



Te Kawa Mataaho
Public Service Commission

PŪRONGO- Ā-TAU ANNUAL REPORT

Mō te mutunga o te tau i te
30 o ngā rā o Pipiri 2024

**For the year ended
30 June 2024**

Statement of Representation

I am pleased to present the annual report of Te Kawa Mataaho Public Service Commission (the Commission) for the year ended 30 June 2024. This report comprises of:

- the Annual Report of the Public Service Commission on the operations of the Commission, 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.



Heather Baggott

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

4 October 2024

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

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Tā te Kaikōmihana tirohanga whānui

Commissioner's overview

As the acting Public Service Commissioner, it is my privilege to present this annual report highlighting the work of the Commission and the many dedicated public servants across the country.

Every day, public servants play a vital role in supporting the needs of New Zealanders. From protecting our borders and our environment to issuing passports that enable international travel, ensuring the smooth running of our courts and prisons, and the social workers who support our most vulnerable. The efforts of public servants touch every corner of our society.

The annual report reflects the Commission's continued commitment to a Public Service that is responsive and focused on improvement and the efficient delivery of essential services.

Trust in the Public Service is central. When a new government is elected, the Public Service must quickly alter course to implement new policies and priorities. And the Public Service has done this seamlessly.

The Public Service supported the Government to deliver its 100-day plan and is now focused on driving progress against the Government's nine targets. The targets focus on improved results in health, education, law and order, work, housing and the environment. You will see in this report we have introduced new performance and delivery measures, in line with the Government's priorities and targets.

The Public Service also worked hard to find \$1.5 billion in savings and efficiencies, which the Government has reallocated to its priorities.

Underpinning all of our work are long-held Public Service values – impartiality, accountability, respectfulness, trustworthiness and responsiveness. These are fundamental to the trust and confidence New Zealanders have in their Public Service.

Working in the Public Service is challenging. New Zealanders expect the Government and Public Service to help them with some of their biggest problems. I am proud of the strides we have made in the last year and I look forward to building on this progress as we continue to work together for the good of the nation.

Finally, I'd like to acknowledge the retirement of former Public Service Commissioner Peter Hughes who finished in February after seven and a half years in the role and 43 years serving the public. Peter has been an inspiration for many public servants, and I wish him well in his retirement.

Te kupu whakataki

Introduction

The Public Service exists to serve society by supporting the government to implement its policy priorities and working to make the best possible contribution to the lives of New Zealanders. The Public Service Commission (the Commission), in its Public Service system leadership role, identifies and drives opportunities to improve the performance of the Public Service for the benefit of New Zealand. Public trust in the delivery of outcomes and services forms the major measure of the Commission's success and that of the Public Service as a whole.

This annual report has a dual purpose:

- It describes how the Public Service over the past year has addressed the challenges of delivering in a changed context and operating environment.
- It describes the contribution that the Commission has made in its Public Service leadership role, to support Government priorities, the general election, and the transition to a new Government.

Te whakapono me te ngata o te marea

Public trust and satisfaction

At the highest level, the measure of success for both the whole Public Service, and the Commission, is public trust in, and satisfaction with the delivery of services and outcomes. The Public Service cannot operate without public trust and confidence. Trust in the Public Service encourages citizens to engage in democratic and consultative processes and helps inform the design of effective services, and participate in tackling complex problems. It is crucial for maintaining social cohesion and driving better outcomes. Public satisfaction with experience of public services is also vital. It is often reported in the annual reports of agencies that provide services and is measured in aggregate by the Commission's Kiwis Count survey. It is also a theme in the case studies presented in this annual report.

On a variety of international measures, including those of the OECD and Transparency International, New Zealand has an enviable international reputation for its impartial, trusted Public Service. In late October 2023, the OECD conducted a survey of trust in public institutions in 30 countries. Results demonstrated that New

Zealand's Public Service is among the most trusted, [well above the OECD average. We ranked 4th out of the 30 participating countries](#) for trust in the Public Service. New Zealand's score has improved since the first round of the OECD survey conducted in early 2022.

The Commission's Kiwis Count survey asks 2,000 people each quarter about their experiences with public services, and their trust in the Public Service. It covers a broad range of services provided or funded by central government including health, education, social and emergency services.

