



# He pēhea nei te takatū o Te Ratonga Tūmatanui o Aotearoa mō te tau 2040?

## How is New Zealand's Public Service prepared for 2040?

Te whakawhiti whakaaro mō ngā kaupapa o tā Te Kawa Mataaho Puka Whakamārama i te Pae Tawhiti

### Consultation on the *topics* for Te Kawa Mataaho Public Service Commission's Long-term Insights Briefing

We want your input on topics for our 2022 *Long-term Insights Briefing*, which will cover trends, risks and opportunities facing our Public Service.





## He aha te Puka Whakamārama i te Pae Tawhiti? | What are Long-term Insights Briefings?

Last year Parliament passed a new Public Service Act 2020, which provided the first update in 30 years to the core legislation underpinning the way New Zealand's Public Service works. The Act includes a requirement for every Public Service department to produce a Long-term Insights Briefing every three years.

The purpose of these Briefings is to:

- support stewardship by ensuring our Public Service departments are thinking about the more complex long-running issues facing society, and are exploring capabilities and solutions that might be needed to respond to these issues.
- make the information and analysis public to New Zealanders to support informed public discourse on important issues. It also enables effective democratic government by providing parties from across the political spectrum with a basis to formulate their policies.

The legislation requires that the Briefings are prepared independently of Ministers. This ensures that they reflect the best professional view of the Public Service chief executives. The legislation also requires that the public is consulted on:

- the subject matter to be included in the Briefing, and
- a draft of the Briefing once this is prepared.

This ensures that the Briefings cover topics and information that the public cares about and wants to engage with.

## Te whakawhiti whakaaro | Consultation

This consultation document is the first step in the public consultation process outlined above, and therefore seeks your views on the topics to be covered in the Long-term Insights Briefing for Te Kawa Mataaho. We want your help to identify which of the following five topics we should focus our draft Briefing on.

To provide the necessary context and to help with your feedback, this document provides:

- an explanation of the role and functions of Te Kawa Mataaho in leading the public sector
- a brief description of the high-level trends and issues that are facing the public sector and our society
- a description of the impacts these trends may have on how the public service needs to operate
- some questions for you, to help us understand your views on the shortlisted topics.



## Te wāhi ki Te Kawa Mataaho | The role of Te Kawa Mataaho

Te Kawa Mataaho Public Service Commission is a central government department that leads the Public Service, helping it to deliver better services and outcomes for New Zealanders. We monitor the system to ensure it is operating in a manner which secures public trust and legitimacy. We support the Public Service Commissioner (also known as the Head of Service), who is responsible for leading the Public Service and providing oversight of its performance and integrity.

To achieve leadership of the system, Te Kawa Mataaho:

- upholds and promotes the long-held Public Service principles that guide the work of public servants: politically neutral, free and frank advice, merit-based appointments, open government, and stewardship
- promotes integrity, accountability and transparency across the Public Service, including setting standards and guidance, issuing a code of conduct for public servants, and investigating poor performance in the public sector
- reviews the design and operation of the system of government agencies
- supports Public Service agencies to work as one system to deliver better services and outcomes for the public.

Our leadership and oversight role is supported by the other central agencies – the Treasury and the Department of the Prime Minister and Cabinet – which lead on fiscal management and strategic policy coordination respectively. These system-wide roles differ from many other agencies, which have narrower sector or service focuses.





## **Ngā wero me ngā huarahi o te anamata | Future challenges and opportunities**

The Long-term Insights Briefing needs to be informed by the trends, risks, challenges and opportunities that New Zealand will face, over a time horizon of 20 years in the future. Although we cannot predict that future, we can describe some general trends and issues that we know will shape the future of our country, and have implications for the Public Service and how it operates.

Major change is anticipated in some areas – for example, the ramifications of climate change. Increased global connectivity and openness to the rest of the world also brings risks: biosecurity threats, organised crime, terrorism, and public health issues. While somewhat less predictable, we also know that as a country we will remain as vulnerable to natural disasters as we have ever been.

New Zealand's high levels of social cohesion are also at risk of being challenged in a turbulent environment. Loss of social cohesion could have a big impact in areas like maintaining trust in government and public institutions, addressing major issues like housing, providing educational opportunity, ensuring that the Crown honours its Treaty of Waitangi obligations, and fostering a culture of 'kiwiness' that both welcomes diversity and provides a unifying common identity.

