



SSC REPORT

State Sector Act and Protected Disclosures Act Timeframes

Date: 13 July 2018

Report No: SSC2018/729

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IN CONFIDENCE

	Action Sought	Deadline
Hon Chris Hipkins Minister of State Services	Agree to the proposed changes to timeframes for the State Sector Act and Protected Disclosures Act reviews.	27 July 2018

Enclosure: Yes

Minister's Office Comments

<p>Comments:</p>	
<p>Date returned to SSC:</p>	

Recommended Action

We recommend that you:

- a **agree** to the revised State Sector Act review timeframes to provide more time for consultation and engaging with Cabinet on the reforms.

Agree/not agreed

- b **agree** that public consultation on the review of the Protected Disclosures Act occurs from October to December 2018, following completion of public consultation on the review of the State Sector Act.

Agree/disagree.

- c **agree** that the State Services Commission release this briefing in full following the release of the consultation document on the review of the State Sector Act.

Agree/disagree.

Hon Chris Hipkins
Minister of State Services

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SSC Report: State Sector Act and Protected Disclosures Act Timeframes

Purpose of Report

- 1 This report seeks your agreement on the proposed changes to timeframes for reviews of the State Sector Act (SSA) and the Protected Disclosures Act (PDA).

State Sector Act Review Timeframes

- 2 We have been working with your office to develop a revised timeframe for policy decisions on the SSA review. The key elements of the revised timeline (See Annex 1) are:
 - 2.1 Consultation with the coalition/support parties and with the Leader of the Opposition, until the end of July.
 - 2.2 Consideration of papers at the GOV Cabinet Committee meeting of 7 August seeking Cabinet approval to release the consultation document.
 - 2.3 The public consultation process starting in the week of 27 August and concluding on 12 October (this aligns with the current plans for public consultation on Public Finance Act reforms).
 - 2.4 Papers to the GOV Cabinet Committee on 6 November seeking *approval in principle* to the direction for reform in key areas. Based on this direction, we would prepare Cabinet papers for March 2019 on the detailed policy decisions which would then allow legislative drafting to occur.
- 3 This approach strikes a balance between providing more time for consultation (six weeks is now planned) and engaging with Cabinet on the reform (two substantive decisions points are now proposed, being both November for high level direction, with detail in March 2019). A key consequence is, however, that the earliest the resulting Act could be passed is early 2020.

Protected Disclosures Act Review Timeframes

4. As you will be aware, current timeframes for public consultation on the SSA and PDA overlap significantly in August and September. SSC considers that both legislative reform proposals are important areas that a wide range of stakeholders across the public and private sectors will have a strong interest in.
5. We consider this overlap raises two options around timeframes:
 - 5.1. **Option 1: Sequence the PDA to follow the SSA.** Under this option, public consultation would start around October 2018 (following the completion of public consultation for the SSA) and the legislation would come into effect around September 2020.
 - 5.2. **Option 2: Continue according to current timeframes (modified by 2 weeks).** Under this option, public consultation would start in August 2018 and the legislation would come into effect around July 2020.
6. We recommend Option 1, which would allow SSC to engage comprehensively with the public on both reform programmes. It would also relieve pressure on SSC resources to carry out two public consultation processes concurrently.
7. If you agree to Option 1, we recommend that you take the paper to GOV on 7 August. This would capitalise on the wide-spread support and momentum built through agency, Ministerial and inter-party consultation. It would also provide SSC with an additional two

months to generate public interest in the proposals, and hold targeted 1:1 meetings with key stakeholders from the public, private and not-for-profit sectors.

8. Once you have provided feedback on the proposed changes to the timelines (see Annex 2), we will develop a final plan for public consultation. We will also reflect these timeframes in the Cabinet paper and material for public consultation.

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Annex 1: Revised timelines for the State Sector Act review

