

# STATEMENT OF INTENT 2010 – 2014

DEPARTMENT  
*of the* PRIME MINISTER  
*and* CABINET



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## STATEMENTS OF RESPONSIBILITY

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### MINISTERIAL STATEMENT OF RESPONSIBILITY

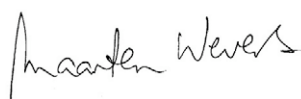
I am satisfied that the information on future operating intentions provided by the Department of the Prime Minister and Cabinet in this Statement of Intent and the Information Supporting the Estimates is in accordance with sections 38, 40, 41 of the Public Finance Act 1989 and is consistent with the policies and performance expectations of the Government.




Hon John Key  
Prime Minister  
28 April 2010

### CHIEF EXECUTIVE STATEMENT OF RESPONSIBILITY

In signing this statement, I acknowledge that I am responsible for the information contained in the Statement of Intent for the Department of the Prime Minister and Cabinet. This information has been prepared in accordance with the Public Finance Act 1989. It is also consistent with the proposed appropriations set out in the Appropriations (2010/11 Estimates) Bill, as presented to the House of Representatives in accordance with section 13 of the Public Finance Act 1989, and with existing appropriations and financial authorities.



Maarten Wevers  
Chief Executive  
28 April 2010



Brent Anderson  
Chief Financial Officer  
28 April 2010

## INTRODUCTION FROM THE CHIEF EXECUTIVE

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The Department of the Prime Minister and Cabinet's core role is to support effective executive government. We provide a wide range of professional support and impartial advice to the Prime Minister and members of the Cabinet, and, through the Clerk of the Executive Council and Government House, to the Governor-General. We also have a particular responsibility to exercise leadership across the public service with our central agency colleagues in Treasury and the State Services Commission (SSC), and to ensure coordination across agencies and departments in support of the policy priorities of the Government of the day.

The nature of much of the work of the department remains unchanged from year to year, although there are always different policy issues to address as economic and social circumstances alter and ministers' priorities are determined. A core requirement for all DPMC staff is to be responsive to the needs of ministers and the Governor-General, and to anticipate emerging issues as far as possible. In common with the wider public service, DPMC employees have a critical obligation to be politically impartial and, where required, to provide free and frank and high-quality advice in a timely manner.

The major planks of the Government's policy programme for the coming year were outlined by the Prime Minister in his statement to the House of Representatives on 9 February 2010. The principal policy priority is restoration of New Zealand's economic health in the wake of the global financial crisis. Six main drivers of policy were outlined by Mr Key: a growth-enhancing tax system; better public services; support for science, innovation and trade; better regulation, including regulations around natural resources; investment in infrastructure; and improved education and skills. DPMC will continue to work actively with other government agencies to prosecute this agenda in support of the Government. It will also continue to deal with the normal range of government business and service provision, and to manage risk.

A general election must be held at some point before the end of 2011. The proper conduct of elections is one of the most important responsibilities in a democracy. The Cabinet Office has a central role to play in the post-election processes of government formation; it will be commencing preparations for the upcoming election, and the subsequent government-formation period, during the course of this financial year. Cabinet Office will also be supporting the Prime Minister in the appointment of a new Governor-General.

Since late 2008, DPMC has been charged with implementing a major conservation upgrade of Government House Wellington. This project, which has been allocated more than \$40 million in taxpayer funding, is scheduled to be almost completed in the current financial year. As well as ensuring that the refurbishment is completed within budget and to a high standard,

a key priority for the department this year is that Their Excellencies the Governor-General and Lady Satyanand will be able to return to their Official Residence as planned in 2011. Activities to mark the 2011 reopening, and to commemorate the centenary of the House in October 2010, are currently under consideration.

This year will also see two of the department's business units, the National Assessments Bureau and the Domestic and External Security Group, move to a new building. They will relocate to Pipitea House in Thorndon, where they will join staff from the Government Communications Security Bureau. This move will be one of a number of steps being taken to improve the performance of and coordinate the government's security and intelligence agencies; other steps include working more closely together and better aligning the activities of a number of agencies which have external and domestic security responsibilities. The Chief Executive of DPMC also serves as chair of the Officials' Committee for Domestic and External Security Coordination (ODESC), and has been tasked to improve coordination and leadership across the sector.

