



Conversation tracker

Lifting the Policy Game

Policy leaders workshop

8 May 2014

Our Intent

Our intent is to explore, and take action on, how we might collectively improve the performance of our policy advice capability across the system.

This was our second working session on this intent. We:

- discussed pressure points
- were updated on activities since our 08 May workshop
- shared a number of our existing policy quality standards
- explored common and emerging themes
- focused briefly on roles and functions for effective policy services



Workshop participants

Helen Wyn
DPMC

Clare Ward
Families Commission

Nic Blakeley
MSD

Michael Papesch
Customs

Guy Beatson
Ministry for the
Environment

Andrea Schollmann
Ministry of Education

Katherine Baxter
Ministry for Culture
and Heritage

Paul Stocks
Ministry of Business,
Innovation and
Employment

Andrew Jackson
Ministry of Transport

Doris Johnston
Department of
Conservation

Sally Washington
DPMC

Kevin Guerin
Ministry for the
Environment

Facilitator

Jim Scully
ThinkPlace

What's On Top – People Shared Their 'Pressure points'.

THINKPLACE

Leverage across the system

Identifying critical issues/ connection across agencies

Sharing expense and expertise to get the most system value from any given project

Evidence – working across boundaries

Responding today and investing for tomorrow

Balancing and linking day to day 'must do' with strategic medium term outcomes

From reaction and responsive to proactive and strategic

Inspire – to get short gains
Invest – in long term capability

Reactive, responsive and building capability in a narrow market

Leveraging frameworks

Common frameworks and standards to support analysis

Deepening understanding of analytical frameworks – what/when/how

Incentives for success

Incentives do not support development of policy leadership and a cohesive policy system

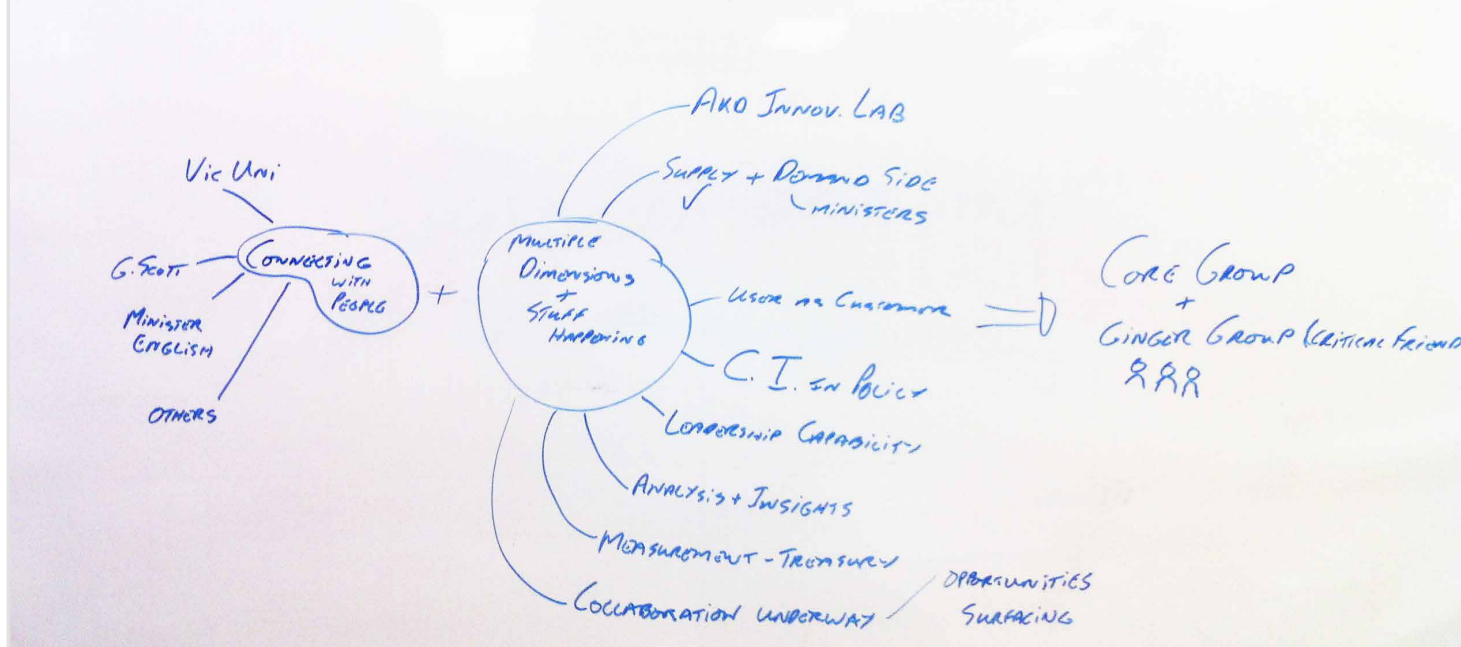
Sufficient investment

Sufficient resources (people, \$) for evidence (science/ economics) to support policy advice (and implementation)

Agreeing how we invest for success across the system.

- 1 We need to rename this initiative to better capture its true intent. From 'Lifting the Policy Game' to 'The Policy Project: Responsive Today, Shaping Tomorrow'
- 2 We need a common and simple view of the Policy System. This will enable a shared focus and align our actions.
- 3 We are all challenged to respond to today's policy needs AND increase our forward thinking/strategic focus.

