

PŪRONGO- Ā-TAU



ANNUAL REPORT



Te Kawa Mataaho
Public Service Commission

Mō te mutunga o te tau i te
30 o ngā rā o Pipiri 2022

For the year ended
30 June 2022



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Statement of Representation

I am pleased to present the Annual Report of Te Kawa Mataaho Public Service Commission for the year ended 30 June 2022. This report comprises:

- the Annual Report of the Public Service Commissioner on the operations of the Commissioner, provided under the Public Service Act 2020
- the Annual Report of the Chief Executive on the operations of Te Kawa Mataaho Public Service Commission and its audited financial statements, provided under the Public Finance Act 1989
- the Annual Report of the Chief Executive on the operations of the Social Wellbeing Agency as a Departmental Agency of Te Kawa Mataaho Public Service Commission provided under the Public Finance Act 1989.



Peter Hughes CNZM (he/him)

Te Tumu Whakarae mō Te Kawa Mataaho
Public Service Commissioner | Head of Service

Presented to the House of Representatives pursuant to the Public Finance Act 1989.

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Tā te Kaikōmihana tirohanga

Commissioner's overview

Trust is the foundation upon which the legitimacy of public institutions and a functioning democratic system rest. For this reason, New Zealanders' trust and confidence in the New Zealand Public Service is our pre-eminent measure of success. This annual report describes the work of the past year to ensure that the Public Service continues to be worthy of the high and rising levels of trust that the public place in it.

Research and experience tell us that the most important driver of trust in public services is the experience that people have of the services delivered – they want services that are reliable and responsive.

The Public Service has risen to the challenge of protecting New Zealand against COVID-19 over the last two years, including tremendous work reaching out to communities to promote vaccination against the disease. At the same time, we continue to use the new tools in the Public Service Act 2020 to improve the reliability of public services and responsiveness to the needs of New Zealanders. This report includes multiple examples of the new ways we are working that bring separate agencies together to solve complex challenges in service delivery and policy making.

We must ensure that the public can trust we use public resources efficiently and effectively. The New Zealand Public Service delivers value for money. Relevant measures of government effectiveness suggest that New Zealand is one of the best performing public services in the world and that, per capita, general government expenditure is much lower here than in comparable overseas administrations.

Efficiency and effectiveness will be further enhanced by the new forms of system leadership we have put in place over the past year. The Public Service Act 2020 enables me to designate Public Service secretaries as system leaders to lead and coordinate best practice in particular areas across the Public Service. Seven have been designated in the past year; for example, in areas where a high standard of performance is required across the Public Service and where efficiencies can be gained from coordination or common approaches across agencies.

Trust is also built by how we behave – the integrity and motivation of public servants is a driver of trust. And public services that are seen to be fair, transparent, and honest will also be trusted. At the end of 2021, we released data from Te Taunaki, the first-ever Public Service Census, which gave us evidence of the motivations that public servants bring to their work. It has also given us a broader picture of the diversity within the New Zealand Public Service. For the first time, we have information from all public servants about disabilities, languages spoken, iwi affiliations, religions, sexual orientation and gender identities.

We have expanded our work to ensure that standards of integrity are clear and visible, and a highlight of the year was the enactment of the Protected Disclosures (Protection of Whistleblowers) Act 2022. This Act will ensure that people who have witnessed wrongdoings can report their concerns easily, and with protection.

We have kept our ongoing focus on transparency and open government, continuing to drive improvements in compliance with the Official Information Act 1982. I know we can go even further to develop public participation in service and policy design. In June, I released our first long-term insights briefing that discusses the issues surrounding public participation in government, some of the barriers we face as a system and how we can better develop our capability to engage with citizens in new and innovative ways.

As Te Tumu Whakarae mō Te Kawa Mataaho | Public Service Commissioner and Head of Service, my job is to lead the Public Service to deliver better outcomes and services that meet the changing needs and priorities of New Zealanders. I am proud to lead a Public Service that holds this mission at the centre of everything it does and the thousands of public service employees who bring a spirit of service to their work every single day.

I want to thank all public servants for their hard work and service to New Zealanders, and for their contribution to the results set out in this the 2021/22 Te Kawa Mataaho Public Service Commission Annual Report.

Te ngākau pono ki te Ratonga Tūmatanui

Trust in our Public Service

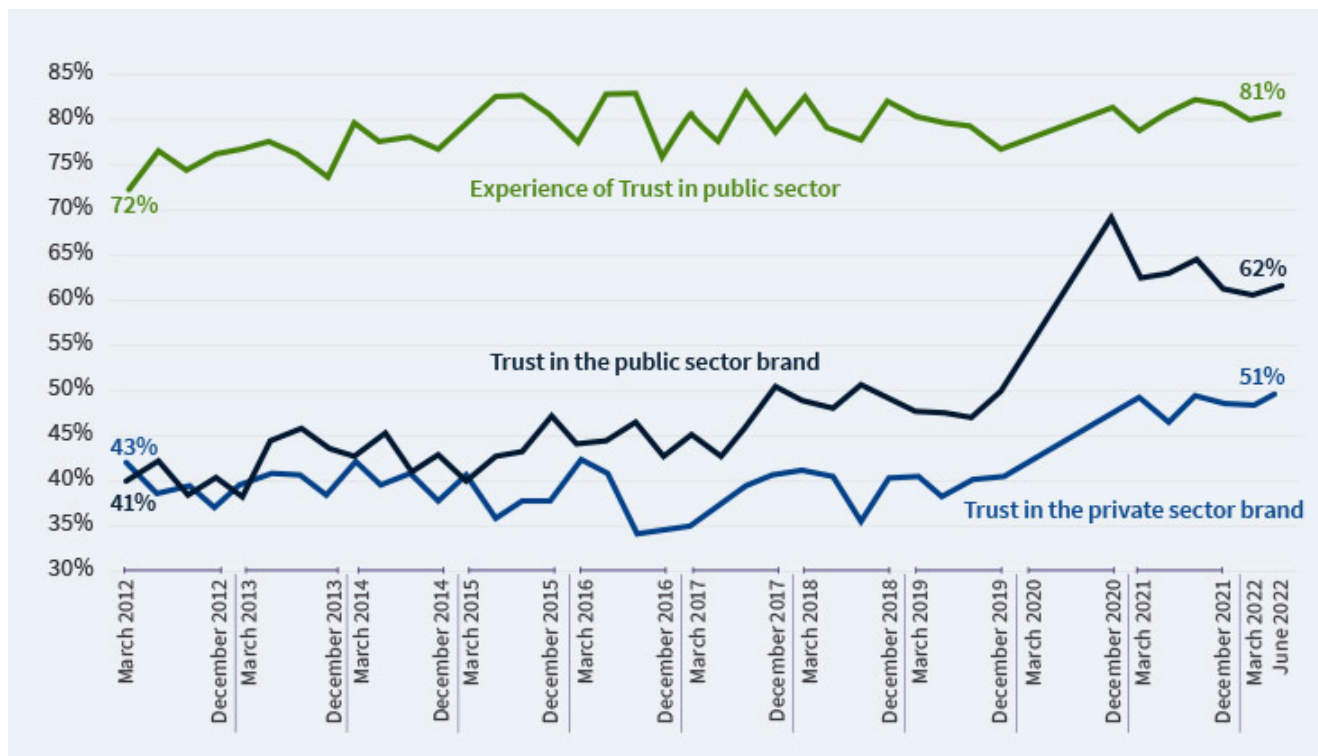
This section studies the state of trust in the New Zealand Public Service and looks at actions that the Public Service is taking to maintain and build that trust. We examine what is known about trust in the Public Service based on the relevant measures and examines the drivers of trust, such as:

- the experiences that people have of the services delivered, including their reliability and responsiveness
- the integrity and motivation of public servants (behaviours and services that are seen as fair, transparent, and honest)
- the ability of the public and communities to be involved in the work of government.

Trust in the Public Service has been trending up for 10+ years

Every three months, through the [Kiwis Count](#) survey, Te Kawa Mataaho asks 1,000 people from around New Zealand if they trust the Public Service and, if so, why. The level of trust has been regularly measured since 2012, and over that time, it has shown a long-term upward trend. The same survey also asks whether people trust the government organisation they had a recent interaction with to do the right thing. For many years, the level of trust based on personal experience with a service has remained high (about 80 percent).

Figure 1.1: Trust in public services and public/private brand by quarter, March 2012 to June 2022

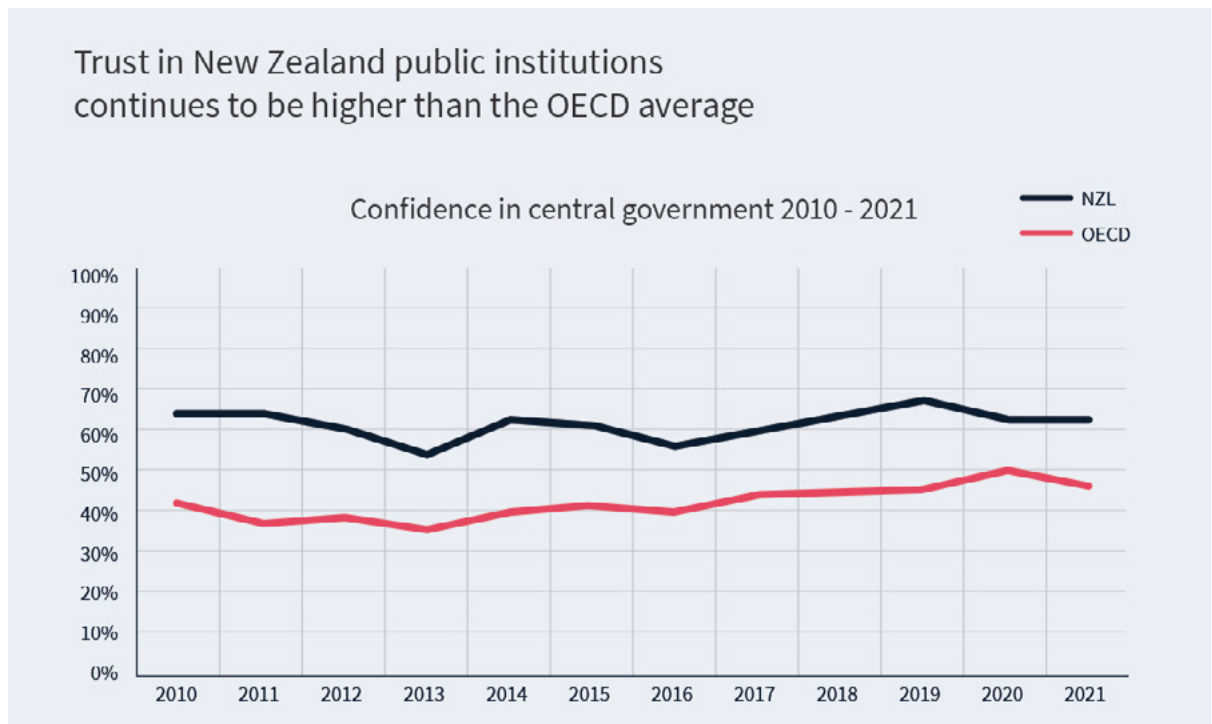


Source: Kiwis Count | Te Kawa Mataaho Public Service Commission

New Zealand is a world leader in public trust

Compared with other Organisation for Economic Co-operation and Development (OECD) countries, New Zealand had maintained a stable and high public trust in central government over the past 10 years. As part of an [ongoing programme of work supporting trust in government](#), the OECD has selected New Zealand for a country study due to our track record of high trust and our exceptional COVID-19 response. Country studies provide an in-depth analysis of the main drivers of public trust in the country, helping the country understand and improve that trust. Previous studies have been done on Finland, Norway, South Korea and Brazil.

Figure 1.2: Percentage of trust in New Zealand's public institutions compared with OECD average, 2010–2021



Source: OECD, Government at a Glance 2022 dataset.



Responsive and reliable services

The most important driver of trust in public services is the experience that people have of the services delivered – people want services that are reliable and responsive. There are some direct measures of responsiveness, including the Kiwis Count results discussed above, and New Zealand performs comparatively well on these measures.

In 2019, the International Civil Service Effectiveness (InCiSE) Index ranked New Zealand second behind the United Kingdom in terms of civil/public service effectiveness. This index was created by Blavatnik School of Government at the University of Oxford. It compares different countries for civil or public service effectiveness, including capabilities.

2022 [OECD Building Trust to Reinforce Democracy](#) research, on the drivers of trust, showed New Zealand scoring above the OECD average on: perceptions of responsiveness to complaints; confidence that public agencies will adopt innovative ideas and preparedness for the next pandemic. However, there is room for improvement. For example, New Zealand scored lower than the OECD average on satisfaction with the health and education systems.

The Public Service Act 2020 is an important enabler of greater responsiveness and reliability. The Act reinforces important behavioural expectations of the Public Service and public servants. It is founded on the spirit of service to the community and declares responsiveness to people's needs and aspirations to be a core Public Service value.

Sections 3 to 7 of this annual report address ways in which the Public Service is giving effect to the Act to further improve responsiveness and reliability. These sections cover the new system leadership arrangements, and new organisational forms, that are bringing the Public Service together to work as single system for New Zealand.

The Act specifically obliges the Public Service to support the Crown in its relationships with Māori – a key element in responsiveness in the New Zealand context. Our work on diversity and inclusion is improving the extent to which the Public Service is reflective of, and able to

engage with, all the diverse communities that make up New Zealand. And our workforce strategies are working towards flexibility in moving people and their skills to where they are most needed.

Integrity

Public servants need to be trustworthy and professional and work with integrity. Te Kawa Mataaho sets the standards of integrity and conduct that apply to agencies in the public sector. The standards require all public servants to be fair, making sure they treat people with respect and work to make services accessible for everyone.

New Zealand consistently scores very highly on international comparisons and indices of integrity. The [2020 World Economic Forum Global Competitiveness Report](#) ranked New Zealand third for ensuring public institutions embed strong governance principles, building a long-term vision and establishing trust by serving its citizens.

Perceived levels of corruption around the world are measured by Transparency International, an independent, non-governmental, not-for-profit organisation. In their most recent [2021 corruption perceptions index](#), for the third year in a row, New Zealand tied for first as the least corrupt country. In the 20 years that the index has been compiled, the lowest rank New Zealand has ever held is third. New Zealand has scored or tied for the top position 14 times.

In April 2022, we launched [He Aratohu](#), which sets out the minimum expectations for integrity and conduct in the Public Service. He Aratohu is an easily accessible online guide that contains key resources to help public servants navigate issues of conduct and integrity.

In October 2021, the Commissioner issued a [Code of Conduct for Directors of Public Finance Act 1989 Schedule 4A Companies](#). Given the high profile and important roles directors undertake, the code helps them achieve public transparency and accountability and build confidence in the public sector.

All public sector organisations are made up of people, and people sometimes make mistakes or fail to live up to the ethical standards of behaviour expected of them. Our role is to

ensure that serious lapses are brought to light and investigated, with a view to ensuring that they won't happen again.

In May 2022, we saw the passing of the [Protected Disclosures \(Protection of Whistleblowers\) Act 2022](#), to come into effect on 1 July 2022. The new Act extends the definition of serious misconduct, makes it easier to disclose serious wrongdoings in an organisation and clarifies the protections for disclosers. As part of the implementation of the new Act, we are updating our [Speaking Up in the Public Sector](#) model standards. These standards set out expectations on agencies for developing a culture that supports staff to raise concerns or report any form of wrongdoing and to be protected when doing so.

We initiated one formal investigation last year under the Public Service Act 2020. The investigation is being undertaken by Ms Belinda Clark, QSO, who was asked to independently review Fire and Emergency New Zealand's workplace culture and complaint handling practices. The Commissioner issued a certificate under schedule 3, clause 8 of the Public Service Act, providing that certain provisions in the Inquiries Act 2013 apply to the investigation. Ms Clark is expected to complete her review by November 2022.



Transparency and active citizenship

Maintaining an open and transparent government is one key way to enable active citizenship: encouraging citizens to participate in the work of government and in the decision-making processes that affect their lives. Access to information is critical to enabling that participation. This makes a positive contribution to trust in government.

Since 2016, we have been reporting data on Official Information Act (OIA) compliance, alongside the Ombudsman, who reports complaints data. Greater transparency in this area has led to improvement. In that five-year period, there has been overall improvement in OIA requests being completed on time (despite a 90 percent increase in the volume of requests). In June 2016, 91.1 percent of OIAs had been completed on time, but since January 2019, the completion rate has been consistently over 97 percent.

In the 2021/22 year, agencies responded to 97.1 percent of requests within legislated timeframes. Agencies collectively completed 56,294 requests, a 6 percent increase in volume on the previous year, and over 40 percent more than 2019/20.

The agencies' performance has held up against this increase in volumes. Agencies responded to 97.5 percent of requests on time in 2020/21 – 97.2 percent of requests in July- December 2020, and 97.8 percent between January-June 2021.

Over the past year, we have reviewed the OIA information being published by agencies and have expanded that information for the June 2022 release to include a wider range of measures around the use of extensions, transfers, refusals, and average time to respond. This data shows that only 8.5 percent of requests were subject to an extension beyond 20 working days, and the average time to respond was under 13 days.

As part of our leadership role in OIA practices and proactive releases of information, we have been working with the Ombudsman to educate agencies. In the past year, we held seven joint events with 949 attendees from 99 different agencies.

We also work with agencies and civil society on open government and active citizenship through the [Open Government Partnership](#). This is an international collaboration between governments committed to expanded open government and public participation.

We also finalised the third National Action Plan (2018–21) and End-of-term Self-assessment (November 2021), which is published on the [Open Government Partnership New Zealand website](#). Some notable achievements included the School Leavers Toolkit, tools and guidance on community engagement, and the work carried out by Stats NZ and Transparency International New Zealand (TLNZ) on government algorithmic transparency. Work is underway to develop the fourth National Action Plan. This will cover the period from 1 January 2023 to 31 December 2024. This plan is due for completion by 31 December 2022.

In June 2022, we completed our first [long-term insights briefing](#), which is focused on the role that public participation in government can play as a contributor to building trust in government and effective public services. Long-term insights briefings are required by the Public Service Act 2020 and are an opportunity for all departments to look ahead and identify key challenges that may face them in the future in serving New Zealand. Our long-term insights briefing looks at how the Public Service can become more open to public involvement in decision making and more skilled in inviting and responding to public participation. We regard this as an important part of maintaining and building public trust in the Public Service.

TE HOROPAKI | CASE STUDY 1

MBIE: lifting digital capabilities of small businesses, including throughout COVID-19

Demonstrating the Open Government Partnership New Zealand priorities to boost access to information and citizen engagement, the Ministry of Business, Innovation and Employment's (MBIE) Small Business Collective won the 2021 Service Excellence Award.

Business Connect and the Digital Boost programme are initiatives of MBIE's Small Business Collective that enable improved access to government services and a more customer-centric experience.

Through collaboration, mahi tahi and agility, the Collective moved at pace through the COVID-19 response to deliver information, support and services to help New Zealand small business owners. These strategic programmes helped accelerate initial recovery, and are enabling longer-term small business resilience with a focus on lifting digital capabilities.

MBIE's Ross van der Schyff (General Manager, Business & Consumer – Te Whakatairanga Service Delivery) said the Small Business

Collective highlighted support for the principles of Open Government by engaging with citizens to build solutions that provided business owners with easier access to government information across agency boundaries.

"This is a great example of government agencies working together and being responsive to the needs of NZ's small business community – citizens are at the centre of this work," Ross said.

"By providing the support that NZ small businesses asked for, this work helped lift the digital capabilities of 50K+ people in only an 18-month period.



From MBIE's Te Whakatairanga Service Delivery team (from left) Malcolm Luey, Piri Rurawhe, Lisa Casagrande, Suzanne Stewart, Eric Janse van Rensburg, Dee Millar, Amanda Wayman, Philippa Day, Shelley Campbell, Ross van der Schyff, and Emmy Snow

“Supporting small businesses to recover from COVID-19 and thrive is vital to the future wellbeing of NZ, both economically and socially.

“We want New Zealand to have the most digitally-engaged small business sector in the world, so we’re committed to supporting more small business owners to digitally transform their operating models.”

MBIE launched the small business Digital Boost programme at the end of 2020. It was designed in partnership with industry experts to ensure it meets the needs of small business owners. Post COVID, Digital Boost is focused on supporting more small business owners to realise the benefits of digitising their business (including making greater use of digital tools and adopting digital processes). Digital Boost has also generated plenty of attention with the 2021 launch of the Digital Boost Alliance Aotearoa.

The Business Connect online platform initiative involves 16 different agencies (including MBIE, Manatū Hauora | Ministry of Health, Te Mana Ārai o Aotearoa | New Zealand Customs Service and the Manawātū District Council) working together to address the challenges identified by small businesses in managing government licences and permits. They applied a customer-first approach and an understanding of small businesses and the people running them. Business Connect quickly pivoted from its planned trajectory to rapidly stand-up several services in response to COVID-19, including the Business Travel Register. Now, business customers enjoy a consistent, faster, and more transparent experience in dealing with councils and government agencies in one place when applying for, managing and renewing licences, permits and registrations.

“

Supporting small businesses to recover from COVID-19 and thrive is vital to the future wellbeing of NZ, both economically and socially.”

Te Ārahi i te Ratonga Tūmatanui

Leading across the Public Service

The New Zealand Public Service works on an operating model that is both highly devolved and highly aligned. It is highly devolved because departmental secretaries are in control of their agencies, subject to the direction of Ministers. It is highly aligned because systems are in place to ensure that the organisations of the Public Service work together, where needed, to deliver better outcomes and services for New Zealand. At the level of the Public Service as a whole, this model requires sophisticated forms of leadership – both of each agency and in terms of coordinating and aligning work across agencies. In the future, this will become increasingly important, as the Public Service responds to demographic, digital, social, and cultural changes affecting New Zealand.

Public Service Leadership Team

Under the Public Service Act 2020, the Public Service Commissioner convenes Te Ohu Tumu Whakarae i te Ratonga Tūmatanui | Public Service Leadership Team (PSLT). PSLT is made up of departmental secretaries and chief executives of agencies. As a group, PSLT carries the prime responsibility for system alignment by ensuring the Public Service takes a joined up approach to major issues.

Since the 2020 Public Service Act reform, a priority has been developing the role and team culture of PSLT. The value of this was quickly evident through the COVID-19 experience, where it supported rapid and innovative delivery across systems. This has continued over the past year. PSLT now delivers stronger strategic leadership for a more effective and cohesive Public Service.

Where needed, PSLT ensures that all agencies take a unified approach to an issue or issues. For example, adopting a common approach to building positive workplace cultures across Public Service workplaces. This role of aligning around common approaches will be critical to the success of the new system leads that are discussed below.

PSLT also sponsors innovative ways of working on key issues. In the past year, PSLT established

a working group to define strategic priorities and consider how agencies can better align on key issues, such as climate change.

We support PSLT to achieve its goals through quarterly retreats, fortnightly PSLT meetings for sharing context, a focus on priorities across the Public Service and opportunities to learn and grow through a series of workshops and masterclasses run over the year.

These workshops and masterclasses are led by one or a group of PSLT members who have experience and a level of mastery in a particular area. Through these short, focused events, chief executives can share their particular expertise and experience with their colleagues and reflect on their own personal learning to support each other on common challenges. The events present opportunities for exploring practical ways to achieve common objectives, with the focus on collaboration and enabling connection, cooperation, and practical application.

Some of the topics covered over the year include the application of Te Tiriti o Waitangi in a post-settlement era, successful business transformation, creating a fundamentally different revenue system and capturing lessons from the COVID-19 response and applying those lessons to other Public Service system issues.

In the words of Gaye Searancke, Secretary for Land Information and Chief Executive Toitū Te Whenua | Land Information New Zealand:

“Big IT and transformation projects are hard – Naomi’s insights gave me confidence, and I could apply her reflections from the end of IRD’s project to my current challenges.”

New departmental secretaries need to be able to work in the context of PSLT and the system operating model. Our appointment processes have evolved to place a conscious and deliberate emphasis on identifying candidates who have the competencies necessary to be system leaders. In the year in review, we also piloted ways of making our processes more accessible. In the context of the appointment process for the new Whaikaha | Ministry of Disabled People, we provided the position description in Braille and easy-read formats and used New Zealand Sign Language and disabled people's networks to disseminate information. Across the year, there were four chief executive appointments, two reappointments, 10 acting appointments and four active recruitment processes at the end of the year.

System leads

The Public Service Act 2020 provides for the Public Service Commissioner to designate any Public Service secretary as a system leader, to lead and coordinate best practice in a particular subject matter area across the whole or part of the Public Service.

The last year has seen the first formal designation of system leads under the Act, with leads designated for regional alignment, property, procurement, digital, data, information security and service transformation. The aims of the system leads are to build a Public Service where:

- there is commonality in Public Service workplaces, where multiple agencies are co-located in open, modern, technology enabled environments, and these workplaces are managed as a single portfolio for the government as a whole
- suppliers of goods and services across government are managed more consistently and systematically, driving better outcomes for New Zealand from our collective purchasing, and we have the cross-agency procurement data necessary to manage relationships with our suppliers effectively
- agencies share common digital platforms, including data platforms, which are managed as system assets and support the sharing of information and collaborative working across agency boundaries

- a system view is taken of the data necessary to support effective decision making and drive improved outcomes, and agencies collect and store this data in line with centrally determined requirements and standards (including in relation to information security)
- government services are more efficient and accessible to New Zealanders, and integrated where this makes sense.

Some of these roles are new – the Commissioner and Chief Executive, Inland Revenue Department has been designated as system leader for service transformation based on that department's recent experience with business transformation, and the Chief Executive for Social Development has been designated as the system lead for regional public services (discussed below).

Others build on existing work that leads had undertaken before their formal designation under the Act. These include the property and procurement lead, the Government Chief Digital Officer, the Government Chief Data Steward, and the Government Chief Information Security Officer.

These system leaders will drive greater efficiency, alignment, and impact across the areas they are responsible for by prioritising investment, coordinating advice, and ensuring a whole-of-system approach is taken across each area.

The next step is to advise Cabinet on detailed mandates for each system lead, with a view to requiring greater involvement of the system leader in certain decisions and requiring agencies to operate within settings decided by the system leader in some circumstances.

Regional leadership

The Public Service continues to be committed to improving connection and coordination across agencies at a regional level to ensure we are acting collaboratively around communities' needs and strengths and collectively achieving better wellbeing outcomes for New Zealanders.

Last year, Cabinet agreed to strengthen the regional system leadership framework for the Public Service, which included expanding the scope and mandate of regional Public Service leads by designating them as Regional Public Service Commissioners (RPSCs). Cabinet also agreed to designate the Secretary for Social Development as the system lead for regional public services under the Public Service Act 2020. These enhancements to the regional system leadership framework aim to encourage regions to work more cohesively across the social, economic, skills and workforce, and environmental sectors.

Over the last year, the RPSCs have strengthened regional system leadership in these sectors by working together to coordinate the Public Service in the planning and delivery of regional outcomes and ensure there is cross-region alignment and national level input where needed. They have also supported the Public Service to work cohesively and in collaboration with key regional stakeholders, iwi, and local government to achieve outcomes for communities.

The impact of a unified regional Public Service and the success of the regional leadership model was particularly evident in the collective response to COVID-19. Successful delivery of the locally led responses under the COVID-19 Protection Framework (traffic lights system) required considerable coordination of efforts and resources. RPSCs were instrumental in activating action and building trusted relationships. Their efforts included leading the Public Service contribution to the Care in the Community (CiC) welfare response. Through the success of the CiC and wider COVID response, the RPSCs have demonstrated the critical role they play in driving regionally enabled, nationally supported approaches to achieve community wellbeing outcomes.

The success of regional Public Service alignment and leadership over the last year has also seen an acceleration in collective Public Service activities in the regions, beyond the COVID response. An example of this has

been the development of regional leadership groups (RLGs) to align the Public Service with iwi, local government, and community leaders to cohesively manage the approach to challenges presented in their communities.

Crown entities

Statutory Crown entities make up a big part of government service delivery. They are responsible for approximately 39 percent of central government expenditure, 46 percent of central government assets and 74 percent of the central government workforce. Services provided by statutory Crown entities touch the lives of New Zealanders every day, and the public can expect similar standards of integrity and conduct from Crown entities as from core government departments.

Under the Public Service Act 2020, Crown entities are treated as part of the Public Service, sharing the Public Service purpose, principles, and values. A wider group of Crown entities are subject to minimum standards and guidance on integrity and standards issued by the Public Service Commissioner under the Act. This includes a code of conduct for Crown entity board members, issued as a minimum standard. In addition, the statutory Crown entities must either give effect to, or have regard to, Government Workforce Policy Statements (Workforce Policies) issued under the Act.

In October 2021, we established the Crown Entity Resource Centre (CERC) to work at the system level in supporting Crown entity performance, appointments, governance, and monitoring.

Since the CERC was established, we have worked to support the Crown entity system and strengthen the CERC's engagement with Crown entities and other relevant agencies. This includes coordinating reference groups of senior officials from monitoring departments that support Ministers with advice on Crown entity performance and appointments and a discussion forum with senior Crown entity staff. We also continue to coordinate the cross-agency officials' Monitoring, Appointments and Governance Network (MAGNet).

TE HOROPAKI CASE STUDY 2

Understanding the past, enriching its present and meeting future challenges

A valued Crown entity, Te Papa Tongarewa | Museum of New Zealand creates a place where Aotearoa New Zealand can understand its past, enrich its present and meet the challenges of the future.



Members of Te Papa's Board (from left) Cameron Harland, Andy Lowe, Prof. Jacinta Ruru (Raukawa, Ngāti Ranginui), Hon. Dame Fran Wilde (Chair), Prof. Dame Juliet Gerrard, and James Daniels (Te Arawa, Tūwharetoa, Tainui, Ngāi Tahu). Absent are Caren Rangī and Jacki Lloyd



The board considers it vital to continue to lift the organisation to a new level of delivery and outreach, moving towards being a truly Tiriti-based organisation that provides a platform for all cultures and communities.”

Te Papa is an excellent example of governance that is reinvigorating the organisation. In the past three years, the Board has taken a considered approach to fulfilling Te Papa's role as a forum for the nation. It has led a major programme to turn around Te Papa – reinvigorating its bicultural Kaupapa, increasing staff engagement, enhancing relationships with key stakeholders (including iwi, public agencies and the science community), and strengthening Te Papa's international reputation as an exemplar of contemporary museum practice.

In 2019, a refreshed Board membership and new chair led to the appointment of a new Tumu Whakarae | Chief Executive to work in partnership with the incumbent Kaihautu, strengthening the way in which the leadership model had been working. The Board wants transformational change and has worked to enable and model this – internally with kaimahi, externally with stakeholders and partners across the motu, as well as for the people of Aotearoa. Internationally, the Board challenges the museum's leadership to continue to push the boundaries to create a new post-colonial model of museology.

The board considers it vital to continue to lift the organisation to a new level of delivery and outreach, moving towards being a truly Tiriti-based organisation that provides a platform for all cultures and communities.

In recognition of their achievements, Te Papa Tongarewa was awarded the 2021 Leadership in Governance Award.

Te whakahaere ki ngā otinga | Organising around outcomes

The core role of the Public Service is to deliver high-quality services and support current and successive governments to improve outcomes for New Zealand and New Zealanders. As a permanent institution that continues across parliamentary terms, we support governments to pursue the long-term public interest and act as good stewards of public resources. This ensures that the needs of current and future generations can be met, and that New Zealand is well-placed to respond to future challenges as these arise.

In this section we describe the Public Service's ongoing support for the Government's COVID-19 response, which highlights the importance of a responsive and capable Public Service in responding to emerging issues. And we describe the work that the Public Service Commission and the wider Public Service have been doing to ensure that agencies are working together on key long-term issues, and that the institutional arrangements that we have in place to deliver core services remain fit-for-purpose into the future.

