

## **SSC responses to technical questions from Public Sector Reform Panel discussion 6/9/18**

### **1. Do you think that these reforms will help to support smaller crown agencies to be able to deliver on their full public value propositions?**

Only three areas of the proposed reforms will potentially impact on some Crown entities. These areas relate to establishing a shared Purpose, Principles and Values; supporting the Crown/Māori relationship; and strengthening the State Services Commissioner's mandate in Ethics and Integrity to set expectations and then to formally direct Crown entities on specific integrity matters.

The organisational reforms relate to departments and other parts of the Public Service, and not to other Crown agencies such as Crown entities.

These reforms will provide a more flexible range of organisational options to enhance the ability of the New Zealand Public Service, including smaller departments, to achieve better outcomes and better services for New Zealanders.

The proposals include:

- **Public Service Executive Boards** – which will support joined-up strategic policy, planning and budgeting around shared outcomes
- **Public Service 'Joint-ventures'** – delivery vehicles enabling a small number of agencies to hold joint resources including assets and staff, and mechanisms to support sustained collaboration by larger numbers of agencies
- **Executive Agencies** – which will support joined-up frontline delivery by many agencies, and
- **Statutory Officers** – which provide the ability to establish new lines of Ministerial accountability for departmental functions without structural change.

This broader set of organisational options will enable us to join up the resources and operations of departments where this is the best way to achieve better outcomes or improved public services.

### **2. What about enabling changes required to the Stats and Privacy Acts?**

Enabling provisions for information sharing between agencies are outside the scope of these reforms.

Our starting point is that the proposed reforms would not, of themselves, require changes to those Acts. However please let us know if you think changes would be required.

### **3. Some entities in the State Sector are designed to be independent of government (e.g. the FMA). How might changes impact on how their independence is defined?**

We wish to consider further whether independent Crown Entities should be included within the definition of the Public Service. We are seeking feedback on the extended scope of the New Zealand Public Service proposed in this paper, and whether there are any problems in how this might operate in practice.

Bringing independent Crown entities like the Financial Markets Authority within the definition of Public Service would apply to independent Crown entities the proposed changes relating to a shared Purpose, Principles and Values, and the Crown/Māori relationship. The proposals will also broaden the scope for the Commissioner to issue instructions and require agencies to follow them on integrity and conduct matters, for those agencies in respect of which the Commissioner can currently set, issue, apply and enforce a Code of Conduct.

Current governance and decision-making responsibilities of Crown entity Boards remain unchanged by the proposal to apply principles and values. We would expect Boards would reflect the Purpose, Principles, and Values in their agency policies and practices together with the expectation of supporting the Crown/Māori relationship.

Only one of the proposals potentially impacts on Crown entity governance. This is the proposal to augment the Commissioner's powers to issue instructions and require agencies to follow them on integrity and conduct matters. Compliance with a code of conduct issued by the Commissioner is already a statutory requirement.

**4. What is the difference between principles and values? There seems to be a great deal of overlap, and it is hard to see what the distinction is.**

The proposed Principles are Political neutrality, free and frank advice, merit selection, openness, stewardship.

The proposed Values are Impartiality, accountability, behave with integrity, respectful and committed to service.

There is some overlap, as Principles and Values are both about establishing expected behaviours. We have established a framework where Principles are expected to underpin institutional behaviours, while Values are expected to drive individual behaviours.

**5. In your view would a legislated overarching constitutional framework make any new public service act more effective**

The relationship between Parliament, Ministers, the Public Service and the public is constitutional. We see the proposed new Aotearoa New Zealand Public Service Act fitting within the current constitutional framework.

We believe this legislation is not changing the constitutional framework and there is no need to have a legislated overarching framework with these proposed reforms.