LIFTING THE POLICY GAME → TO → ??



Helen provided an update on activities and progress since our last meeting.

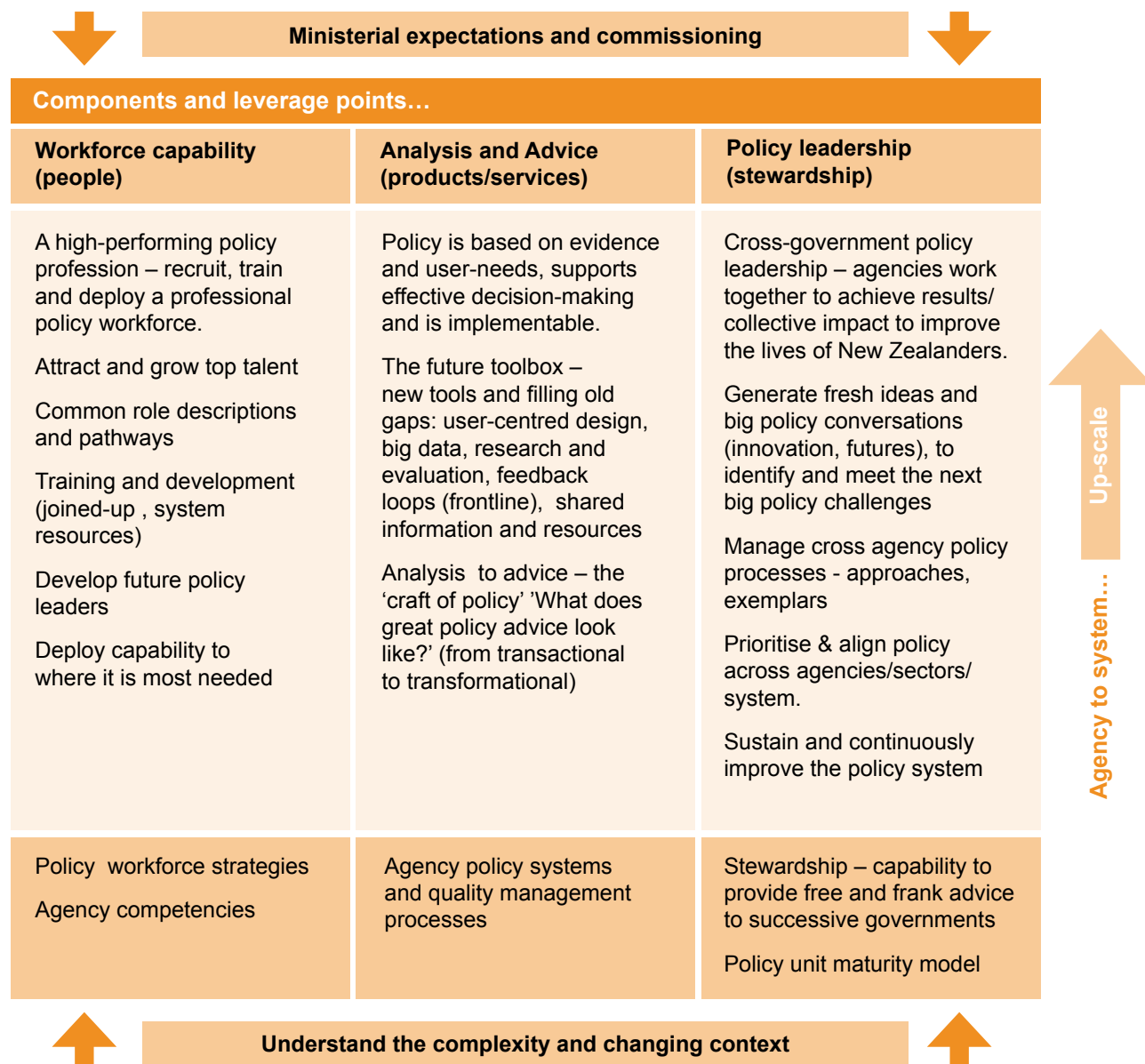
Activities included:

- Engaging with a range of interested leaders and critical friends.
- Uncovering and sharing a range of collaborative initiatives already in progress eg. MoT aPAD.
- Linking into other system improvement initiatives eg. continuous improvement, PIF upgrade.
- Starting to explore the demand-side (Ministers) as well as the supply-side.
- Seeking smaller groups to actively work with Helen/Sally.

System in Focus - Iteration 1 – Presented by Sally

What does 'great' look like?

- Policy creates public value - free, frank, fearless, joined-up advice that can identify the 'big cross agency policy challenges', find the 'game changers', and ensure prioritisation and alignment – to improve the lives of New Zealanders.
- Policy is based on evidence and user needs – using new tools and frameworks (user insights, innovation), informed by evaluation and feedback loops (citizens/ business/frontline staff)
- A high performing policy 'profession' – policy is a core function of government, with top talent, foundation training and professional development, identifying and growing policy leaders, a capacity to deploy capability to where it is needed most
- Quality advice supports effective decision making – "the craft of policy", quality processes from analysis to advice to implementation
- Stewardship:
 - Policy performance - we act in the collective interests of government and have the capacity to offer free and frank advice to successive governments, constitutional conventions are clear and understood
 - Policy issues - fresh ideas, innovative approaches, we work together and with others to achieve results/ collective impact now and for the future
 - Policy system - we work together to sustain and continuously improve the policy system



Sharing our Policy Standards

Several people brought along their agency's collateral on policy advice standards. We discussed common themes and ideas it 'sparked'.