COVID-19

The Public Service is at the centre of the Government's COVID-19 response and recovery efforts. And right across the Public Service, up and down the country, public servants have worked extremely hard to keep New Zealanders safe and supported during the pandemic.

The Public Service has stepped up to:

- run managed isolation and quarantine (MIQ) facilities
- roll out the vaccination programme
- support contact tracing
- manage the border
- provide welfare assistance to people and businesses affected by the economic impact of COVID-19
- provide information and support for communities and New Zealanders overseas.

TE HOROPAKI CASE STUDY 3

Health sector response to COVID-19

The overall health sector response to COVID-19 delivered exceptional outcomes for New Zealanders under extraordinarily challenging and unique circumstances. This was an outstanding example of team effort across the health sector, delivered at pace and under immense pressure.

Even before COVID-19 was declared a pandemic, the Ministry of Health (MoH) was keeping an eye on what was happening globally, and leading the public health-focussed response, advising the government on the best plan for Aotearoa to keep whānau and communities safe. During the pandemic work has ranged from policy and health advice to training the health sector along with the procurement of new resources. Key workstreams have included developing a nation-wide vaccination programme, crafting key messages and campaigns that resonate with different population demographics and creating purpose-built technology which allowed New Zealanders to support the response through the COVID-19 tracing app.

COVID-19 also saw the Ministry work even more closely with the country's 12 Public Health Units and other government agencies to ensure a joined up approach on delivering clear public health advice about the virus and to provide services to each community and the thousands of returning New Zealanders.

MoH was the joint winner of the 2021 Better Outcomes Award and Prime Minister's Award. Congratulations to MoH, and all the agencies that make up the New Zealand health and disability sector.



MoH team (from left) John Whaanga (DDG Māori Health Directorate), Sue Gordon (DCE COVID-19 Health System Response), Shayne Hunter (DDG Data & Digital), Maree Roberts (DDG Strategy, Policy & Legislation), and Dr Ashley Bloomfield (DG Health)

As noted previously, PSLT has played a key role in the Public Service response to COVID-19. The major priority over the past year has been ensuring that the lessons of COVID-19, and the new ways of working that emerged, become the way the public sector operates as a matter of course.

As system leader, Te Kawa Mataaho has led several workstreams to support the Public Service in delivering this critical work.

In June 2021, the Commissioner established a small COVID-19 response and recovery team. A Deputy Commissioner within Te Kawa Mataaho was appointed to provide a single point of leadership for our role in supporting Public Service chief executives to lead their agencies and the Public Service in the government's response to COVID-19. This Te Kawa Mataaho work programme has focused on three key areas – building resilience and sustainability, ensuring agile support for agencies and the system, and building trust and confidence in the Public Service.

Moving into the second year of COVID-19, it was clear that building greater resilience and sustainability was necessary to ensure the Public Service response would be durable. Many chief executives were operating in a seven-day-a-week response mode due to urgent requirements for policy advice, cross-system coordination, and operational delivery. To provide support for wellbeing and mitigate risks, we introduced a Key Role Alternate model for the chief executives of the core COVID-19 response agencies. This model proved successful and has now been wrapped into the wider chief executive wellbeing package.

We focused on connecting across agencies and providing support and guidance on emerging issues. We saw that the impacts of the ongoing COVID-19 response were being experienced differently across the Public Service workforce. Some agencies experienced a reduction in business-as-usual demand given the government's

prioritisation of the COVID-19 response, while others were stretched to capacity and experienced even more demand for information and support.

A key contribution came from the Workforce Mobility Hub (the hub), which is hosted by Te Kawa Mataaho. The hub was established in December 2020 to help agencies deal with critical workforce needs, specifically the need to resource key areas of work and risk during the COVID-19 pandemic. During the Delta outbreak of COVID-19, the hub filled a range of essential roles (including senior managers, programme managers and exemptions processing staff). More detail on the work of the Hub is provided later in this report.

The workforce impacts of COVID-19 also required a range of guidance following a consistent approach. We responded by providing regular workforce guidance on COVID-19 settings, vaccination requirements in the workplace, pay restraints and working from home arrangements.

We recognised the importance of publicly acknowledging the enormous pressures COVID-19 put on our public servants and their efforts

to address issues as they arose. We used our social media platforms to highlight the Public Services response to the outbreak, outlining how agencies were working together to protect the borders, roll out the health response and keep essential services running.

Interdepartmental Executive Boards

The Public Service Act 2020 introduced several new models to support joined-up working around outcomes. The Interdepartmental Executive Board (IEB) model is designed to help chief executives work collectively on complex issues that cannot be solved by a single agency. The model can be used to achieve greater alignment in strategic policy, planning and budgeting. Board members are jointly responsible to a lead Minister for the IEB's functions.

Two IEBs were established in 2020/21. As a key component of New Zealand's COVID-19 response, the Border Executive Board was set up to ensure there is an integrated and effective border for New Zealand. Likewise, the Strategic Planning Board is integral to the

TE HOROPAKI CASE STUDY 4

COVID-19 Border Response

The overall border response to COVID-19 truly exemplifies a unified Public Service. Tens of thousands of public servants across multiple agencies went above and beyond the expectations of their everyday roles to stand up the border response and keep New Zealanders safe.



(From left) Morag Ingram (Border Executive Board/Department of Internal Affairs), Craig Chitty (Customs), Christine Stevenson (Customs), Peter Mersi (Ministry of Transport), Megan Main (Ministry of Business, Immigration and Employment) and Stephen Waugh (Customs)

Government's resource management reforms. Its role is to lead the development of new Strategic Planning legislation.

Two more IEBs were established in the past year. Both answer the need for a coherent, joint approach to driving key strategic work across multiple agencies.

Executive Board for the Elimination of Family Violence and Sexual Violence

Since 2018, Cabinet has acknowledged that responses to family violence and sexual violence do not fit neatly into an individual agency's responsibilities and need a broader approach. A joint venture arrangement was put in place to bring agencies together, but a greater level of coordination was needed. This year, the joint venture was replaced by an IEB to strengthen chief executives' commitment in leading collective action to deliver Te Aorerekura (the new national strategy to eliminate family and sexual violence, including the establishment of enduring tāngata whenua advisory arrangements). Members of the Executive Board

for the Elimination of Family Violence and Sexual Violence are jointly answerable to the Minister for the Prevention of Family and Sexual Violence for the Board's functions.

Climate Change Chief Executives Board

Until this year, coordination of climate change policy across government has been the responsibility of the Cabinet-mandated Climate Change Chief Executives Board, which operated on an ad hoc basis. That board has now been established as an IEB with a clearer set of responsibilities. The board's role is to coordinate implementation monitoring and report New Zealand's first emissions reduction plan. It will also be responsible for providing advice on progress against the cross-agency actions and strategies set out in the plan for achieving our first emissions budget and contributing to global efforts to limit the global temperature rise to 1.5°C above pre-industrial levels. Board members are jointly answerable to the Prime Minister for the board's functions.

Outside of the lockdowns, a team of 25,000 border, transport and health sector workers carried the load to keep New Zealand safe, working through the Alert Levels and COVID-19 Protection Framework.

This team is a mix of public and private sector workers. They include policy analysts, stevedores, lawyers, bus drivers, hotel staff, cleaners, nurses, harbour pilots, and flight attendants. They worked together to ensure 140,000 New Zealanders could return to their families and communities, stood up new services, issued and implemented many health orders, and developed new technologies.

The team of 25,000, COVID-19 Border Response, was the joint winner of the 2021 Better Outcomes Award and Prime Minister's Award. Congratulations to the New Zealand Customs Service, Aviation Security Service, Civil Aviation Authority of New Zealand, New Zealand Defence Force, Maritime New Zealand, Ministry of Business, Innovation and Employment, Ministry of Foreign Affairs and Trade, Ministry for Primary Industries, and Te Manatū Waka | Ministry of Transport.

Organisational changes for outcomes

We are the government's lead advisor on organisational change in the Public Service. Having the right agencies, properly structured and with the right roles and functions, is integral to any government's ability to deliver on its programme. Our advice this year has contributed to:

- major change to the organisation of the health system, with 20 district health boards (DHBs) and Te Hiringa Hauora | Health Promotion Agency being disestablished and Te Whatu Ora | Health New Zealand and Te Aka Whai Ora | Māori Health Authority being established
- the creation of Whaikaha | Ministry of Disabled People
- the establishment of the Ministry for Ethnic Communities in response to the recommendations of the Royal Commission of Inquiry into the 2019 terrorist attack on Christchurch masjidain
- plans for a new public media entity, to ensure New Zealanders continue to have access to reliable, trusted, independent information and local content
- the introduction of a new grocery commissioner to hold the supermarket industry to account and ramp up competition
- the development of legislative proposals for an Inspector-General of Defence (IGD) to provide independent oversight of the New Zealand Defence Force, as a result of concerns raised during the inquiry into Operation Burnham and related matters
- the disestablishment of Te Kāhui Whakamana Rua Tekau mā Iwa | Pike River Recovery Agency
- the appointment of our country's first Aged Care Commissioner.





Te tautoko i te Karauna i tana hononga me te Māori | Supporting the Crown in its relationship with Māori

As recognised in the Public Service Act 2020, the Public Service plays an important role in supporting the Crown in its relationship with Māori under Te Tiriti o Waitangi | Treaty of Waitangi. In this role, Te Kawa Mataaho has continued to work closely with Te Arawhiti and Te Puni Kōkiri in leading a whole-of-system approach to strengthen the capability of the Public Service to support the Crown's priorities. These priorities are to improve services and outcomes for Māori, better engage with Māori and understand Māori perspectives. In this journey, we have led several initiatives including:

- leading work for the Government on implementing the new Public Service Act 2020, including reflecting Māori Crown relationship requirements in all chief executive recruitment and performance expectations
- supporting the development of Māori public servants into senior leadership roles by establishing development programmes, such as the Māori Emerging Leaders Programme
- incorporating Māori Crown capabilities into common core development for Public Service leaders
- encouraging agencies to develop Māori capability plans under the Whāinga Amorangi: Transforming Leadership Framework, and then supporting Te Arawhiti to review and assess those plans. Amongst this work, we also supported the increase in visibility and use of te reo Māori across the Public Service in accordance with obligations set by [Maihi Karauna](#), the Crown's strategy for revitalising te reo Māori.

We have also supported the Public Service to provide robust and consistent advice on Māori Crown arrangements for system design and machinery of government changes.

We also appointed a second statutory Deputy Public Service Commissioner in October 2021. This role includes a specific focus on strengthening the system to support the Crown in its relationships with Māori.

In late 2020, Te Hapai Ō, an independent advisory committee, was established under section 50 of the Public Service Act 2020. This committee continues to provide advice to the Commissioner and Deputy Public Service Commissioner on implementing the Act with a view to:

- improving services and outcomes for and with Māori
- developing and building mutually beneficial relationships with Māori
- strengthening the leadership, culture, and capability of the Public Service.

Through our [Te Taunaki | Public Service Census](#), we found that, in relation to Māori Crown relationships, understanding Māori perspectives and engaging with Māori:

- 67 percent of respondents agree that Public Service leaders are showing a commitment to strengthening relationships between Māori and the Crown
- 73 percent of public servants value their knowledge of te reo Māori and want to grow it
- 65 percent feel they are encouraged to use te reo Māori
- 69 percent understand their agency's Tiriti responsibilities
- 65 percent are encouraged and supported to engage with Māori.

We are continuing to support agencies to grow and align approaches across the Public Service to engage with Māori, understand Māori perspectives and enhance and recognise Māori Crown capabilities. Agencies are using their individual results to inform implementation of their Whāinga Amorangi: Transforming Leadership Framework plans.

The information from Te Taunaki is also used at a system level. For example, Te Taura Whiri i te Reo Māori is using the results to support the implementation of Maihi Karauna.

TE HOROPAKI CASE STUDY 5

Preserving and protecting taonga through digital initiatives

For over a decade, Ngāi Tahu Archive and Archives New Zealand | Te Rua Mahara o te Kāwanatanga have built a collaborative partnership in Ōtautahi | Christchurch to preserve, protect and make accessible taonga of significance to Ngāi Tahu through digital initiatives.



“We have to be the primary proprietors of our own heritage and identity, so this relocation was an important step in our development.”



The sharing of knowledge between the institutions has made archival taonga more accessible for New Zealanders to learn about the history of Te Waipounamu and Aotearoa and will remain accessible for future generations. This partnership is an example of a lived, tangible experience of strengthening Māori Crown relationships, and provides a positive and inspiring model for other Crown agencies and iwi to make a difference for the people they serve.

A new co-location arrangement in 2020 brought the two teams closer together with Ngāi Tahu leasing storage and staff workspace in the world-class Archives New Zealand building in Wigram. The co-location signals a deepening of the relationship and an opportunity to share knowledge and collaborate in new ways.

Tā Tipene O'Regan, chair of Te Pae Korako (the Ngāi Tahu Archive governance group) said: "If Ngāi Tahu want to be a tribal nation, if we truly want to own ourselves, we have to own our own memory".

"We have to be the primary proprietors of our own heritage and identity, so this relocation was an important step in our development," Tā Tipene said.

To recognise this partnership, Ngāi Tahu Archive and Archives New Zealand won the 2021 Māori Crown Relationships Award.



(From left) From Te Rua Mahara o te Kāwanatanga, Stephen Clarke and Joanna Condon, Hugh Karena (Department of Internal Affairs), Tā Tipene O'Regan (Chair of Te Pae Korako), Puamiria Parata-Goodall (Te Pae Korako), Rosie Ballantyne (Te Rua Mahara o te Kāwanatanga), and Takerei Norton (Te Rūnanga o Ngāi Tahu)

He Ratonga Tūmatanui kanorau, tuwhera ki te katoa | A diverse and inclusive Public Service

To ensure responsiveness to all New Zealand communities, it is important that New Zealand's Public Service reflects and understands the society it serves. This is a component of building the capability to provide better services and outcomes to New Zealanders and is a responsibility of Public Service departments under the Public Service Act 2020.

Over the past five years, Te Kawa Mataaho and [Papa Pounamu](#) have taken a deliberate approach to increase diversity and inclusion across the Public Service. Our focused efforts are working, with our workforce more diverse than ever before. Our senior ranks have gender equity and are becoming more diverse, and new recruits are more ethnically diverse than the existing workforce. Through Te Taunaki, we also know that 82 percent of public servants feel they can be themselves at work.

Figure 2.1: Diversity in the Public Service workforce

	NZ working-age population	Whole of Public Service	Tiers 1–3	Comment
Women	51%	62%	53.5%	The percentage of women in the top three tiers remains high – up from 39.8% in 2010.
Māori	14.5%	16.4%	13.5%	The percentage of Māori in the Public Service is up from 15.9% in June 2020, and the number of Māori in tiers 1–3 has almost doubled since 2016.
Asian	15.4%	12.5%	2.9%	Asian representation in the Public Service as a whole is up from 11.6% in June 2020. However, we have more work to do to increase Asian representation among our senior leaders.
Pacific peoples	6.8%	10.2%	4.3%	Pacific peoples' representation at tiers 1–3 has increased since 2020 and has more than doubled over the last five years.
MELAA	1.3%	1.8%	0.8%	

*MELAA = Middle Eastern, Latin American, and African ethnicities.

Sources: The New Zealand working-age population is from the Household Labour Force Survey as of June 2021 quarter, Stats NZ; the whole of Public Service data is from Public Service Workforce data as of 30 June 2021.

Te Taunaki gave us better information on public servants' faiths, disabilities, and identification with the Rainbow community over the last year. It provided insights into the experiences of diverse groups, including the strengths that they bring and the challenges they face. For example, nearly one-quarter of respondents (24 percent) said they could have a conversation about a lot of everyday things in at least one second language, with a total of 134 different languages covered. This is a powerful enabler for the Public Service providing responsive services to New Zealanders.

The results also showed that most people in the Public Service (82 percent) feel able to be themselves when they go to work. Most people (78 percent) think their agency is providing an environment that supports inclusion. To know that so many of our public servants feel included at work was encouraging, but we want this to be the experience for all our people.

In this baseline year, we found there wasn't a strong link between feelings of inclusion and factors such as religion, migrant status, qualification level or caring responsibilities. But results also showed that having a mental health condition, being a disabled employee or belonging to the Rainbow community were linked to lower levels of sense of inclusion. Responses from Māori, Pacific peoples and smaller ethnic communities also tended to indicate lower levels of sense of inclusion. With respect to gender, results showed that men tended to experience higher inclusion than women or people of multiple/other genders.

Many people (72 percent) said they had access to employee-led networks that were relevant to them. Access was higher for some groups, including the Rainbow community, Pacific peoples, and women.

Smaller ethnic communities tended to feel more valued for the range of cultural expertise they bring to their job. Those belonging to less dominant European ethnicities felt the least valued for this expertise, while Asian and Pacific ethnicities felt the most valued.

System initiatives

Our Public Service Act 2020 recognises the importance of diversity and inclusion. The Act sets out explicit expectations on Public Service leaders to promote and foster inclusion and ensure our workforce is diverse and reflects the makeup of society. We have had a dedicated diversity and inclusion programme across the Public Service since 2017 that has made a significant difference. This is leader-led through Papa Pounamu, who have set five priority areas that Public Service leaders have agreed to make mandatory in their agencies (cultural competence, addressing bias, inclusive leadership, building relationships and, employee-led networks).

We are continuing to improve the way we work across the Public Service on issues of diversity and inclusion. Last December, we published our first ever system-wide report. This provides transparency on the progress the Public Service is making with our diversity and inclusion efforts, and also helps us focus on the areas we need to do more. This was in response to recommendations from the Royal Commission of Inquiry into the 2019 terrorist attack on Christchurch masjidain.

As a result of this report, we have focused on improving planning, reporting and collaboration across the system. We are ensuring that:

- there is visibility and accountability of work agencies are doing to improve diversity and inclusion. This includes the expectation that agencies have diversity and inclusion plans and the requirement that they report in their annual reports on their progress against the Papa Pounamu priorities. We have worked with The Treasury on guidance for how agencies cover diversity and inclusion in their annual reports to ensure that this is consistent. We then use this information for the Papa Pounamu system-wide report.

- there are resources and expertise available, and that agencies are supported to collaborate and share experiences and good practice. This has included creating a resource hub designed to help agencies achieve the Papa Pounamu-related training commitments. It includes free-to-use resources and online modules on a range of topics including addressing bias through Mana Āki, inclusiveness for including Rainbow communities, and more. It is a dynamic space and will continue to be improved. Alongside this we have developed a network of diversity and inclusion executive leads who have been tasked by their chief executives to influence diversity and inclusion decision making at leadership tables. They support chief executives individually and collectively to meet diversity and inclusion expectations and commitments but, more importantly, can work collaboratively across the system to support our diversity and inclusion goals.

Pay equity

A further aspect of building inclusivity is addressing historical disparities in the remuneration of men and women. The Public Service Act 2020 gives us responsibilities for coordinating and overseeing the pay equity settlement process in the Public Services. We have established a dedicated pay equity taskforce, which provides expert advice to Ministers and guidance on pay equity claims and the pay equity process. The taskforce is a trusted point of contact for pay equity matters for unions, employers, and the public, providing free education, support, and bespoke training on request.

Pay equity means that even if two jobs look very different, if they require the same or similar levels of skill, responsibility, experience, and effort, they should be paid the same. Pay equity settlements are powerful vehicles for closing gender and Māori, Pacific and other ethnicities pay gaps (particularly for low-paid female-dominated workforces).

In 2022, three pay-equity claims had been successfully settled as of 15 July – two in the education sector for school administrators and kaiārahi i te reo and one in the health sector for clerical and administration workers in our 20 DHBs. There is another pay equity claim, for community social workers in five non-governmental organisations, which has now reached an in-principle agreement and is awaiting ratification by employees to formally settle.

In late 2021, the pay equity taskforce launched Te Orowaru, a pay equity work assessment tool that the taskforce designed in collaboration with unions and employer representatives. It is the first tool to recognise the unique status of tangata whenua in New Zealand and value skills in te ao Māori. This is integral to ensuring that the work of Māori is valued fairly. The tool is being used in current pay equity claims and has generated a lot of interest around how it can assist in fairly valuing all work.

Gender and Māori, Pacific and other ethnicities pay gaps

To create truly inclusive employment and workplaces, the Public Service must address gender, Māori Pacific and ethnic pay gaps. Over the past three years, we've seen a strong commitment to closing gender pay gaps, with all agencies implementing the Public Service Gender Pay Gap Action Plan 2018–20. Agencies have made great progress. The Public Service gender pay gap is now at its lowest level, having fallen from 12.2 percent in 2018 to 8.6 percent in 2021. Māori, Pacific and Asian pay gaps also fell over this same period.

- The Māori pay gap fell from 11.2 percent in 2018 to 8.3 percent in 2021
- The Pacific pay gap fell from 21.6 percent 2018 to 17.9 percent in 2021
- The Asian pay gap fell from 12.6 percent in 2018 to 11.6 percent in 2021.

Figure 2.2: Gender Pay Gap in the Public Service

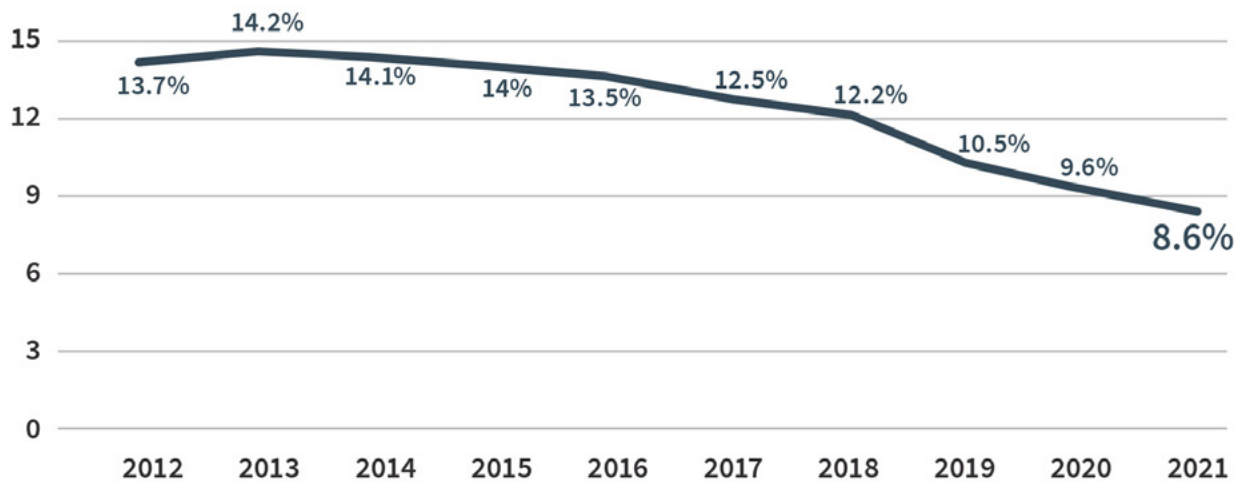
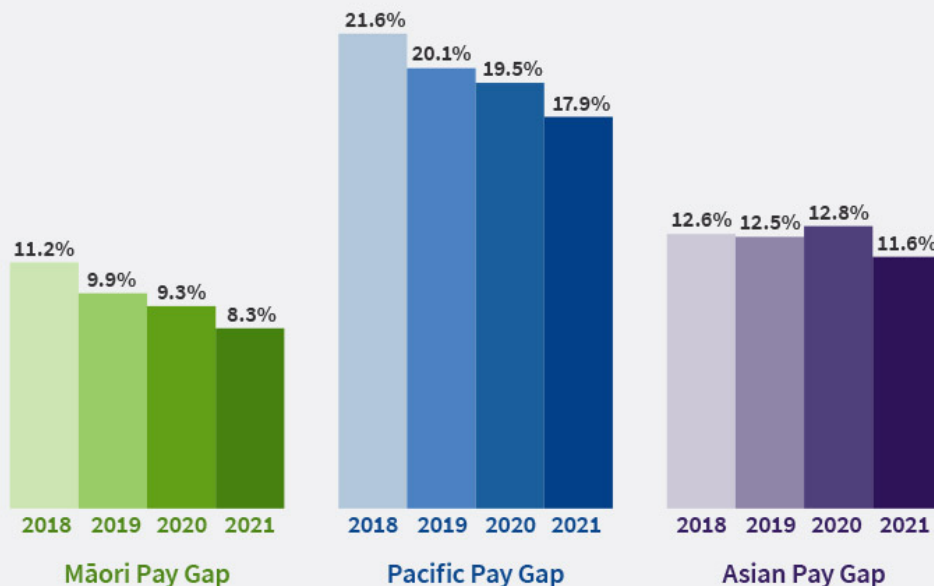


Figure 2.3: Pay gaps by ethnicity in the Public Service (Māori, Pacific and Asian People), 2018-2021



It is good to see this progress. However, women continue to be paid less on average than men in every ethnic group, and pay gaps for Māori, Pacific and women of other less dominant ethnicities are wider than they are for European women. We know more must be done to close all pay gaps.

On 15 November 2021, we launched Kia Toipoto: Public Service Action Plan 2021–24, in partnership with the Te Pūkenga Here Tikanga Mahi | Public Service Association (PSA), Manatū Wāhine | Ministry for Women, Te Puni Kōkiri | Ministry of Māori Development, Te Tari Mātāwaka | Ministry for Ethnic Communities, and Te Manatū mō ngā Iwi o Te Moana-nui-ā-Kiwa | Ministry for Pacific Peoples.

The three-year goals of Kia Toipoto are to:

- make substantial progress towards closing gender and Māori, Pacific and other ethnicities pay gaps
- accelerate progress for wāhine Māori, Pacific women, and women from other ethnic communities
- create fairer workplaces for all, including disabled people and members of the Rainbow community.

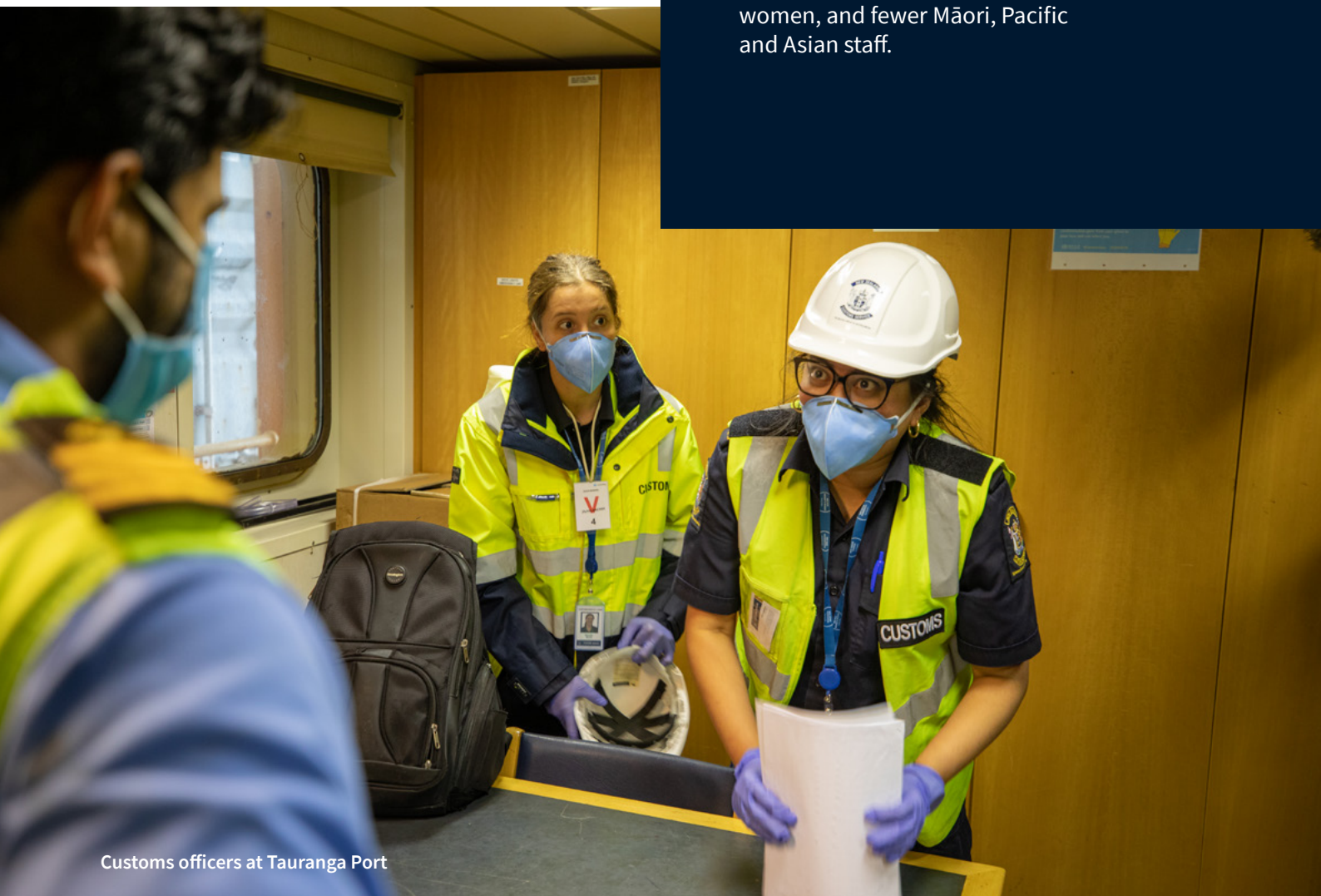
Kia Toipoto sets a series of milestones for agencies and Crown entities that address the drivers of pay gaps. To support agencies and entities to meet these milestones, Te Whakapiri, a working group of the Kia Toipoto partners, has released guidance and held workshops on how to:

- remove gender, ethnicity, and other biases from starting salaries
- ensure gender, ethnicity or other forms of bias are not influencing pay for the same or similar roles
- increase diversity within workforces and leaderships
- We have also released tailored guidance and held workshops on how small agencies and Crown entities can meet the Kia Toipoto milestones.

TE HOROPAKI CASE STUDY 6

Building diversity and leadership pipelines through attraction, recruitment, and career development

For many years, intakes and the leadership of Te Mana Ārai o Aotearoa | New Zealand Customs Service had more men than women, and fewer Māori, Pacific and Asian staff.



Customs officers at Tauranga Port

Vertical segregation has been a significant driver of Customs' gender, Māori and ethnic pay gaps, arising from its long tenure and history. For the larger (80.4%) operational workforce in Customs, people mostly join at the lower ranks of the organisation, and develop their leadership skills as they grow their capability.

Attraction, recruitment, and career progression

Customs now deliberately attracts and selects a more balanced mix of women and men, and increasing numbers of Māori, Pacific and employees from ethnic communities. Over time, this will feed through the organisation to improve representation at all levels, and reduce vertical segregation.

The percentage of women in senior leadership roles was 34.8% in August 2021. The target is to be at, or higher than, 40% by December 2023. The plan to increase gender representation in Tiers 2 and 3 is the same approach that Customs is taking across all levels of the organisation: to improve diversity through attraction, recruitment, promotion, and career development initiatives.

Initiatives focused on increasing diversity and encouraging the development of women within all roles (including leadership roles), include:

- A requirement to shortlist a minimum of 50% women for all roles
- Active support for specific development programmes i.e., speed mentoring
- Close monitoring of acting and secondment opportunities
- Changes to parental leave policies, i.e.
 - » splitting the return-to-work payment, so some are paid immediately on return
 - » maintaining leave accrual
 - » carrying over previous performance rating, so progression is not interrupted
- Key performance indicators for managers to develop their staff, ensuring all employees have active development plans.

Customs has also expanded its talent management process.