## **Ngā wero me ngā huarahi i te pūnaha | System challenges and opportunities**

In responding to these trends, Te Kawa Mataaho will look at the performance of the whole Public Service. Our opportunity is to organise and support public servants and agencies to effectively assess and respond to the challenges outlined. The detailed policy responses to the trends briefly outlined above will be worked through by the relevant Public Service agencies and sectors.

To identify the important issues for Te Kawa Mataaho we first need to define what a well-performing Public Service looks like, and what the barriers are to achieving that. From an overall system perspective, a well-performing Public Service (and wider public sector) is one that:

- maintains the trust and confidence of the public, both in its integrity and in its ability to deliver effective and responsive public services
- works effectively across various government agencies to address the complex cross-cutting issues that we are increasingly facing.

Although the New Zealand Public Service is high performing and has achieved gains in both of these areas, there are recognised areas for improvement:

- Long-term issues, such as climate change, are not amenable to simple solutions or quick fixes. They may require new organisational, financial, and workforce arrangements to enable the Public Service to work as a single system to address them.
- Innovation in policy design will be necessary to overcome compounding fiscal pressures. Crises incentivise innovation and require quick evaluation of changing situations and of the effectiveness of government interventions. However, as crisis periods give way to recovery, the pressure to innovate diminishes. We know there are barriers to innovation in the Public Service, including financial restraints and accountability mechanisms.



- Globally and within New Zealand there are calls for more meaningful ways for people to be involved in decisions that affect them. Many people are wanting Government to make decisions and design services *with* them, rather than *for* them. While public engagement and co-design with the public happen in pockets of the Public Service, this approach has not yet become widespread.
- This type of active citizenship contributes to buy-in and trust of government and its policies. Although trust in government is relatively high in New Zealand, there has been a trend of declining trust globally. This has been exacerbated by Covid-19, which caused global restrictions on freedom and has been targeted by often damaging misinformation campaigns. Given that trust in government is difficult to restore once lost, we cannot assume that New Zealand is immune to that decline and should instead invest proactively in preserving it.
- An ageing population and ongoing immigration is changing the demographics within our workforce, while continuing population growth and increasing costs of living in urban centres are pushing many workers out to the regions. At the same time, the long-term trends discussed in this paper are necessitating new skills and ways of working across the public service.

### **Ngā mahi e haere kē ana | Work already underway**

Last year the Government passed new legislation to provide more flexibility, and a more enabling architecture to respond to the future. The Public Service Act 2020 introduces new tools and models to help agencies to work better together across the system, support it to join-up around citizens and respond to cross-cutting issues.

This new legislation also sets out the Public Service principles of political neutrality, free and frank advice, merit-based appointments, open government and stewardship, and puts responsibilities on Public Service chief executives to uphold these principles. These are the fundamental, bedrock, principles that safeguard a Public Service that acts with integrity, and will continue to earn the trust of the New Zealand public. Alongside this, Te Kawa Mataaho also has a major programme working with the Organisation for Economic Co-operation and Development (OECD) looking at underlying drivers of trust in government in New Zealand.

These changes are part of broader reform focused enabling the Public Service to deliver better services and outcomes for the public, and ensuring the Public Service is operating in a manner that secures public trust and legitimacy. This includes ongoing work with Te Arawhiti, Te Puni Kōkiri and Public Service leaders to develop Public Service capability to engage with Māori and understand Māori perspectives; supporting public service leaders to build a diverse and inclusive Public Service; and work and resource development to support discussions on workforce planning. Further information is available on our [website](#).

While the Act and our broader work programme are important steps towards preparing the Public Service for the future, further work will set us up even better to meet future needs and make the most of the opportunities created in the new Act.



## Ngā kaupapa | Topics

We have identified five subject areas where we could add the most value, given these are new areas that we have not yet explored in any depth.

There are relationships and overlaps between these topic areas, so they should not be considered exclusive.

- Me pēhea e pai ake ai tā mātou hāpai i te whai wāhitanga mai o te marea ki ngā mahi kāwanatanga ā muri ake nei?