Ministry for the Environment – Progress on Improving Regulation

DRAFT 5 May 2014 1574278

Actions

Ministry for the Environment's Performance Improvement Framework Review

- Overarching long-term vision, strategy and multi-disciplinary analytical framework – Ministry and NRS
- Ready access to capability across core competencies
- Culture that values and fosters thought leadership and policy entrepreneurship
- Effective monitoring and evaluation regimes

Capability

The Ministry has put in place

- COBRA – Costs Opportunity Benefits and Risk Analysis – Policy Guide
- PANDA – Professionalising Policy – A Guide for Developing the Craft of Policy Analysis
- Quality assessment criteria for policy advice
- Guidance for commissioning and peer review of advice
- a cohort of Principal Analysts to be deployed across the Ministry but also expected to work together as a group, providing peer support and driving organisational initiatives such as improving thought leadership.

Structure

The operating model adopted in 2013 aims to:

- Bring together all parts of the policy cycle – advice, evidence and implementation – to give the well-rounded thinking that should create great policy
- Strengthen our stewardship role, with a specific focus on looking at the medium and longer-term issues and planning.

A Quality of Advice Community of Practice brings together staff from across the organisation at multiple levels to support challenge and debate and drive quality initiatives, with accountability to Directors.

Processes

The Ministry runs:

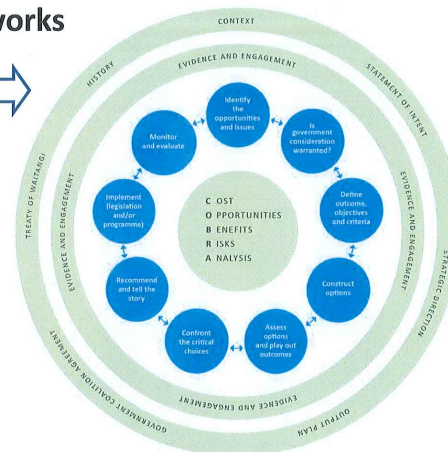
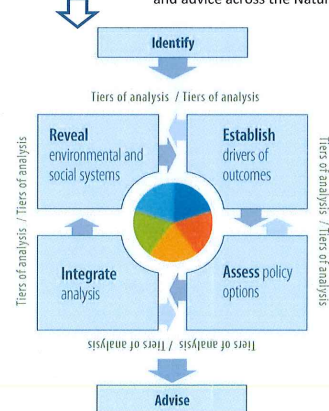
- Up-front quality improvement panels to drive effective commissioning of advice.
- Monthly quality assessment panels to track progress and provide specific feedback to teams and general guidance messages for the whole organisation and to continually improve guidance and processes.
- A Regulatory impact assessment panel to support staff preparing regulatory impact statements, and provide assessments of non-significant proposals.
- Training and development for staff.

Frameworks

COBRA is an agency model for professionalising policy, understanding the policy cycle and generating high quality policy analysis.

Quality Assessment Criteria – customer focus, problems and opportunities, analysis and argument, risks, consultation and collaboration, options, conclusions and recommendations, presentation.

The goal of the **Natural Resources Framework** is to craft robust and resilient policy that promotes the effective stewardship and kaitiakitanga of New Zealand's natural resources. It has been developed to help improve analysis and advice across the Natural Resources Sector.



Results

Quality Scores for Random Sample of Papers

- 2013/13
 - 6.6 out of 10
 - 53% met standard of 7 vs target of 70%

- 2013/14
 - 6.3 out of 10
 - 45% met standard

Regulatory Impact Statements

- 88% fully or partially meet, vs standard of 90%
- 53% fully meet, vs standard of 70%

Best Practice Regulation Assessments

Main areas of concern related to:

- Proportionality
- Certainty and predictability
- Growth compatibility

7 regimes assessed	2011-12	2013-14
Strong indications of material concern	2	1
Possible areas of material concern	15	17
No significant concerns	31	30

Regulatory Plans 2014

Regulatory regimes currently under review include Resource Management, Climate Change, Freshwater, Waste, Exclusive Economic Zone, and Hazardous Substances and New Organisms. Significant implementation work is also underway in most of these areas.

The Ministry is increasingly taking a medium-term approach to its work programme, to provide enduring solutions to the environmental issues that New Zealand cares for most. The focus will be to improve the frameworks that guide decision-makers when making decisions about how New Zealand's natural and built resources will be used.

In order to ensure that decision-making frameworks driver better performance, the Ministry must take a stronger leadership role in system design and implementation, along with a greater emphasis on monitoring and reporting the system's performance.

Access to robust and trusted information on the performance of the environmental management system is critical for good decision making and for evaluating the impact of policies and decisions on natural resources over time. The Environmental Reporting Bill mandates the provision of comprehensive environmental information in a way that is easy to understand, relevant and independent from the government of the day.