Customs consults with/engages with employees and unions on diversity and equity initiatives.



Customs now deliberately attracts and selects a more balanced mix of women and men, and increasing numbers of Māori, Pacific and employees from ethnic communities.”

Rautaki ohumahi | Workforce strategy

Supporting and strengthening our workforce is an important stewardship responsibility for the Public Service Commissioner. Our ambition is to build a high performing Public Service that is joined-up, unified, mobile, and adaptive.

The Public Service Act 2020 gives us the tools to strengthen the Public Service workforce. Our non-legislative work programme is focused on ensuring Public Service agencies can ‘fly in formation’, have a greater ability to work together, and support greater mobility – so we have the right people working on the right things at the right time.

Attracting, recruiting, developing, and supporting people to move easily around the Public Service is how we are building a modern and agile workforce, now and into the future. Building positive workplace cultures and collecting data to understand our people, our workplace and culture will ensure we remain connected to how public servants are experiencing their work and identify areas for improvement so we can serve New Zealanders better.

Attracting and retaining credible and capable public servants by having fair and equitable terms and conditions of employment and ensuring the government continues to receive high quality employment relations advice remains an important part of our Workforce Strategy. Alongside this is a focus on having an exemplar employment relations system to reduce disputes and improve engagement.

Developing our leaders is a legislative responsibility for the Commissioner. Our PSLT and leaders in Public Service Leaders Group roles remain a focus for the Commissioner. Ensuring they are supported in their development and continue to lead effectively remains a priority for the Commissioner.

Continuing to deliver across all aspects of our Workforce strategy is how we will support and strengthen our workforce and ensuring we are building a workforce that continues to deliver on Government priorities and delivering services for New Zealanders.

Agile and mobile workforce

How we attract, recruit, induct, and support careers in the Public Service is vital to retaining people and ensuring they have a challenging and fulfilling experience as a public servant.

Supporting greater mobility and building common approaches helps ensure individuals and agencies can build the careers people want and deliver the work needed.

The successful mobilisation of critical resources during COVID-19 demonstrated the value of a joined-up approach to Public Service delivery. During the Delta outbreak of COVID-19, a range of critical roles were filled by the Workforce Mobility Hub (hosted by Te Kawa Mataaho), including senior managers, programme managers, support staff and exemptions processing staff. From 1 July 2021 to 30 June 2022, 1,440 public servants were made available by agencies across the Public Service and 823 of those were successfully deployed. This included 574 contact tracers being sourced and deployed within two days.

The Workforce Mobility Hub is now working with Public Service agencies to determine what a permanent mobility model could look like. This includes how best to:

- articulate and identify workforce needs
- maintain a balance between a reactive response, emergent needs, and proactive deployment
- how mobility is best supported digitally.

Ultimately, tools like this can unlock the potential for the Public Service to mobilise quickly and collectively in response to a wide range of known, and as-yet-unknown, challenges – such a capability contributes to improved outcomes for New Zealanders. This sort of approach to shared workforce issues also presents opportunities to enable public servants’ career development, leadership exchange, and efficiency in support services managing the Public Service workforce.

Ensuring people can move easily between agencies relies on employees’ employment terms and conditions having a degree of commonality. We have been working with agencies and unions to build greater alignment across our employment agreements.

We have started to look for ways to better attract, recruit and induct people into the Public Service. This includes a specific focus on recognising the aims and aspirations of Māori staff by gaining an understanding of the aspirations Māori have. We are aiming to have a wider and more diverse attraction and recruitment approach and build common and core capabilities, particularly in te reo Māori so that we continue to have a workforce that reflects the communities we serve.

TE HOROPAKI CASE STUDY 7

Modelling contingent collaboration for government

The question of how agencies can work together has been central to the field of public administration for several decades.



Eleanor Merton and Rodney Scott



We think the important question isn't 'what works?' but rather 'what works, when?' said Eleanor. "There is no such thing as universal best practice."

In 2022, we were excited to see the release of a new book from Te Kawa Mataaho colleagues Professor Rodney Scott and Eleanor Merton, titled *Contingent Collaboration: When to Use Which Models for Joined-up Government*.

Rodney is our Chief Policy Advisor, and Professor of Public Administration at the University of New South Wales. Eleanor is a Policy Analyst and doctoral candidate at the University of Queensland.

There have been many different recommendations on how to make joined-up government work.

Through this publication, Rodney and Eleanor aim to help practitioners sort through the many options for collaborative practices, to help them figure out what approach might work best for their specific problem and context.

"We think the important question isn't 'what works?' but rather 'what works, when?' said Eleanor. "There is no such thing as universal best practice."

Rodney said, in 2017, a team of public servants began looking at dozens of examples from the last 20 years of practice in New Zealand. "We combined those lessons and insights into a framework where practitioners can answer a series of questions about their problem context and select from 18 archetypal models for things like governance structures, strategy setting, decision-rights, and funding arrangements."

Positive workplace culture

Our aim is that all public servants thrive in their roles and feel that they can bring their whole self to work. Knowing and understanding the needs and experiences of public servants is critical to being able to put the right conditions and supports in place.

Te Taunaki has provided baseline data on the state of workplace culture in the Public Service.

For example:

- 72 percent of public servants find it easy to work with other colleagues in other agencies to achieve good outcomes
- 78 percent have a high degree of trust in their colleagues to do what's right
- on average, people had slightly more attachment to their agency (63 percent), than to the Public Service as a whole (58 percent). This is evidence of a growing self-identification of public servants as members of a single service.

Collecting data through Te Taunaki over the coming years will support us maintain an up-to-date view of our Public Service workforce and provides us with the evidence to effectively manage and continue supporting our workforce.

In 2019, the Commissioner issued standards on Positive and Safe Workplaces. Work since then has focused on supporting the Public Service to implement and operate the standards.

Over the past year we have noted an increase in agency efforts to create a workplace that is inclusive, diverse, and safe for all staff. This is particularly seen in agencies evaluating their workplaces to assess effectiveness of work programmes and to better understand staff engagement and experiences.

The work dovetails with the activities of the chief executive's group on diversity and inclusion, Papa Pounamu. Their diversity and inclusion focus areas – building cultural competency, addressing bias, inclusive leadership, building relationships, and supporting employee-led networks – all work together to support positive workplace cultures and inclusion.

Te Kawa Mataaho now has a programme of events and awards that highlight and celebrate exemplars of how the Public Service should work to serve New Zealand.

Te Hāpai Hāpori | Spirit of Service Awards were able to proceed in 2021 despite ongoing COVID-19 impacts, through a virtual event on 24 November 2021.

Te Rā Ratonga Tūmatanui | Public Service Day Awards recognise public servants who exemplify a spirit of service and are making a real difference through their everyday work for New Zealand or New Zealanders. In 2021, the Te Tohu Ratonga Tūmatanui o Aotearoa | New Zealand Public Service Medal was awarded to 10 public servants who demonstrated an outstanding commitment to New Zealand and were exemplary as a model for other Public Service employees.

In 2021, Te Tohu Amorangi a Te Kawa Mataaho | Public Service Commissioner's Commendation for Frontline Excellence was awarded to 12 individual public servants for outstanding spirit of service shown by a public servant. This Commendation for Service celebrates public servants who have served 30, 40 or 50 years in the New Zealand Public Service. In the last financial year, 212 certificates were issued across 19 Public Service departments.

Employment relations

Having a modern and progressive employment relations environment supports the Public Service to have the right conditions and agreements, both now and for the future. Te Kawa Mataaho has responsibility and oversight of employment relations in the Public Service, departments to exercise the delegations passed to their chief executives by the Commissioner.

We work with agencies and unions and provide advice to Government on employment relations, we provide agencies with policies and guidance, and we support the Government to issue expectations for employment relations practice to all departments and other public sector organisations.

We built on our work to date on common approaches to workforce and employment issues, focusing on the following two areas of policy:

- in August 2021, we issued the new Government Workforce Policy Statement and Pay Guidance. This helped ensure that recent pay movements have been proportionately higher for lower paid workforces, and band movements are being designed by agencies to close the gap between lowest and highest rates of pay.
- we updated the [COVID-19 Public Sector Workforce Guidelines](#) to reflect changing Alert Levels and settings (and then the COVID-19 Protection Framework). This supported the public sector to respond to workforce needs, and the Public Service continued to adapt ways of working in line with public health advice and changing restrictions.

In addition to pay guidance, we continued work with union and Public Service agency partners to develop common and consistent conditions of employment that will enable a more unified workforce. Developing and implementing common and consistent conditions also supports the New Zealand Public Service to be an exemplary employer, able to attract and retain a highly capable workforce reflective of the diversity of Aotearoa.

Continuing to work with agencies and unions to ensure the Public Service workforce has fair and equitable terms and conditions will remain a focus for us in coming years.

Greater consistency of conditions goes to fairness – that those in similar roles will have similar employment conditions. Greater consistency of processes and practices enables the interoperability needed to achieve the vision of a unified and mobile Public Service. Additionally, consistency in approach to workforce issues enhances system readiness to respond to operational or service delivery demands regardless of the agency or community in which those demands arise.

Developing our leaders

We continue to develop senior leaders with the capabilities to understand and practice the leadership characteristics needed in a unified Public Service. Through Te Pae Aramahi | Career Boards, we identify and develop senior leaders. This includes a focus on moving our leaders across the system to gain experience in different settings.

A feature of the year in review is the closer connection between the PSLT and Te Pae Turuki | Public Service Leaders Group (PSLG). This sees the PSLT, the secretaries and chief executives of departments, taking a more direct and energetic role in the development of the leaders in PSLG roles. The PSLT engaged with PSLG throughout the year, through the bi-monthly e-newsletter Whakapakari and through the annual Leaders' Summit (held online due to COVID-19). Chief executives in PSLT hosted their PSLG members as they listened to discussions on strategic context and government priorities from the Deputy Prime Minister and Minister for the Public Service.

We have also prioritised the development of leaders from underrepresented groups:

Through the Career Boards, we have:

- supported more leaders from underrepresented groups to access development opportunities outside their agencies and broadened the talent pool for future senior leaders
- increased system level visibility of leaders with an initial focus on ethnicity
- deepened our understanding of leaders from underrepresented groups, and their aims, challenges and aspirations through Te Taunaki, and engagements with leaders and LDC fellows.

Celebrating cultural diversity as a Korean New Zealander

A portrait of a young woman with dark hair, smiling, wearing a black blazer over a white collared shirt. She is standing next to a large, lush green plant in a white pot, which includes red flowers. The background is a light blue banner with the text "HĀPAI HUI SPIRIT OF SERVICE AWARD" and "2021". A circular logo is visible on the right side of the banner.

Now a Policy Adviser with New Zealand Ministry of Foreign Affairs and Trade, April's COVID-19 response work at the New Zealand Customs Service made a real difference for New Zealanders. In her former role as Policy Analyst, April made a critical contribution. She led the drafting of, and negotiating for, the *Best Practice Guidelines for APEC Customs Administrations to Facilitate the Distribution of COVID-19 Vaccines and Related Goods*. These Guidelines ensure that vaccines are not held up at the border and can be distributed in a safe and effective manner across the Asia Pacific region (including New Zealand). April's work also required getting 21 diverse economies across the line to endorse the Guidelines.

"I came to New Zealand when I was 12 as an international student, and I didn't speak English at all," April said.

“What drives me and my work at Customs, and the Public Service, is giving back to my communities,” she said. “I want to inspire and challenge young people of New Zealand, especially women and those from diverse ethnic communities, to show them they too can contribute to our communities and be recognised, celebrated, and appreciated for who they are.”

To recognise her mahi, April was joint winner of the 2021 Young Leader of the Year Award.

“

I want to inspire and challenge young people of New Zealand, especially women and those from diverse ethnic communities, to show them they too can contribute to our communities and be recognised, celebrated, and appreciated for who they are."

“

The most spoken value within Te Ao Māori is the value of aroha – Aroha tētahi ki tētahi. I encourage us to carry on the good work we’re doing collectively with the children at the centre of our focus receiving most of the love we have to share.”



Isaiah Apiata

TE HOROPAKI CASE STUDY 9

Guiding strength through cultural identity

Youth Justice and Ngāpuhi rangatira, Isaiah Apiata, was named joint Young Leader of the Year in the 2021 Spirit of Service Awards for his contribution to social services, Māori-Crown relations, and the revitalisation of Māori culture.

Isaiah works with a vision and passion to deliver better outcomes for taitamariki | young people, guiding them towards positive life pathways through strengthening their cultural identity and reconnecting them with their whakapapa. Based with Oranga Tamariki—Ministry for Children, Isaiah is currently seconded as a Government Relationships Manager with Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi.

Describing his commitment to tamariki, Isaiah says: “the most spoken value within Te Ao Māori is the value of aroha – Aroha tētahi ki tētahi. I encourage us to carry on the good work we’re doing collectively with the children at the centre of our focus receiving most of the love we have to share.”

Isaiah hails from the Bay of Islands | Te Pito Whenua. He was raised by his kuia and kaumatua and spent much of his early years on marae. Isaiah has been a dedicated public servant since he was 18 when he started as a prison guard in Kaikohe. Over his eight years with the Department of Corrections, Isaiah says he learnt that everyone has a story and once you get to the heart of it, that’s where you can start to build relationships. This motivated Isaiah to join Oranga Tamariki in Kaikohe, where he worked to improve outcomes for Māori under the Treaty of Waitangi and excelled as a leader in the public sector and his community.

To Isaiah, the importance of Māori-led initiatives, working closely with local communities, is vital to help place cultural practices back into the hearts of young Māori tamariki.

“Tikanga Māori is a bicultural framework,” Isaiah said. “It’s an enduring promise that our ancestors uttered when they signed Te Tiriti o Waitangi to work in collaboration, in partnership with the Kāwanatanga o Ingarangi at that time. That’s a promise that I continue to aspire to, continuing the direction of my ancestor Te Kēmara who signed Te Tiriti o Waitangi.”

Leadership Development Centre

The Leadership Development Centre (LDC) is the primary delivery vehicle for system-wide leadership development. LDC works in partnership with Public Service agencies to design and implement common core development. LDC has prioritised building leaders' capability in supporting Māori Crown relationships in line with our Public Service Act 2020 obligations.

We continue to see an increased number of Crown entities taking up LDC membership to access leadership development programmes, material, and resources specifically for our context. Current membership is 73, including all core agencies and entities from the wider public sector.

In addition to common core development LDC is the delivery mechanism for a range of leadership development offerings – both to grow a pipeline of diverse leaders and to create the environment where all staff can contribute and flourish.

These include:

- Māori Emerging Leaders Programme (led by Te Kawa Mataaho) – developing Māori leadership talent and capability in the Public Service and growing a network of Māori public servants with the skills and confidence to step into leadership roles in the future
- Pacific Mentoring Programme (co-led by the Ministry for Pacific Peoples and Te Kawa Mataaho) – supporting leadership development for mid-level Pacific public service leaders
- Ngā Ara Whakatuputanga | Defence Transitions Programme (led by Te Kawa Mataaho, Te Puni Kōkiri and the New Zealand Defence Force/NZDF) – supporting Māori leaders as they end their NZDF career to transition into leadership roles in the core Public Service
- LDC Fellowship Studies – two new fellowships focussed diverse leadership:
 - » enabling Asian Leadership to grow and flourish in the public sector
 - » releasing the untapped potential of neuro-diverse individuals.

TE HOROPAKI CASE STUDY 10

How Asian leaders can grow and flourish in the NZ Public Service

In 2022, we were excited to see the publication of How Asian leaders can grow & flourish in the New Zealand Public Service, by Leadership Development Centre fellows.

Denise Hing (Group Manager, Strategic Business Development, New Zealand Customs Service) and Richard Foy (Deputy Chief Executive, Strategic Engagement and Partnerships, Ministry for Ethnic Communities) were joint-fellowship recipients in 2019.

The lack of ethnic diversity in management was recognised as a key challenge in the 2018 Public Service Workforce Data with Asian, Māori and Pacific ethnicities under-represented in the top three tiers of Public Service management. Denise and Richard's research helps inform how to address this challenge. In their report, Denise and Richard explored how Asian leaders can grow and flourish in the New Zealand Public Service, while nurturing their cultural identity and maximising their leadership contribution. To shape their insights, they completed research, interviews and focus groups with public and private sector leaders, aspiring leaders, academics, experts, and community representatives.

Amongst their international best practice findings, were the following themes:

- Need to accelerate capability – both to deliver to the communities served and to lead the workforce of the future
- Social inclusion as fundamental for ethnic leadership to have any chance of flourishing
- Cultural norms are a huge factor
- Need to address this challenge at multiple levels
- We need a Public Service that does more to “design for difference”.

A black and white portrait of a woman with dark hair, wearing a checkered shirt, smiling slightly. She is positioned in front of a whiteboard with some faint, illegible writing.



How Asian

How Asian leaders can grow & flourish in the New Zealand Public Service.

A close-up photograph of two bright red cherries hanging from a single green stem. The cherries are covered in small water droplets, giving them a fresh, glistening appearance. The background is a solid, light blue color.

REPORT BY DENISE HING AND RICHARD FOY 2022 / LEADERSHIP DEVELOPMENT CENTRE FELLOWS
The Leadership Development Centre is a business unit of Te Kaitiaki Takekōwhiri Public Service Commission, Auckland, New Zealand.

Tirohanga ā-ao | International

Our international outreach programme

Te Kawa Mataaho engages with a wide range of international partners and stakeholders, including other countries' public services, multilateral organisations, regionally focused organisations, and universities.

This year, we engaged with senior public servants of 16 countries to discuss public management issues of relevance to New Zealand. Our recent and ongoing international engagement includes:

- our senior leaders engaging with likeminded countries, including Australia, Canada, and the United Kingdom to share public service reform experiences
- engaging with overseas universities, including through staff who have adjunct appointments and research affiliations
- participating in comparative research projects through partnership with international academics
- meeting with central agency leaders from several countries (the United Kingdom, Australia, Ireland, Canada, the United States of America, Belgium, Finland, the Republic of Slovenia, South Korea, the Republic of Estonia and the Netherlands)
- giving a presentation and attending a workshop with public service leaders from the Kingdom of Saudi Arabia on public management (arranged by the OECD)
- making contact with developing nations and funding bodies regarding possible knowledge sharing and support for public service strengthening.

We work with different multilateral organisations, including the Global Government Forum and the OECD. In January 2022, our Deputy Commissioner, Strategy and Policy attended the Global Government Summit to discuss common challenges facing civil services, and we have engaged with the OECD on matters such as public engagement, performance management, workforce management, capability development and common functions and professions. We also worked with the OECD on the organisation's work programmes and helped it shape the content for the next Global Government Forum.

We recently led New Zealand's participation in the OECD survey on the drivers of trust in public institutions. In addition to our own Kiwis Count survey, the OECD survey helps us understand what drives trust and confidence in public institutions in New Zealand and how to improve trust and confidence in those institutions.

The OECD is also running a case study to further research the drivers of trust in New Zealand public institutions. New Zealand was chosen, along with four other countries, due to our country's successful response to the COVID-19 outbreak. As part of the case study, a delegation of OECD researchers recently visited New Zealand to interview senior public servants, politicians, and community leaders. The OECD report on the New Zealand case study is anticipated to be published later in 2022.

Public Service Fale

O le tele o sulu e maua ai figota.

Through collaboration, we can overcome the most difficult challenges.

This well-known Samoan proverb captures the spirit of the Public Service Fale (the Fale) – leveraging collective knowledge, skills, and capability of public service commissions across Te Moana-Nui-a-Kiwa (the Pacific Ocean) to improve public services for Pacific citizens.

The Fale was established in January 2020 as a business unit of Te Kawa Mataaho at the request of Pacific Public Service Commissioners (PPSCs). The Fale serves 16 PPSCs to help them achieve their goal of strengthening public services for their citizens. It achieves this by delivering high-quality and meaningful regional programmes and bilateral support.



Figure 3.1: Key working relationships for the Public Service Fale



The priorities of the Fale are set by the PPSCs and overseen by a representative governance board comprising countries from across the region. The board is chaired by Hon Luamanuvao Dame Winnie Laban DNZM QSO.

The work programme and priority areas of the Fale focus on building public service capability across the Pacific by strengthening leadership development and governance and enhancing digital connectivity. Its operating model and work programme is now well embedded through virtual and online channels. Over the last year, it has made significant progress in the following areas.

Leadership development

The Fale is focused on developing leaders' confidence in who they are as leaders, building their ability to ethically influence others to achieve an identified purpose and preparing them to lead in a future of change.

Over this last year, the Fale completed its first mentoring programme. The nine-month programme matches Pacific public service leaders with mentors in New Zealand and the Pacific who empower the mentees over the nine months to maximise their skills and potential.

The Fale also completed two seven-month pilot Foundations of Leadership programmes with Niue and Nauru. This was followed by rolling out the first regional Foundations of Leadership Programme to six Pacific public service middle management leaders from five countries. The programme is designed to build the capability of Pacific public service leaders who have been appointed into their first leadership role within the past 12 months.

The Fale Management Toolkit was published on FaleOnline. The toolkit is a self-paced learning tool to support leaders in the Pacific public services who would benefit from learning the introductory skills and knowledge of leadership.

Strengthened governance

The Fale supported five governance board members to complete the Institute of Directors New Zealand Governance Essentials online course. It also provided secretariat support for three Fale governance board fono and five sub-regional fono, attended by PPSC representatives from across the Pacific.

Capability development

The Fale undertakes a wide range of activities to build capability in Pacific public services. Over the last year, it facilitated 11 human resources (HR) Community of Practice Group sessions. The Community of Practice Group comprises senior HR practitioners representing 12 PPSCs. It provides a fono space for those leading HR work to gather and discuss topics of mutual interest, share resources, and collaborate on common priority areas. A wide range of topics have been discussed since the group commenced, with policies being shared throughout the Pacific region, particularly in response to COVID-19. The group has maintained a strong focus on public service values and ethics with the publication of a [Pacific-wide Code of Ethics for Public Servants](#).

The Fale also celebrated completing the inaugural Pacific Integrity and Ethics Programme with 15 participants from eight countries. This programme brought in a group of talented Pacific public servants to support the 15 participants as they strengthened their own in-country integrity and ethics programmes and systems.

The Fale also provided webinars and workshops for Pacific public servants on a wide range of topics. Over the year, this including digital public services, policy capability and advice, workforce mobility and service design. The advice included feedback tailored to the concerns of particular countries. These multiple contacts ranged from providing one-off information and advice to providing feedback on policies to providing technical expertise over an extended time.



During the year, the Fale welcomed the Samoan Prime Minister, Hon Fiamē Naomi Mata'afa and her delegation to Te Kawa Mataaho as part of her first official visit to New Zealand after taking office in late 2021. The Public Service Commissioner and Tania Ott (Deputy Commissioner for the Public Service Fale | Kaikōmihana Tuarua, Te Whare Pasifika) met with Prime Minister Mata'afa and discussed with her topics related to our respective government services and New Zealand's recent experience of public service reform.

From left: Agafili Shem Leo (Chief Executive of Samoa's Ministry of Prime Minister and Cabinet), Tania Ott (Te Kawa Mataaho), Hon Fiamē Naomi Mata'afa (Samoan Prime Minister), Peter Hughes (Public Service Commissioner), Pesetā Noumea Simi (Chief Executive of Samoa's Ministry of Foreign Affairs) and HE Lease Papli'i Tommy Scanlan (Samoan High Commissioner to New Zealand).





FaleOnline

FaleOnline is a key achievement for the Fale this reporting period. The previous version of FaleOnline was a secure online information sharing portal for PPSCs. However, after testing this version with PPSCs, the Fale identified further digital needs for PPSCs. The Fale worked swiftly to respond by building and relaunching FaleOnline as a learning management system in April 2022. This new version of FaleOnline is accessible to all Pacific public servants and strengthens digital connectivity between the PPSCs and the Fale.

FaleOnline is a living channel and exists beyond border restrictions as a key enabler for the Fale. FaleOnline houses public service resources, tools, shared information and learning materials from its programmes, which are accessible to all Pacific public servants. It also provides the functionality for PPSCs to host their learning content and track its completion (for example, staff inductions), with accessibility only available to their staff. As of the end of this financial year, FaleOnline had 69 users across the Pacific public service. This number continues to grow, and the platform has the capability to serve up to 5,000 users.

Following the channel's release, the Solomon Islands Public Service Commissioner Nego Sisiolo contacted Tania Ott, Deputy Commissioner for the Public Service Fale | Kaikōmihana Tuarua, Te Whare Pasifika with the following feedback.

It's like I've truly been to the Fale. This is another milestone. A clear indication that the Public Service Fale is very intentional in its efforts to share-connect-learn with the Pacific public service jurisdictions. This is truly wonderful as the resources are now at our fingertips.

FaleOnline will enable the Fale to serve PPSCs' sustainably into the future.



Te Kawa Mataaho – tō mātou whakahaere

Our organisation

Te Kawa Mataaho continues to develop our organisation's capability to deliver and perform at our best. This includes enabling our mission to lead the Public Service we are building together. We strive to be a high-performing organisation and a great place to work, that models the best of the Public Service.

Our people – we grow a diverse and capable workforce

Introduction

Te Kawa Mataaho leads the Public Service. Diverse, capable, and engaged people are critical to this mission. To do this effectively, we need smart, talented, and driven people motivated by a spirit of service, who work with intensity on complex issues, can see the big picture, and inspire others.

This year, we developed Mahere Tāngata, our People Plan. The plan sets out our aspirations as an employer and our roadmap to attract, develop and retain the diverse and capable workforce we need. We will do this by improving people's everyday experience at work, delivering on our value proposition, and bringing our kawa to life. Fostering an environment where people can thrive, better positions us to achieve our vision of a leading edge, unified, trusted Public Service that serves Aotearoa New Zealand and its people. Our plan incorporates Public Service priorities and our people's feedback, via the 2021 Te Taunaki | Public Service Census.

The five areas of focus within Mahere Tāngata | People Plan are:

Whakapakari kaiārahitanga | **Strengthen leadership**

Whakatairanga i te kanorau, te ōritetanga me te whakaurunga | **Promote diversity, equity, and inclusiveness**

Whakatipu i te ahurea | **Build culture**

Whakatipu i te āheinga | **Grow capability**

Whakapakari tūāpapa | **Strengthen our foundations**

This year we undertook extensive staff engagement during a thorough refresh of key people policies, including Maintaining a Positive Workplace, and Speaking Up. Both policies are a key component in delivering a positive and safe workplace culture.

Te Angitū – Growing our Māori-Crown relationship capability

Te Angitū, our Māori capability strategy, is building foundational cultural capability for our people and providing a greater understanding of te ao Māori. Our goal is that, by 2024, our people will be able to confidently understand, value, and participate in te ao Māori in a way that enables our organisation to support the Māori-Crown relationship.

Te Angitū draws on the work of Te Arawhiti to transform leadership through Whāinga Amorangi, using their Māori-Crown Relations capability framework. Te Angitū incorporates Te Mahere Reo Māori i Te Kawa Mataaho, our Māori language plan, to grow a te reo Māori-confident and capable workforce. Our cross-Commission team, Te Rōpū Angitū, helps champion the strategy, organise cultural events, celebrate good practice, and support wider culture change in teams.

Our progress in this space is already making a tangible difference to our way of working. In the first six months of 2022, 31 percent of staff took part in foundational cultural competency classes, incorporating te reo Māori, tikanga and te Tiriti o Waitangi. This, along with other actions, has contributed to a significant increase in te reo use and te reo Māori confidence levels across the organisation. We know through our agency's Te Taunaki | Public Service Census results that 86 percent of our people value their knowledge of te reo Māori and/or wish to grow it. Te reo Māori is evident in the universal use of te reo job titles and group names, as well as waiata and tikanga practice at team meetings and events. The use of te reo is also promoted through internal and external communications, in our publications and website.

In September 2021, Te Rōpū Angitū led the celebration of Te Wiki o te Reo Māori | Māori Language Week. Te Rōpū Angitū also co-leads Matariki celebrations each year with our social committee. We hosted Professor Rangīānehu Matamua (Ngāi Tūhoe) at a Staff Talk in May 2022 to speak about Matariki and Māori astronomy. The insights from his talk were incorporated into our Matariki activities this year and will continue to be in the years to come.

This year, we have focused on enhancing the capability of our leaders and increasing integration of this kaupapa into our core business, our work programmes, and how we work across the organisation. Leaders and staff have been able to engage more deeply in the Aotearoa New Zealand history of the Māori-Crown relationship with 27 percent attending Wall Walk® workshops since the start of 2022.



Papa Pounamu – Diversity and Inclusion

Papa Pounamu is the diversity and inclusion work programme for the Public Service. This programme has five priority areas of focus to create a positive impact across all diversity dimensions. We are committed to achieving better outcomes for all diversity groups through delivering initiatives under these priorities.

We continue to promote diversity and inclusiveness throughout Te Kawa Mataaho. The development of a Diversity, Equity and Inclusion Plan is underway incorporating system requirements of Papa Pounamu and Kia Toipoto. Engagement with our people to identify areas for development will inform priority actions to support increasing diversity and inclusion.

We remain committed to internship programmes that focus on Māori and Pacific talent. We employed three interns from TupuToa and Tupu Tai in 2021/22, and we continue to participate in the [Ethnic Communities Graduate Programme](#). These programmes are increasing the diversity of our workforce, and several past interns are now permanently appointed and contributing to our mahi.

Cultural competence

This year, we have introduced and commenced the rollout of the Mana Āki intercultural competence learning programme and we expect all teams to have completed this by the end of 2022. We continue to support developing bicultural competence (see above for more details on our commitment to Māori). We actively celebrate language weeks, engaging in activities that build our understanding and awareness of Māori and Pacific cultures.

Addressing bias

Addressing bias is an ongoing activity as we continue to improve our workplace structures and systems to reduce bias in all activities. Modules covering addressing bias were updated in 2021/22 and Rainbow Tick training on understanding LGBTTTQIA+ inclusion has been introduced. Both the Rainbow Tick and Addressing Unconscious Bias modules have been built into our induction process, with new employees expected to complete this training within their first month of employment. Unconscious bias training is tracked internally with a near 100 percent completion rate.

Inclusive leadership

We model inclusive leadership by delivering leader-led activities to their teams on a variety of topics. All leaders now participate in workshops on enabling a workplace culture of LGBTTTQIA+ inclusion. We continue to ensure all Tier 1–3 leaders participate in the [Inclusive Leadership Conversations programme](#), designed by the Leadership Development Centre. This forms part of our induction process for new managers.

Building relationships

Our kawa underpins our commitment to supporting positive and inclusive relationships within the workplace. Building relationships is facilitated through participation in Staff Talks, cross-Commission teams, and leadership meetings. Shared learning activities (such as the Wall Walk®), are utilised to provide opportunities to interact with people in other groups. Our Orientation Days (introduced in February 2022) enable new staff to engage with colleagues and leaders across Te Kawa Mataaho, along with our employee-led networks and Te Rōpu Angitū. We remain Rainbow Tick accredited and continue to strengthen our inclusive culture through the Rainbow Tick programme. Some Te Kawa Mataaho teams have implemented and embedded a strengths-based approach to appreciate diverse talents and working preferences.

Employee-led networks

We are committed to continued support, resourcing, and engagement with our employee-led networks. Our employee-led and staff networks contribute to a culture of inclusion and a sense of belonging in the workplace. The diverse perspectives these bring provide cultural richness and valuable subject matter expertise to teams, projects, and to the mahi of Te Kawa Mataaho. We have several internal employee-led networks active: Womens, Oceans, New Professionals, Rainbow, and ALAAME (Asian, Latin American, African, and Middle Eastern) are all supported by executive sponsors. Our Rainbow network continues to lead LGBTQIA+ celebrations, incorporating an educational as well as social focus. The Oceans Network (staff of Pacific origin) helps us celebrate Pacific language weeks, growing our cultural intelligence and we are starting to see intersectionality with different networks jointly hosting events. These networks have quickly become an essential component of the culture of our organisation.



