable standard to use in the social sector. A feasibility study of SNOMED with SSER will be completed before any formal pilots begin.

### Testing an end-to-end system with the Integrated Services Hub

We partnered with Methodist Mission Southern (MMS) to prototype and test an Integrated Services Hub (ISH), a fit-for-purpose end-to-end system for social service providers. The ISH incorporates client-based outcome tools and management information systems. The system will also use the Data Exchange for data transfers.

We aim to enable social service providers with a set of tools to design and configure what data should be collected, by whom, and when; and to understand their organisations' goals and service logic models. The design philosophy is driven by the desire to ensure collection of quality data, which in turn, can be used to provide useful analytics and valuable insights.

We have completed two phases of this work with MMS, and we are now in phase three. This phase will incorporate what we have learned from the past two phases and embed tools from the Data Protection and Use Policy. We are also running an evaluation process, onboarding additional subscribers and preparing for a subsequent ISH pilot and scaling projects delivered in partnership with other government funders.

## Enabling and supporting a Collective Impact approach with Kāinga Whānau Ora

The Kāinga Whānau Ora initiative is based on a Collective Impact approach, weaving together the strengths of a whānau driven model and cross-agency collaboration to drive for better outcomes for participating whānau.

The initiative is led by Te Tihi o Ruahine Whānau Ora Alliance, providing services across the Palmerston North and Manawatu regions. Te Tihi received two years of funding in Budget 2019 to test scaling Kāinga Whānau Ora to Whanganui. Whānau feedback has been positive about the transformative impact of Kāinga Whānau Ora on their lives.

We provided initial advice to the initiative on developing programme evaluation and a reporting dashboard, which is intended to make government data available to whānau. We continue to support the initiative as an active member on the strategic guidance group, Kotahitanga Alliance, and the Palmerston North working group. We also facilitate partner agencies to connect to the Data Exchange, ensuring that the initiative has information to work more effectively with whānau.

## Responding to COVID-19

### Health, safety and wellbeing of our people

Organisational Performance focused on ensuring our people were working safely from home and were well supported through an unprecedented time during the COVID-19 lockdown. We provided managers and staff with a range of tools and information to manage their physical and mental wellbeing. In addition, we ran weekly pulse surveys to monitor, measure and understand how to best to support our people and their wellbeing.

## Our contribution to the All of Government response

During the COVID-19 Alert Levels, the Agency was able to quickly redeploy staff to contribute to the all-of-government response, either directly seconding staff, or assisting with pieces of work.

Overall, around 30% of the Agency's workforce was involved in the response through:

- secondments to the National Crisis Management Centre (NCMC) and the NCMC Operational Command Centre
- secondments to COVID response call centre reserves
- staff helping other agencies with analytical support, and
- our Chief Executive leading an Intelligence and Insights function within the Caring for our Communities workstream.

## Connecting to the Data Exchange

We facilitated the quick, safe transfer of data through the DX on Intensive Care Unit bed availability to the Ministry of Health from Waitematā DHB, Mid-Central DHB, Capital & Coast DHB, and Canterbury DHB. Those DHBs provided this data to the Ministry on behalf of multiple other DHBs, acting as hubs. This pipeline now includes data for ten of the twenty DHBs in Aotearoa and the Data Exchange is now their preferred method of transferring data.

## Monitoring the recovery

We gathered a community of subject matter experts to unlock and streamline their knowledge into a wellbeing-focused strategic monitoring product for Ministers and Chief Executives. This is currently in the prototyping phase and will include the back-end data collection, exchange and hosting infrastructure. We will also explore long-term data hosting options that build on Stats NZ's COVID-19 Data Portal.

# Statement of Responsibility

I am responsible, as Chief Executive of the Social Wellbeing Agency (SWA), for the accuracy of any end-of-year performance information prepared by SWA, whether or not that information is included in the Annual Report.

In my opinion, the annual report fairly reflects the operations, progress, and organisational health and capability of SWA.



**Dorothy Adams**  
**Chief Executive**  
**Social Wellbeing Agency**

**Dated:** 13 November 2020.







**Te Kāwanatanga o Aotearoa**  
New Zealand Government