Week Beginning Monday:	Key Process Step	
2 July 2018		
9 July 2018		
16 July 2018	<ul style="list-style-type: none"> Draft Consultation Document and Cabinet paper to other Ministers, and Coalition and Support Parties, for consultation on 16 July 	
23 July 2018		
30 July 2018	<ul style="list-style-type: none"> Feedback from other Ministers, Coalition and Support parties on 30 July Papers lodged in Cabinet Office on 2 August 	
6 August 2018	<ul style="list-style-type: none"> GOV meeting on 7 August to consider SSA reform proposals Minister to seek Attorney General's approval to draft in advance for aspects of the current Act being carried over (no policy decisions required) 	A-G's approval may be hard beyond the carry-over provisions if it is unclear whether the final policy proposals have cross-Government support
13 August 2018	<ul style="list-style-type: none"> Cabinet ratification of GOV decisions 13 August 	
20 August 2018		
27 August 2018	<ul style="list-style-type: none"> Public consultation commences week of 27 August 	Aligns with PFA consultation timing
3 September 2018		
10 September 2018		
17 September 2018		
24 September 2018		
1 October 2018		
8 October 2018	<ul style="list-style-type: none"> Public consultation concludes 12 October 	Six week consultation period aligns with PFA consultation timing
15 October 2018		
22 October 2018	<ul style="list-style-type: none"> Draft paper for GOV: High level decisions on key reform areas 	<div style="border: 1px dashed black; padding: 5px;"> This paper would seek <i>decisions in principle</i> on key areas of the reform package, bearing in mind the feedback from the consultation process. The Minister would be invited to come back to GOV in early 2019 with the detailed required for drafting of the Bill to occur. The key areas of reform where agreement in principle would be sought would likely to include: <ul style="list-style-type: none"> agreement to legislate for the purpose, values and principles of the public service and whom they would apply to agreement to new Leadership structures (eg: Senior Leadership Service) across the public service the legislative provisions for how the public service better supports the Crown Maori relationship new organisational/architecture arrangements to better join up services to the public. </div>
29 October 2018	<ul style="list-style-type: none"> Draft paper for GOV: Cabinet paper on high level decisions on key reform areas lodged with Cabinet Office 1 November 	
5 November 2018	<ul style="list-style-type: none"> GOV 6 Nov: Cabinet paper on high level decisions on key reform areas 	
12 November 2018		
19 November 2018	<ul style="list-style-type: none"> Minister's final decisions on the final policy content of the new Act (detail of issues agreed at GOV and lesser matters) 	
26 November 2018		
3 December 2018		
10 December 2018	<ul style="list-style-type: none"> Cabinet papers on the policy content of the new Act drafted and submitted to the Minister for comment RIS drafted and to RIAT team Bid for legislative priority for 2019 developed 	
17 December 2018		
January 2019	<ul style="list-style-type: none"> Minister's feedback on draft Cabinet papers 	
February 2019	<ul style="list-style-type: none"> RIS finalised Final Cabinet papers on the policy content of the new Act to other Ministers, and Coalition and support parties, for consultation Feedback from other Ministers, Coalition and Support parties 	
March 2019	<ul style="list-style-type: none"> Papers lodged in Cabinet Office GOV meeting to make SSA reform decisions Cabinet ratification of GOV decisions Drafting instructions to PCO Decisions announced and decisions document/summary of submissions released 	
April 2019		3 months final drafting
May/June 2019		
June/July 2019	Bill introduced into the House, First Reading, referred to Select Committee	
August/September 2019		
October/November 2019		6 months Select Committee
December 2019	Bill reported back from Select Committee	
First Quarter 2020	Second Reading, Committee Stages, Third Reading (s.t. decisions of the Leader of the House)	

Annex 2: Proposed changes to the Protected Disclosures Act review timelines

Option 1 (preferred): Sequence Protected Disclosures Act to follow State Sector Act

Date	Deliverable
27 July 2018	Minister of State Services approves final papers
2 August 2018	Lodge papers with the Cabinet Office by 10am
7 August 2018	Papers considered at GOV to seek agreement to consult the public on five options for change
13 August 2018	Cabinet confirms decisions
29 Oct 2018 - 7 Dec 2019	Formal public consultation process
Dec 2018 - March 2019	Analysis of consultation feedback and finalise proposals to put to Cabinet
April 2019	Cabinet approval of final policy proposals
May 2019	Final drafting instructions to Parliamentary Counsel Office
November 2019	Introduction and First Reading
June 2020	Report from Select Committee
End July 2020	Date of enactment
September 2020	Date of commencement

Option 2: Continue according to current timeframes (modified by 2 weeks)

Date	Deliverable
27 July 2018	Minister of State Services approves final papers
2 August 2018	Lodge papers with the Cabinet Office by 10am
7 August 2018	Papers considered at GOV to seek agreement to consult the public on five options for change
13 August 2018	Cabinet confirms decisions
Late Aug - early Oct 2018	Formal public consultation process
Oct - Dec 2018	Analysis of consultation feedback and finalise proposals to put to Cabinet
Feb - March 2019	Cabinet approval of final policy proposals
March 2019	Final drafting instructions to Parliamentary Counsel Office
September 2019	Introduction and First Reading
April 2020	Report from Select Committee
End May 2020	Date of enactment
July 2020	Date of commencement