Progress against our gender pay action plan

We continued to implement our internal Gender Pay Action Plan. This plan sets out our commitment to leading by example through understanding, addressing, and making substantial progress towards eliminating our own agency's gender pay gap.

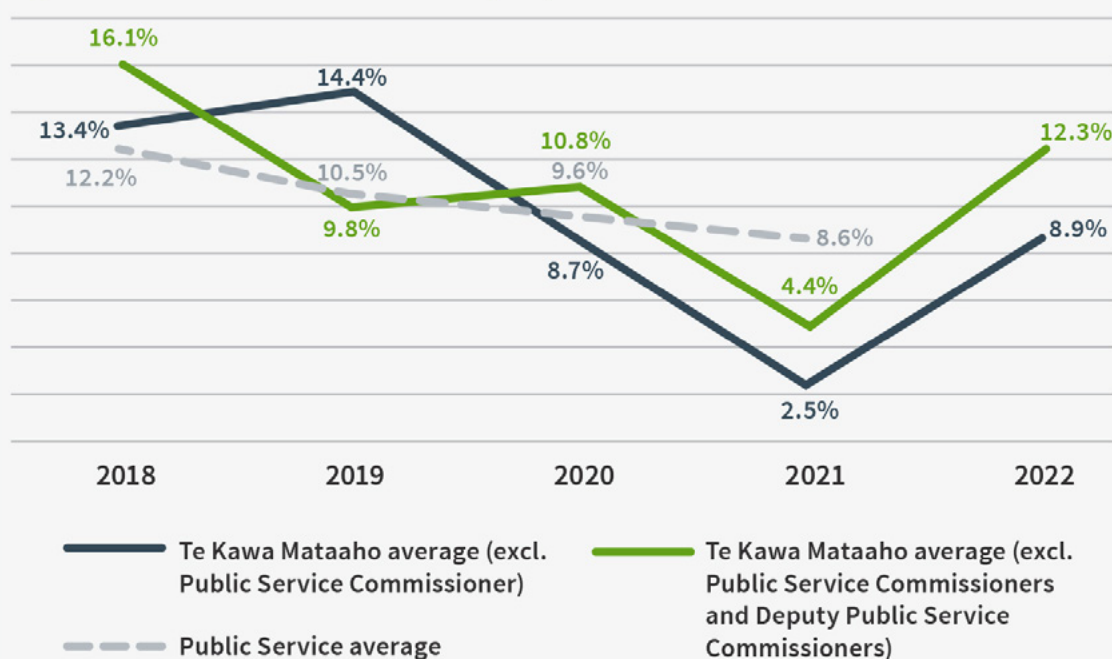
The small Te Kawa Mataaho workforce size means that our gender pay gap can be volatile, with senior roles, business support and early-in-career appointments having the biggest effect on the data. Our gender pay gap increased to 12.3 percent as at 30 June 2022. The key driver behind this is representation, and the larger concentration, of women in business support and early in career advisory roles compared to males, who have a higher representation in more senior roles. A second driver is a change in measurement methodology. With the introduction of the Public Service Act 2020, the roles of the Public Service Commissioner and Deputy Public Service Commissioners are now excluded (as part of the Public Service Leadership Team) from our organisational gender pay gap calculation. As both of our Deputy Public Service Commissioners are female, removing their salaries significantly reduces the overall female average salary.

Our current Gender Pay Action Plan identified several focus areas to reduce our gender pay gap through flexible work by default, our people practices, gender representation, and career progression. This year we introduced further changes and transparency to our remuneration framework through implementing step-based progression for roles up to, and including, senior advisors. This framework ensures criteria are transparent, we recognise experience, and we minimise discretion. We have ensured that starting salaries and salaries for the same or similar roles are not influenced by bias, and continually monitor to ensure pay gaps in same or similar roles do not reopen.

Along with other public sector agencies, we are participating in the Clerical and Administrative Pay Equity claim process. Our upcoming work on Kia Toipoto in the first quarter of 2022/2023 will incorporate and build on our existing [Gender Pay Action Plan](#). This will support identification of further potential ways to reduce both our gender and ethnic pay gaps, with a particular focus on rebalancing the proportions of male and female in lower and higher bands.



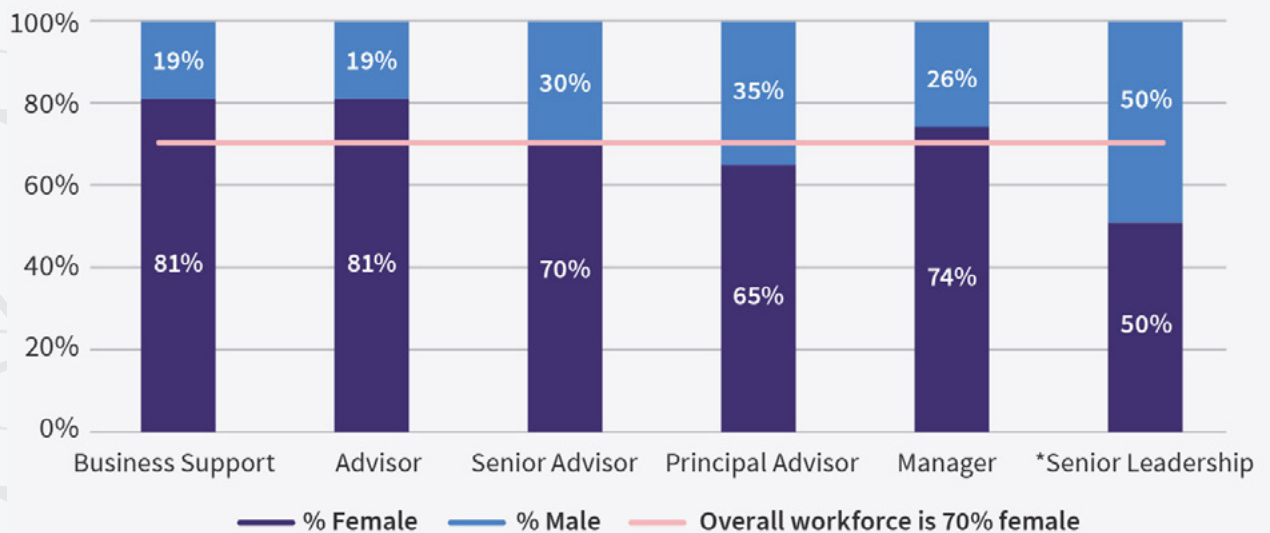
Figure 4.1 Te Kawa Mataaho Gender Pay Gap



The above gap shows the mean gender pay gap. Prior to 2022, our gender pay gap was calculated excluding the Public Service Commissioner. In 2022, the prior methodology was amended to also exclude the two statutory Deputy Public Service Commissioners which are also chief executive level roles. Both methodologies have been provided to enable tracking of our gender pay gap over the past five years. The median gender pay gap for 2022 was 12.3% (in 2021, the median was 6.3%).

The primary reason for our gender pay gap is the proportionately lower numbers of men in business support and advisor-level roles compared with women as shown in the following chart.

Figure 4.2 The gender share of each role



*Senior Leadership includes Deputy Commissioners and Assistant Commissioners, but excludes the Public Service Commissioner and Deputy Public Service Commissioners. Data includes staff identifying as female and male, but does not report unknown/other genders.

Figure 4.3 Te Kawa Mataaho Ethnic Pay Gaps

As a small agency, we have fewer people of most ethnicities than would normally be reported. StatsNZ recommends reporting pay gaps when there are at least 20 people in each group to help protect privacy and produce robust measures (because pay gaps can be volatile over time when measured for small numbers of employees). We have chosen to report our Māori pay gap with the qualifier that as we have slightly fewer than 20 Māori employees the measure is expected to be volatile. We have too few employees of Asian or MELAA Middle Eastern, Latin American and African backgrounds to report.

2022	Ethnic Pay Gap (mean)	Ethnic Pay Gap (median)
Māori Pay Gap	-8.80%	1.20%
Pacific Pay Gap	14.60%	11.60%

The table above depicts the pay gap for Māori and Pacific employees. The difference between mean and median pay gaps is because mean pay can be influenced by a small number of employees with very high pay, whereas the median is less affected by outliers.

Te Kawa Mataaho Demographic Profile

We continue to grow with an increase in 2021/22 of 17.5 full-time employees (FTE) on last year. A key contributor to this growth was from the Te Kawa Mataaho Pay Equity Centre of Excellence, which was created in 2021/22 with funding from the Government. Our workforce profile is becoming significantly more diverse from 2018 levels, with an increase in Māori, Pacific, Asian and other ethnicities.

The following figures are as at 30 June 2022 except as otherwise stated.

Figure 4.4 Te Kawa Mataaho headcount by employment type

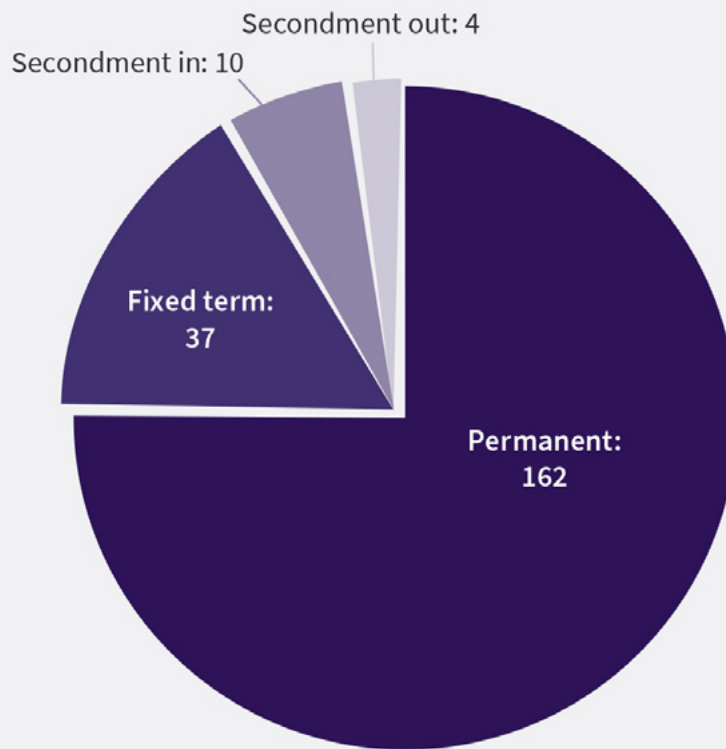
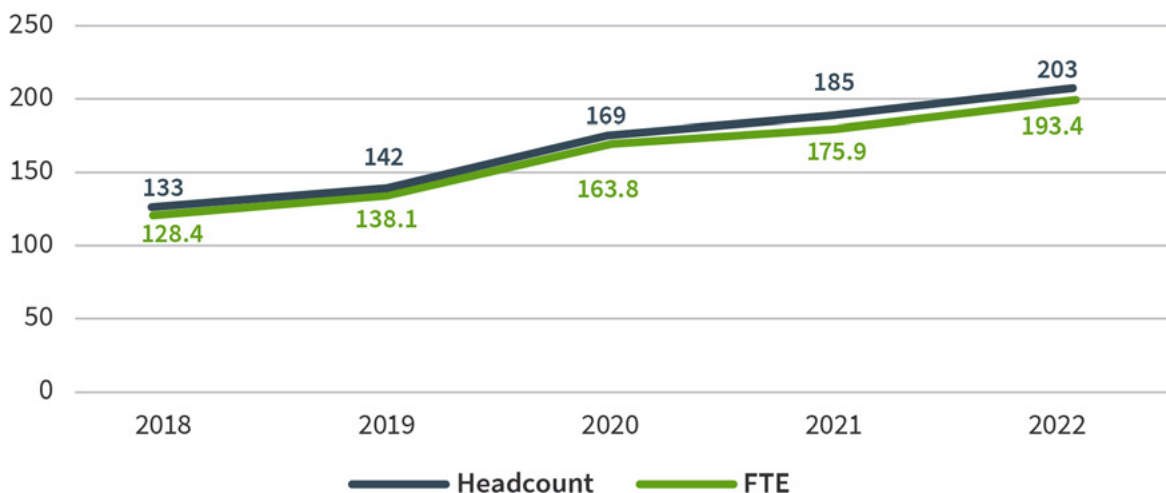
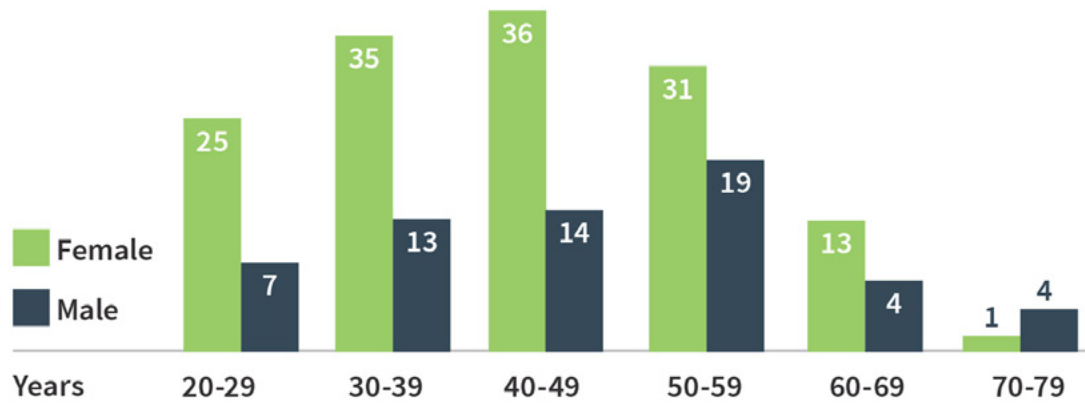


Figure 4.5 Te Kawa Mataaho headcount vs FTE
(current and seconded out staff)



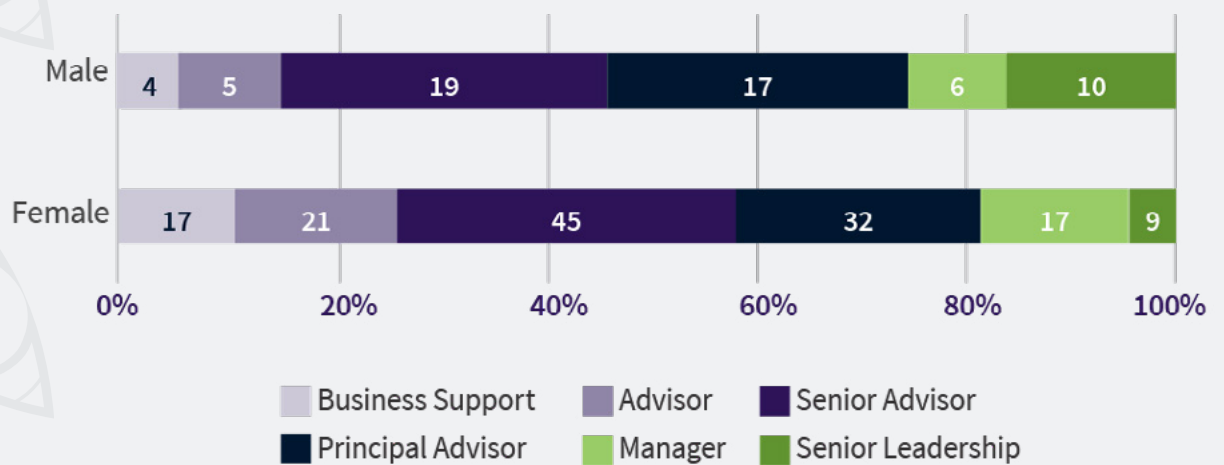
The above chart depicts the workforce (including Tier 1).

Figure 4.6 Te Kawa Mataaho age group by gender



*Includes Tier 1. Excludes unknown/other genders

Figure 4.7 Te Kawa Mataaho gender Representation by Role



*Includes Tier 1. Excludes unknown/other genders

Our senior leadership and management group (Tiers 2-3*) are 62.5% female. *Published workforce data metrics exclude Tier 1.

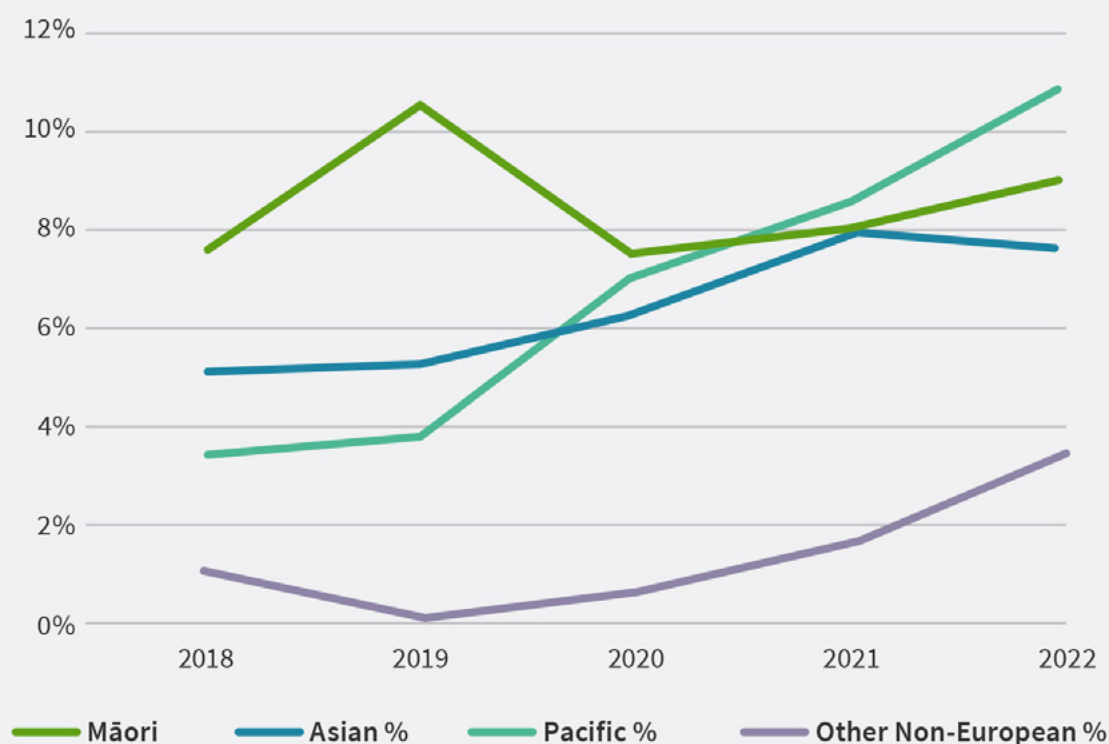
Figure 4.8 Te Kawa Mataaho employee Ethnicities

97.5 % of people disclosed their ethnicity. The following table and chart depict the Te Kawa Mataaho workforce, including Tier 1.

Ethnicity	2018	2019	2020	2021	2022
European %	86.6%	88.8%	86.3%	82.7%	83.3%
Māori %	7.6%	10.4%	7.5%	7.8%	9.1%
Asian %	5.0%	5.2%	6.2%	7.8%	7.6%
Pacific %	3.4%	3.7%	6.8%	8.4%	10.6%
Other non-European %	0.8%	0.0%	0.6%	1.7%	3.5%

Data is based on the number of staff who volunteer ethnicity information. Some people may report more than one ethnic group, which can result in numbers adding up to more than 100%.

Figure 4.9 Te Kawa Mataaho ethnicities by year



The ethnic profile for our senior leadership and management group (Tiers 2-3*) comprises:

- European 84.4%
- Māori 25.0%
- Other ethnicities are suppressed in line with guidance to help protect privacy

*Published workforce data metrics exclude Tier 1.

Disability

The most recent data we have on disability comes from the 2021 Te Taunaki | Public Service Census, which reported employees who disclosed they have a functioning difficulty and/or activity limitation. Indicative disability is generated from using 'Washington 6' questions covering some aspects of disability (sight, hearing, movement, concentration, communication, self-care). 6.5% of our employees reported they have a functional difficulty and/or activity limitation.

Our place – We build a modern and flexible workplace

We continue to make improvements to our physical workplace environment, including the learning hub which hosts the Leadership Development Centre. We've also made improvements to our audio-visual experience in meeting rooms to enable effective hybrid meetings. We regularly host Public Service Leadership Team meetings and collaborate with public servants from multiple agencies in our workplace.

We continue to build on our hybrid working operating model. We aim to provide our people with the flexibility, tools, and equipment to help them to do their best work in a modern, vibrant, and collaborative working environment. Hybrid working means that our people can continue to be highly productive and connected, no matter their place of work. Enabling hybrid work supports our 'flexible-by-design' goal, as part of our value proposition.

Te Kawa Mataaho has good level of digital awareness and maturity, which means we can better make use of the technologies that we have, making hybrid working a reality. The Information and Technology Services team has provided workshops and learning opportunities to continue to lift our ability to utilise the technology we have. Given global logistics challenges caused through COVID-19, we have developed and implemented a proactive technology replacement plan to ensure we stay ready for business needs into the future.

This year we have also worked closely with the Government Property Group to plan a future accommodation strategy. This presents opportunities for cross-agency collaboration in developing flexible, modern, technology-enabled, and environmentally sustainable accommodation that embodies tikanga and tea o Māori and diversity and inclusiveness. This will enable us to keep improving our ways of working as a unified Public Service in shared office accommodation.

Assurance and accountability– We keep Te Kawa Mataaho safe

Our business continuity plan has continued to play an important part in both keeping our people safe and supporting business delivery throughout 2021/22. This has been particularly relevant during the ongoing COVID-19 response. The continued health and safety of our people is an ongoing priority, and this was tested as COVID-19 became widespread in the community. To respond and adapt, we implemented a COVID-19 Vaccination Policy, alternative ways of working, and additional workplace health and safety measures. Our health and safety representatives played a vital role by supporting colleagues and maintaining a functioning and productive workplace.

Our understanding of the Te Kawa Mataaho security environment has developed, particularly with the notable security challenges during the year. We responded to domestic incidents (such as the anti-mandate protests and parliament occupation) by keeping our people informed and providing advice to navigate the situation. We have strengthened our protective security and risk management policies and procedures for the safety and security of our people, information, and assets.

Good information management is a key enabler for our work. In September 2021, Archives New Zealand audited our compliance against Public Records Act 2005 obligations. Our information management maturity was assessed to be well-managed overall, and we have a forward-looking work programme to keep improving our maturity and address identified gaps. This year

Public Service leaders must preserve, protect, and nurture the spirit of service to the community that Public Service employees bring to their work.

PUBLIC SERVICE ACT 2020



we have supported other agencies with their information management maturity and continue to be a digital information hub hosting many functional networks through Microsoft Teams groups.

Information security underpins the systems we have in place at Te Kawa Mataaho, and we regularly review our posture as it applies to cyber risk. Our two-year plan is under review, and we have a certification cycle of all our key systems which has oversight by our IT Governance Board. Our IT Governance Board meets monthly to review our programme of work and project performance. The Board has oversight on technical investment and monitors our performance against our organisational measures, underpinned by our Information Systems Strategic Plan.

Our overall organisational assurance continues to be strengthened by our continuous improvement approach, informed by the Three Lines model. We continue to build and embed strong assurance through our education and awareness programme covering topics (such as privacy), and the development of an internal audit programme. We also invested in our financial management capability to support our organisation's growth.

Our carbon footprint

Carbon emissions and sustainability reporting

Climate change is predicted to have a severe impact on the land and people of Aotearoa New Zealand.

This will directly affect the Public Service in its efforts to serve the nation and make a difference in the communities we serve. As overall leader of the Public Service, we are committed to role modelling best practice in reducing emissions and making a difference in the fight against climate change. 2021/22 is our first year reporting our carbon emissions, and this will be our base year.



Independent verification

The s greenhouse gas emissions measurement (emissions data and calculations) for Te Kawa Mataaho has been independently verified against ISO14064-1:2018 by Toitū Envirocare (Enviro-Mark Solutions Limited). Toitū Envirocare is a wholly-owned subsidiary of Manaaki Whenua | Landcare Research, which is a Crown Research Institute.

We are proudly a Toitū carbonreduce organisation, which means we are measuring, managing, and reducing our emissions according to ISO 14064-1:2018 and Toitū requirements. Toitū carbonreduce certification is accredited by the Joint Accreditation System of Australia and New Zealand (JAS ANZ) and under ISO 14065.

A copy of our Toitū carbonreduce certification disclosure can be viewed on the [Toitū website](#).

Total annual emissions and their source

In 2021/22, we emitted 213 tCO₂-e (tonnes of carbon dioxide equivalent). Most of the emissions came from staff commuting between home and the workplace, air travel, electricity for our three floors (in the Reserve Bank of New Zealand Building), and the natural gas required to heat these floors. 2021/22 is our first year reporting our emissions and we have limited information on previous years. Because of this, we are unable to report any increase or decrease in our emissions performance.

These emissions results align with the Ministry for the Environment's (MfE) 2022 Measuring Emissions Guidance, which uses the 100-year Global Warming Potentials (GWPs) in the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4). This is because current national inventories report their emissions based on AR4 GWPs and government published emissions factor sets align with national reporting.

Emissions profile broken down by scope and total annual emissions (tCO₂-e) for 2021/2022

Category	Scope	2021/2022 (tCO ₂ -e)
Category 1: Direct emissions	Scope 1	43.49
2: Indirect emissions from imported energy	Scope 2	12.35
3: Indirect emissions from transportation	Scope 3	99.81
4: Indirect emissions from products used by organisation		51.35
5: Indirect emissions associated with the use of products from the organisation		0
6: Indirect emissions from other sources		0
Total gross emissions		207.01

Total emissions breakdown by emissions by sources 2021/22

Sources	2021/2022 tCO ₂ -e	Percentage
Commuting	52.73	25.6%
Electricity	49.26	23.8%
Natural Gas	46.08	22.3%
Air Travel	42.04	20.3%
Wastewater	9.70	4.7%
Working from home	4.51	2.2%
Waste to landfill	1.41	0.7%
Water supply	0.76	0.4%
Taxis	0.34	0.2%
Total	207.01	100%

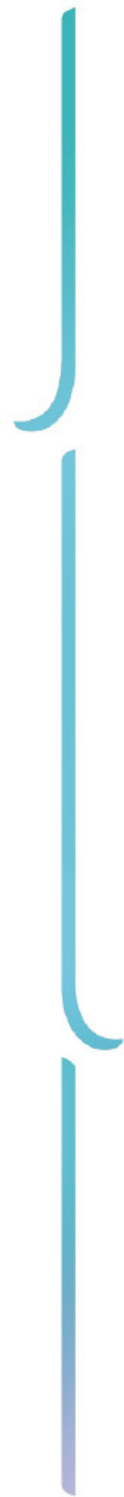
Emission intensity by FTE and expenditure

Because 2021/22 is our first year reporting carbon emissions, we have no trend analysis to report on.

KPIs for FTEs and expenditure by financial year

KPI	2021/2022
FTEs	193.4
Departmental Expenditure (\$m)	44.384
Emissions intensity	
Total gross emissions per FTE in tCO₂-e	1.07
Total gross emissions per million dollars of expenditure in tCO₂-e	4.66

TOITŪ



This is to certify that

Te Kawa Mataaho Public Service Commission

is Toitū carbonreduce organisation certified.

Toitū carbonreduce certified means measuring emissions to ISO 14064-1:2018 and Toitū requirements; and managing and reducing against Toitū requirements.



Sonia GroesPetrie— Certifier

Date issued: 15 September 2022 | Valid until: 15 September 2025

Certificate Number: 2022237J | Certification Status: Certified Organisation

Company Address: Level 10, Reserve Bank of New Zealand (RBNZ) Building, 2 The Terrace, Wellington, New Zealand

Certification Year Level of Assurance: Reasonable for all mandatory categories and Limited for non-mandatory categories

Please refer to the disclosure page on www.toitu.co.nz for further details.

Toitū carbonreduce is an annual certification programme and this certificate only remains valid with an annual surveillance audit.



WWW.JAS-ANZ.ORG/REGISTER

Certified by Enviro-Mark Solutions Limited
(trading as Toitū Envirocare)

Our reduction targets

We have set science-based targets as required under the [Carbon Neutral Government Programme](#) (CNGP) using a base year of 2021/22. This target also aligns to our independent verifier, Toitū Environcare.

We have set the following emission reduction targets:

- **2025 target:** Gross emissions (all categories) to be no more than 168.3 tCO₂-e, or a 21% reduction in gross emissions (all categories) compared to our base year (2021/2022)
- **2030 target:** Gross emissions (all categories) to be no more than 123.5 tCO₂-e, or a 42% reduction in gross emissions (all categories) compared to our base year (2021/2022).

Our reduction targets are based on 2021/22 base year. However, 2021/22 is far from a complete picture due to the drop in travel resulting from COVID-19. We recognise that a return to normal travel would significantly increase our emissions. Furthermore, a new function, the Public Service Fale, was established in Te Kawa Mataaho just before the initial COVID-19 lockdown. The Fale was established to support public sector strengthening in Pacific Island Countries and Territories (PICTs). It is essential that the Fale travels to achieve this objective.

Lessons learned from past engagement with PICTs indicate sustained personal relationships with senior officials are essential to working with Pacific partners. 2022/23 will be our first year where the Fale can travel as COVID-19 restrictions have ended and the borders are open. As a result, we are investigating options such as re-baselining or isolating the Fale’s emissions to be recorded separately. The table below shows the Fale’s current proportion of our total emissions.

2021/22 Emissions	Total
Te Kawa Mataaho Public Service Commission	200.49
The Public Service Fale	6.52
Total	207.01



Our reduction plan and future reporting

Future reduction plans

An internal cross-Commission team was set up during the 2021/22 year to champion carbon reduction ideas and projects. The cross-Commission team commits to make the targets widely known across the organisation and assist staff in reducing carbon in their lives (both inside and outside the workplace). The team will also deliver on a series of projects which have been developed to ensure we reach our reduction targets.

Identified projects include:

- **Travel carbon budget** – we will introduce a travel carbon budget, which we will gradually decrease over time. The reduction will be based on the needs of each function within Te Kawa Mataaho.
- **Energy efficiency** – we will undertake an energy audit and use this information to optimise electrical efficiency use to reduce emissions.
- **Commuting options** – we will educate staff on alternative modes of transport to lower emissions from commuting. This will include increased support for low carbon methods (such as e-bikes and scooters).
- **Natural gas efficiency** – we will create a cross-building group to collaborate on options to reduce emissions from natural gas in the Reserve Bank building. A cross-commission group is required as the emissions calculation methodology involves apportioning on a pro-rata basis. Therefore, lowering the emissions of the entire building is the best way to lower Te Kawa Mataaho emissions.
- **Future accommodation** – we will ensure carbon emissions are a key consideration in the research and investigation into the Commission's move to a new premises with higher green and sustainability credentials in 2024/25. This has the potential to significantly lower our emissions.

Improving our data

We are committed to continuous improvement of our carbon emissions inventory. The following improvements are currently being investigated:

- In June 2022, we surveyed our staff about their ways of commuting to work. The results concluded that commuting was a significant emissions source for the Commission. We are committed to obtaining more accurate commuting data by gathering more often and improving the questions to obtain more targeted data.
- We currently estimate that freight forms an immaterial part of our inventory. However, we are committed to working with suppliers to obtain more detailed carbon emissions information from freighted goods.
- We have data on 2018/19, which we gathered because of investigations into emissions before COVID-19. We intend to gather further information on previous years to build a richer understanding of our emissions picture.
- We are constantly looking for new ways to improve our carbon data. We will continue our conversations with the MfE, the wider Public Service, and internal stakeholders to look for potential new emissions sources or improvements to our current methods.