In June 2024, 80% of respondents said they would trust the organisation they most recently received services from to do the right thing. This trust based on personal experience has stayed in a narrow range for the past 10 years, indicating it is both high and stable despite many changes in how services are delivered. Trust in the aggregate Public Service was 56%, remaining above the highest level pre-COVID-19 (previous high was 51%), but slightly lower than the previous four quarters. Results from this year for trust in the Public Service, and private sector as a point of comparison, are shown in the table below.

	Jun 23	Sep 23	Dec 23	Mar 24	Jun 24
Trust in the Public Service (%)	58	61	58	59	56
Trust based on personal experience with public sector services (%)	82	80	79	81	80
Trust in the private sector (%)	51	51	47	50	47

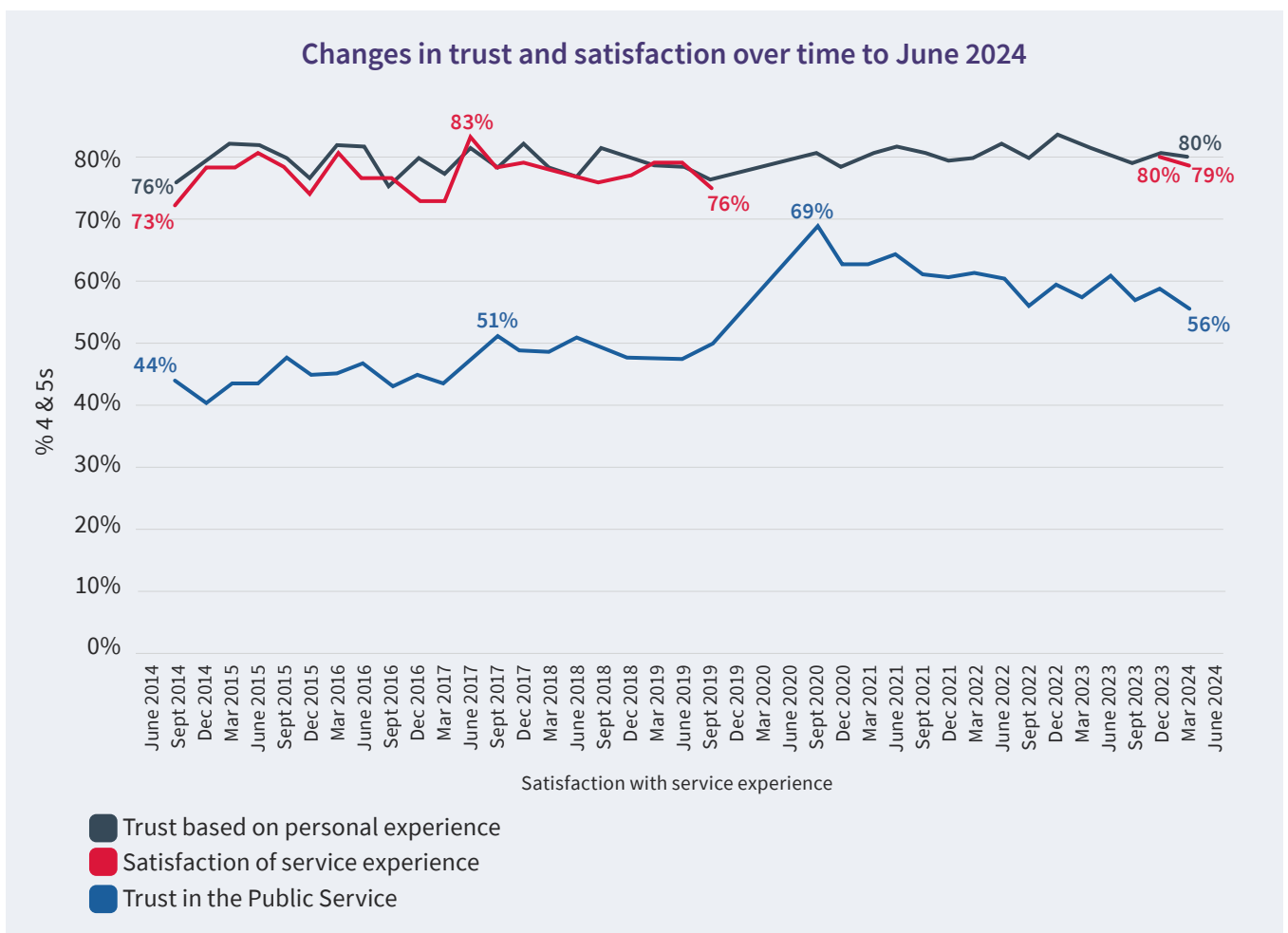
Research shows that delivery of high-quality public services that are responsive to people’s needs, treating people fairly and with respect, and having high integrity in public servants are strong drivers of trust. Starting in September 2023, Kiwis Count has included questions about these drivers and the Public Service Act 2020 values. Results from the June 2024 quarter are shown below, with the percentage of people who agree or strongly agree with the statement, thinking about the Public Service overall, how much do you think they:

- Do their best to help New Zealanders - 70%
- Are generally honest - 68%
- Are open and transparent with information - 55%
- Admit responsibility when they make mistakes - 39%

We also ask about the responsiveness and reliability of the Public Service:

- Treats people with respect - 68%
- Are there when I need them - 61%
- Treat people fairly - 61%
- Understand my needs - 57%
- Work together with other government organisations to meet my needs - 55%
- Change services in response to feedback from the public - 41%

The Commission, through Kiwis Count, has recently recommenced measuring satisfaction with service experience, which will help us improve the quality of services. The results for both trust and satisfaction over time are set out in the graph below.



Te urupare ki te horopaki e huri haere ana

Responding to a changing context

The 2023/24 year was characterised by relatively quick and deep shifts in the context and operating environment of the Public Service. During the year the general election result brought a change in Government priorities. Consequently, a major focus for the Commission has been supporting the Government transition process and ensuring that the Public Service pivots to advance the policy priorities of the new Government.

Economic conditions and outlook have also become less favourable, and the Government continues to have high expectations of delivery by the public sector.

In 2023 the Public Service moved into an environment of greater fiscal constraint. This featured in the Government's 23/24 budget and was more prominent following the October 2023 General Election. The Public Service needs to innovate to meet the needs of the public and Government with necessarily reduced resource.

The changing context has required almost all Public Service agencies to make relatively rapid and significant changes to their priorities, size, organisational configuration, and operations.

To this end we identified ways in which the Public Service can become more efficient and productive to address the need for fiscal restraint while delivering on Government priorities and improving outcomes. These are:

- Working with a clear focus on priorities and focusing strongly on performance and capability
- Adopting new approaches to transform services and better align agency functions with priorities
- Better utilising the Public Service workforce.

We also identified a need for a continued focus across the system on ensuring the foundations of the Public Service on the issues of ethics and conduct that are critical to maintaining public trust.

Te arotahi ki ngā whakaarotau

Focusing on priorities

Public Service agencies have responded well to the changes in priorities of both individual portfolio Ministers and the Government as a whole. Following the general election the first challenge was providing briefings to the incoming Minister, and then addressing the new Government's 100 day plan. Public Service agencies were deeply involved in meeting all 100 day targets across a wide range of activities. Notable achievements included; in Education, developing and implementing an hour of reading, writing, and maths per day; in Justice, introducing legislation to give Police extra tools and powers to address gang-related issues; and, at the border, expanding the use of eGates on arrival to New Zealand.

As a leader in the system, the Commission alongside other central agencies, supported Chief Executives and their agencies to achieve the deliverables they were responsible for in the 100 day plan.

The Commission issued expectation letters to chief executives to reinforce the Government's 100 Day Plan before the end of 2023. The Commission engaged closely with chief executives to monitor delivery and performance against these expectations, and provided assurance to the Minister for the Public Service on progress together with any significant risks or issues.

Following the completion of the 100 day plan the Government's nine targets were agreed in Cabinet, and lead agencies became responsible for developing and progressing target delivery plans. Though each target is the responsibility of a single agency and its chief executive, there is also the need for the whole system to support and enable achievement of the targets.

