

15 March 2012

Better Public Services Programme

Frequently Asked Questions

1. *What is the Better Public Services Programme?*

The Better Public Services Programme is the next phase in the Government's Public sector reforms and is squarely focused on getting the system working to deliver better results and improved services for New Zealanders.

The Public sector represents one-quarter of New Zealand's real economy and has a big influence on how our society and economy perform. As such government agencies need to perform better by finding new and different ways of working that deliver greater value and better results for New Zealanders.

Some of the ways the Better Public Services programme will achieve this is:

- government agencies working more closely together and organising themselves around results that make a difference to New Zealand
- sharing functions and services, purchasing goods and services, and developing systems together
- greater use of technology and a shift to digital channels, so New Zealanders can more easily access government services
- agencies improving how they measure and report on performance
- greater responsiveness within the Public sector to the needs and expectations of New Zealanders, and a commitment to continuous improvement.

The Better Public Services Programme is informed by the Better Public Services Advisory Group report, which provided recommendations to Government in December 2011 on how the Public service could work smarter.

2. *What role did the Better Public Services Advisory Group report have in this announcement?*

The Government set up the Better Public Services Advisory Group in May 2011 to provide advice on getting our public services to meet the needs of 21st Century New Zealand. The Advisory Group included key State sector people as well as selected individuals from outside the sector, who had expertise and understanding of the public service, to contribute their expertise to the group.

The Advisory Group engaged with Public sector leaders and looked at past public service reforms in New Zealand and also at what is happening in overseas administrations.

The Advisory Group's report informed the Government's decisions on the Better Public Services programme. You can read the report at: www.dpmc.govt.nz/sites/all/files/bps/bps-report-nov11.pdf.

3. *Who was on the Advisory Group?*

The Advisory Group comprised eight members:

- Department of Prime Minister and Cabinet Chief Executive Maarten Wevers (chair)
- Watercare Services Ltd (Auckland) Chief Executive Mark Ford
- Air New Zealand Group General Manager, people and technical operations, Vanessa Stoddart
- Wise Group Chief Executive Jacqui Graham
- State Services Commissioner Iain Rennie
- Secretary to the Treasury Gabriel Makhlouf
- Victoria University School of Government Professor Peter Hughes
- State Services Commission Deputy Commissioner Sandi Beatie

4. *Why do New Zealand's State services need to change?*

The goal is a Public Service and State sector that provides better results and improved services with an ongoing focus on value-for-money and innovation.

New Zealand's State services have been performing well in some areas. However, there are things that can be done better and opportunities to expand a number of innovations and good practices already underway. This particularly applies to initiatives that cut across multiple departments, and which have proved difficult to get traction on over many years.

5. *What will New Zealanders see that is different as a result of the Better Public Services programme?*

The goal of the Better Public Services programme is to support government agencies to deliver better results for less by:

- government agencies working far more closely together, and in a fundamentally different way, including organising themselves more around results, sharing functions and services, purchasing goods and services, and developing joint systems
- more contestability in service provision and use of alternative providers
- greater use of technology and a shift to digital channels, so New Zealanders can more easily access services
- agencies collecting, using and publishing better performance information
- greater responsiveness to the needs and expectations of New Zealanders, and a willingness to do things differently.

6. *How does the cap on the number of public servants fit with the Better Public Service programme?*

Achieving the aims of the Better Public Services programme goes beyond a focus only on staff numbers. It involves smarter ways of working to achieve better service delivery and ensuring that all expenditure is carefully and appropriately managed within reducing departmental baselines.

Since the cap was set in December 2008, the total number of FTE positions within core government administration has decreased by 2,365, reducing from 38,859 to 36,456 in December 2011. That counts most people working in government departments, and in some Crown entities, but it doesn't include frontline staff like teachers, hospital staff or corrections officers.

The Government has reset the cap at 36,475 full-time equivalent (FTE) positions for core government administration. (This is the number of positions as at 30 June 2011.)