Future Reporting

We are committed to improved reporting in future periods. We intend to collect data from previous years to build a stronger picture of trends, grow the sophistication behind our current inventory and the analysis running behind it, and develop our forecasting to be more detailed and accurate. This will give us better and more insightful information with which to report in future periods.



**Te pūrongo
whakakapi i te tau**

**End-of-year
reporting**

Statement of Responsibility

I am responsible, as Chief Executive of Te Kawa Mataaho Public Service Commission (the Commission), for:

- the preparation of the Commission's financial statements, and statements of expenses and capital expenditure, and for the judgements expressed in them
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting
- ensuring that end-of-year performance information on each appropriation administered by the Commission is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this annual report
- the accuracy of any end-of-year performance information prepared by the Commission, whether or not that information is included in the annual report.

In my opinion:

- the annual report fairly reflects the operations, progress, and the organisational health and capability of the Commission
- the financial statements fairly reflect the financial position of the Commission as at 30 June 2022 and its operations for the year ended on that date
- the forecast financial statements fairly reflect the forecast financial position of the Commission as at 30 June 2022 and its operations for the year ending on that date.



Peter Hughes (he/him)

Te Tumu Whakarae mō Te Kawa Mataaho
Public Service Commissioner | Head of Service

30 September 2022

Independent Auditor's Report

To the readers of the Public Service Commission's annual report for the year ended 30 June 2022

The Auditor-General is the auditor of the Public Service Commission (the Commission). The Auditor-General has appointed me, Karen Young, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- the financial statements of the Commission on pages 79 to 102, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2022, the statement of comprehensive revenue and expense, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the performance information prepared by the Commission for the year ended 30 June 2022 on pages 6 to 42, 65 to 77 and 109 to 112;
- the statements of expenses and capital expenditure of the Commission for the year ended 30 June 2022 on pages 77 and 78; and
- the schedules of non-departmental activities which are managed by the Commission on behalf of the Crown on pages 83 to 88 and 103 to 105 that comprise:
 - the schedules of assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2022;
 - the schedules of expenses; and revenue for the year ended 30 June 2022; and
 - the notes to the schedules that include accounting policies and other explanatory information.

Opinion

In our opinion:

- the financial statements of the Commission on pages 79 to 102:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2022; and

- its financial performance and cash flows for the year ended on that date; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards;
- the performance information of the Commission on pages 6 to 42, 65 to 77 and 109 to 112:
 - presents fairly, in all material respects, for the year ended 30 June 2022:
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure; and
 - complies with generally accepted accounting practice in New Zealand;
- the statements of expenses and capital expenditure of the Commission on pages 77 and 78 are presented fairly, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989; and
- the schedules of non-departmental activities which are managed by the Commission on behalf of the Crown on pages 83 to 88 and 103 to 105 present fairly, in all material respects, in accordance with the Treasury Instructions:
 - the assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2022; and
 - expenses; and revenue for the year ended 30 June 2022.

Our audit was completed on 30 September 2022. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Public Service Commissioner and our responsibilities relating to the information to be audited, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Public Service Commissioner for the information to be audited

The Public Service Commissioner is responsible on behalf of the Commission for preparing:

- financial statements that present fairly the Commission's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand;
- performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand;
- statements of expenses and capital expenditure of the Commission, that are presented fairly, in accordance with the requirements of the Public Finance Act 1989; and
- schedules of non-departmental activities, in accordance with the Treasury Instructions, that present fairly those activities managed by the Commission on behalf of the Crown.

The Public Service Commissioner is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Public Service Commissioner is responsible on behalf of the Commission for assessing the Commission's ability to continue as a going concern. The Public Service Commissioner is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Commission, or there is no realistic alternative but to do so.

The Public Service Commissioner's responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Commission's Strategic Intentions 2022-25, Estimates and Supplementary Estimates of Appropriations 2021/22 and the 2021/22 forecast financial figures included in the Commission's 2021/22 Annual Report.

We did not evaluate the security and controls over the electronic publication of the information we audited.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Public Service Commissioner.
- We evaluate the appropriateness of the reported performance information within the Commission's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Public Service Commissioner and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Public Service Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Public Service Commissioner is responsible for the other information. The other information comprises the information included on pages 3 to 122, but does not include the information we audited, and our auditor's report thereon.

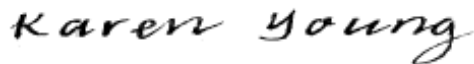
Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Commission in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Commission.

A handwritten signature in black ink that reads "Karen Young". The script is cursive and fluid.

Karen Young
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Te Kawa Mataaho Public Service Commission's Statement of Performance (for the year ended 30 June 2022)

Leadership of the Public Management System

This appropriation is limited to ensuring the Public Management System has the design, capability and performance to deliver public services, and providing advice and services to support Ministers to discharge their portfolio responsibilities relating to the Public Management System.

2021 Actual \$000		2022 Actual \$000	2022 Budget \$000	2022 Supps \$000	2023 Forecast \$000
35,651	Expenses	39,487	38,468	48,162	41,399
27,580	Revenue Crown	32,927	27,641	32,927	31,700
8,662	Revenue Department	11,404	10,127	14,813	8,999
575	Revenue Other	306	700	422	700
36,817	Total Revenue	44,637	38,468	48,162	41,399

The increase in the budgeted expenditure between 2022 budget and the 2022 supplementary estimates was \$9.694 million. This is mainly due to:

- \$4.408 million in revenue adjustments from other Departments and third parties.
These adjustments cover:
 - » the collective contribution to the Gardiner Centre for the Child on behalf of the Public Service (excluding Oranga Tamariki's contribution below)
 - » an increase in the number of external secondments
 - » increases in agency contributions to the Learning and Development Centre and the Employee-Led Networks programme
 - » an increase in funding for the Public Service Fale from the Ministry of Foreign Affairs and Trade.
- \$3 million approved by Cabinet to establish a pay equity centre of excellence
- \$2 million transferred from Oranga Tamariki to provide the initial investment into the establishment of the Gardiner Centre for the Child.

Actual expenditure for the year was higher than the original budget due to the inclusion of the above items in the 2022 supplementary estimates.

Our Performance Framework

The Commission's vision is for a leading edge, unified, trusted Public Service that serves Aotearoa New Zealand and its people. The Commission builds Public Service capability and leads the change process to ensure that the Public Service is unified around a common spirit of service, principles and values, and able to work as a single system in the service of New Zealand and New Zealanders.

Our strategic intentions to deliver on this vision can be summarised as leading the Public Service to:

- achieve outcomes for New Zealanders – real tangible improvements in the lives of individuals, whānau, and communities
- improve services to New Zealanders and New Zealand businesses by organising around New Zealanders' need rather than agency function
- ensure that the public sees government agencies, and the Public Service as a whole, as an integral part of society and legitimate in its exercise of authority.

The Commission uses a framework to report on progress against these intentions through influencing outcomes across the Public Service. This performance framework acknowledges our responsibility for the delivery of products and services. These outputs support our leadership role and influence across the system.

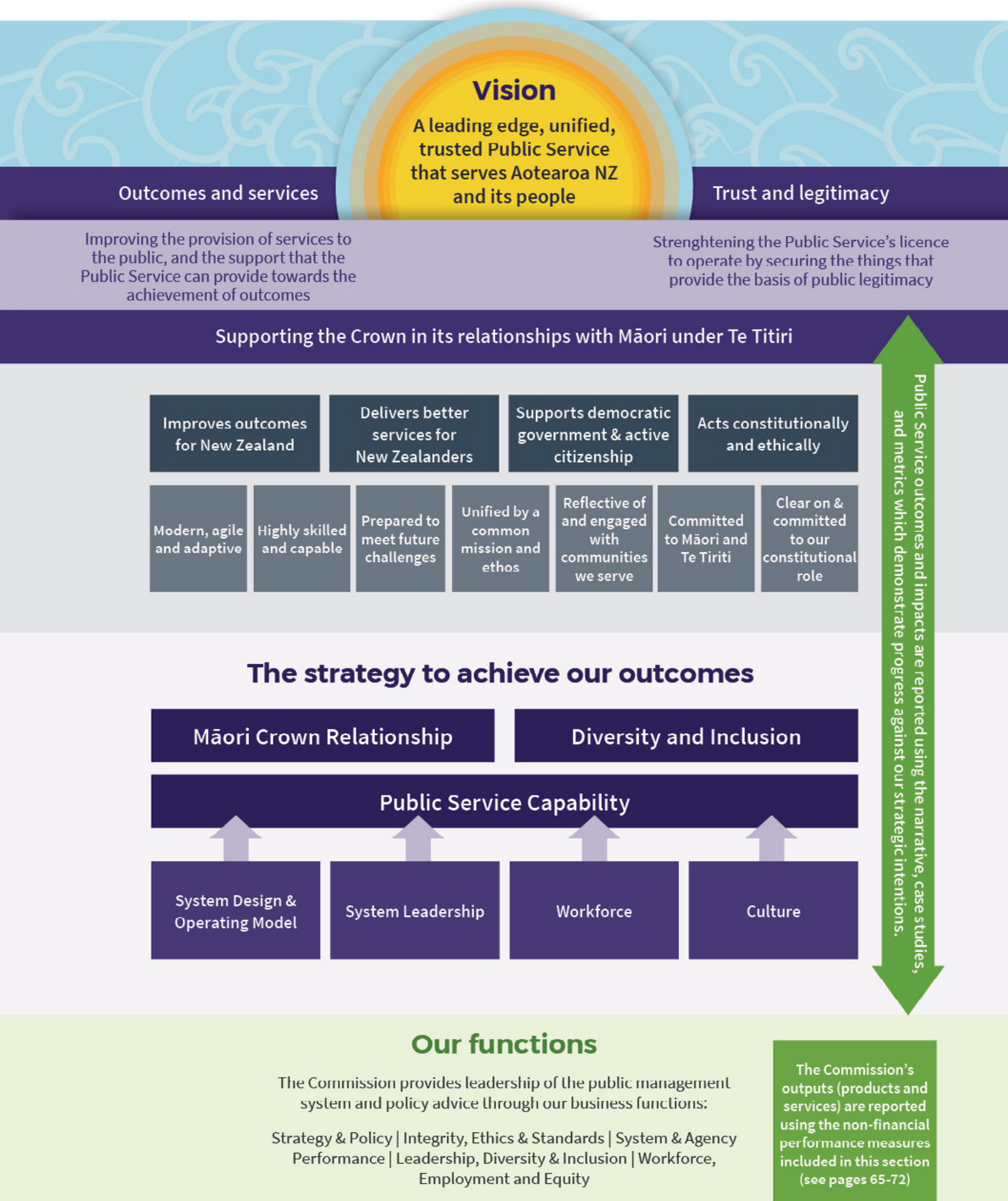
Our performance framework relies on a combination of narrative, case studies, metrics, and non-financial performance measures to tell the full story of our performance and impact across the Public Service. This allows us to cover the breadth of the Commission's work as outlined within our strategic intentions.

The diagram opposite provides a summary of our strategic intentions and illustrates how our performance framework is used to communicate progress at every level:

- The narrative of the report aligns closely to the strategic intentions (such as Trust in our Public Service on page 6 and A diverse and inclusive Public Service on page 24). The content provides a clear and transparent account of the Commission's performance and allows us to fully explore the influence of the Commission in delivering on its vision for the Public Service.
- Case studies throughout the report provide real-life examples of how the Public Service is progressing towards our vision including through better outcomes and services (such as the COVID-19 border response on page 18 and preserving and protecting taonga through digital initiatives on page 22).
- The consistent use of metrics allows us to measure progress over time (such as trust in the Public Service brand on page 6, and pay gaps in the Public Service on page 27). This is our way of reporting the progress of the Public Service.
- The non-financial performance measures include products and services the Commission is directly delivering to drive influence across the Public Service and deliver on its strategic intentions. Each measure has been selected to align with our outputs in accordance with Office of the Auditor General guidance, meaning they are relevant, material, reliable, understandable, and comparable. These are found in the Statement of Performance (this section).

Tā Tātou Ratonga Tūmatanui

The Public Service we are building together



What was achieved

Performance Measure 1	Performance standard	2020/21 Result	2021/22 Result
Technical quality of policy advice papers assessed using the Policy Quality Framework.	70%	76%	75%

Measurement Approach

Policy advice provided by the Commission is reviewed by a panel in accordance with the guidance for assessment panels in the Policy Quality Framework. Papers are independently scored by panel members, and moderated, before arriving at an overall score. The Commission looks at a random selection of papers, adjusted to ensure spread across business groups, of all policy papers provided to Ministers. This includes policy briefings, Cabinet papers, and related/similar material.

Commentary

This year the Commission held two assessment panels to give a thorough picture of its policy advice and will continue to refine its process for 2022/23.

Relevance

This measure is owned by the Strategy and Policy group and is a requirement under the policy project led by the Department of Prime Minister and Cabinet. The measure forms part of our commitment to accountability and transparency in the quality of policy advice to the Minister. It demonstrates our leadership of the public management system across all of the areas covered by our strategic intentions. Our leadership and policy advice enables better outcomes and services and trust and confidence in the Public Service.

Performance Measure 2	Performance standard	2020/21 Result	2021/22 Result
Minister for the Public Service has satisfaction with policy advice.	80%	79%	90%

Measurement Approach

The Minister for the Public Service is surveyed to assess satisfaction with policy advice provided during the reporting period. Policy advice papers are papers provided to the Minister for the Public Service for presentation to, and endorsement by, Cabinet.

Commentary

We received feedback from the Minister noting that he is largely satisfied with the policy advice received. He has indicated that more advice on international public sector developments and emerging academic analysis and evidence would be welcome.

Overall, he has complete trust and confidence in the officials' he engages with and the advice that is received.

Relevance

This measure is owned by the Strategy and Policy group and is a requirement under the policy project led by the Department of Prime Minister and Cabinet. The measure determines the Minister's level of satisfaction with the policy advice supported by the Commission. It demonstrates our leadership of the public management system across all of the areas covered by our strategic intentions. Our leadership and policy advice enables better outcomes and services and trust and confidence in the Public Service.

Performance Measure 3	Performance standard	2020/21 Result	2021/22 Result
The Commission works with Public Service chief executives to agree individual development plans.	100%	100% of Public Service chief executives have an agreed development plan.	100%

Measurement Approach

A current development plan must be in place for all chief executives appointed by the Commission to achieve this measure. The Commission works with Public Service chief executives to agree and finalise their development plans; this is evidenced through their signing the document or committing to the content of the plan through other means. The Commission maintains a log of all development plans as they are established and maintained for all Public Service chief executives.

Commentary

All chief executives have agreed to an updated development plan in 2022 with two exceptions. One chief executive resigned, and one chief executive has been on extended leave. In both cases, the previous development plan remains current, and it was deemed unnecessary to seek an updated development plan.

Relevance

This measure is owned by the System and Agency Performance group and is aligned to system leadership. Developing chief executives and their replacements ensures a pipeline of capable, high performing people for senior leadership roles in the Public Service. Deploying capable leadership delivers better outcomes and services across the Public Service. This feeds into a highly skilled and capable Public Service delivering outcomes and services for New Zealand and New Zealanders.

Performance Measure 4	Performance standard	2020/21 Result	2021/22 Result
A succession plan is developed for the chief executive position of all Public Service agencies.	100%	100% of Public Service chief executive positions have a succession plan.	100%

Measurement Approach

The Commission maintains a record of roles, incumbents, expiry of the current term and potential successors for all chief executive positions appointed by the Commission.

Commentary

We have regular succession meetings through the year where we review viable successors for all incumbent Public Service chief executives.

Relevance

This measure is owned by the System and Agency Performance group and is aligned to system leadership. Developing chief executives and their replacements ensures a pipeline of capable, high performing people for senior leadership roles in the Public Service. Deploying capable leadership delivers better outcomes and services across the Public Service. This feeds into a Public Service delivering outcomes and services for New Zealand which is prepared to meet future challenges.

Performance Measure 5	Performance standard	2020/21 Result	2021/22 Result
The Kiwis Count trust and confidence survey is run by the Commission with reporting provided quarterly that identifies the public's perceptions and experiences of trust and confidence in public services.	Quarterly results are published in the month following the survey collection.	Survey is now performed quarterly. Refer below.	Achieved

Measurement Approach

Participants are selected from an online research panel. 1,000 people take part every quarter (three months) and a minimum of 4,000 every year.

Commentary

The Kiwis Count trust and confidence survey changed from being run annually to being run quarterly in the 2020/21 period. The performance measure from 2020/21 required annual publication by June 30. This measure has been updated in 2021/22 to require quarterly reporting to better reflect the new frequency of data collection.

Relevance

This measure is owned by the Strategy and Policy group and is aligned to trust and legitimacy. The Kiwis Count survey provides reliable reporting on trust and confidence in the Public Service. This measure determines the success of the Public Service in promoting trust through acting constitutionally and ethically, delivering improved outcomes and better services.

Performance Measure 6	Performance standard	2020/21 Result	2021/22 Result
Respondents in the Kiwis Count survey agree or strongly agree that, based on their last service experience, they could trust public servants to do what is right.	80%	80%	81%

Measurement Approach

All respondents who confirm they have 'used or had contact with a Public Service organisation' within the last 12 months receive the question with regard to the Public Service "Overall, you can trust them to do what is right". Respondents provide a numeric response on a 1-5 scale (1 = strongly disagree, 5= strongly agree).

The scale also has an 'N/A' option.

Commentary

The level of trust in public servants has shown an upward trend since 2012 and has remained higher than that measured before the COVID-19 pandemic.

Relevance

This measure is owned by the Strategy and Policy function and is aligned to trust and legitimacy. The Kiwis Count survey provides reliable reporting on trust and confidence in the Public Service. This measure determines the success of the Public Service in promoting trust through acting constitutionally and ethically, delivering improved outcomes and better services. By linking trust to service experience, we are also able to better understand the drivers of trust, such as through responsive and reliable public services.

Performance Measure 7	Performance standard	2020/21 Result	2021/22 Result
The Commission strengthens Public Service leadership through all Public Service departments being members of the Leadership Development Centre.	100% membership	100% membership	100% membership

Measurement Approach

Public Service Departments pay a membership subscription to participate on the LDC. Membership of the LDC will include all organisations defined as “Public Service Departments”.

Commentary

All Public Service Departments were members of the LDC up to 30 June 2022. This includes Pike River Recovery Agency that was a member until it was disestablished on 1 July 2022.

Relevance

This measure is owned by the Leadership, Diversity and Inclusion group and is aligned to system leadership. The Leadership Development Centre focuses on creating great public service leaders, united around a spirit of service and skilled in working together to achieve positive results for New Zealanders. This supports the vision of high skilled and capable Public Service leaders who are prepared to meet future challenges, and are unified by a common mission and ethos.

Performance Measure 8	Performance standard	2020/21 Result	2021/22 Result
The Commission strengthens Public Service leadership by promoting attendance at the Public Service Leaders’ Summit	At least 500 invitees	1,042 invitees	1,244 invitees

Measurement Approach

The annual Public Service Leaders’ Summit is arranged by the Commission and attendance for the event is recorded leading up to the day of the summit. At least 500 attendees are invited to attend the event (measurement excludes the Public Service Leadership Team).

Commentary

Invitee numbers exceeded the performance measure by more than double. This translated to 656 participants attending the May 2022 Summit, which was held virtually due to the impact of COVID-19. A total of 566 people participated individually, and 90 people participated via 18 watch parties.

Relevance

This measure is owned by the Leadership, Diversity and Inclusion group and is aligned to system leadership. The summit brings together the senior leadership across the Public Service to promote the vision, strategy and culture of the Public Service and how this will deliver better outcomes and services for New Zealand and New Zealanders. It ensures our leaders are highly skilled and capable, prepared to meet future challenges and are unified by a common mission and ethos.

Performance Measure 9	Performance standard	2020/21 Result	2021/22 Result
The Commission strengthens Public Service leadership by supporting career boards.	At least 90 active members across all career board cohorts.	113 active members as at 30 June 2021.	120 active members as at 30 June 2022.

Measurement Approach

Established practice is to record Career Board cohort members as 'Active', 'Wider', or 'Wider-Development network'. The Active Cohort is recorded in Talent Exchange and the size of the Active Cohort is reported quarterly. At the end of the reporting period, Talent Exchange will be interrogated to validate that there are at least 90 active members across the four career boards.

Commentary

In 2021/22 Career Boards directed their efforts towards ethnically diverse talent, supporting these leaders to access development opportunities outside their agencies, increasing their visibility at a system level, and broadening the talent pool for future senior leaders.

Relevance

This measure is owned by the Leadership, Diversity and Inclusion group and is aligned to system leadership. Career Boards collectively focus on creating a strong, diverse, and inclusive pool of senior public service leaders so they are better prepared to lead the Public Service into the future. This feeds into a modern, agile and adaptive Public Service which is highly skilled and capable. It also contributes to our diversity and inclusion goal, ensuring our leadership is reflective of the communities we serve.

Performance Measure 10	Performance standard	2020/21 Result	2021/22 Result
The Commission collects and publishes Public Service workforce data annually.	Published no later than 15 December.	Achieved	Achieved

Measurement Approach

As reporting is prepared annually, and published no later than 15 December, the measure will relate to the report for the previous year. The Commission is measured for its action within the reporting period (compiling and publication of the report) rather than the data contained in the report that relates to the previous period.

Commentary

The data as of 30 June 2021 was published on the Commission's website on 7 December 2021.

Relevance

This measure is owned by the Strategy and Policy group and is aligned to workforce. Regular Public Service workforce data reporting shows where progress has been made, and areas which need more focus. This allows the Public Service to identify areas of improvement in diversity and inclusion, promoting a Public Service which is reflective of and engaged with the communities we serve.

Performance Measure 11	Performance standard	2020/21 Result	2021/22 Result
The Commission reports the remuneration of Public Service chief executives every financial year.	100% of all CE remuneration is published.	100%	100%

Measurement Approach

The Commission has previously published a single annual report of chief executive expenditure. This approach did not accommodate the varied remuneration cycles of chief executives.

Part way through the 2019/20 year, the Commission moved to quarterly reporting of the chief executives whose remuneration cycle renewed during the quarter. Reporting is made available on the Commission's website and can be reconciled with the list of Public Service departments.

Commentary

The chief executive remuneration tables have been published 6 monthly on the Commission's website.

Relevance

This measure is owned by the System and Agency Performance group and aligns to both trust and legitimacy and culture. The monitoring and proactive publication of remuneration reports supports a culture of openness and transparency within the Public Service, which backs a Public Service which acts constitutionally and ethically.

Performance Measure 12	Performance standard	2020/21 Result	2021/22 Result
The Commission meets its statutory requirements for appointment, reappointment and transfer of Public Service chief executives.	100%	100%	100%

Measurement Approach

The Commission retains evidence of compliance with each of the requirements. Compliance will be recorded in the register of chief executive appointments. Evidence may include (depending on the nature of the appointment/reappointment/transfer):

- correspondence with Ministers and the Governor-General in council to advise of vacancies, make recommendations, and receive decisions
- Public notification of the role
- selection and meeting dates of the selection panel.

Relevance

This measure is owned by the System and Agency Performance group and is aligned to both trust and legitimacy and system leadership. The transparency and robustness of the appointment process for chief executives is fundamental to ensuring trust and confidence in the Public Service. This supports our vision of a Public Service acting constitutionally and ethically.

Performance Measure 13	Performance standard	2020/21 Result	2021/22 Result
The Commission, in partnership with the Ministry for Women, supports all Public Service departments to publish their annual Pay Gap action plans before 31 December	100% of Public Service departments publish their annual Pay Gap action plans before 31 December.	100%	97%

Measurement Approach

This target is applicable to all Public Service departments and agencies listed on the Commission website.

Commentary

This measure has changed from 2020/21 which reported the percentage of agencies with a published gender pay gap plan by 31 December 2020. The new measure acknowledges the requirement of a published Pay Gap action plan (which covers both gender and ethnic pay gaps) by 31 December in every financial year.

All Public Service departments published their annual action plans except for Oranga Tamariki | Ministry for Children who published their intention to publish their action plan in the coming months. Oranga Tamariki published their plan in May 2022. One of the important steps to building a strong action plan is to consult with staff and unions. Due to COVID-19 and organisational priorities, this was not possible by 31 December 2021. Oranga Tamariki made the decision to fulfil its commitment to staff and unions and continue to run an exemplar process.

Relevance

This measure is owned by the Workforce, Employment and Equity group and is aligned to both workforce and diversity and inclusion. Under the gender pay principle of “transparency and accessibility”, all Public Service agencies committed to having annual action plans in place and making these plans public. This feeds into a Public Service closing pay gaps and progressing pay equity. It is an important driver to ensure the Public Service is reflective of the communities we serve. Increased diversity and inclusion helps the Public Service to deliver better outcomes and services, and strengthens public trust and legitimacy.

Performance Measure 14	Performance standard	2020/21 Result	2021/22 Result
The Commission develops and oversees the implementation of the Open Government Partnership (OGP) National Action Plan. A National Action Plan and associated End-of-Term Self-Assessment is published in accordance with OGP requirements.	Achieved	Achieved	Achieved

Measurement Approach

OGP National Action Plans are published by the Commission. The date of publication is dependent on several factors but occurs prior to the period to which the plan relates to.

Whilst publication date will vary for each plan, in years where no plan is published, the Commission will report progress towards the completion of the priorities articulated in the plan.

Commentary

National Action Plan 3 (NAP3) initially covered the period 2018 – 2020. However, the emergence of COVID-19 in 2019 led to the acceptance of an invitation from the Open Government Partnership (OGP) to extend NAP3’s term to August 2021.

An End-of-Term Self-Assessment was completed in November 2021. This was published on the OGP NZ website in December 2021 in accordance with OGP requirements. The self-assessment outlines the commitments and milestones delivered under the plan.

Work is underway to develop National Action Plan 4 (NAP4). This will cover the period from 1 January 2023 to 31 December 2024. This plan is due for completion before 31 December 2022.

The OGP NZ website contains information about OGP as well as NAP3 and progress on development of NAP4.

Relevance

This measure is owned by the Integrity, Ethics and Standards group and is aligned to culture. New Zealand’s Open Government Partnership National Action Plans are part of furthering the Commission’s work to support open government, transparency and accountability. This supports trust and legitimacy through a Public Service supporting democratic government and promoting active citizenship.

Performance Measure 15	Performance standard	2020/21 Result	2021/22 Result
The Commission publishes Official Information Act (OIA) request statistics for government agencies that are subject to the Act every six months within three months of the end of the reporting period or as otherwise agreed with the Office of the Ombudsmen.	Achieved	Achieved	Achieved

The statistics published by the Commission capture five elements:

- the number of requests completed by agencies in the six-month reporting period
- the number and proportion of these requests where legislative timeliness requirements were met
- the number of responses proactively published on an agency's website
- OIA complaints to the Ombudsman that were notified to the agency
- final views issued by the Ombudsman where a deficiency was identified.

The Commission publishes the report including each of these five elements within three months of the end of the reporting period. Where extraordinary circumstances impact the ability to report within this timeframe alternative arrangements are agreed with the Office of the Ombudsman.

Commentary

Reporting is available on the Commission's website. Statistics covering the five elements were published as follows:

- OIA Statistics 1 January to 30 June 2021 published 8 September 2021
- OIA Statistics 1 July to 31 December 2021 published 10 March 2022

Relevance

This measure is owned by the Integrity, Ethics and Standards group and is aligned to culture. The OIA gives New Zealanders the right to access information. Reporting on volume of requests and the agency's response supports openness and transparency in the Public Service and delivers on our vision to act constitutionally and ethically, supporting democratic government and active citizenship.

Performance Measure 16	Performance standard	2020/21 Result	2021/22 Result
The Commission recognises the contribution of public servants through the coordination of annual awards and recognition events by recognising and publicising the recipients within one month of the medal's award.	100% of recipients recognised within one month.	100%	100%

The Commission maintains a register of recipients of the New Zealand Public Service medal. This record is updated with the date on which they were presented with the award.

Within one month of the medal being given to the recipient, the Commission recognises them publicly where it is appropriate to identify the individual recipient. The Commission maintains a record of medal recipients and the date of award which can be reconciled to the publicly available list.

Commentary

Public Service Medals were presented at the Public Service Day Awards Ceremony at Government House on Monday 8th November 2021 by the Governor-General, Dame Cindy Kiro and Minister Robertson.

Relevance

This measure is owned by the Integrity, Ethics and Standards group and is aligned to culture. Specifically, the Commission develops the culture of the Public Service by building on key elements of Part 1 of the Public Service Act – purpose, principles, values and spirit of service. Recipients of these awards embody the spirit of service and celebrating them acknowledges the vision of a Public Service which is reflective of and engaged with communities we serve, and acts constitutionally and ethically.

Te Kawa Mataaho Public Service Commission – Capital Expenditure PLA

This appropriation is limited to the purchase or development of assets by and for the use of Te Kawa Mataaho Public Service Commission, as authorised by section 24(1) of the Public Finance Act 1989.

2021 Actual \$000		2022 Actual \$000	2022 Budget \$000	2022 Supps \$000	2023 Forecast \$000
722	Property, plant and equipment	369	100	308	100
100	Intangibles	215	-	500	-
822	Total appropriation	584	100	808	100

Section 24(1) of the Public Finance Act 1989 allows the Commission to purchase assets to the extent its working capital allows. This allows the Commission to exceed the budget, provided it has the working capital to do so.

The majority of 2021/22 capital expenditure was spent on the replacement of computer equipment and work on the Commission's website.

Toi Hau Tāngata | Social Wellbeing Agency Statement of Performance for the year ended 30 June 2022

Supporting Implementation of a Social Wellbeing Approach

This appropriation is limited to providing strategic cross-social-system advice and supporting cross-system work, creating insights, tools and practices to support sector-wide implementation of a social wellbeing approach.

This appropriation is intended to achieve the provision of strategic cross-system advice and support and insights, tools and practices in order to implement the social wellbeing approach to support and further the long-term wellbeing of New Zealanders.

What does this appropriation intend to achieve?

This appropriation is limited to providing strategic cross-social-system advice and supporting cross-system work, creating insights, tools and practices to support sector-wide implementation of a social wellbeing approach.

Expenses and revenue

2021 Actual \$000		2022 Actual \$000	2022 Budget \$000	2022 Supp Estimates \$000	2023 Budget \$000
10,318	Total Expenses	6,843	6,758	7,384	6,758
10,797	Revenue Crown	7,258	6,758	7,258	6,758
130	Revenue Department	8	0	126	0
10,927	Total Revenue	7,266	6,758	7,384	6,758

Assessment of performance

Performance measure	Target	Actual 2020/21	Actual 2021/22
The satisfaction rating given by the Minister for the quality and timeliness of advice.	At least 70%	80%	91%
The percentage of key deliverables agreed with the Minister completed in accordance with organisational priorities and agreed standards will be no less than 85%.	85% or higher	82%	94%

Measurement approach

- The Ministerial Satisfaction Survey asks the Minister for Social Development and Employment to use a five-point scale to rate our performance across four questions.
- The Agency's work programme and organisational priorities are set out in the annual business plan and agreed with the Minister. The percentage of key deliverables target was amended from 85 percent to 70 percent with agreement from the Minister for 2020/21.