### **How can we better support public participation in government in the future?**

There is a growing public expectation that New Zealanders are more directly involved in decisions that impact them and this is recognised as an important determinant of trust. Facilitating ‘active citizenship’ (or public participation) forms part of the purpose of the Public Service in the Public Service Act, as well as being one of the key elements of the Open Government Partnership (OGP) that New Zealand has signed up to. Recent consultation on New Zealand’s OGP Action Plan indicates this area is of particular interest to New Zealanders. Open government is also one of the Public Service principles under the Act, which chief executives are responsible for upholding. However, the detail of how active citizenship and open government could be achieved is something the Public Service is still exploring. We could use the Briefing to support that work and set out options for how government can better involve New Zealanders in the big policy issues facing our country.

- Me pēhea tā mātou paheko ki te hunga o Aotearoa i te ao o ngā pae pāhapori?

### **How do we engage with New Zealanders in a social media world?**

Communication and openness have been key to New Zealand’s COVID response. However, globally governments have struggled to provide clear, accurate and evidence-based information, partly because of an overwhelming level of misinformation spread through social media and other digital platforms. The Briefing could investigate how to ensure a well-informed citizenry, build understanding of government and how it works, and maintain trust in government institutions.

- Me pēhea tā mātou whakaū i ngā āheinga tika i roto i te hunga mahi o te Ratonga Tūmatanui i ngā rā ki tua?

### **How do we make sure we build the right capability for the Public Service workforce of the future?**

The strength of the Public Service is based on the capability of its public servants. To respond to new and increasing challenges, the Public Service needs to attract and develop the right capability. We could use this Briefing to explore the needs of our Public Service workforce and look at how we can support and build it to better prepare New Zealand for the world of 2040.



- Me pēhea tā mātou kawe i te wairua auaha i tipu mai ai i te Ratonga Tūmatanui i te wā o te KŌWHEORI-19?

**How do we continue the innovation created in the Public Service through COVID-19?**

The public finance and accountability systems create barriers to innovation, due to the risk of failure inherent in trialling new approaches. Where innovation does occur, this rarely gets picked up and built on. The Briefing could investigate how to incentivise innovation, create space for learning (and accepting failings), build on and scale innovation, and embed this as a new way of working.

- Me pēhea tā te Ratonga Tūmatanui whakakotahi kia wānanga i ngā raru o anamata me ngā raru tuku iho?

**How can the Public Service get more joined-up to tackle future and intergenerational problems?**

Many long-term trends (e.g. climate change) do not fit neatly into one sector, so cannot be addressed by individual agencies working alone. Working across agency boundaries is not a new challenge for the Public Service, and while we have taken some steps through the Act to address this, it will be an ongoing challenge. We could use the Briefing to further explore how these complex challenges can be addressed at a system level.





## He aha ō whakaaro? | What do you think?

We are interested in:

- Your reflections on the proposed topics
- Your views on specific parts of these topics that you would like to see explored
- Your views on which topic we should prioritise for this first Briefing

The final Briefing will not be able to cover all topics. Topics that cannot be included in this Briefing may still be considered for a future Long-term Insights Briefing by Te Kawa Mataaho.

To help your thinking, you may wish to consider the following questions:

- How do you think people expect to be involved in government decision-making in the future?
- Are the Public Service communication systems keeping up with change fast enough for the future?
- What sort of public workforce will we need for the future? How well is our current workforce set up to achieve this?
- What should the Public Service be doing to incentivise and learn from new and innovative policies, practices and ways of working?
- How well do you think the Public Service is set up to address complex problems in the future?

Please email us at [longterminsights@publicservice.govt.nz](mailto:longterminsights@publicservice.govt.nz) to provide your feedback or visit us at <https://www.publicservice.govt.nz/resources/our-long-term-insights-briefing>. Consultation closes on 20<sup>th</sup> September 2021.

Your submission will be anonymised and published on our website. The information and feedback we receive as part of this consultation will inform the proposed topic of the Briefing, and what issues we prioritise during its development.

We are also testing whether there is any interest in attending workshops to develop this work – if you would be interested in being involved, please get in touch at [longterminsights@publicservice.govt.nz](mailto:longterminsights@publicservice.govt.nz).