Ministry for the Environment

*Contact Sally for supporting material.

Sharing our Policy Standards

The Treasury

Treasury Quality Standards for Policy Advice (Updated Jan 2013)

Quality policy advice is fit for purpose

These Quality Standards for Policy Advice set out the characteristics or dimensions of policy advice that will best enable it to promote well-informed high-quality decision making by Ministers. However the quality dimensions below are **not a checklist and not all dimensions will be equally important in every case** – judgements are required at the outset about how to apply and balance the quality dimensions to ensure a particular piece of advice is fit for purpose in achieving the result sought.

When **undertaking a piece of work**, explicit consideration needs to be given to the following:

- What point are Ministers at in their decision-making process? What are Treasury's opportunities to provide advice that will have an impact?
- What result are we seeking by providing a piece of advice? How should the quality dimensions below be applied and balanced to achieve this result?
- What is the relative priority of this piece of work? What level of investment is warranted?

Dimensions of quality policy advice

Analytically rigorous (Analysis)	Set in a wider strategic context (Applied analysis)	Customer focused and persuasive (Advice)
<p>Relevant frameworks</p> <ul style="list-style-type: none"> • Appropriate analytical frameworks are used. • Appropriate microeconomic, macroeconomic, mathematical and econometric tools are used. • Knowledge is up-to-date and informed by recent thinking and literature in the field. • Assumptions behind the frameworks used are explicit and consideration has been given to how they will be expected to play out in the real world (a world which includes information and transaction costs, bounded rationality, market failure, government failure, etc) • Consideration has been given to less traditional frameworks and whether they would add innovative or useful perspectives. <p>Robust reasoning and logic</p> <p>Advice has a clear purpose, problem definition, evaluation of options against criteria, and assessment of risks and opportunities. We come to a conclusion and give action-oriented recommendations.</p> <p>Evidence-based</p> <p>Analysis is supported by relevant evidence:</p> <ul style="list-style-type: none"> • empirical methods are sound, data gaps are identified and the level of confidence/certainty in our empirical base is explicit • we draw on New Zealand's experience of current and past policy interventions and, where relevant, the experience of other countries, and • we give our best judgement despite data imperfections; we acknowledge information limitations and advise within them. <p>Free and frank</p> <p>Our advice is honest, impartial and politically neutral – we have a duty to alert Ministers to the possible consequences of following particular policies, whether or not such advice accords with Ministers' views. Good free and frank advice is offered with an understanding of its political context and the constraints within which the Minister is operating.</p>	<p>Strategic</p> <ul style="list-style-type: none"> • Advice is set in the context of the <i>Living Standards Framework</i>, the Treasury's outcomes and the Government's broader objectives. • We are explicit about the relative importance and materiality of the issue, in fiscal, economic and strategic terms. • Connections across policy issues are made, ensuring that Ministers receive a whole-of-government perspective. • Advice includes consideration of the long-term implications of decisions • We frame issues and help set the agenda. <p>Practical</p> <ul style="list-style-type: none"> • Advice is strongly focused on achieving results. The results associated with achieving success are clearly articulated. A good understanding is conveyed of what will be required for policy success. • Advice considers opportunities, risks, and management of uncertainty and change. • Issues of implementation, technical feasibility, practicality and timing are considered. • Advice accurately identifies compliance, transitional, legislative, revenue and administrative implications and costs. • Advice identifies measurable indicators of success and sets out a plan for monitoring and evaluation where appropriate. <p>Public sector engagement</p> <p>Ministers receive advice that enables them to engage with their colleagues on a fully informed basis because:</p> <ul style="list-style-type: none"> • thorough and timely consultation with other government departments has occurred and points of difference, and the reasons for these, are set out, and • where possible, advice is developed in conjunction with relevant government agencies. <p>Perspectives of wider stakeholders</p> <ul style="list-style-type: none"> • Where possible, policy advice should be informed by the practical experiences of key stakeholders and by understandings of sector performance. • We understand and advise Ministers on the perspective of groups outside the public sector, consult with key stakeholders, and provide advice on communications where appropriate 	<p>Clear and well-written</p> <p>Advice is compellingly presented. It is:</p> <ul style="list-style-type: none"> • brief and concise – key messages should be readily apparent to the reader • easy to read – has a clear and logical structure, avoids technical jargon and uses visual devices such as charts and tables where possible • pitched to suit the audience – uses appropriate language, style and level of detail • framed in terms of how it fits with previous advice and communications with the 'customer' (often this is the Minister), and • free from errors (including data errors). <p>Timely</p> <p>Advice is timed for when it can have the greatest influence and for when it best helps in the decision-making process (even if it means, at times, that advice is not fully developed). It should indicate when a decision is required (unless there is no deadline).</p> <p>Politically aware</p> <p>Advice:</p> <ul style="list-style-type: none"> • demonstrates awareness of the wider environment and political situation • relates to the perspectives of Ministers, even if suggesting something that tests those perspectives, and • recognises choices and constraints Ministers face, and includes a range of options to address these. <p>Solution-focused</p> <p>We are proactive, anticipating, as well as responding to, Ministers' needs. Advice is action-oriented and suggests a clear way forward ('Here is what you can do' as well as 'Here is a problem') and includes a range of practical options (first best advice, but also second and third).</p> <p>Effective communication</p> <p>We communicate our advice based on how to most effectively engage with the customer, including:</p> <ul style="list-style-type: none"> • the mode of communication (ie, verbal or written), and • the form of advice (eg, written paper or A3).