Together with the SSC and Treasury, DPMC will be giving particular attention over the coming year to lifting the performance of the public service. Ensuring both the effective management of short-term service pressures and the improvement of long-term service provisions will be a priority for the department. There is an increasing need for more effective and responsive services that deliver value for money to New Zealanders, within a tightly-constrained fiscal environment. DPMC has a key role in helping to drive these improvements, through aligning the efforts of individual agencies in support of government priorities.

The staff of DPMC recognise fully the privilege they have been given in working at the centre of our democratic system of government, and the responsibilities they have for ensuring that their work in the varied roles they undertake is of the highest standard. Our mission remains to serve the Government of the day to the very best of our ability, in an impartial and fully professional manner.



Maarten Wevers, CNZM  
Chief Executive

## NATURE AND SCOPE OF FUNCTIONS

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### SUPPORTING THE PRIME MINISTER AND CABINET

The Prime Minister is the political leader of the government and the country – and its main public “face”. The Prime Minister is also the chair of the Cabinet, and is responsible for the effective operation of executive government. These roles combine political and executive responsibilities. DPMC provides assistance to the Prime Minister in three broad categories.

#### **Issues that are the direct responsibility of the Prime Minister**

The Cabinet Office provides free and frank advice and support on constitutional issues relating to the conduct of executive government – including during elections and transitions between administrations – and issues associated with the operation of the Cabinet system.

#### **Issues that arise across the full range of government business**

DPMC provides a continuous flow of advice to the Prime Minister on major and daily issues, along with oversight of wider government activity and access to information and assessments. DPMC works with central agencies to draw together departments in support of the Government’s priorities, to focus agencies on providing options for action, to ensure implementation of agreed programmes and policies, to drive for enhanced agency performance, and to deal effectively with issues which affect the nation. The Cabinet Office, within DPMC, also provides the secretariat support for decision-making by the Cabinet and its committees.

#### **Administrative support to the Prime Minister**

This includes preparation of replies to Parliamentary questions, and dealing with Official Information Act requests and other correspondence. A totally separate body, the Office of the Prime Minister, also advises the Prime Minister: it is the primary point of responsibility for managing political issues and relationships with other political parties and for providing administrative and media support.

### SUPPORTING THE GOVERNOR-GENERAL

The office of the Governor-General is an important part of New Zealand’s constitutional arrangements. New Zealand is a constitutional monarchy and the Governor-General serves as the representative of the Head of State, The Queen of New Zealand. His constitutional, ceremonial, and community roles together seek to maintain national unity and foster national identity. The Clerk of the Executive Council and Government House staff support the Governor-General in carrying out his functions.

## BRINGING THE SYSTEM TOGETHER

DPMC strives to support a high standard of executive decision-making by providing quality advice that is timely, responds to the directions set by the Government, is forward-looking, is cognisant of changing circumstances and emerging issues, and gives assurance that policies are being delivered in an effective and coordinated manner. In addition we play a role in coordinating and leading the work of government departments and agencies, and other entities as appropriate, to ensure that decision-making takes account of all relevant viewpoints and that advice is as coherent and complete as possible.

To fulfil this role the department draws on close relationships with other departments and agencies, crown entities, local government, business, iwi, and the wider community.

## DPMC'S BUSINESS UNITS

The department has an establishment cap of 124 full-time equivalent (FTE) staff in six business units: Cabinet Office, which includes the Honours Secretariat; Policy Advisory Group (PAG); the National Assessments Bureau (NAB); Corporate Services; Domestic and External Security Group (DESG); and Government House. These business units are spread over nine locations. For further detail, see DPMC's website ([www.dPMC.govt.nz](http://www.dPMC.govt.nz)).

## STRATEGIC DIRECTION

### THE GOVERNMENT'S PRIORITIES

Improve the quality of public services

Better equip New Zealanders to meet the economic challenges they face

Grow the economy and create sustainable new jobs

### DPMC'S OUTCOME

Good government with effective public service support

### DPMC'S OBJECTIVES

Decision-making by the Prime Minister and Cabinet is well informed and supported

Executive government is well conducted and continues in accordance with accepted conventions and practices

The Governor-General is appropriately advised and supported in undertaking his constitutional, ceremonial and community-leadership roles

The intelligence system and national security priorities are well led, coordinated and managed

State sector performance is improved

### DPMC OUTPUT CLASSES

Policy advice and secretariat and coordination services

Support services to the Governor-General and maintenance of the residences

Intelligence assessments to support national security priorities

DPMC has two additional fixed-term responsibilities: Science Advisory Committee and Government House Conservation Project

### STRATEGIC ENVIRONMENT

DPMC works closely with the Office of the Prime Minister, other ministers and their offices, with business, iwi, and other external interests, and with the Treasury, State Services Commission and other public service and state sector agencies as necessary.

