



Title:	Agenda – Discussion on scope for Public Service Amendment Bill		
Report No:	MoSR 2025-0064		
Date:	3 February 2025	Security Level:	IN CONFIDENCE
Minister and Portfolio:	Hon Judith Collins KC, Minister for the Public Service		

Purpose To support discussions on the scope of amendments to the Public Service Act 2020

Date of meeting 4 February 2025

Proposed agenda You are meeting with officials on 4 February to discuss amendments to the Public Service Act. We have considered what we understand are your objectives and areas of change to meet your priorities. A possible agenda to support this discussion is:

- 1. Clarifying the role of the Public Service, to align with your priorities**
- 2. Streamlining chief executive responsibilities**
- 3. Ensuring support for cross-cutting priorities**
- 4. Improving robustness of chief executive appointments**
- 5. Improving chief executive and agency performance management**

We have attached a more detailed A3 to support this conversation.

We have also attached an updated bid to include the Public Service Amendment Bill on the legislative programme.

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PUBLIC SERVICE AMENDMENT BILL 2025 – DISCUSSION ON SCOPE

OUR UNDERSTANDING OF YOUR OBJECTIVES FOR PUBLIC SERVICE ACT CHANGES

FOCUSING THE PUBLIC SERVICE ON EFFICIENCY AND GOVT PRIORITIES, REMOVING DISTRACTIONS...

You have indicated that you want the Act to emphasise:

- A focus on working in the best interest of New Zealanders, in a timely and cost efficient way, and serving the Government of the day
- Operating in a professional, politically neutral and competent manner, supported by all appointments being made on merit

You have also indicated an interest in streamlining or removing responsibilities where they may distract chief executives from achieving/progressing the above focus areas.

..AND OPERATING IN A PROFESSIONAL, POLITICALLY NEUTRAL AND COMPETENT MANNER

ENSURING SUPPORT FOR CROSS-CUTTING PRIORITIES

You have indicated agencies and chief executives need to work less in siloes to better achieve cross-cutting priorities (e.g. adoption of and investment in digital technology).

MORE ROBUST CHIEF EXECUTIVE APPOINTMENTS

You have expressed some views on the chief executive appointment process, particularly around reappointment and how the appointment process could be more robust.

IMPROVING PERFORMANCE MANAGEMENT

The coalition agreement to amend the Act includes a focus on driving performance. Some options for strengthening performance management of chief executives and agencies have also been considered.

OPTIONS FOR DISCUSSION

1. CLARIFY THE ROLE OF THE PUBLIC SERVICE

Adjust purpose and principles

To emphasise what’s considered important for public servants and the public service e.g. focus on the needs of communities, political neutrality, cost efficiency and value for taxpayers, respect and professionalism.

Elevate core chief executive responsibilities to support Ministers

- Move CE responsibilities to the front of the Act to clarify they are the key mechanisms to give effect to the purpose of the Act
- Place priority on these as ‘principal responsibilities’ for chief executives (distinguish from other responsibilities)
- Refocus these CE responsibilities on supporting Ministers and delivering for New Zealand

Reissue code of conduct

Commissioner can strengthen and reissue the code, increasing emphasis on key areas e.g. political neutrality

Could look at options to strengthen compliance of public servants e.g. setting a standard that code must be part of individual employment agreements (so general employment management options can be implemented for non-compliance).

2. STREAMLINE CHIEF EXECUTIVE RESPONSIBILITIES

Streamline or remove other requirements on chief executives that were added to the Act in 2020

These include CE responsibilities and/or reporting requirements with regards to:

- Giving effect to pay equity claims (s83)
- Having a policy for recognising pay equity and for remuneration decisions to be free from bias (s73)
- Long-term insights briefings (sch6)
- Promoting diversity and inclusion (s75)
- Public Service Leadership Team (s59)
- Building public service capability to engage with Māori and understand Māori perspectives (s14)
- Reporting to Commissioner on capability build in s14 (s15)
- Enabling tools for cross-cutting priorities (see box to right)

Note further advice on implications may be required depending on which provisions you wish to consider removing.

3. UTILISE AND IMPROVE TOOLS TO REDUCE SILOS

Require approval for appointments in key positions (e.g. agency CIOs)

Add provision requiring Commissioner/lead approval for appointment to nominated positions and possible role in performance appraisals.

Setting standards for particular areas (e.g. digital)

Mechanism available under Act for system leads to set system standards for particular areas (e.g. digital) that must be implemented by agencies. Note this mechanism has not been used to date.

Utilise tools under the Act to achieve cross-cutting priorities

Current organisational tools intended to enable cross-system working include:

- joint operational agreements – allow joint operation or investment in an asset
- interdepartmental executive boards (e.g. digital executive board)
- interdepartmental ventures
- system leads

Note that while supporting cross-cutting work, these tools also add complexity to the system if used. An alternative could be to remove some tools if simplification is prioritised over promoting coordination.

4. STANDARDISE AND INCREASE RIGOUR OF CE APPOINTMENT PROCESS

Remove reappointment provisions

To improve contestability of CE roles, by requiring that a full contestable process be conducted each time a fixed-term appointment ends.

Adjust appointment requirements

Remove requirement to consider diversity and inclusion in chief executive appointments (indicated in conversations with the previous Minister for the Public Service’s office)

Appointment of the Government Statistician

Transfer to the Data and Statistics Act 2020 (indicated in conversations with the previous Minister for the Public Service’s office)

5. IMPROVE CE PERFORMANCE MANAGEMENT

Require Commissioner to seek input of appropriate minister in performance reviews

This is current practice but is not specified by legislation

Require Commissioner to develop and publish a framework for chief executive performance reviews

This would include review process and general assessment criteria. Could have a requirement for this to be developed in consultation with the Minister for the Public Service.

Legislate Performance Improvement Reviews (PIRs)

PIRs are an existing mechanism to measure performance of agencies, not currently required in or enabled by legislation.