Quality involves continuous improvement

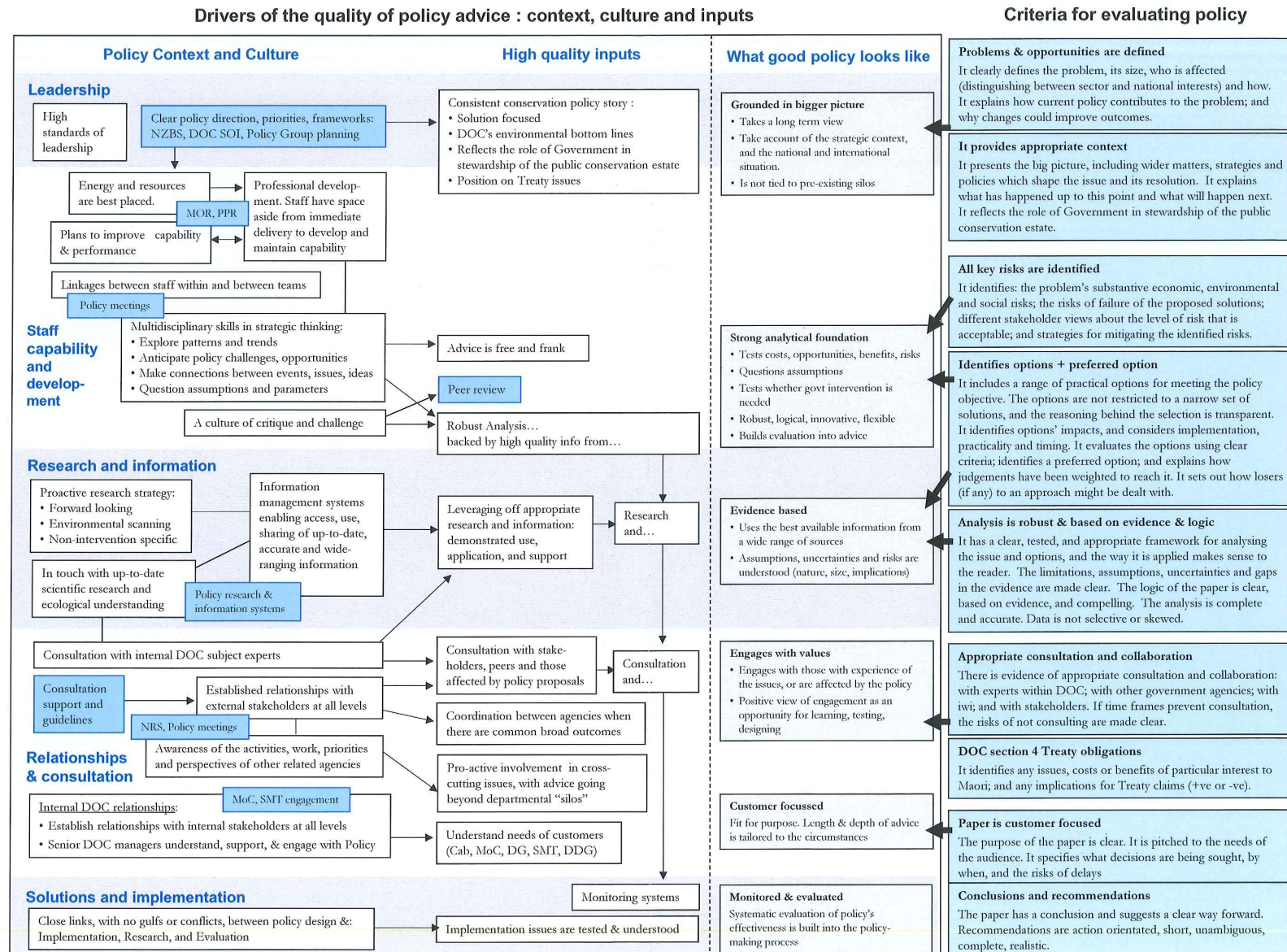
In order to be a learning organisation we need to continually assess:

- Did our advice have an impact? Did it effectively support decision making?
- Did we achieve the result we were seeking? Did we make sound judgements about what would be fit for purpose?
- Would we do anything differently next time? How can we capture and share this learning?