### OUR CAPACITY AND CAPABILITY

DPMC values its people for their capacity to: shape thinking; achieve results through others; communicate with influence; serve; exemplify professionalism and probity; and exercise leadership. DPMC provides personal and professional development and opportunities in a challenging work environment.



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## OPERATING INTENTIONS

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To achieve our outcome of “*good government with effective public service support*” DPMC provides continuity in constitutional and administrative services that helps to maintain New Zealand’s parliamentary democracy. We are both the “constitutional and institutional glue” that holds the system together and the “oil” that allows the free flow of information, advice and policy for government decision-making.

DPMC works at the point of intersection where ministers, agencies and advice streams come together at the Cabinet table – ensuring that the final decisions of the Government are well informed and that these decisions are given effective public service support in implementation.

The department’s operating intentions are expressed through its five objectives.

### OBJECTIVE ONE

*Decision-making by the Prime Minister and Cabinet is well informed and supported*

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#### **What are we seeking to achieve?**

The Prime Minister and the Cabinet are the centre of executive government in New Zealand. By chairing the Cabinet, the Prime Minister leads and coordinates government and oversees its general policy direction. Ministers work together as the Cabinet and in Cabinet committees to discuss issues, make decisions, and exercise a critical national leadership function. DPMC, along with the wider public service, must support the Prime Minister and ministers to the greatest extent it can by ensuring provision of high-quality information and advice that enables sound decision-making.

#### **How will we demonstrate success in achieving Objective One?**

The department’s role is to provide outputs in support of others’ actions, including decision-making by the Prime Minister and the Cabinet. The department has the advantage of almost daily contact with, and immediate feedback from, the Prime Minister and other ministers; and we will seek formal feedback by surveying and engaging with agencies to ascertain their views on the contribution we have made.

#### **What will we do to achieve Objective One?**

DPMC supports the Prime Minister and ministers by ensuring they receive timely, high-quality and coordinated advice that enables them to carry out the Government’s business in an effective manner, and by providing impartial and timely secretariat services for the Cabinet and its committees.

*Policy advice*

The Policy Advisory Group (PAG) and the Domestic and External Security Group (DESG) advise the Prime Minister on a very broad range of policy matters. Both groups facilitate cross-government linkages amongst agencies working on related issues and seek to ensure that officials' advice takes account of broader government priorities. They also help remove bottlenecks in the flow of departmental policy advice. To do this, they maintain close links with other agencies and with ministers' offices; provide comment on draft papers; and give free and frank advice to the Prime Minister on all items of government business. Furthermore PAG and DESG staff participate in a range of officials' committees, attend Cabinet committee meetings in an advisory and support capacity, monitor implementation, and coordinate follow-up.

Where possible PAG and DESG seek to address issues strategically, with a medium- or longer-term perspective. They also monitor emerging priorities. Both groups have a role in communicating across government, helping departments to understand ministers' perspectives, assisting agencies to develop policy that supports government priorities, and dealing with implementation issues.

*Support for Cabinet*

The Cabinet Office administers the Cabinet system, distributing Cabinet and Cabinet committee papers and decisions accurately and promptly. It also maintains a record of all Cabinet decisions, helps coordinate the Government's legislation programme, and supports decision-making by the Prime Minister and ministers in relation to royal honours.

The Cabinet Office also works with ministers' offices and departments to ensure that issues are presented to the Cabinet in a clear and robust way that supports good decision-making. It does this through quality control and monitoring, feedback, developing and promulgating guidance, and education and training. In particular, as part of ensuring that the Cabinet system operates efficiently, smoothly and within the Cabinet's rules, the Cabinet Office will review and update the contents of the web-based *CabGuide* and consider ways in which it can work collaboratively with departments and ministers' offices in an electronic environment.