7. What are the result areas?

The Government has identified ten key priorities for the next 3 to 5 years. Delivering these results requires groups of agencies and sectors to work together in different ways from how they currently operate, as well as publicly report on their progress towards achieving these goals.

The results are grouped under five headings:

Reducing long-term welfare dependency

1. Reduce the number of people who have been on a working age benefit for more than 12 months.

Supporting vulnerable children

2. Increase participation in early childhood education.
3. Increase infant immunisation rates and reduce the incidence of rheumatic fever.
4. Reduce the number of assaults on children.

Boosting skills and employment

5. Increase the proportion of 18 year olds with NCEA level 2 or equivalent qualification.
6. Increase the proportion of 25-34 year olds with advanced trade qualifications, diplomas and degrees (at level 4 or above).

Reducing crime

7. Reduce the rates of total crime, violent crime and youth crime.
8. Reduce reoffending.

Improving interaction with government

9. New Zealand businesses have a one-stop online shop for all government advice and support they need to run and grow their business.
10. New Zealanders can complete their transactions with the Government easily in a digital environment.

8. How do the results areas work and when will they be reported on publicly?

Sector leadership roles for the Better Public Service results have been assigned to five Chief Executives who will work with Ministers and contributing agencies to drive the delivery of results and give account for cross-agency performance.

This work is about moving away from being a collection of individual agencies, each doing their own thing, to collaborating on delivering results that matter to New Zealanders.

Targets will be developed for each of the results areas and these will be publicly reported on by the end of the year. The purpose of this is to make agencies publicly accountable for what is being achieved, or not achieved. It is a tangible demonstration of the commitment to achieving the results that the Government has identified as important.

9. *Why is the government looking to establish a Ministry of Business Innovation and Employment?*

The new Ministry of Business, Innovation and Employment is being set up to support the Government's economic agenda and help build a more competitive and internationally-focussed economy. It will also help to deliver on one of the Government's result priorities: a one-stop shop for government advice and support for businesses.

The proposed new Ministry will be formed from the resources of four existing agencies: It will integrate the functions of the Ministry of Economic Development, the Department of Labour, the Ministry of Science and Innovation, and the functions of the Department of Building and Housing.

The proposed ministry would seek to align business policy, regulation and engagement, so the government will get a much more joined-up and focused resource, with less duplication and better results.

10. *How many employees will be affected by this change?*

This is an in-principle decision so the details around the structure of the new organisation are yet to be worked through.

It is the intention that the four agencies will move across to the new Ministry on 1 July. Any work on a finalised structure would occur after that.

11. *How will the change take place and over what time frame?*

Due diligence is being undertaken around a 1 July establishment date with the Ministry for Economic Development acting as the foundation base of the new Ministry.

The proposed integration would then take place in two phases:

- The initial transition by 1 July 2012. This will involve putting in place the framework for the start-up of the new Ministry, including an acting CE and second tier arrangements. The current departments will form the initial functional business units of the new Ministry. During the transition, individual CEs will remain accountable for their Departments.

- From 1 July, the Acting Chief Executive would then be responsible for integrating the functions of the new Ministry. This will ensure that we can move quickly to identify the key capabilities needed to drive the economic growth agenda; but also continue to deliver on the key existing work programmes underway in each department. Clear priorities and a timetable would be set to guide internal integration and delivery of economic growth objectives.

During the transition, stakeholders can expect business as usual from the four departments.

12. When would the new Ministry take effect?

Due diligence is being undertaken for a 1 July establishment date. A report back is due to Cabinet in April for final decisions.

It is the intention that the four affected departments would move across to the new department on day one.

13. What are the financial implications of establishing the new Ministry?

Due diligence is still being undertaken and there are a number of details to work through. We expect to be able to achieve integration within the existing baselines of the four current departments.

There has been recent experience of the benefits of bringing together separate ministries, including the integration of Archives New Zealand, National Library of New Zealand and the Department of Internal Affairs; and bringing together the Ministries of Agriculture and Forestry, Fisheries and Food Safety. In these cases there have been tangible benefits in getting a greater focus on common results and improved savings.