Ngā tauākī pāhao | Appropriation statements

Statement of Budgeted and Actual Departmental and Non-Departmental Expenses and Capital Expenditure Incurred Against Appropriation

For the year ended 30 June 2022

	2022 Actual \$000	2022 Budget \$000	2022 Supps \$000	2023 Forecast \$000	Location of End-of-year performance information
Public Service Commission					
Departmental Capital Expenditure					
Public Service Commission – Capital Expenditure under Permanent Legislative Authority	584	100	808	100	The Commission Annual Report
Non-departmental Other Expenses					
Open Government Partnership	200	200	200	200	Exempt
Remuneration and Related Employment Costs of Chief Executives	18,283	16,614	19,363	18,199	
Total Non-departmental Other Expenses	18,483	16,814	19,563	18,399	
Departmental Output Expenses					
Leadership of Public Management System	39,487	38,468	48,162	41,399	The Commission Annual Report
Total Annual Expenses	39,487	38,468	48,162	41,399	
Total Annual and MCA Expenses	58,554	55,382	68,533	59,898	
Social Wellbeing Agency					
Departmental Output Expenses					
Supporting Implementation of a Social Wellbeing Approach	6,843	6,758	7,384	6,758	The Commission Annual Report
Total Annual Expenses	6,843	6,758	7,384	6,758	
Total Annual and MCA Expenses for the Commission and SWA	65,397	62,140	75,917	66,656	

Reconciliation of Appropriations to Comprehensive Revenue and Expenses

	Leadership of Public Management System	Supporting Implementation of a Social Wellbeing Approach	Comprehensive Revenue / Expenses
Revenue Crown	32,927	7,258	40,185
Revenue Department and Other	11,710	8	11,718
Eliminations of inter-entity transactions	(253)	-	(253)
Total Revenue after Eliminations	44,384	7,266	51,650
Expenses	39,487	6,843	46,330
Eliminations of inter-entity transactions	(145)	(108)	(253)
Expenses after eliminations	39,342	6,735	46,077

Statement of Departmental and Non-departmental Expenses and Capital Expenditure Incurred Without, or in Excess of, Appropriation or Other Authority for the year ended 30 June 2022

The Commission has not incurred any departmental and non-departmental expenses or capital expenditure without, or in excess of appropriation, or other authority (2021: Nil).

Statement of Departmental Capital Injections for the year ended 30 June 2022

2021	2022	2022
Actual capital injections	Actual capital injections	appropriation
\$000	\$000	\$000
188 Capital injection	-	-

Statement of Departmental Capital Injections Without, or in Excess of, Authority for the year ended 30 June 2022

The Commission has not received any capital injections during the year without, or in excess of, authority (2021: Nil)

Ngā Tauākī Pūtea me ngā Āpiti Pūtea

Departmental Financial Statements

(for the year ended 30 June 2022)

The financial statements record the revenue, expenses, assets, liabilities, commitments, contingent liabilities and contingent assets the Commission and SWA manages.

Statement of Comprehensive Revenue and Expenses

for the year ended 30 June 2022

2021 Actual*		Notes	2022 Actual \$000	2022 Budget \$000	2022 Supps \$000	2023 Forecast \$000
Revenue						
38,377	Revenue Crown	2	40,185	34,399	40,185	38,458
9,020	Revenue other	2	11,465	10,827	15,361	9,699
47,397	Total revenue		51,650	45,226	55,546	48,157
Expenditure						
32,271	Personnel costs	3	34,580	32,944	39,481	36,659
224	Capital charge	4	223	223	233	230
924	Depreciation and amortisation expense	6	775	1,022	999	860
12,000	Other operating expenses	5	10,499	11,037	14,833	10,408
45,419	Total expenditure		46,077	45,226	55,546	48,157
1,978	Net surplus		5,573	-	-	-
-	Other comprehensive revenue		-	-	-	-
1,978	Total comprehensive revenue		5,573	-	-	-

Explanations of major variances against budget are detailed in note 17.

The accompanying accounting policies and notes form part of these financial statements.

*Actual numbers for financial year 2020/21 have been restated due to adoption Software as a Service (SaaS) interpretation. Refer to note 20 for details.

Statement of Financial Position

as at 30 June 2022

2021 Actual*			2022 Actual	2022 Budget	2022 Supps	2023 Forecast
\$000	Notes		\$000	\$000	\$000	\$000
Assets						
Current Assets						
13,026	Cash and cash equivalents		17,906	8,457	11,362	13,482
3,028	Debtor Crown		3,028	3,028	3,028	3,028
4,022	Debtors and other receivables	7	2,728	2,151	4,022	4,022
51	Prepayments		25	273	17	17
20,127	Total current assets		23,687	13,909	18,429	20,549
Non-current assets						
1,767	Property, plant and equipment	6	1,354	1,559	1,397	800
146	Intangible assets	6	272	133	469	346
1,913	Total non-current assets		1,626	1,692	1,866	1,146
22,040	Total assets		25,313	15,601	20,295	21,695
Liabilities						
Current Liabilities						
5,006	Creditors and other payables	8(a)	3,469	4,412	5,006	6,406
6,532	Revenue - advance	8(b)	6,487	2,884	6,532	6,532
1,500	Return of operating surplus	14	5,235	-	-	-
245	Provisions	10	208	254	245	245
1,943	Employee entitlements	9	2,833	1,756	1,943	1,943
15,226	Total current liabilities		18,232	9,306	13,726	15,126
Non-current liabilities						
119	Provisions	10	228	119	119	119
94	Employee entitlements	9	54	69	94	94
213	Total non-current liabilities		282	188	213	213
15,439	Total liabilities		18,514	9,494	13,939	15,339
6,601	Net assets		6,799	6,107	6,356	6,356
Equity						
5,901	Taxpayers' funds	13	5,761	6,011	6,260	6,260
604	Memorandum accounts	13	942	-	-	-
96	Artwork revaluation reserves	13	96	96	96	96
6,601	Total equity		6,799	6,107	6,356	6,356

Explanations of major variances against budget are detailed in note 17.

The accompanying accounting policies and notes form part of these financial statements.

*Actual numbers for financial year 2020/21 have been restated due to adoption Software as a Service (SaaS) interpretation. Refer to note 20 for details.

Statement of Changes in Equity

for the year ended 30 June 2022

2021 Actual*		2022 Actual	2022 Budget	2022 Supps	2023 Forecast
\$000	Notes	\$000	\$000	\$000	\$000
5,606	Balance as at 1 July	6,601	6,107	6,711	6,356
	Comprehensive revenue / (expense)				
1,978	Net surplus/(deficit) for the year	5,573	-	-	-
188	Capital contribution	-	-	-	-
-	Retention of surplus	215	-	-	-
-	Capital withdrawal	(355)	-	(355)	-
329	Transfer to memorandum account	-	-	-	-
(1,500)	Return of operating surplus to the Crown	(5,235)	-	-	-
6,601	Balance as at 30 June	6,799	6,107	6,356	6,356

Explanations of major variances against budget are detailed in note 17.

The accompanying accounting policies and notes form part of these financial statements.

*Actual numbers for financial year 2020/21 have been restated due to adoption Software as a Service (SaaS) interpretation. Refer to note 20 for details.

Statement of Cash Flows

for the year ended 30 June 2022

2021 Actual* \$000		Notes	2022 Actual \$000	2022 Budget \$000	2022 Supps \$000	2023 Forecast \$000
Cash flows from operating activities						
38,377	Receipts from Crown		40,185	34,399	40,185	38,458
10,797	Receipts from other revenue		12,714	10,827	15,361	9,699
(10,935)	Payments to suppliers		(11,762)	(11,185)	(14,986)	(10,528)
(31,933)	Payments to employees		(33,659)	(32,796)	(39,328)	(36,539)
(224)	Payments for capital charge		(223)	(223)	(233)	(230)
17	Goods and services tax (net)		(151)	-	-	-
6,099	Net cash flows from operating activities	11	7,104	1,022	999	860
Cash flows from investing activities						
(722)	Purchase of property, plant and equipment		(369)	(100)	(308)	-
(52)	Purchase of intangible assets		(215)	-	(500)	100
(774)	Net cash flows from investing activities		(584)	(100)	(808)	100
Cash flows from financing activities						
(3,384)	Repayment of operating surplus		(1,285)	(506)	(1,500)	600
188	Capital (withdrawal)/injection		(355)	-	(355)	-
(3,196)	Net cash flows from financing activities		(1,640)	(506)	(1,855)	600
2,129	Net (decrease) / increase in cash		4,880	416	(1,664)	1,560
10,897	Cash at the beginning of the year		13,026	8,041	13,026	11,922
13,026	Cash at the end of the year		17,906	8,457	11,362	13,482

Explanations of major variances against budget are detailed in note 17.

The accompanying accounting policies and notes form part of these financial statements.

*Actual numbers for financial year 2020/21 have been restated due to adoption Software as a Service (SaaS) interpretation. Refer to note 20 for details.

Statement of Commitments

as at 30 June 2022

2021 Actual* \$000		2022 Actual \$000
Non-cancellable operating lease commitments		
1,513	Not later than one year	1,513
3,356	Later than one year and not later than 5 years	2,227
1,215	5 or more years	831
6,084	Total non-cancellable operating lease commitments	4,571
6,084	Total Commitments	4,571

The non-cancellable operating property leases for both the Commission and the Social Wellbeing Agency have varying terms, escalation clauses and renewal rights. There are no restrictions placed on either agency by any of its leasing arrangements. The amounts disclosed as future commitments are based on current lease payments. There were no capital commitments in 2021/22 or 2020/21.

*Prior year comparative has been restated for comparability with this year's figure.

Statement of Contingent Liabilities and Contingent Assets as at 30 June 2022

Unquantifiable Contingent Liabilities and Assets

There are no unquantifiable contingent liabilities and assets as at 30 June 2022 (2021: There were no unquantifiable contingent liabilities and assets).

Quantifiable Contingent Liabilities and Assets

As at 30 June 2022 the Commission is involved in a Human Rights Review Tribunal case which could create a liability of \$10,000 if the decision goes against the Commission. There are no quantifiable contingent assets as at 30 June 2022 (2021: The Commission was involved in a Human Rights Review Tribunal case. Disclosure of further information may prejudice the Commission's position. There were no quantifiable contingent assets as at 30 June 2021).

The accompanying accounting policies and notes form part of these financial statements.

Notes to the Departmental Financial Statements and Non-departmental Schedules (for the year ended 30 June 2022)

1. Statement of accounting policies

Reporting entity

The Public Service Commission (the Commission) is a New Zealand government department as defined by section 5 of the Public Service Act 2020 and is domiciled and operates in New Zealand. The relevant legislation governing the Commission's operations includes the Public Finance Act 1989 (PFA), and the Public Service Act 2020.

The Social Wellbeing Agency (SWA) is a departmental agency as defined by section 2 of the Public Finance Act 1989, which is hosted within the Commission, unless explicitly stated references to the Commission covers both the Commission and SWA.

In addition, the Commission has reported separately, in the Non-departmental Schedules, financial information on public funds managed by the Commission on behalf of the Crown.

The primary objective of the Commission is to provide services to the public rather than making a financial return. Accordingly, the Commission is designated as a Public Benefit Entity (PBE) for financial reporting purposes.

The Financial Statements of the Commission are for the year ended 30 June 2022. The Forecast Financial Statements are for the year ending 30 June 2023. These Financial Statements were authorised for issue by the Chief Executive on 30 September 2022.

The financial statements of the Commission for the year ended 30 June 2022 are consolidated financial statements including both the Commission and SWA. They are shown as Group in this annual report.

The Departmental Financial Statements and the financial information reported in the Non-departmental Schedules are consolidated into the Financial Statements of the Government and, therefore, readers of these schedules should also refer to the Financial Statements of the Government for the year ended 30 June 2022.

Statement of compliance

The Departmental Financial Statements, non-departmental schedules and unaudited Departmental Forecast Financial Statements of the Commission have been prepared in accordance with the requirements of the Public Finance Act 1989, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practices (NZ GAAP), Treasury Instructions and Treasury Circulars. These Financial Statements comply with PBE accounting standards as appropriate for Tier 1 entities. These Financial Statements have been prepared in accordance with Tier 1 NZ PBE accounting standards. Measurement and recognition rules applied in the preparation of the Non-departmental Supplementary Financial Schedules are consistent with NZ GAAP and Crown accounting policies and are detailed in the Financial Statements of the Government.

Basis of preparation

The Departmental Financial Statements and Non-departmental Schedules have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

Measurement base

The Departmental Financial Statements and Non-departmental Schedules have been prepared on an historical cost basis with the exception of Artwork which is revalued every five years.

Functional and presentation currency

The Departmental Financial Statements and Non-departmental Schedules are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000), other than the related party transaction disclosures in Note 15. The related party transaction disclosures are rounded to the nearest dollar. The functional currency of the Commission is New Zealand dollars.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks.

Income tax

The Commission is a public authority and consequently is exempt from income tax. Accordingly, no provision has been made for income tax.

Goods and services tax

Items in the financial statements are stated exclusive of goods and services tax (GST), except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue (IR) is included as part of receivables or payables in the statement of financial position.

The net GST paid to or received from the IR, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Changes in accounting policies

There have been no changes in the accounting policies of the Commission for the year ended 30 June 2022, other than the adoption of new PBE Standards and amendments to PBE Standards as disclosed below. Other than the changes disclosed below, all accounting policies and disclosures are consistent with those applied by the Commission in the previous financial year.

New and amended standards and interpretations

The Commission applied for the first-time certain standards and amendments that were effective for the year ending 30 June 2022.

PBE IPSAS 2 Cash Flow Statements

An amendment to PBE IPSAS 2 Cash Flow Statements requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. As a result of the adoption of the standard the Commission has not made any additional disclosures.

Software as a Service (SaaS) - new interpretation

In April 2021, the IFRS Interpretations Committee published additional guidance regarding the accounting treatment of configuration and customisation costs incurred in implementing software as a service ('SaaS') arrangements. The Committee referenced the applicable accounting standards that set criteria for the recognition of intangible assets. These criteria include the identifiability and control of the asset, and the expectation of future economic benefits or service potential arising from the asset. The Committee concluded that configuration and customisation costs should only be capitalised if the specific criteria outlined in the applicable accounting standards for recognising a separate asset are met.

As a result, the Commission has changed its accounting policy in relation to configuration and customisation costs incurred in implementing SaaS arrangements. These costs are expensed as operational expenditure, unless they result in the development of an intangible asset that meets the definition and recognition criteria outlined in PBE IPSAS 31 Intangible Assets. If these criteria are met, then the costs will be capitalised. Refer to Note 20 of the financial statements for more details.

Standards issued and not yet effective and not early adopted

Standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to the Commission are:

PBE IPSAS 41 Financial instruments

PBE IPSAS 41 replaces PBE IFRS 9 Financial Instruments and is effective for the year ending 30 June 2023, with earlier adoption permitted. The Commission has chosen to early adopt the PBE FRS 48 for the 2022 annual report. The Commission has assessed that there will be no change as a result of adopting the new standard, as the requirements are similar to those contained in PBE IFRS 9.

PBE FRS 48 Service Performance Reporting

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 Presentation of Financial Statements and is effective for the year ending 30 June 2023, with early adoption permitted. The Commission has not yet determined how application of PBE FRS 48 will affect its statement of service performance. However, the Commission has made progressive steps in adopting parts of the standard, with a view to full adoption next year.

Budget and forecast figures

Basis of the budget and forecast figures

The 2022 budget figures are for the year ended 30 June 2022 and were published in the 2020/21 annual report. They are consistent with the Commission's best estimate financial forecast information submitted to the Treasury for the Budget Economic and Fiscal Update (BEFU) for the year ending 2021/22.

The 2023 forecast figures are for the year ending 30 June 2023, which are consistent with the best estimate financial forecast information submitted to the Treasury for the BEFU for the year ending 2022/23.

The forecast financial statements have been prepared as required by the PFA to communicate forecast financial information for accountability purposes.

The budget and forecast figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements.

The 30 June 2023 forecast figures have been prepared in accordance with and comply with PBE FRS 42. Prospective Financial Statements.

The forecast financial statements were approved for issue by the Chief Executive on 06 April 2022. The Chief Executive is responsible for the forecast financial statements, including the appropriateness of the assumptions underlying them and all other required disclosures.

Although the Commission regularly updates its forecasts, updated forecast financial statements for the year ending 30 June 2023 will not be published.

Significant assumptions used in preparing the forecast financial information

The forecast figures contained in these financial statements reflect the Commission's purpose and activities and are based on a number of assumptions on what might occur during the 2022/23 year. The forecast figures have been compiled on the basis of existing government policies and ministerial expectations at the time the Main Estimates were finalised.

The main assumptions, which were adopted as at 06 April 2022, were as follows:

- The Commission's activities and output expectations will remain substantially the same as the previous year focusing on the Government's priorities.
- Personnel costs were based on current wages and salary costs, adjusted for anticipated remuneration changes.
- Operating costs were based on historical experience and other factors that are believed to be reasonable in the circumstances and are the Commission's best estimate of future costs that will be incurred.
- Inclusion of Social Wellbeing Agency.

The actual financial results achieved for 30 June 2023 are likely to vary from the forecast information presented, and the variations might be material. Since the approval of the forecasts, there is no significant change or event that would have a material effect on the forecasts.

Statement of cost allocation policies for Departmental Financial Statements

The Commission has determined the cost of outputs and categories using the following cost allocation system:

- Direct costs are expenses incurred from activities in producing outputs. These costs are charged directly to the related appropriations.
- Indirect costs are expenses incurred by corporate services functions that cannot be identified with a specific output. Indirect costs are allocated to each appropriation based on full-time equivalent personnel.

There have been no changes in the Commission's general cost accounting policies since the date of the last audited Financial Statements.

Critical accounting estimates and assumptions

There are no critical accounting estimates and assumptions made in preparing these Financial Statements.

Capital management

The Commission manages its revenues, expenses, assets, liabilities, and general financial dealings prudently.

Its equity is largely managed as a by-product of managing revenue, expenses, assets, liabilities, and compliance with the government budget processes, Treasury Instructions, and the PFA.

2. Revenue

Revenue Crown

Revenue from the Crown is measured based on the Commission's funding entitlement for the reporting period as reported in the Departmental Financial Statements.

The funding entitlement is established by Parliament when it passes the Appropriation Acts for the financial year.

The amount of revenue recognised takes into account any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year and certain other unconditional funding adjustments formally approved prior to balance date. There are no conditions attached to the funding from the Crown. However, the Commission can incur expenses only within the scope and limits of its appropriations.

The fair value of Revenue Crown has been determined to be equivalent to the funding entitlement.

Other revenue

Performance Improvement Framework reviews

Revenue from reviews is recognised based on percentage completed.

LDC Levies and LDC courses

Revenue from Levies for the Leadership Development Centre and courses are recognised as revenue on a straight line basis over life of each course.

Recovery of rental costs and secondments

Recovery of rental costs and secondments from participating agencies is recognised as revenue on a straight line basis.

Public Service Fale contribution revenue

Revenue from Public Service Fale contribution is recognised as revenue when the obligation to pay the expenses is incurred.

Clerical and administration pay equity claim team delivery revenue

Revenue from Clerical and Administration Pay Equity Claim team delivery is recognised as revenue when the obligation to pay the expenses is incurred.

Employee Led Networks levies

Revenue from levies for the Employee Led Networks programme is recognised as revenue on a straight line basis.

Breakdown of other revenue and further information

2021 Actual \$000	2022 Actual \$000
7 Agency contribution towards PIF reviews	-
2,377 LDC Levies	2,413
676 LDC Course and other revenue	1,055
2,683 Public Service Fale contribution revenue	2,944
855 Clerical and administration pay equity claim team delivery revenue	1,784
463 Employee Led Networks levies	692
- Gardiner Centre for Children – Agency Contribution	830
1,959 Other revenue (including recoveries)	1,747
9,020 Total other and departmental revenue	11,465

3. Personnel costs

Accounting policy

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Superannuation schemes

Defined contribution schemes

Employee contributions to defined contribution plans such as the State Sector Retirement Savings Scheme, KiwiSaver, and the Government Superannuation Fund are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred. Note that the Commission may make contributions to other defined contribution plans which employees may be members of, including defined benefit plans that are accounted for as a defined contribution plan.

Defined benefit scheme

The Commission makes contributions to the Defined Benefit Plan (DBP) Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multiemployer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme the extent to which the surplus or deficit in the plan will affect future contributions by individual employers, as there is no prescribed basis for allocation.

The scheme is therefore accounted for as a defined contribution scheme.

2021 Actual \$000	2022 Actual \$000
30,514 Salaries and wages	31,591
250 Staff training and development	273
942 Superannuation contributions to defined contribution plans	1,022
89 Increase/(decrease) in employee entitlements	605
88 Redundancy	13
388 Other	1,076
32,271 Total personnel costs	34,580

4. Capital charge

Accounting policy

The capital charge is recognised as an expense in the financial year to which the charge relates.

The Commission pays a capital charge to the Crown based on its equity as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2022 was 5% (2021: 5%).

5. Other operating expenses

2021 Actual \$000	2022 Actual \$000	2022 Budget \$000	2022 Supps \$000	2023 Forecast \$000
2,021 Consultancy	1,535	1,579	2,178	1,525
346 Chief executives' recruitment costs	533	450	550	450
203 Legal fees	106	103	298	164
115 Fees to Audit New Zealand for audit of financial statements - the Commission	144	120	120	120
1,185 Rental and operating lease costs	1,271	1,271	1,271	1,271
217 Other occupancy costs	338	177	177	218
2,760 IT and communication costs	2,441	2,996	2,041	2,136
122 Travel	113	209	916	483
71 Loss on disposal of property, plant and equipment	96	-	-	-
170 Sponsorship	121	149	2,097	67
1,334 Contractor fees for SWA	302	735	735	735
350 Costs paid to the Treasury for CASS	362	350	350	356
15 LDC Fellowships	8	-	-	-
3,091 Other operating costs	3,129	2,898	4,100	2,883
12,000 Total operating costs	10,499	11,037	14,833	10,408

6. Property, plant & equipment / intangible assets

Accounting policy

Property, plant and equipment is measured at cost, less accumulated depreciation and impairment losses, except for Artwork which is revalued to fair values every five years, subject to regular assessment of market movements to ensure they do not differ materially from fair value. The latest revaluation was performed as at 30 June 2018.

Intangible assets are capitalised on the basis of the costs incurred to acquire and bring to use the specific asset. Direct costs include software acquisition and customisation costs by consultants or staff. Staff training costs are recognised as an expense when incurred. Intangible assets with finite lives are subsequently recorded at cost, less any amortisation and impairment losses. The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life.

Amortisation begins when an asset is available for use and ceases at the date that an asset is de-recognised. The amortisation charge for each period is recognised in the Statement of Comprehensive Revenue and Expenses.

The useful lives of all classes of assets have been estimated as follows:

Asset Type	Useful Life	Depreciation/Amortisation Rate	Method
Computer Equipment	3 – 5 years	20% – 33.33%	Straight line
Office equipment	4 – 5 years	20% – 25%	Straight line
Leasehold improvements	5 years	20%	Straight line
Works of art	N/A	N/A	N/A
Furniture and fittings	3 – 5 years	20% – 33.33%	Straight line
Intangible	3 – 5 years	20% – 33.33%	Straight line

Property, Plant and Equipment

	Computer Equipment \$000	Office Equipment \$000	Leasehold Improvements \$000	Works of Art \$000	Furniture and Fittings \$000	Total \$000
Cost						
Balance at 1 July 2020	741	149	705	126	966	2,687
Additions	149	-	306	-	267	722
Disposals/transfers	(2)	(22)	(45)	-	(235)	(304)
Revaluation increase	-	-	-	-	-	-
Other movements	-	9	-	-	-	9
Balance at 30 June/1 July 2021	888	136	966	126	998	3,114
Additions	323	-	29	-	17	369
Disposals/transfers	(281)	-	-	-	-	(281)
Revaluation increase	-	-	-	-	-	-
Other Movements	-	-	-	-	-	-
Balance at 30 June 2022	930	136	995	126	1,015	3,202
Accumulated depreciation and impairment losses						
Balance at 1 July 2020	156	72	292	-	440	960
Depreciation expense	220	27	158	-	205	610
Elimination on disposal	(2)	(11)	(15)	-	(195)	(223)
Balance at 30 June/1 July 2021	374	88	435	-	450	1,347
Depreciation expense	273	20	194	-	199	686
Elimination on disposal	(185)	-	-	-	-	(185)
Balance at 30 June 2022	462	108	629	-	649	1,848
Carrying amounts						
At 1 July 2020	585	77	413	126	526	1,727
At 1 July 2021	514	48	531	126	548	1,767
At 30 June 2022	468	28	366	126	366	1,354

Intangible Assets

	Intangible Assets \$000	Work in Progress \$000	Total \$000
Cost			
Balance at 1 July 2020	837	30	867
Additions	-	52	52
Disposals/transfers	(253)	(30)	(283)
Revaluation increase	-	-	-
Other Movements	-	-	-
Balance at 30 June/1 July 2021	584	52	636
Additions	-	215	215
Disposals/transfers	-	-	-
Revaluation increase	-	-	-
Other Movements	-	-	-
Balance at 30 June 2022	584	267	851
Accumulated Amortisation and impairment losses			
Balance at 1 July 2020	459	-	459
Amortisation expense	314	-	314
Elimination on disposal	(283)	-	(283)
Balance at 30 June/1 July 2021	490	-	490
Amortisation expense	89	-	89
Elimination on disposal	-	-	-
Balance at 30 June 2022	579	-	579
Carrying amounts			
At 1 July 2020	378	30	408
At 1 July 2021	94	52	146
At 30 June 2022	5	267	272

7. Receivables

Accounting Policy

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The Commission applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables.

In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables are written off when there is no reasonable expectations of recovery. Indicators that there is no reasonable expectations of recovery include the debtor being in liquidation or the receivable being more than one year overdue.

Ageing of debtors and other receivables

2021 Actual \$000	2022 Actual \$000
3,391 Current	2,528
550 Past due 31 - 60 days	5
13 Past due 61 - 90 days	123
68 Past due over 91 days not impaired	72
4,022 Total	2,728

8(a). Creditors and other payables

Accounting Policy

Creditors and other payables are recorded at their face value.

2021 Actual \$000	2022 Actual \$000
Payables under exchange transactions	
1,816 Trade Creditors	1,272
1,767 Accrued Expenses	1,286
3,583 Total Payables under exchange transactions	2,558
Payables under non-exchange transactions	
1,423 Taxes Payable	911
1,423 Total Payables under non-exchange transactions	911
5,006 Total Trade Payables and Other Payables	3,469

8(b). Revenue in Advance

Accounting Policy

Revenue in advance is recognised where amounts billed are in excess of the amounts recognised as revenue.

2021 Actual \$000	2022 Actual \$000
2,861 LDC Levies and Courses	2,983
1,609 Public Service Fale contribution revenue	1,359
945 Clerical and administration pay equity claim team delivery revenue	961
692 Employee Led Networks levies	739
102 Organisation for Economic Co-operation and Development (OECD) contribution revenue	102
308 Department of Internal Affairs - Innovation Fund	284
15 Other revenue	59
6,532 Total Revenue in Advance	6,487

9. Employee Entitlements (Departmental)

2021 Actual \$000	2022 Actual \$000
Current liabilities	
481 Accrued salaries and performance pay	815
1,413 Annual leave	1,783
44 Sick leave	40
5 Retirement and long service leave	195
1,943 Total current portion	2,833
Non-current liabilities	
94 Long service leave	54
94 Total non-current portion	54
2,037 Total employee entitlements	2,887

Presentation of employee entitlements

Sick leave, annual leave, vested long service leave, and non-vested long service leave and retirement leave expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability

Retirement and Long Service Leave

The present value of the retirement and long service leave obligations depends on a number of factors that are determined on an actuarial basis using some assumptions. Two key assumptions used in calculating this liability include the discount rate (year 1: 3.340%; year 2: 3.700%; year 3+ : 4.290%) and the salary-inflation factor (year 1: 6.00%; year 2+: 3.010%). Any changes in these assumptions will impact on the carrying amount of the liability. In determining the appropriate discount rate, the Commission adopts the central table of risk-free discount rates and Consumer Price Index (CPI) assumptions provided by the Treasury.

10. Provisions

The Commission is required at the expiry of the lease term in the Reserve Bank on 28 February 2024 to make good the premises. \$0.228 million has been provided for this.

	Lease Make Good \$000	LDC Fellowships \$000	Ria McBride Award \$000	SWA Redundancy \$000	Total \$000
Opening balance at 1 July 2021	119	144	49	52	364
Additional provisions made	109	-	15	-	124
Provisions released	-	-	-	(52)	(52)
Closing balance at 30 June 2022	228	144	64	0	436

11. Reconciliation of Net Surplus to Net Cash Flows from Operating Activities

2021	2022
Actual	Actual
\$000	\$000
1,978	5,573
Net Surplus (Deficit)	
Add/(Less) Non-Cash Items	
924 Depreciation and Amortisation	775
924 Total Non-Cash Items	775
Add/(Less) Working Capital Movement	
(1,649) (Increase)/Decrease in Receivables and Prepayments	1,320
4,555 Increase/(Decrease) in Creditors and Other Payables	(1,431)
17 Increase/(Decrease) in GST	(151)
(9) Increase/(Decrease) in Provisions	72
187 Increase/(Decrease) in Employee Entitlements	890
3,101 Total Net Movement In Working Capital Items	700
25 Add/(Less) Movements in Non-current Liabilities	(40)
Add/(Less) Items Classified As Investing Or Financing Activities	
71 (Gain)/Losses on Disposal of Property, Plant and Equipment	96
6,099	7,104
Net Cash Flows from Operating Activities	

12. Summary Analysis of the Public Service Commission and the Social Wellbeing Agency

Revenue and Expenses	The Commission Actual 2022 \$000	SWA Actual 2022 \$000	Total Actual 2022 \$000
Revenue			
Revenue Crown	32,927	7,258	40,185
Revenue other	11,710	8	11,718
Total Revenue (before inter-agency eliminations)	44,637	7,266	51,903
Elimination of inter-entity transactions	(253)	-	(253)
Total Revenue	44,384	7,266	51,650
Expenditure			
Personnel costs	29,984	4,596	34,580
Capital charge	223	-	223
Depreciation and amortisation	775	-	775
Other operating	8,505	2,247	10,752
Total Expenses (before inter-agency eliminations)	39,487	6,843	46,330
Elimination of inter-entity transactions	(253)	-	(253)
Total Expenses	39,234	6,843	46,077
Net Surplus	5,150	423	5,573

Assets and Liabilities	The Commission Actual 2022 \$000	SWA Actual 2022 \$000	Total Actual 2022 \$000
Current assets	21,849	1,838	23,687
Non-current assets	1,626	-	1,626
Current liabilities	16,394	1,838	18,232
Non-current liabilities	282	-	282
Net Assets	6,799	-	6,799
Total Equity	6,799	-	6,799

13. Equity

Accounting Policy

Equity is the Crown's investment in the Ministry and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified as taxpayers' funds, memorandum accounts, and artwork revaluation reserves.

Memorandum accounts

Memorandum accounts reflect the cumulative surplus or deficit on those departmental services provided that are intended to be fully cost recovered from third parties through fees, levies, or charges. The balance of each memorandum account is expected to trend toward zero over time.

Artwork revaluation reserves

These reserves relate to the revaluation of artwork to fair value.

Breakdown of equity and further information

2021 Actual \$000	2022 Actual \$000
Taxpayers' funds	
5,510 Balance as at 1 July	5,901
1,978 Surplus	5,573
188 Capital injections	-
- Retention of surplus	215
- Capital withdrawal	(355)
(275) Transfer of memorandum account net (surplus)/deficit for the year	(338)
(1,500) Return of operating surplus to the Crown	(5,235)
5,901 Balance as at 30 June	5,761
Artwork revaluation reserves	
96 Balance as at 1 July	96
- Revaluation gains	-
96 Balance as at 30 June	96
Memorandum accounts	
- Balance as at 1 July	604
329 Retention of surplus from financial year 2019/20	-
275 Net memorandum account surpluses/(deficits) for the year	338
604 Balance as at 30 June	942
6,601 Total equity	6,799

Breakdown of memorandum accounts and further information

2021		2022
Actual		Actual
\$000		\$000
Leadership Development Centre memorandum account		
-	Balance as at 1 July	604
329	Retention of surplus from financial year 2019/20	-
3,052	Revenue	3,468
(2,777)	Expenses	(3,130)
275	Surplus/deficit for the year	338
604	Balance as at 30 June	942

These memorandum accounts summarise financial information relating to the accumulated surpluses and deficits incurred in the provision of statutory information and performance of accountability reviews by the Ministry to third parties on a full cost recovery basis.