*Domestic and external assessments*

The National Assessments Bureau (NAB) prepares assessments for the Prime Minister and certain other ministers on developments relating to national security and foreign relations that could significantly affect New Zealand's interests. The purpose of these assessments is to inform the Government's decision-making, by providing awareness of and insights into issues of policy relevance.

## OBJECTIVE TWO

*Executive government is well conducted and continues in accordance with accepted conventions and practices*

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### **What are we seeking to achieve?**

At the heart of New Zealand's democratic and political system is stable executive government accountable to an elected House of Representatives. The executive branch of government comprises the Governor-General, the Prime Minister, other ministers of the Crown, and the public service. The department provides the administrative support for the ongoing business of executive government – including support necessary for the smooth transfer of power between successive administrations, Prime Ministers, ministers, and Governors-General.

### **How will we demonstrate success in achieving Objective Two?**

Feedback from the Governor-General and the Prime Minister will be sought on their level of satisfaction with the advice and services provided.

### **What will we do to achieve Objective Two?**

As the recognised source of expert knowledge on the systems of Cabinet and executive government, the Cabinet Office is the primary contributor to Objective Two. In carrying out its role the Cabinet Office also works with the Crown Law Office, Parliamentary Counsel Office, Ministry of Justice, SSC, and the Treasury.

The Cabinet Office provides advice to the Governor-General, the Prime Minister and ministers on the constitutional issues and procedures that support the conduct and continuity of executive government. It ensures that constitutional procedures such as the appointment of ministers are well managed and administered correctly; and it provides policy advice on constitutional issues that have implications for executive government.

The trust of ministers and other stakeholders and a reputation for discretion, integrity, and judgement are vital to the effective operation of the Cabinet Office. It is rigorous in maintaining impartiality between administrations, agencies, and individual ministers.

The *Cabinet Manual* is the authoritative guide to central government's decision-making, with successive Governments using it as the basis on which to operate. While its fundamental features remain unchanged, it is updated from time to time to reflect changes in Cabinet procedures and constitutional developments.

## OBJECTIVE THREE

*The Governor-General is appropriately advised and supported in undertaking his constitutional, ceremonial and community-leadership roles*

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### **What are we seeking to achieve?**

The Governor-General of New Zealand fulfils important constitutional, ceremonial, and community-leadership roles. In undertaking these roles the Governor-General is supported by the Clerk of the Executive Council – who is responsible for liaison between the Governor-General and the Government – and by the Official Secretary and Government House staff.

### **How will we demonstrate success in achieving Objective Three?**

Formal and informal feedback is sought from Their Excellencies to indicate whether a high-quality standard of advice and support is being provided and whether the Governor-General is able to undertake his constitutional, ceremonial and community roles effectively.

Feedback is also sought from external agencies and community organisations on whether the Governor-General's programme is strategically focused and enhances his public profile.

Successful achievement of the Government House Conservation Project will be demonstrated by its being well managed, progressing according to schedule and within budget, and remaining on track for completion by the due date.

### **What will we do to achieve Objective Three?**

As a key contributor to the New Zealand system of government, the Governor-General requires high-quality advice and support.

The Governor-General undertakes a number of important constitutional functions, including appointing the Prime Minister, assenting to legislation, and making regulations. The Clerk of the Executive Council supports him on these matters.

The ceremonial role of the Governor-General includes national and local events, and the promotion of New Zealand's interests overseas. Government House works closely with the Clerk of the Executive Council and other agencies to ensure that the Governor-General's ceremonial role is well conceived and supported.

The Governor-General provides non-partisan community leadership through a programme of speeches, patronage of community groups, attendance at and hosting of events, and visits to specific interest groups throughout New Zealand. Government House maintains and supports

the programme, which is regularly reviewed in consultation with Their Excellencies to ensure it is relevant and well balanced.

The department maintains full oversight of the Government House Conservation Project, which is due for completion in 2011. The centenary of the opening of Government House Wellington will also be marked in October 2010. With the completion of the Conservation Project and the staff's transition back to Government House, the organisational review undertaken in 2009 will be fully implemented. The Official Secretary and Government House staff will continue to ensure that Government House Auckland is well maintained and that appropriate domestic and personal services are provided to Their Excellencies.