Treasury 243:5744

Sharing our Policy Standards

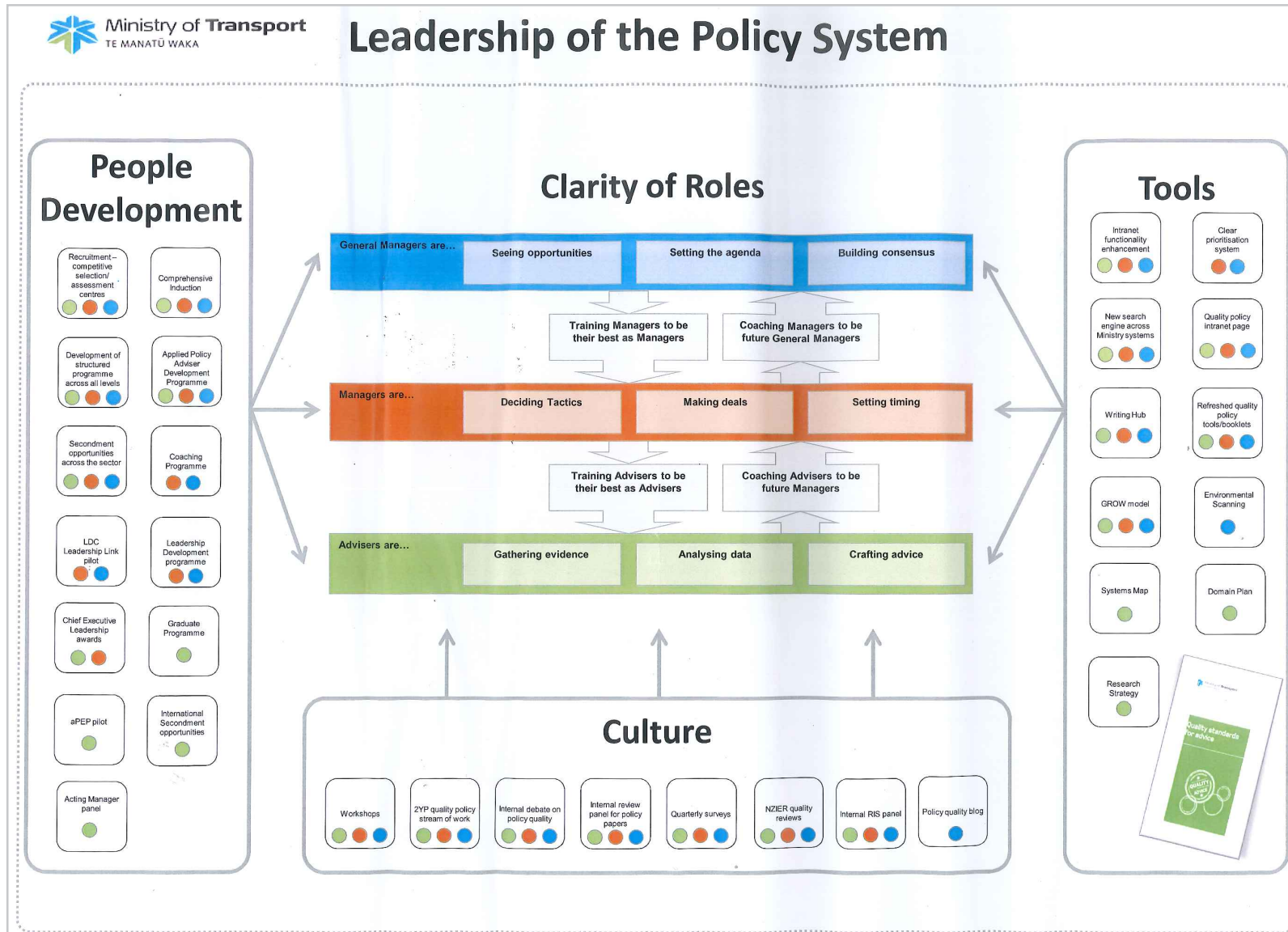
Department of Conservation



Sharing our Policy Standards

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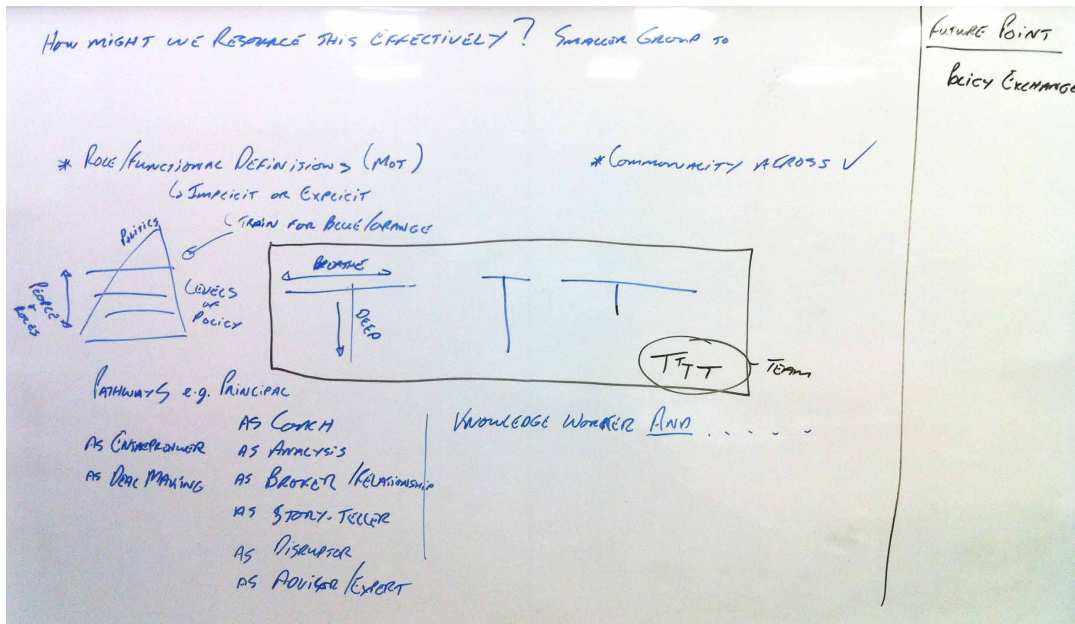
Ministry of Transport



*Contact Sally for supporting material.