The balance of each memorandum account is expected to trend toward zero over a reasonable period of time, with interim deficits being met either from cash from the Ministry's statement of financial position or by seeking approval for a capital injection from the Crown. Capital injections will be repaid to the Crown by way of cash payments throughout the memorandum account cycle.

14. Return of operating surplus

The Commission's obligation to return a portion of its operating surplus in accordance with the Public Finance Act 1989 is recognised at face value as it is required to be paid by 31 October of each year, per Treasury Instructions.

2021			2022
Actual			Actual
\$000		Notes	\$000
1,775	Net (deficit)/surplus		5,573
	<i>Add back:</i>		
(275)	Net operating deficit/(surplus) in memorandum accounts	13	(338)
1,500	Return of operating surplus to the Crown		5,235

15. Related party transactions

All related party transactions have been entered into on an arm's-length basis. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

The Commission is a wholly-owned entity of the Crown. The Government significantly influences the roles of the Commission as well as being its major source of revenue.

In conducting its activities the Commission is required to pay various taxes and levies (such as GST, FBT, PAYE and ACC levies) to the Crown and entities related to the Crown. The payment of these taxes and levies, other than income tax, is based on the standard terms and conditions that apply to all tax and levy payers.

Key management personnel

The Commission Actual 2021 \$000	SWA Actual 2021 \$000		The Commission Actual 2022 \$000	SWA Actual 2022 \$000
		Leadership Team, including the Public Service Commissioner		
3,951	1,272	Remuneration	4,189	977
10.83	5.5	Full-time equivalent staff	10.54	3.70

The above key management personnel compensation excludes the remuneration and other benefits the Minister of Public Service receives. The Minister's remuneration and other benefits are not received only for his role as a member of key management personnel of the Commission. The Minister's remuneration and other benefits are set by the Remuneration Authority under the Members of Parliament (Remuneration and Services) Act 2013 and are paid under Permanent Legislative Authority, and not paid by the Commission.

Related party transactions involving key management personnel (or their close family members)

There were no related party transactions involving key management personnel or their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties (2021: Nil).

16. Events after balance date

There have been no significant events subsequent to balance date that require adjustment to the Financial Statements or disclosure.

17. Explanation of major variances against budget

The following major budget variations occurred between the 2021/22 Actuals and the 2021/22 Original (Mains) Budget.

Statement of Comprehensive Revenue and Expense

Revenue

Revenue Crown was higher than originally budgeted mainly due to funding approved by Cabinet to establish a pay equity centre of excellence and a funding transfer from Oranga Tamariki to provide an initial investment to support the establishment of the Gardiner Centre for the Child during the 2021/22 financial year. There was an expense transfer from the financial year 2020/21 to build capability around the new direction for the Social Wellbeing Agency as set by the Government which was initially delayed due to the diversion of attention and resources to support the Public Service's COVID-19 response; and an expense transfer to fund the chief executive recruitment which had been delayed.

Expenditure

Personnel costs were higher than budgeted mainly due to the adjustments for the pay equity centre of excellence (which increased the number of FTEs employed by the Commission). Depreciation and amortisation costs were lower than budgeted due to adoption of new Software as a Service (SaaS) – new interpretation as per Treasury's guidance, this resulted in retrospective disposal of cloud software's which were previously capitalised hence reducing the amortisation expenditure.

Statement of Financial Position, Cashflow and Changes in Equity

Variances in the Statement of Position and Statement of Cashflow are largely due to timing differences between when the goods or services were delivered and when the cash changed hands. The bank balance is higher than budgeted due to the unbudgeted surplus made during the year and funding received as approved by cabinet to establish pay equity centre of excellence and a funding transfer from Oranga Tamariki for supporting the initial establishment Gardiner Centre for the Child. This can also be seen in the Statement of Cash Flow where actual net cash flow exceeds budgeted net cash flow (the budget being the Supplementary Estimates budget). This surplus will be repaid to the Crown and the Gardiner Centre for the Child funding will be transferred in the 2022/23 financial year (subject to discussions with the Treasury and approval from Ministers).

There are variances in the Statement of Changes in Equity due retrospective adjustment to 2019/20 and 2020/21 equity due to adoption of new Software as a Service (SaaS) – interpretation as per Treasury circular. Capital injection received for the retention of surplus for Employee-Led Networks (ELN) from 2020/21 because ELN is self-funded through third parties. The remaining variance relates to the retention of surplus from memorandum account for the Leadership Development Centre and capital withdrawal during the year (fiscal neutral adjustment).

18. Impact of COVID-19 on the Commission

The Commission had a similar impact of COVID-19 as reported in 2020/21 annual report in current financial year with restriction on international travel. The Public Service Fale had budgeted to undertake a significant amount of international travel throughout the Pacific as part of their work programme. However, COVID-19 restrictions meant that most of this travel was not able to take place. This impacts both expenditure and revenue as the travel would have been recovered from the Ministry of Foreign Affairs and Trade.

The Commission continues to play a significant role in supporting the response to COVID-19 and this is explored on page 16. However, this work is managed by re-prioritising resources and reallocating staff, resulting in a minimal impact on the financial statements.

19. Financial Instruments

The carrying amounts of financial assets and liabilities in each of the PBE IFRS 9 financial instrument category are:

2021 Actual \$000		2022 Actual \$000
Financial assets measured at amortised cost		
13,026	Cash and cash equivalents	17,906
7,050	Receivables (excluding taxes receivable)	5,756
20,076	Total financial assets measured at amortised cost	23,662
Financial liabilities measured at amortised cost		
3,583	Payables (excluding income in advance and taxes payable)	2,558
3,583	Total financial liabilities measured at amortised cost	2,558

20. Change in accounting Policy

Software as a Service (SaaS)—new interpretation

The Commission has changed its accounting policy in relation to configuration and customisation costs incurred in implementing SaaS arrangements. As a result of this prior year financial statements have had to be restated.

The following tables show the adjustments recognised for each individual line item.

Impact on financial statements			
<i>Statement of Comprehensive Revenue and Expenses (extract)</i>	Actual 2021 as Originally Presented \$000	Software as a Service (SaaS) New Interpretation \$000	Actual 2021 Restated \$000
Total revenue	47,397	-	47,397
Expenditure			
Personnel costs	32,271	-	32,271
Capital charge	224	-	224
Depreciation and amortisation expense	1,141	(217)	924
Other operating expenses	11,986	14	12,000
Total expenditure	45,622	(203)	45,419
Total comprehensive revenue	1,775	(203)	1,978

<i>Statement of Financial Position (extract)</i>	Actual 2021 as Originally Presented \$000	Software as a Service (SaaS) New Interpretation \$000	Actual 2021 Restated \$000
Assets			
Current Assets			
Cash and cash equivalents	13,026	-	13,026
Debtor Crown	3,028	-	3,028
Debtors and other receivables	4,022	-	4,022
Prepayments	17	34	51
Total current assets	20,093	34	20,127
Non-current assets			
Property, plant and equipment	1,767	-	1,767
Intangible assets	290	(144)	146
Total non-current assets	2,057	(144)	1,913
Total assets	22,150	(110)	22,040
Liabilities			
Total current liabilities	15,226	-	15,226
Total non-current liabilities	213	-	213
Total liabilities	15,439	-	15,439
Net assets	6,711	(110)	6,601
Equity			
Taxpayers' funds	6,011	(110)	5,901
Memorandum accounts	604	-	604
Artwork revaluation reserves	96	-	96
Total equity	6,711	(110)	6,601

<i>Statement of Changes in Equity (extract)</i>	Actual 2021 as Originally Presented \$000	Software as a Service (SaaS) New Interpretation \$000	Actual 2021 Restated \$000
Balance as at 1 July	5,919	(313)	5,606
Comprehensive revenue / (expense)			
Net surplus/(deficit) for the year	1,775	203	1,978
Capital contribution	188	-	188
Transfer to memorandum account	329	-	329
Return of operating surplus to the Crown	(1,500)	-	(1,500)
Balance as at 30 June	6,711	(110)	6,601

<i>Statement of Cash Flows(extract)</i>	Actual 2021 as Originally Presented \$000	Software as a Service (SaaS) New Interpretation \$000	Actual 2021 Restated \$000
Cash flows from operating activities			
Receipts from Crown	38,377	-	38,377
Receipts from other revenue	10,797	-	10,797
Payments to suppliers	(10,887)	(48)	(10,935)
Payments to employees	(31,933)	-	(31,933)
Payments for capital charge	(224)	-	(224)
Goods and services tax (net)	17	-	17
Net cash flows from operating activities	6,147	(48)	6,099
Cash flows from investing activities			
Purchase of property, plant and equipment	(722)	-	(722)
Purchase of intangible assets	(100)	48	(52)
Net cash flows from investing activities	(822)	48	(774)
Cash flows from financing activities			
Net cash flows from financing activities	(3,196)	-	(3,196)
Net (decrease) / increase in cash	2,129	-	2,129
Cash at the beginning of the year	10,897	-	10,897
Cash at the end of the year	13,026	-	13,026

Non-departmental Schedules (for the year ended 30 June 2022)

The Non-departmental Schedules record the revenue, expenses, assets, liabilities, commitments, contingent liabilities and contingent asset that the Commission and SWA manages on behalf of the Crown.

Schedule of Non-departmental Expenses

for the year ended 30 June 2022

2021 Actual \$000		2022 Actual \$000	2022 Budget \$000	2022 Supps \$000	2023 Forecast \$000
15,250	Remuneration and related employment costs of chief executives	18,283	16,614	19,363	18,199
	<i>Consists of:</i>				
15,163	Remuneration and leave costs	18,231	16,414	19,163	17,999
53	Training and development	52	100	100	100
34	Relocation costs	-	100	100	100
200	Open Government Partnership	200	200	200	200
17	GST Input expense	11	-	-	-
15,467	Total non-departmental expenses	18,494	16,814	19,563	18,399

The accompanying accounting policies and notes form part of these Financial Statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2022.

Explanation of significant variance against budget are provided in Note 3.

Schedule of Non-departmental Revenue and Receipts

(for the year ended 30 June 2022)

The Schedule of Non-departmental Revenue and Receipts summarises Non-departmental revenues and receipts that the Commission and SWA administers on behalf of the Crown.

2021 Actual \$000		2022 Actual \$000	2022 Budget \$000	2022 Supps \$000	2023 Forecast \$000
14,900	Reimbursement of chief executives' remuneration	17,712	17,064	20,113	18,250
14,900	Total non-departmental revenue	17,712	17,064	20,113	18,250

The accompanying accounting policies and notes form part of these Financial Statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2022.

Explanation of significant variance against budget are provided in Note 3.

Schedule of Non-departmental Assets

as at 30 June 2022

2021 Actual \$000		2022 Actual \$000	2022 Budget \$000	2022 Supps \$000	2023 Forecast \$000
11,293	Cash	12,804	9,553	11,293	11,293
200	Prepayment	209	-	-	-
52	Debtors and other receivables	48	-	-	-
11,545	Total non-departmental assets	13,061	9,553	11,293	11,293

The accompanying accounting policies and notes form part of these Financial Statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2022.

Explanation of significant variance against budget are provided in Note 3.

Schedule of Non-departmental Liabilities

as at 30 June 2022

2021 Actual \$000		2022 Actual \$000	2022 Budget \$000	2022 Supps \$000	2023 Forecast \$000
28	Creditors and other payables	294	7	28	28
	Current liabilities – employee entitlements				
520	Salaries and wages	325	352	268	268
1516	Annual leave	1864	1225	1516	1516
2,036	Total current liabilities – employee entitlements	2,189	1,577	1,784	1,784
	Long-term liabilities				
735	Retirement leave	768	701	735	735
2,771	Total current and long-term provision for employee entitlements	2,957	2,278	2,519	2,519
2,799	Total non-departmental liabilities	3,251	2,285	2,547	2,547

Explanation of significant variances against budget are provided in Note 3.

Schedule of Non-departmental Commitments

as at 30 June 2022

There are no non-departmental commitments as at 30 June 2022 (2021: Nil).

Schedule of Non-departmental Contingent Liabilities and Contingent Assets

There are no non-departmental contingent liabilities and contingent assets as at 30 June 2022 (2021: Nil).

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2022.

Notes to the Non-Departmental Statements and Schedules (for the year ended 30 June 2022)

1. Statement of Accounting Policies

Reporting Entity

These non-departmental statements and schedules present financial information on public funds managed by the Commission on behalf of the Crown.

These non-departmental balances are consolidated into the Financial Statements of the Government for the year ended 30 June 2022. For a full understanding of the Crown's financial position, results of operations, and cash flows for the year, refer to the Financial Statements of the Government for the year ended 30 June 2022.

Basis of Preparation

The non-departmental statements and schedules have been prepared in accordance with the accounting policies of the consolidated Financial Statements of the Government, Treasury Instructions, and Treasury Circulars.

Presentation currency and rounding

The non-departmental statements and schedules are presented in New Zealand dollars (NZ dollars) and all values are rounded to the nearest thousand dollars (\$000).

Standard issued and not yet effective and not early adopted

PBE IPSAS 41 Financial instruments

PBE IPSAS 41 Financial Instruments replaces PBE IFRS 9 Financial Instruments and is effective for year ending 30 June 2023, with earlier adoption permitted. The Commission has assessed that there will be little change as a result of adopting the new standard as the requirements are similar to those contained in PBE IFRS 9. The Commission does not intend to early adopt the standard for the non-departmental statements.

Summary of significant accounting policies

Significant accounting policies are included in the notes to the departmental financial statements and non-departmental schedules on pages 83 to 87 of this report.

2. Impact of COVID-19

The COVID-19 pandemic has not had a significant financial impact on the non-departmental statements and schedules.

3. Explanation of major variances against budget

Schedule of revenue and schedule of expenses

The variance in current year actuals and budget is due to government decisions around the establishment of two new agencies, extension of Pike River Recovery Agency. The budget in both schedules includes a contingency component to allow for unplanned expenditure and revenue relating to chief executives. This explains the variance in both revenue and expenditure, as any increase in chief executive expenditure would generate a commensurate increase in revenue as the costs are recovered from the respective agency.

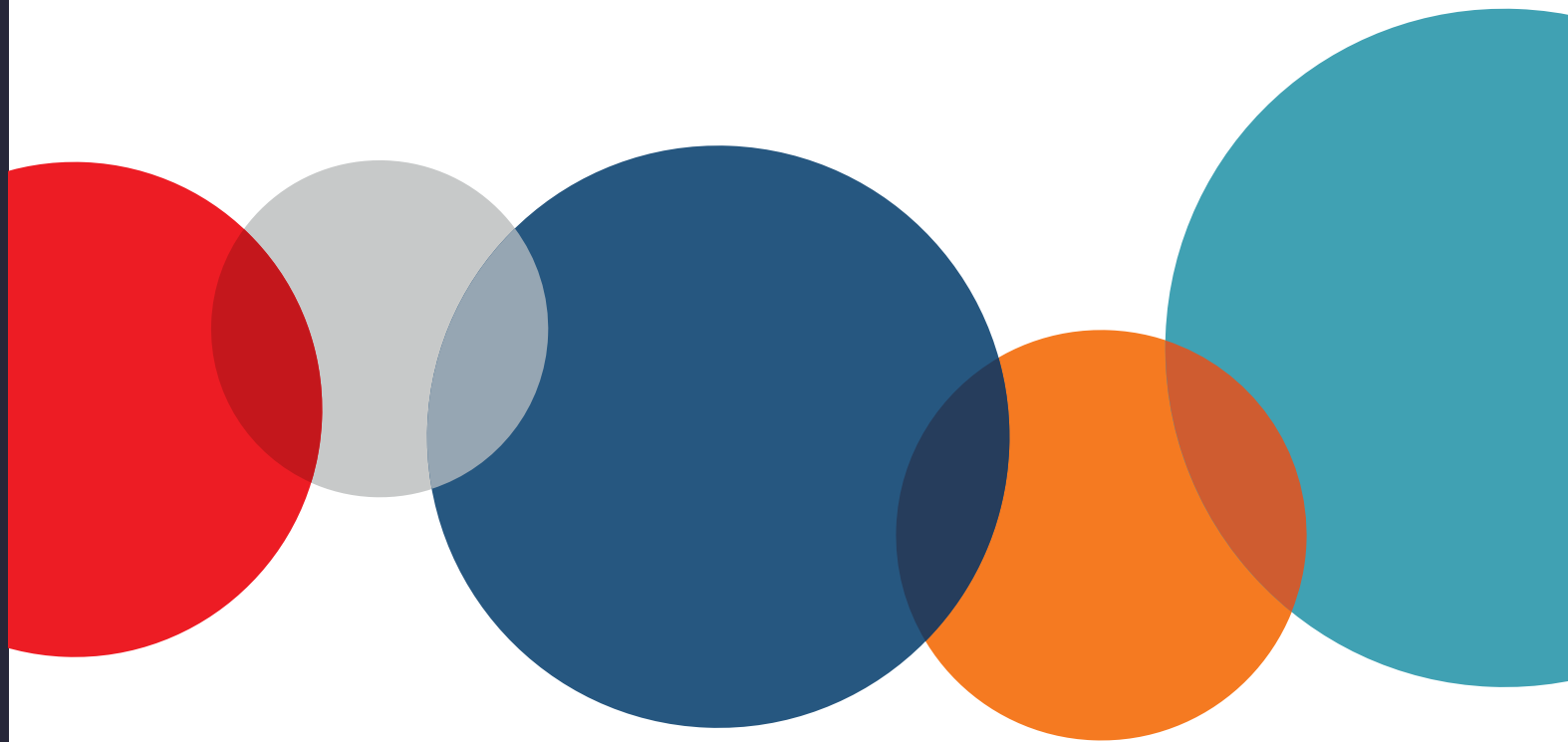
Schedule of assets and schedule of liabilities

The variance in the schedule of assets results from the budget for cash. This assumed a higher level of expenditure as budgeted for in the schedule of Non-departmental expenses. The underspent of \$2.4m underspend in expenses compared to supplementary estimates is the main contribution to the increase in the bank balance.

The variance in the schedule of liabilities results from underbudgeted retirement leave.

Pūrongo-ā-tau Annual Report

2021 – 2022



**SOCIAL
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Te Kāwanatanga o Aotearoa
New Zealand Government

Chief Executive Statement



**“Mā te rongo, ka mōhio.
Mā te mōhio, ka mārama.
Mā te mārama, ka mātau.
Mā te mātau, ka ora.”**

Through perception comes awareness, through awareness comes understanding, through understanding comes knowledge, and through knowledge comes wellbeing.

Tēnā koutou katoa,

I am pleased to present this year's annual report and to share some of the deliverables the Social Wellbeing Agency has achieved over the last year.

We have strengthened our focus on where we can make the greatest impact to the wellbeing of New Zealanders. Our new strategy and re-aligned work programme support the priorities of the Social Wellbeing Board and Social Wellbeing Committee and assist us to achieve our vision.

We are partnering with other social sector agencies more than ever to understand where and how services can be delivered better – or differently – to make a meaningful difference to the lives of New Zealanders. Over the last year we have delivered insights into Government priorities. We provided insights into COVID-19 vaccination patterns, how government debt affects people's lives, the wellbeing of older people, youth crime and gang harm, and children with high and complex needs. Our data analysis and insights ensure Ministers and government agencies have information they need to make informed decisions.

We still have more to do to build our capability and capacity to realise our full potential. However, I am proud of the way we have risen to the challenge. Our recent efforts have demonstrated what we can achieve and impacts we can have.

Over the next year we will embed performance measures which will stretch us and further demonstrate our contribution to the social sector and more importantly, to improving the lives of New Zealanders. Underpinning that approach will be the values that we aspire to: Tangata, Manawa Māui, Taunakitanga, Puaretanga (being about people, catalysts for change, influencing through evidence, and being transparent).

Ngā mihi nui,

A handwritten signature in black ink that reads "Renee Graham". The signature is fluid and cursive, with a long horizontal stroke at the end.

Renee Graham
Chief Executive
Social Wellbeing Agency

Who we are and what we do

Our vision is that **people, whānau and communities live the life to which they aspire.**

To achieve that vision, we have two purposes:

- to deliver cross-social system advice
- to create tools, insights and practices for government.

We think of ourselves as the advanced data, analytics, and insights agency for the social sector. We provide independent, evidence-based advice on enduring, topical and important social issues for Aotearoa New Zealand that don't fit neatly into a single agency. Our work focuses on providing insights into challenging social-sector problems to improve people's lives.

Delivering our strategic priorities

Over the past year, we have grown our capability and re-oriented our work programme to respond more quickly to emerging priorities and provide analysis and advice on a range of key Government priorities. We have grouped our work to align with our two core purposes, and this year have delivered key projects within each.

Cross-social system advice

In 21/22 we have:

- Supported joined up government in the regions: we worked with regional leaders to understand their data needs with the aim of providing standardised regional data and dashboards to regional leaders over the coming year.
- Provided insights on youth crime and engagement: an ongoing piece of work, working across agencies we provided initial insights on what leads to youth crime, ramraids, and youth gang involvement.
- Provided further analysis on debt to government: our 3-year project in this area has underpinned advice on how government agencies might better coordinate to mitigate the impacts of government debt on individuals, particularly where that debt is overlapping.
- Contributed to collective action to reduce family violence: we have two key actions we are progressing for Te Aorere kura relating to evaluation and measurement.
- Built our understanding of what works for child and whānau wellbeing in the first 1000 days.

Strategy 2021–2023

We work on challenging
social-sector problems
to improve people's lives



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New Zealand Government

Providing tools, insights and advice

In 21/22 we have:

- Launched a new data and analytics platform: 'MahiTahi' in partnership with Te Puni Kōkiri. This enables secure, safe and easier to access to anonymised subpopulation, subregional and community data, allowing agencies to make better informed decisions that will improve outcomes for New Zealanders.
- Developed and tested regional dashboards in collaboration with regional advisors and we will build on these dashboards to support local decision-making.
- Drawn on our expertise of using joined up data to develop new indicators of need and provide insights and advice on children and learners with highest needs, COVID-19 vaccination uptake for disabled New Zealanders, and vulnerable older people.
- Improved data capability for new or developing researchers through the development of tools. This includes our IDI exemplar project guidance, and coordination of a Data, Ethics, Privacy and Governance workshop.

To deliver these key pieces of work, we have started to make the key shifts set out in our three-year strategy, including:

- Leading and shining a light on cross-sector policy issues
- Making a greater impact through a more focused work programme
- Being the engine room for the Social Wellbeing Board, advising and collaborating on policy issues which fall between the gaps or have cross agency remit
- Demonstrating we are the experts with our work visible and respected
- Executing deliverables with a policy focus supported by advanced analytics.

Our achievements

Delivering cross-sector advice

We delivered cross-agency advice partnering with others and using our expertise and analysis to understand more about complex social issues.

Developing the learning and monitoring approach for Te Aorerekura

We worked with Te Puna Aonui (formerly the Joint Venture for the Elimination of Family and Sexual Violence) to support the development of the learning and monitoring approach for Te Aorerekura. Under Te Aorerekura, a 25-year strategy for the elimination of family violence and sexual violence in Aotearoa New Zealand, we are leading work on two actions:

- Action 38: Continuously develop and improve the learning system through the collection of evidence and voices. This action is about supporting government and communities to work together to build a collaborative learning system.
- Action 39: Work together to finalise a measurement framework. This action focuses on how government can work with communities to build a measurement framework including actions to eliminate family violence and sexual violence.

Our work will provide a roadmap for measuring success so we can have confidence in the actions taken – across government and within communities and whānau – and their contribution to eliminating family and sexual violence.

In the year to June 2022, we worked with Joint Venture agencies and stakeholders, including academic experts with significant experience measuring and monitoring family violence and sexual violence in New Zealand. We undertook exploratory work, including taking stock of current family violence and sexual violence indicators. We developed and socialised a pragmatic approach to developing an outcomes framework and a supporting research, evaluation and measurement plan focussed on tracking progress towards the six shifts outlined in Te Aorerekura.

Improving regional access to data to support decision-making

During the COVID-19 response in 2020, government demonstrated its ability to provide data more regularly and in new ways to support the welfare response. Real time local information has become vital to inform regional priorities and support decisions on where to focus public service collective efforts.

In response to these increasing expectations for timely information, we partnered with the Ministry of Social Development to develop a prototype dashboard tool drawing on the Integrated Data Infrastructure and survey data to drill down into regional and sub-regional data. A lot of this data has previously not been accessible at these levels.

We worked with a small group of regional advisers to develop and test proof-of-concept dashboards for Regional Public Service Commissioners, and to test the capability of our data and analytics platform to meet these needs. This is allowing us to explore options and advise on the development of data products and insights that will effectively support joined up government in the regions.

Identifying critical factors for child wellbeing in the first 1,000 days

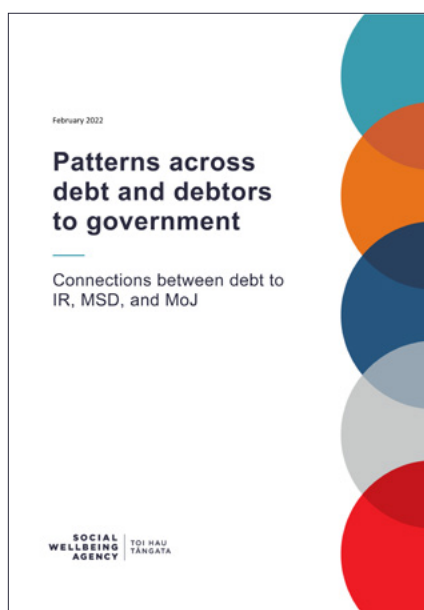
The first 1,000 days (from conception to age 2) lay the foundations for a child's future. This is an effective time to support parents and whānau with strengthening and preventive interventions, with potential to improve long-term outcomes and break cycles of intergenerational disadvantage.

To support the first 1000 Days focus area of the Child and Youth Wellbeing Strategy, we commissioned Professor Susan Morton, Foundation Director of the Growing Up in New Zealand Longitudinal study (GUINZ), to evaluate the strength of existing evidence on aspects of parental and whānau wellbeing that have the greatest potential for improving the wellbeing of children. In particular, the research focused on the first 1000 days of a child's life and sought to identify where Government resources are best targeted to improve the wellbeing of children.

The resulting evidence brief set out key factors government agencies could be focussing on and provides over 50 potential intervention points across eight areas of parental and whānau wellbeing, and has been shared across agencies working to provide advice on these issues.

Further research in this area was commissioned in the first half of 2022, looking at what works in the First 1000 Days from a Te Ao Māori perspective.

Investigating the impact of government debt on wellbeing



In partnership with the Department of Prime Minister and Cabinet's Child Poverty Unit, we built on analysis completed last year to understand the wellbeing impacts of holding debt to government. We looked further at debt patterns by understanding those people that hold debt to the Ministry of Social Development, Ministry of Justice, and Inland Revenue, or to two or all these agencies.

This analysis found that debt to government shows significant persistence over time. More than a third of people who owe debt to the Ministry of Social Development, fine debt to Ministry of Justice, or child support debt to Inland Revenue have been in debt for at least five years. About one-fifth of people who owe these debt types have been in debt for at least nine years.

Our analysis showed that buy-now pay-later, secured loans and unsecured loans tend to occur together; and credit card and mortgages

tend to occur together. Age has an impact on these results: young populations are known to use buy-now pay-later debt over credit cards, and older populations are known to have higher rates of home ownership, and therefore mortgage debt. It also showed a clear interaction between public and private debt: debt to government (public debt) tends to be owed by the same kinds of people who owe buy-now pay-later, secured loan, and unsecured loan debt.

The research identified connections between debt to Inland Revenue, the Ministry of Social Development, and the Ministry of Justice, and is aimed at supporting further policy work and filling gaps in understanding about the nature and characteristics of debt and debtors.

Creation of tools, insights and practices

We created tools, insights and practices to support the data and analytics community across government.


Delivering a data and analytics platform in partnership with Te Puni Kōkiri

In partnership with Te Puni Kōkiri we created a modern scalable data and analytics platform called MahiTahi. This supports the needs of a number of agencies and communities to ensure they have the right data and insights at the right time to make decisions that support the skills and capability of Aotearoa New Zealand. This is a year one deliverable under the Government's Data Strategy and Roadmap.

We have tested the platform with our Aotearoa Wellbeing Update Dashboard and the Te Puni Kōkiri Public Sector Effectiveness Report and Māori Community Resilience Dashboard. We will be building on these with the provision of further regional dashboards and data products to support the regions and Social Wellbeing Board.

Now that MahiTahi is 'live' we are populating it with a range of regional and subregional wellbeing indicator data that can be re-used and leveraged across the sector. This data is sourced from a range of areas to create a standardised data repository for richer insights in a way that has not been possible in the past.

Assisting the COVID-19 vaccination uptake



TOI HAU
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Information sheet

Updated analysis: COVID-19 vaccine uptake by disabled people

May 2022

Background

When people are vaccinated, only information necessary to match their vaccination to their health record is collected – people are not asked whether they are disabled.

The Ministry of Health asked the Social Wellbeing Agency to create a disability indicator using the Integrated Data Infrastructure (IDI) and look at vaccinations for disabled people. The agency has developed disability indicators based on the Washington Group Short Set (WGSS) in consultation with the Ministry of Health and Office for Disability Issues.

The indicators use a variety of sources of information to identify people with functional disabilities in line with the WGSS questions - *Walking, Seeing, Hearing, Remembering, Washing, and Communication*. For more information about the WGSS, please see [here](#).

The indicators estimated approximately 1.2 million disabled people aged 5 and over.

For full detail of this analysis, read [Vaccination uptake analysis of disabled population aged 12 and over as of 1 March 2022](#).

Key insights as of 29 March 2022

- 92% of disabled people aged 5 and over had received at least one dose of the vaccine, compared to 85% of non-disabled people.
- 87% of Māori disabled and 89% of Pacific disabled people have had at least their first dose, compared to Māori (75%) and Pacific (80%) non-disabled people.
- Disabled people living in residential care facilities had the highest rates of having received two or more doses of the vaccine (96%).

5 to 11-year-olds

5 to 11-year-olds have been eligible for a COVID-19 vaccination since 17 January 2022 and can receive a second dose after 8 weeks.

The overall difference between disabled and non-disabled people in terms of vaccination uptake was less pronounced for 5 to 11-year-olds with 57% of disabled children vaccinated compared to 55% of non-disabled children.

However, for Māori the difference is significant with 43% of disabled Māori 5-to 11-year-olds vaccinated compared to 35% of non-disabled Māori children.

Identifying groups with low vaccination

In late 2021, we undertook research to identify potential barriers to uptake of the COVID-19 vaccinations, to assist with the government's COVID-19 vaccination programme.

Prior to COVID-19 vaccination data being available in the Integrated Data Infrastructure, we identified that childhood immunisation data could be used to identify groups of people with a low uptake of other vaccinations as a proxy for likely low uptake of the COVID-19 vaccination.

We matched child immunisation data with Census data to analyse patterns of vaccination, including a range of different characteristics (for example, where people live including distance from urban areas and health services, deprivation index, District Health Board region, and ethnicity).

Disabled people's vaccinations and new disability indicator

In consultation with the Ministry of Health and the Office for Disability Issues we developed a disability indicator, the first time such an indicator has been developed for wide use. The disability indicator relies on IDI data and is an indicator of people who face functional difficulties in everyday activities. The indicator covers people aged 5 and above.