## OBJECTIVE FOUR

*The intelligence system and national security priorities are well led, coordinated and managed*

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This objective contributes to achieving national security outcomes – that is: the safety and security of New Zealand, New Zealanders and New Zealand interests at home and abroad; and the promotion of New Zealand and New Zealand interests.

### **What are we seeking to achieve?**

DPMC's objective is to support decision-making by the Government on matters of domestic and external security. In order to achieve this objective, DPMC must ensure that:

- possible domestic and external security risks to New Zealand's wellbeing are assessed
- an adequate level of preparedness is maintained
- responses to incidents are timely and coordinated
- the Government is informed in a timely and coordinated manner.

Significant changes have been made in the areas of intelligence and assessment, whose role is to support decision-making in relation to security and New Zealand's international engagements. Following a review of intelligence agencies, the Government has directed DPMC to lead strengthened oversight, management and governance arrangements for the New Zealand intelligence community. This includes:

- assuming accountability for the leadership and performance of the intelligence community
- providing governance and assurance concerning the intelligence community (including performance, oversight, priority setting and allocation of resources)
- ensuring the intelligence community operates cost effectively
- leading engagement on intelligence matters with other countries
- providing timely, coordinated intelligence advice relating to the Government's national security priorities.

### **How will we demonstrate success in achieving Objective Four?**

Performance will be demonstrated by:

- our implementing effective processes for establishing national security priorities and assessing and managing security risks
- our ensuring crisis-management preparedness is adequate and works effectively when called upon
- the Government being satisfied that the information and advice it receives on domestic and external security risks is responsive and coordinated, and that this contributes effectively to decision-making in relation to security and New Zealand's international engagements.

The fiscal performance of the intelligence community will be measured by ensuring expenditure is consistent with the Government's fiscal strategy.

### **What will we do to achieve Objective Four?**

The Chief Executive of DPMC will strengthen governance arrangements and oversight of the intelligence sector. The Chief Executive is chair of the Officials' Committee for Domestic and External Security Coordination (ODESC) and is accountable for ensuring that it performs its intended function.

Within NAB and DESG the nature and organisation of work will change over the next 12 months. The focus will be broadened to provide effective leadership and coordination of the New Zealand intelligence community's agencies and will include priority setting, risk management, and functional-performance reporting.

NAB will develop a national assessments programme which draws on the resources of the whole of the New Zealand intelligence community and which is relevant to national security interests and priorities. NAB will also develop common quality standards for intelligence assessment and analysis.

DESG provides leadership and coordination of major security issues, promotes effective planning by other departments and agencies that have operational responsibilities for managing security risks, and has a centre-of-government function in overseeing the preparation of overarching national security strategies. DESG also has the lead in developing a coherent, whole-of-government approach to national security risks and to the way intelligence feeds into the management of these risks.

The newly established role of Director, Intelligence Coordination will provide leadership to the New Zealand intelligence community. The Director will work with intelligence agencies to ensure their work is coordinated, efficient and effective – and will also support ODESC in its governance responsibilities in relation to the intelligence community.

The Combined Threat Assessment Group – whose personnel is currently dispersed amongst a number of agencies – is to be housed with DPMC. This will give the department a more direct role in assessing security threats to New Zealand.

The agencies with security and intelligence functions that report directly to the Prime Minister – which includes DPMC – will work together over the coming year and beyond to achieve better coordination and enhanced performance and operational efficiency. This is in response to recent decisions taken by the Cabinet on the role and operation of the intelligence agencies.

Work will be undertaken over the short term to develop an outcomes-based framework for the activities of the agencies.

## OBJECTIVE FIVE

*State sector performance is improved*

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Along with the two other central agencies – the Treasury and SSC – DPMC is responsible for providing leadership that enables the public service as a whole to carry out the business of government efficiently, effectively and collectively.

The **Department of the Prime Minister and Cabinet** supports the process of collective decision-making, conveys Cabinet's decisions to the relevant ministers and officials, and ensures that the Cabinet receives well-conceived and coordinated advice. The department also works to ensure that the state sector responds to the Government's priorities and conveys the Government's priorities to officials.

The **Treasury** monitors and manages the financial affairs of the government and provides economic and fiscal policy advice. The Treasury also provides advice on and manages the budget process. It provides insight into the efficiency and effectiveness of government agencies and their interventions.