What Our Sharing of Standards 'Sparked'

The main topics of conversation sparked through sharing our collateral were:

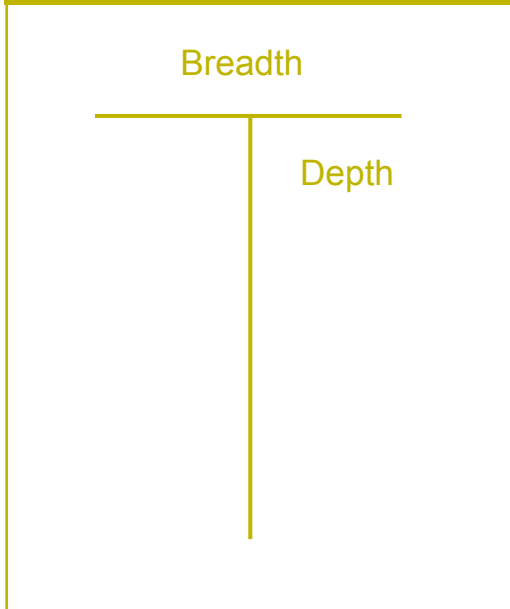


- 1 There is significant commonality across the standards shared.
- 2 There may be new and useful ways to express the differences in roles for the future rather than our standard 'levels' ie. Manager, Advisor, etc and how those roles fit together to create a high-performing policy unit/function. e.g. Deal maker, Broker, Disrupter, Entrepreneur.
- 3 The potential "T" shape of an individual's development i.e. broad and deep

What our Sharing of Standards 'Sparked'

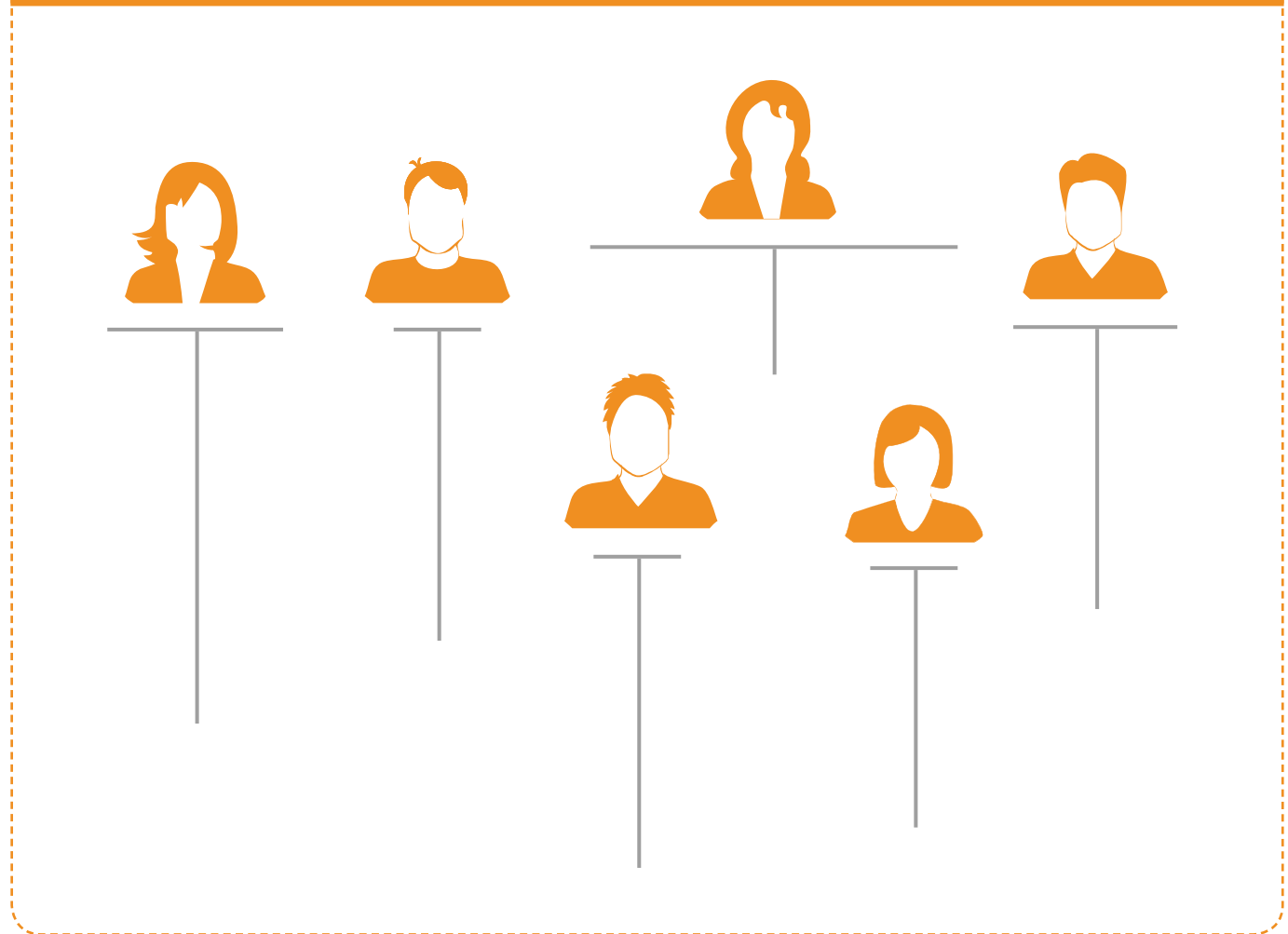
We discussed the need for people in teams that have both breadth of experience and depth of expertise