Using this new indicator, we matched COVID-19 vaccine data with information in the IDI and this could identify how many disabled people had been vaccinated and identify groups who may need extra support, assisting the Ministry of Health to better target its vaccine rollout. We continue to work with the disability community to refine the indicator.

Data ethics, privacy, and governance event

We used our expertise to guide other researchers in a data ethics, privacy and governance event. Alongside Te Rourou Tātaritanga, Victoria University of Wellington and the University of Auckland, this online workshop discussed themes such as: the use of population data, data ethics, Māori data sovereignty and alignment with the Government Data Strategy and Roadmap.

Developing exemplar IDI projects

Integrated data can be a powerful tool for research. However, the integration of different data sources does not guarantee these sources are all straightforward to analyse. New Zealand's Integrated Data Infrastructure and Longitudinal Business Database can be intimidating environments to work in for unfamiliar researchers. We produced an exemplar document to provide new researchers to the IDI with a simple end-to-end project. It is focused on the practical aspects of managing a project and manipulating the data, after research questions and goals have been agreed.

How we work together

We're a small departmental agency with a big reach. As at 30 June 2022, we employed 32 permanent and fixed-term people. Our organisation's structure positions the agency to achieve the mandate set out for us. Our three business groups provide strategic leadership over our work.

Office of the Chief Executive Group

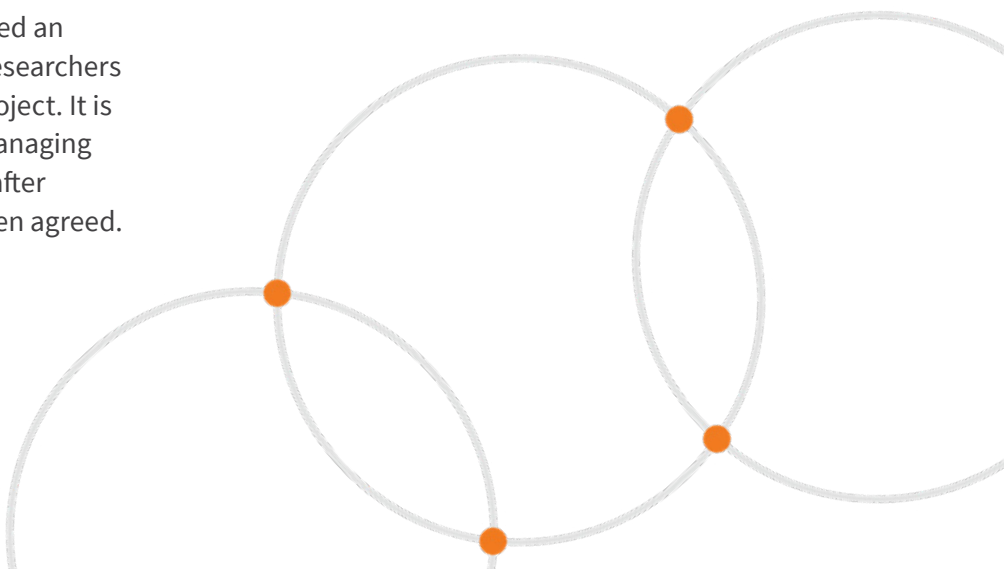
The Office of the Chief Executive supports and advises the Chief Executive and Executive Team, and is a conduit between the agency, Ministers' offices and the Social Wellbeing Board and Social Wellbeing Committee.

Policy, Data and Insights Group

The Policy, Data and Insights Group advises on cross-social sector issues and developing insights, tools and practices that improve people's wellbeing. The Deputy Chief Executive leads these core business functions to create maximum value for our customers and stakeholders. This year we have established a policy function and over the next year will look to build our policy capability.

Organisational Performance Group

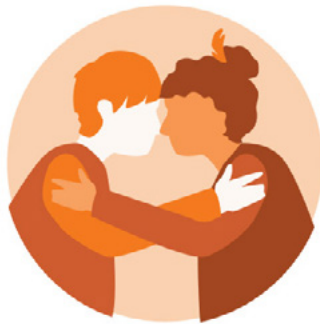
The Organisational Performance Group enables the agency by leading the development and implementation of our strategy, developing organisational capabilities and practices to manage our portfolio of work, and manages our corporate functions.



Our people

Our values

Our values, developed by our people, focus our efforts and are used internally and externally to guide us. Our people identified concepts that reflected our values in a meaningful way for them. From that work, we were able to create imagery that is meaningful for staff and that strengthens our values. These values guide us in the office and with the people we collaborate with. They also underpin our approach, behaviour and performance in our day-to-day interactions and our agency policies and capability framework.



TĀNGATA

We're about people

People will do better, sooner and for longer when the social system works in partnership, acting on better evidence to develop and deliver services.



MANAWA MĀUI

We are a catalyst for change

We challenge the status quo constructively and seek better ways of doing things. We help create change to improve lives through different approaches.



TAUNAKITANGA

We influence through evidence

We use evidence to influence positive change for New Zealanders.



PUARETANGA

We're transparent by nature

We will share what we're doing, how we're doing it, and what we learn.

He tāngata, he tāngata, he tāngata

Our people strategy Tāngata was refreshed in March 2022 to support the key shifts identified in our organisational strategy. It continues to build on our workplace culture where everyone is valued, respected, and can bring their whole selves to work. It keeps our people at our centre, because we know that investing in them helps us to successfully work on challenging social-sector problems to improve people's lives.

Tāngata focuses on building an environment that enables, supports and invests in our people's development and performance for high performing culture. We want to be known as an employer that grows talent and as a great place to work.

Tāngata has a three-year horizon and focuses on:

- High performing culture - creating a culture where people are engaged, productive and proud of the work we deliver.
- Workforce capability – identifying skills and capability for future success.
- Growing Māori capability – expanding the place of Māoritanga in our agency.
- Diversity and inclusion – seeking, valuing and utilising diverse and inclusive thinking, people and behaviours.

Building our capability

Performing together through Ngā Tahi

Ngā Tahi means 'together' or 'as one', acknowledging that we grow together, individuals, managers, teams and the organisation alike. Ngā Tahi, our performance framework, was developed in consultation with all our people, and it focuses on supporting them to do their best, as our success relies on their performance and capability. Ngā Tahi takes a conversation driven approach. It focuses on regular and meaningful conversations

between people and their managers to drive performance and development. We specifically focus on three areas, Contribution, Behaviour & Leadership, and Capability.

Growing data science and analytics talent

We think it's important to grow talent from a diverse range of people in data science and analytics in New Zealand. We continue to contribute to the joint Analytics and Research in Government Internship programme and hosted two interns during 2021/22. We also hosted a nine month placement through the Elevating Aotearoa's Future programme which supports Māori and Pacific Peoples, especially wāhine, into data and technology careers.

Building policy capability

A key part of our strategy is building our policy capability. This year we established a Policy and Insights Team, with a specific focus on recruiting policy skill sets into this team. This function builds on our existing research and insights skills and will strengthen our ability to deliver cross social system advice.

Our Diversity and Inclusion programme

Our Papa Pounamu priority commitments

Our values and people strategy are essential to meeting our Papa Pounamu commitments. Papa Pounamu aims to bring together diversity and inclusion practices across the public service and to support public service chief executives to meet their diversity and inclusion obligations and goals.

The focus areas are:

- strengthening cultural competency
- supporting and engaging with employee-led networks
- addressing bias and discrimination
- building inclusive leadership
- building relationships in our workplace.

Cultural competency

We're growing our cultural competency through implementing Te Aho Kura.



Te Aho Kura is 'the special strand'. Kura is the traditional, sacred colour red, while te aho tapu, or te aho kura, the first and main thread of the korowai, weaves the key strands of the cloak together. We know that Māori have a unique status as New Zealand's first peoples and as partners under the Treaty of Waitangi. As an organisation, we are working to build our Māori capability so we can work effectively as a good partner.

We hold weekly te reo classes for our people. To recognise staff who have built their capability in te reo, we implemented a policy that provides an allowance to recognise the value it adds to the agency.

In addition, we use waiata, karakia and tikanga to encourage and support the use of te reo Māori in the workplace, supplemented with workbooks, lanyards, booklets and online tools. We continue to celebrate Matariki and Te Wiki o Te Reo Māori.

We have received positive feedback through our annual staff survey Kōrero Mai, with 81% of staff agreeing that Te Aho Kura made a positive impact on their work at the Agency. This is a 3% increase from last year.

In addition, in Te Taunaki, the public service census, 67% of our staff agreed that they use at least some te reo Māori at work, 92% agreed staff are encouraged to use te reo Māori, and 83% agree staff are supported to improve te reo Māori.

To strengthen our broader cultural competency, this year we have added the intercultural capability e-learning modules developed by the Ministry for Ethnic Communities to our induction material and our intranet for staff to use.

Supporting and engaging with employee-led networks

We encourage and support employee-led networks. In the last year we formalised this support in our Wellbeing Policy. However, as a small agency we also look to partner with other agencies to support our staff through employee-led networks. Our leaders are supportive, with staff being able to attend network meetings in work time. The networks our people can access are wide ranging, including those for women, Māori, Pacific peoples and Rainbow communities. We continue to promote these to our staff.

We currently have representatives attending and contributing to the Cross-Agency Rainbow Network, Government Women's Network, and Tūhono-Māori in the public service. In conjunction with the Manatū Wāhine Ministry for Women, we supported the He Wahine Māori Ahau speaker series, showcasing wāhine Māori and tackling topical issues in the public sector.



Addressing bias and discrimination

We are working to reduce bias from our workplace. As at 30 June 2022, 88% of people leaders and 66% of staff have completed unconscious bias training. The training is available to all staff, including new starters as part of their induction process. We have implemented a process to identify and mitigate bias when reviewing human resources policies and practices. We have developed a bias minimisation toolkit which decision-makers use during recruitment and remuneration processes to reduce bias.



Building inclusive leadership

Our leaders ensure the people they work with are valued and respected. 100% of our people leaders participated in inclusive leadership training this year. 81% of staff responding to our Kōrero Mai survey agreed with the statement 'I can bring my whole self to work each day', a 4% increase from last year. 88% of staff agreed with the statement 'SWA has an inclusive culture where personal values, cultural beliefs and commitments are respected'.

Building relationships in our workplace

We want to build positive and inclusive relationships in our agency. We engage with our people and build relationships in a variety of ways. We meet weekly as an agency to communicate, share what we

are doing, and acknowledge achievements. Leaders meet quarterly to build connections and plan. We hold annual all staff hui which create an invaluable opportunity for us to come together and engage in whakawhanaungatanga with each other. In our Kōrero May survey 82% of our people agreed with the statement 'I am treated as a valued part of the team', a 4% increase from last year.

Kia Toipoto

We are committed to closing pay gaps, particularly gender and ethnic pay gaps. With our people we developed a robust action plan in October 2021 to support this. We are proud that we have met the Public Service Gender Pay Gap Action Plan Milestones.



As a small agency we do not meet the threshold to report on pay gaps, in accordance with the guidance from Stats NZ on measuring organisational pay gaps. During the development of our pay gap action plan we used other information as trends such as our workforce profile, people data and recruitment statistics to measure impact. Overall, our information told us that we are making good progress. Our [pay gap action plan](#) is available on the Social Wellbeing Agency website.

This year we will be reviewing our pay gap action plan to align with Kia Toipoto, the Public Service Action Plan 2021-24.

Reflecting Aotearoa in our workforce

We are committed to building a workforce that reflects the growing diversity of Aotearoa. During 2021/22 our diversity and inclusion working group Tātou has been implementing our diversity and inclusion strategic plan.

Tātou envisions our agency:

- having a workforce that reflects Aotearoa New Zealand
- being a safe place where individual ideas, background and cultures are valued, and
- having an inclusive culture, free from bullying and harassment, and where bias is understood and minimised.

One of the focus areas for Tātou is to create a safe and supportive work environment for our people who are members of the Rainbow community. To do this we are working with the Rainbow Tick organisation to achieve the Rainbow Tick.

We have also reviewed our recruitment policy to attract and retain a workforce that better reflects the diversity of New Zealand. We are continuing to place advertisements to reach a broader range of candidates, particularly Māori and Pacific peoples.

To help increase the diversity of people working in data and analytics, we supported the Elevating Aotearoa's Future programme by hosting an intern. The programme supports people from underrepresented communities, such as Māori and Pacific peoples, and especially wāhine, into careers in data and analytics over a 12-month period.

Tātou holds events to educate and celebrate aspects of diversity to help build an inclusive culture. This year, events included learning about Matariki and Parihaka, celebrating Te Wiki o Te Reo Māori, celebrating Pink Shirt Day, and providing information on Trans Awareness Day.



Our people by numbers

Employee engagement

from the 2022 Social Wellbeing Agency
Kōrero Mai survey (run from 1 July 2022
to 14 July 2022).

Valuing diversity

88%

of staff agree "SWA values diversity"

Inclusive culture

88%

of staff agree "SWA has an inclusive
culture where personal values, beliefs and
commitments are respected"

Work-life balance

83%

of staff agree "I feel I am able to balance
my work and private life"

Staff breakdown

Staff numbers

32

permanent and fixed term as at
30 June 2021

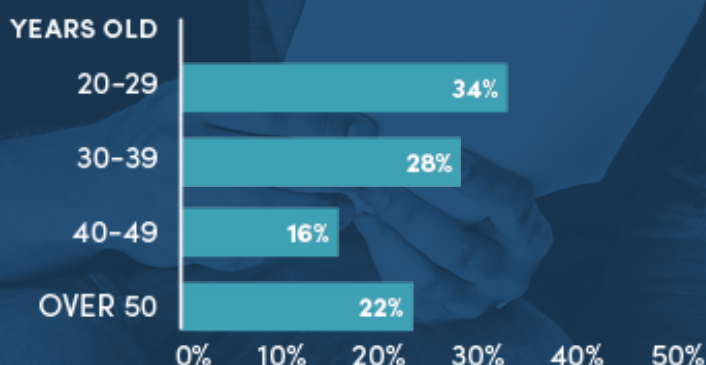
Our demographic profile has changed
slightly from last year. Our workforce
has a similar percentage males and
females, whereas the percentage of
female people leaders has increased.

The ethnicity of our workforce has
changed slightly with a small decrease
in the percentage of Māori staff,
whereas the percentage of Māori
people leaders has increased.

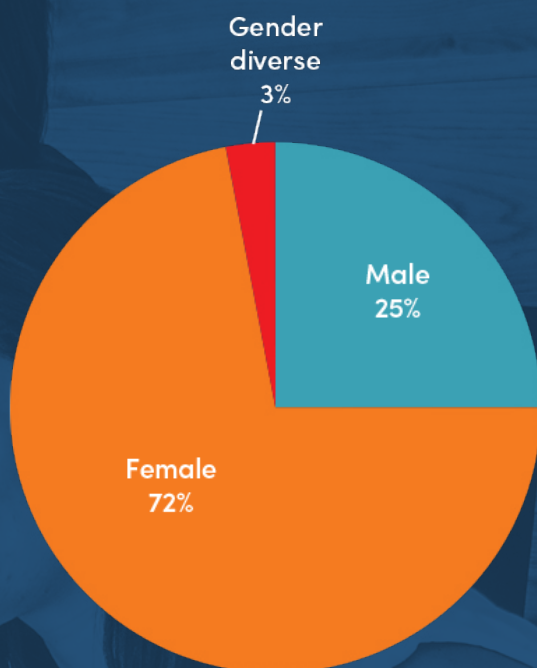
The number of staff we have with a
disability is the same as last year.

Average age

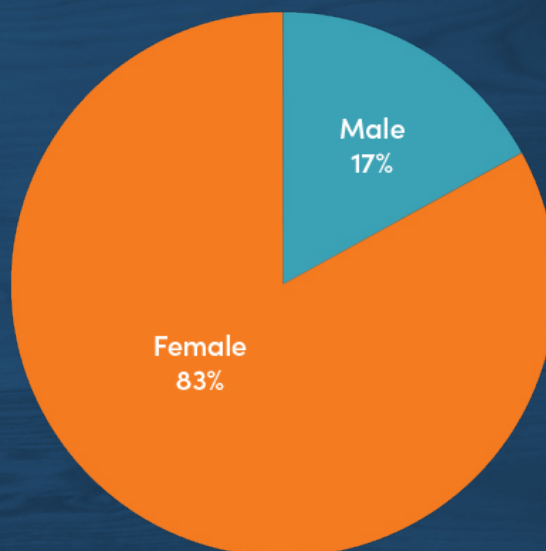
39.4 years



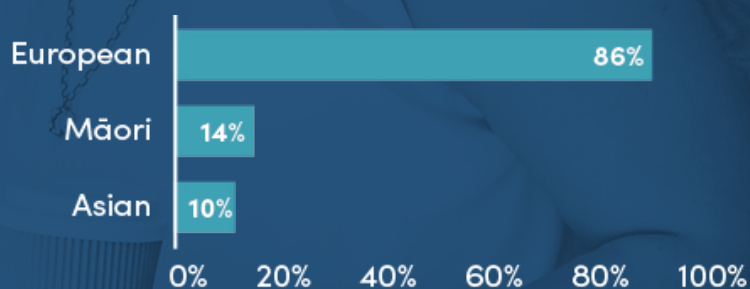
Gender



People leaders by gender



Ethnicity



Staff with a disability

9.45%

We continue to encourage staff to include demographic information, including disability, in their HR profile.

Responding to COVID-19

Our response to COVID-19 this year was based on our Business Continuity Plan and what we learnt from the previous year. Our approach was based on information available from the Government and focused the needs of our people, education and support. Specifically, we:

- consulted on, and implemented, a policy that required full vaccination for all staff, contractors, and visitors to our premises
- provided support material to our people leaders so they were better able to ensure their staff were feeling connected to, and supported by our agency
- increased flexible working arrangements for all staff and ensured they had an ergonomic workspace at home
- prioritised and monitored our people's wellbeing by implementing regular pulse surveys
- provided clear information about pandemic, especially when there were changes to the COVID-19 Protection Framework settings
- implemented split shifts to minimise transmission of the virus in the office.

These actions contributed to keeping our people safe and to our work being only minimally impacted by the pandemic.

Health and Safety

As a small office-based agency with no public-facing staff, we are a relatively low-risk health and safety environment. We have an active Health and Safety Committee that meets monthly to consider a range of health and safety issues that matter to our people, including staff wellbeing and mental health.

Carbon Neutral

Our work towards carbon neutrality

We continued to work towards achieving carbon neutrality and minimising our carbon footprint and environmental impact in 2021/22. Our Emissions Reduction Plan is on track to meet the due date of 1 December 2022.

Our approach to carbon emissions for the year

Our base year for carbon emissions reporting is 1 July 2019 to 30 June 2020.

This is due to more recent years being impacted by the COVID-19 pandemic and the responses to it. Our base year data includes 2021/22 entries for some carbon-producing activities.

This approach achieves a representation of data that resembles a typical year in the life of our Agency and more closely represents a 'business as usual' situation for our carbon emissions sources. This approach has been approved by the Ministry for the Environment (MfE) as the Carbon Neutral Government Programme Lead.

Carbon emission metrics and targets

Our base year carbon emissions (refer to Table 1) will go through verification audit in September 2022. These figures are provisional.

During 2021/22, we had 30.9 full time equivalent staff (FTEs), and a headcount of 32. This equates to 1,401 kilograms of carbon per FTE for the year.

With expenditure for the year of \$6.843 million, our emissions intensity for the year was 6.34 tonnes of carbon per million dollars of expenditure.

The following emissions sources are not included:

- Fleet vehicles: We do not own any vehicles.
- Staff commute: This is excluded because it is not a mandatory scope 3 emissions source and because data on it is not yet available. We plan to collect this data in the coming year.
- Working from home: This is excluded because it is not a mandatory scope 3 emissions source and because data on it is not yet available. We plan to collect this data in the coming year.
- Freight: Our operations and location mean emissions for this are too insignificant to merit consideration. Collecting data on this is also impractical.

Our challenges

We are a relatively low carbon emitter due to our size. In addition, some carbon emissions sources cannot be controlled by the agency. These include our premises being a privately-owned building that is not environmentally rated, gas used for heating, water use and some electricity use. As a small emitter, we have limited options for carbon reduction.

Carbon reduction plan

Our carbon emissions reduction plan will be completed by the due date of 1 December 2022. We have adopted a pragmatic, realistic but still ambitious approach that aligns with the wider government goal. We will reduce carbon emissions by 42% by 2030 against our base year emissions.

We are planning a range of practical measures to achieve the required reduction. These will include behavioural, operational and investment interventions. In future, we will report on the progress towards our targets.

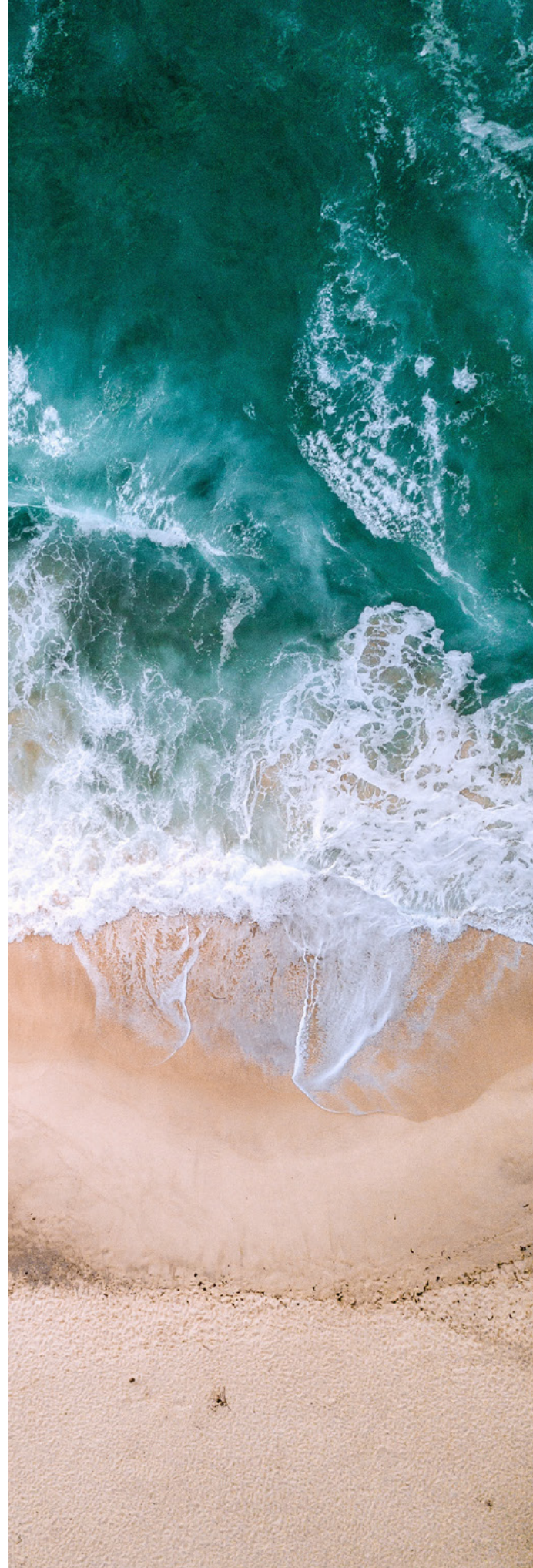
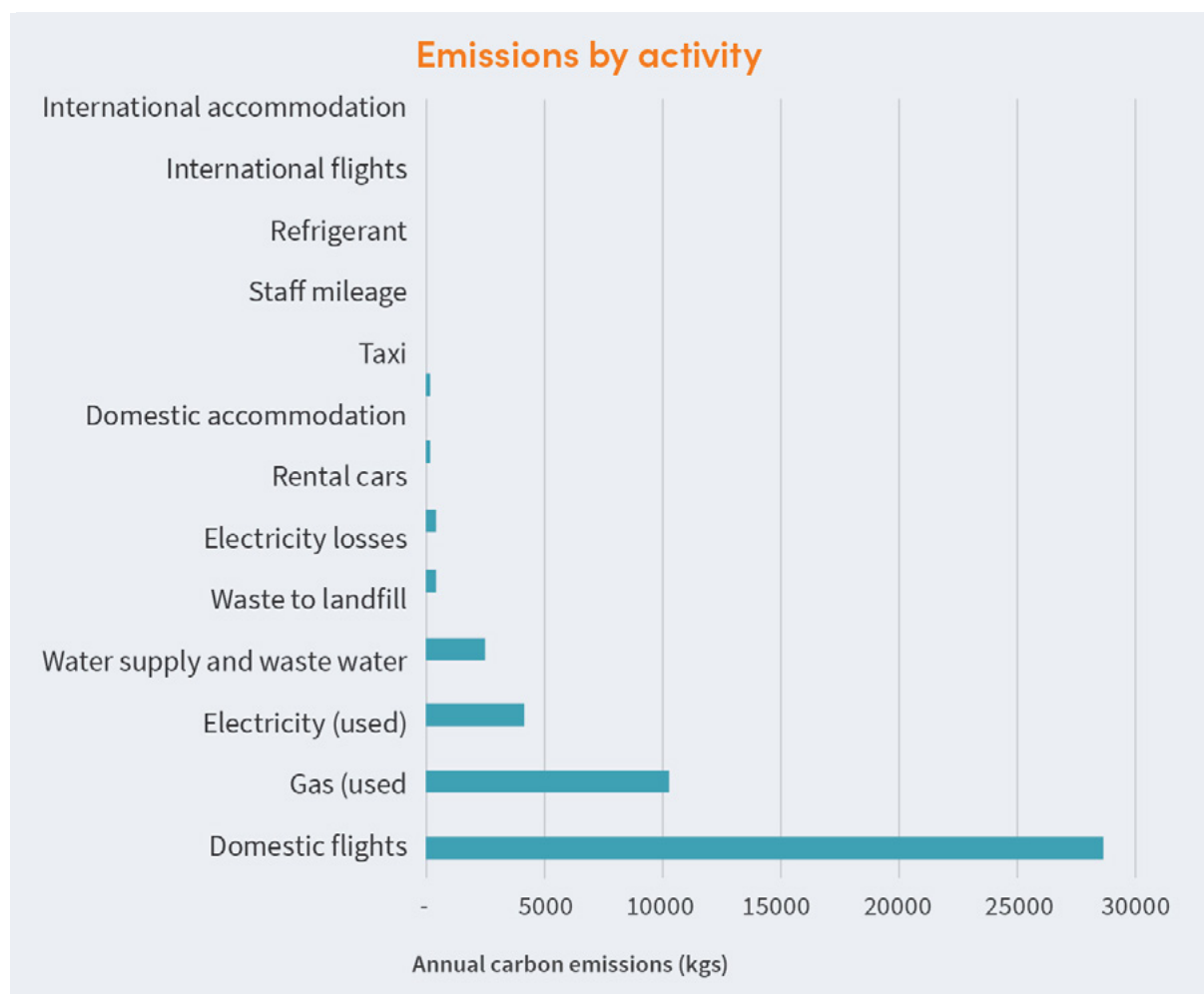


Table 1: Carbon emissions 2021/22

Emissions source	Annual carbon emissions per FTE (kgs)	Annual carbon emissions (kgs)
Refrigerant	~0	0.18
Electricity used	113	3,495
Gas used	318	9,844
Mileage claims	2	64
Taxi travel	2	71
Rental cars	6	200
Domestic air travel	870	26,910
International air travel	nil	nil
Domestic accommodation emissions	5	169
International accommodation emissions	nil	nil
Water supply and wastewater	64	1,997
Transmission and distribution losses	10	320
Waste to landfill volumes	11	340
Total	1,401	43,411

Figure 1: Carbon emissions by source 2021/22



Statement of Responsibility

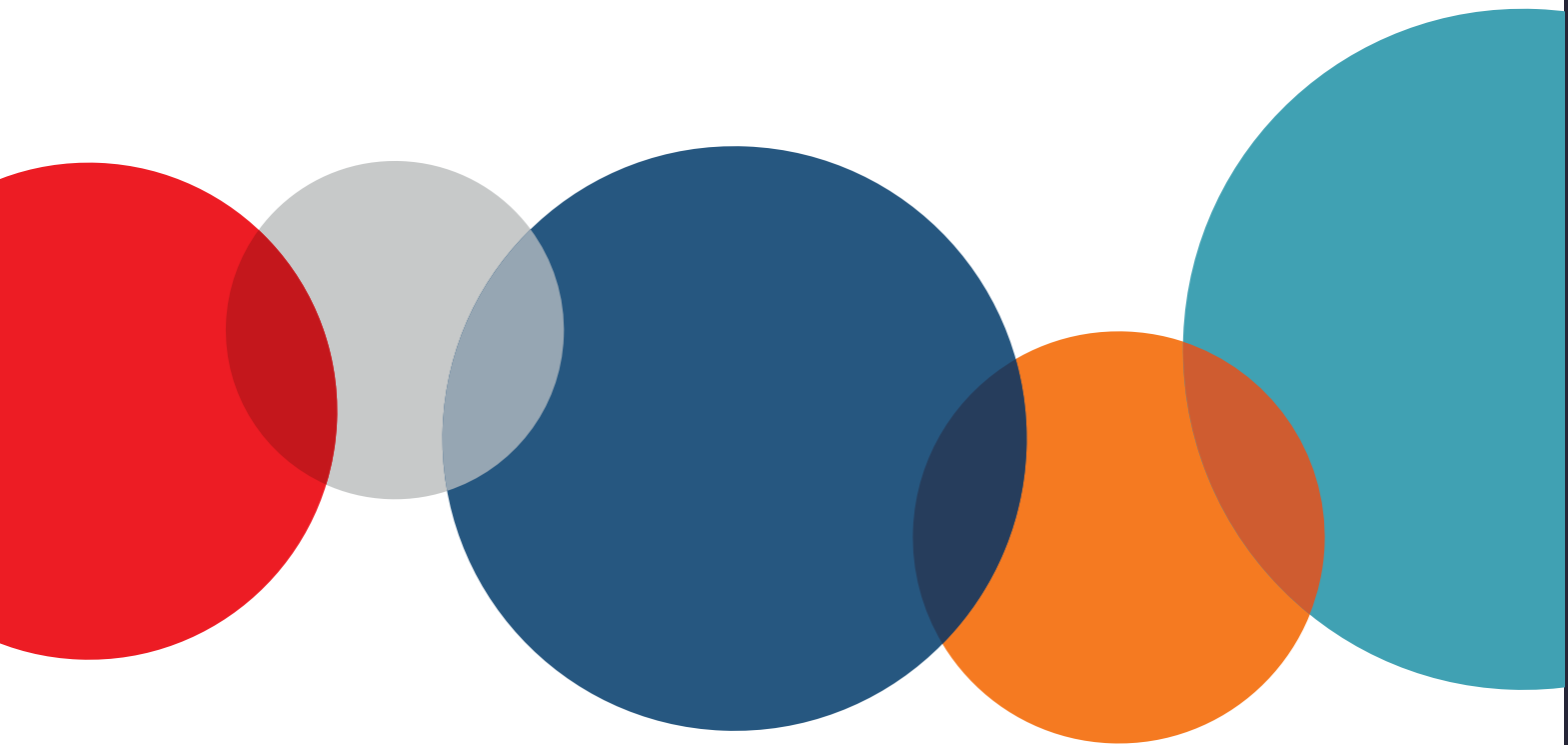
I am responsible, as Chief Executive of the Social Wellbeing Agency, for the accuracy of any end-of-year performance information prepared by the Agency, whether or not that information is included in the Annual Report.

In my opinion, the annual report fairly reflects the operations, progress and organisational health and capability of the Social Wellbeing Agency.



Renee Graham
Chief Executive
Social Wellbeing Agency

Dated: 30 September 2022





Te Kāwanatanga o Aotearoa
New Zealand Government