The **State Services Commission** appoints and manages the performance of chief executives in the public service. It provides leadership on the capability of agencies, sectors and systems; sets standards; and ensures that state servants focus on delivering the Government's priorities.

The central agencies will be giving particular attention over the coming year to lifting the performance of the public service.

### **What are we seeking to achieve?**

*1. The public-sector management system delivers improving services at a lower cost*

Why: The state services operate in a fiscally constrained environment. System design and operation must evolve and improve over time, to meet changing needs.

*2. The state sector responds to the Government's priorities to improve performance*

Why: To ensure that officials respond to Cabinet direction in improving the quality of services within existing baselines – building smarter, better public services for less cost.

*3. The state sector maximises the contribution of government interventions to the Government's economic and social priorities*

Why: To enhance the achievement of the Government's economic and social objectives, public services and interventions must be well targeted, value for money, and consistent with the Government's fiscal strategy.



## How will we demonstrate success in achieving Objective Five?

Our shared measures of success are:

- overall satisfaction with public services is improved by 2 per cent – to be demonstrated in the Kiwis Count 2011 measure
- public sector expenditure is consistent with the Government's fiscal strategy.

## What will we do to achieve Objective Five?

SSC will:

- advise ministers and agencies on pay and employment conditions and employment relations
- advise ministers and agencies on system design, agency collaboration and governance arrangements
- set standards and expectations on key aspects of agency, sector and system performance
- assess the effectiveness of agency, sector and system performance
- advise ministers and agencies on achieving agency, sector and system-performance improvement.

Treasury will:

- integrate and improve budget frameworks and tools to enable better identification of priorities and opportunities for doing things better, smarter and for less
- work with departments to provide prioritisation advice and to identify opportunities to provide improvements in quality and "more for less"
- design budget and financial management systems that create incentives for continuous improvements and support the Government's fiscal strategy.

DPMC will:

- ensure that state sector departments and agencies are clear about the Government's priorities
- coordinate state sector departments and entities in delivering on the Government's priorities
- enhance governance and management arrangements where necessary to improve delivery on the Government's priorities.

Specific central-agency priority projects are:

- providing joined-up central agency support to those agencies most needing it, with the objectives of lifting agency performance
- rolling out the Performance Improvement Framework to the majority of public service departments and some large Crown entities over the next three to four years, with the objective of identifying, and following up on, actions that make a material difference to the performance of those agencies.

## MANAGING IN A CHANGEABLE OPERATING ENVIRONMENT

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### OUR OPERATING ENVIRONMENT

DPMC is expected to operate successfully at the heart of New Zealand's system of executive government, in which a range of political administrations including minority governments and multi-party arrangements are possible outcomes following a general election. The department is also expected to meet the rising demands within government – as well as from the general public, stakeholders, and political allies – about consultation and input into policy making.

As the Government implements its policy programme and responds to the challenges to lift the New Zealand economy, it is DPMC's role to provide support and advice and to remain responsive to the Government's expectations. This requires a good understanding of the wider trends and influences on New Zealand's social and economic performance, its culture and heritage, its human and physical capital, and its natural environment.

### MANAGING RISK

Our strategy for managing risks is to:

- mitigate risk, where this can be done reliably and cost effectively
- coherently manage risks
- work to enhance system resilience
- apply an adaptive management response to risk events.

DPMC maintains a risk-management framework which it reviews regularly, identifying those risks which could prevent the achievement of our key outcomes. Changes in the DPMC risk profile can arise when there are changes in operational activities, in senior management and key personnel, in customer and stakeholder demands and expectations; and when there are significant risk events.

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## ASSESSING ORGANISATIONAL HEALTH AND CAPABILITY

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The main measures and standards the department uses to assess organisational health and capability are:

- a two-yearly climate survey to assess how staff feel about working in the department; we are aiming to maintain our upper-quartile result for engagement this year
- the Performance Management System (which rates individual performance and behaviours against role expectations and which maintains a line of sight between individual performance, organisation outcomes, and government priorities)
- the annual SSC Human Resource Capability Survey (this measures organisational performance against the public service benchmarks in critical areas such as staff retention and turnover, remuneration levels, and leave utilisation).
- human resource metrics that gather data from exit interviews and analyse recruitment and retention rates according to gender, length of service and level within the organisation.