T-shaped individuals



A T-shaped individual has both a breadth of experience, knowledge and skill, plus deep topic expertise that is continually refreshed.

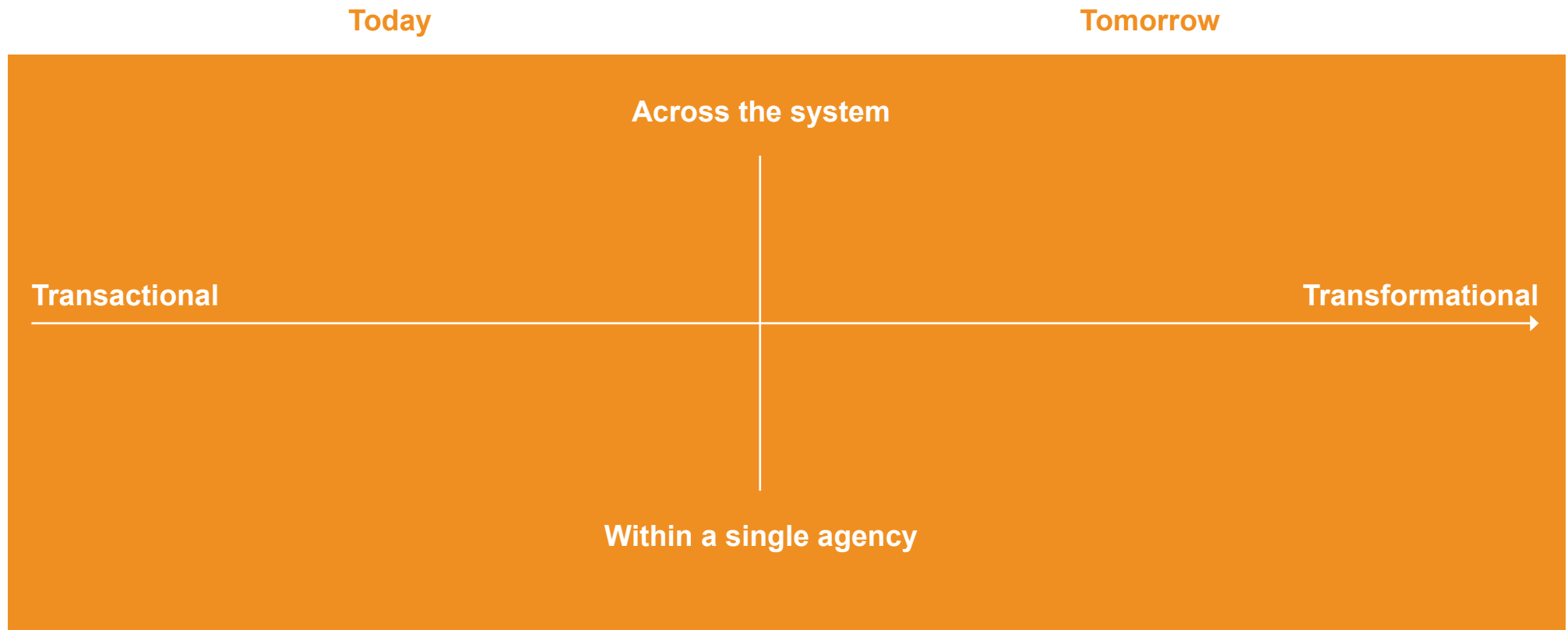
High performing teams have intentional breadth and depth



Emerging Need – Ambidextrous Policy Development

THINKPLACE

We started to discuss what it would take to excel in both the Transactional AND Transformational spaces, within a single agency and across the system to ensure we take care of bread and butter policy work and leave some space for innovation/transformation to shape our future policy options/advice.



We agreed to:

- 1 Extend invitations to any relevant policy quality symposia to the group.

Note: DPMC hopes to host a session with David Halpern (Head of UK Behavioural Insights unit, Chair of “What Works” policy hubs Network Council and former Chief analyst in the UK PM’s Strategy Unit) on 6 June (TBC)
- 2 Let Helen/Sally know about any cross agency groups or activities forming or any initiatives that could be shared around the policy leaders network and/or benefit from some central co-ordination. Indicate topics you would like to discuss with colleagues at future sessions:
 - commissioning and ministerial relationship management?
 - developing strategic policy capability?
 - free and frank advice – pressures and new stewardship expectations?
- 3 Next session: 19 June 3:30 – 5pm at Ministry for the Environment.