We seek to maintain a climate at DPMC which is considered by staff to be challenging and satisfying and which makes them proud to work here. The 2010 climate-survey findings will be evaluated by age, gender and ethnicity to support workforce planning and to ensure we are meeting the needs of our diverse workforce.

Developing and enhancing staff and management capability is a priority for DPMC and is critical to the success of meeting organisational objectives in a resource-constrained environment. The department will roll out in 2010 a Learning and Development Plan based on discussions between managers and staff. This will be monitored to ensure it reflects future capability requirements needed to deliver effectively on the Government's priorities.

Our information-management focus in 2010/11 is on efficiency improvements in the flow of information and the development of a sustainable technology platform. We are assessing new applications that will support us in achieving a more collaborative working environment with external agencies. Completion of the planned disaster-recovery capability will provide DPMC with more assurance that its network can operate effectively in an adverse-event scenario.

DPMC will continue to investigate options for shared services and outsourcing of corporate functions in the central agencies and more broadly across the public service, in particular drawing on the Better Administrative and Support Services (BASS) programme to identify opportunities for achieving efficiencies.

## FORECAST CAPITAL EXPENDITURE

### DEPARTMENTAL AND CROWN CAPITAL INTENTIONS

2010/11 will see the near completion of the project for the conservation of Government House Wellington, the official residence of the Governor-General. The project has been an extensive rebuild to make the House fit for its purpose for the next 50 years.

DPMC will continue to monitor and review progress against project milestones and ensure that all expenditure remains within the project budget.

#### Departmental Capital Intentions

	Budget 2009/10 \$000	Forecast 2010/11 \$000	Forecast 2011/12 \$000	Forecast 2012/13 \$000	Forecast 2013/14 \$000
FIXED ASSETS	800	1,372	200	200	200
INTANGIBLES	300	100	100	100	100
TOTAL	1,100	1,472	300	300	300

The forecast capital expenditure for the 2009/10 financial year is primarily routine replacement and upgrading of the department's information technology and office fit-out and equipment, to help our staff efficiently deliver the services set out in this Statement of Intent.

#### Crown Capital Intentions

	Budget 2009/10 \$000	Forecast 2010/11 \$000	Forecast 2011/12 \$000	Forecast 2012/13 \$000	Forecast 2013/14 \$000
FIXED ASSETS	20,107	11,650	5,587	150	150

The forecast capital expenditure for the 2009/10 to 2011/12 financial years is primarily for the renovation and conservation of Government House Wellington.

## PERFORMANCE IMPROVEMENT ACTIONS

A DPMC working group considered a range of performance improvement actions (PIAs) to obtain savings and efficiency gains across the department. These include:

Action	Short-Term Deliverable	Medium-Term Impact
Undertake the reoccupation of Government House Wellington and the resumption of normal business in a seamless and cost-efficient manner.	<p>Fully implement the 2009 review of operations, along with identified efficiency gains.</p> <p>Establish sustainable maintenance plans for Government House Wellington and Government House Auckland by the end of 2010.</p>	<p>Operating expenses are maintained within existing budget parameters.</p> <p>Long-term programmes for maintaining the residences and grounds to the appropriate standard are planned and implemented.</p>
Scope more-responsive business systems that will deliver better services to the Prime Minister.	<p>Provide surge capacity for policy advice in areas of government priority.</p> <p>Prepare a business case to assess the costs and benefits of using information communications technology effectively, in supporting the Cabinet Office's processes.</p>	<p>Use of policy resources is more effective.</p> <p>Efficiencies and cost savings are achieved.</p>
Lead a process to deliver more systemic governance of the intelligence community including performance monitoring, oversight, priority setting, and allocation of resources.	<p>Implement an effective new governance process.</p> <p>Deliver improved services to Ministers.</p> <p>Bed down new processes for priority setting and resource allocation across the intelligence community.</p>	<p>The intelligence community is coordinated and delivers appropriate outputs.</p>

## COST EFFECTIVENESS

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DPMC continuously seeks and receives feedback from the Prime Minister and the Governor-General on whether and how well its outputs are “hitting the mark”. This feedback allows judgements to be made on DPMC’s effectiveness and helps identify opportunities for improvement.

DPMC continues to operate within its current budget, and has realised savings to ensure that this remains so, without limiting overall efficiency and effectiveness. The DPMC appropriation has remained reasonably constant since 1995/96.

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## DIRECTORY

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