A feature of the year in review has been building much closer relationships with the Treasury and the Department of the Prime Minister and Cabinet (DPMC) providing more consistent and cohesive oversight to drive delivery and results for New Zealanders, and to align the system around delivery. Our work to support the achievement of the targets exemplifies this. Towards the end of the year this work extended to the establishment of a

jointly-defined work programme to ensure there is strong assurance and active interventions in place to drive the Government's direction and priorities.

A range of novel approaches are being used, including central agency performance teams (comprising of agency leads from the Treasury, DPMC and the Commission) to provide more formalised and systematic sharing of insights and joint support for key Government priorities.

The Commission has contributed to the work of the Delivery Unit in DPMC on the design of the planning and reporting framework for the Government's priorities. Representatives of the Commission participate in the central agency teams that work closely with the agencies leading specific system targets. In this context we have a particular focus on ensuring that there is strong coordination between relevant agencies.

The Commission has now begun to embed a stronger focus on coordinating and measuring Public Service delivery towards targets and milestones. This will be developed at pace in the next financial year as part of our focus on driving system performance.

The Commission has moved to evaluate and adjust our approach to one of our core statutory functions; the performance management of Public Service chief executives. This development is discussed in detail in the next section.

Finally, the Commission has helped to implement some specific commitments in the coalition agreements including those relating to the naming of public sector agencies and the use of te reo Māori by Public Service agencies. There has also been a particular focus on the use of language allowances in the Public Service. The Commission was able to provide advice on the purpose and nature of these allowances. The Government Workforce Policy Statement, released in August 2024, was able to appropriately reflect the importance of recognising specific skills, including te reo Māori competency, and the Statement affirmed the Government's expectation that the Public Service is able to continue to support the Crown in its relationships with Māori.

Te whakatutukitanga me te āheinga

Performance and capability

In the year in review the Public Service entered a period of greater fiscal constraint. In September 2023 the Government implemented a Fiscal Sustainability and Effectiveness Programme (FSEP) to reduce expenditure and find cost savings. Agencies worked with their responsible Ministers and monitoring departments (where relevant) to identify efficiencies and productivity improvements. The objectives included identifying opportunities to manage future cost pressures from within organisational baseline, while maintaining services. Crown entity boards and chairs were encouraged to join their Public Service colleagues in making this happen.

The Public Service Leadership Team (PSLT), comprising the chief executives of Public Service agencies and some Crown agents, has played a significant role in enabling the system to respond to fiscal constraint. The PSLT provides a key forum for agency chief executives to understand and discuss government objectives and priorities.

Under the Public Service Act 2020 the Public Service Commissioner is responsible for establishing and convening the PSLT. The Commissioner ensured the PSLT has been strongly focused on responding to the environment of fiscal constraint in the context of Government priorities.

All agencies have faced the challenge of maintaining performance and capability within reduced baselines. In our view agencies have responded well in planning and preparing organisational changes that will largely take effect across the next financial year. The Commission has worked to facilitate and assist the process of workforce adjustment. One mark of success is that, where there are staffing impacts, change processes have almost universally proceeded with meticulous attention to consultative and good faith requirements. A detailed account of the Commission's role in workforce adjustment is included below.

A longstanding matter of concern to successive governments has been expenditure on contractors and consultants. The Commission has been working with agencies to reduce this spend, and the latest forecasts indicate an approximate \$144 million reduction in operating expenditure on contractor and consultants in the 2023/24 year. The system is managing down contractor and consultant spending to targets agreed by the Government for the financial year 2024/25 (a \$400 million reduction since 2022/23). The Commission has played a role in driving this effort forward by articulating expectations and monitoring progress. The Commission is responsible for ensuring that data on contractor and consultant expenditure is current and available.

We have this year expanded the range of agencies required to provide contractor and consultant data to include Crown agents, the New Zealand Defence Force (NZDF) and New Zealand Police (NZP). Contractor and consultant expenditure across Crown entities, NZDF, and NZP also declined in 2023/24 but to a lesser extent.

The Commission worked closely with the Treasury ahead of Budget 2024 to ensure Ministers were provided with a comprehensive view and analysis of agency savings, contractor and consultant reductions, and cost pressure proposals.

The Commission is now working with the Treasury on the development of new agency performance plans which will provide Ministers with more structured oversight to drive greater fiscal sustainability across agencies. The performance plans will improve medium term planning, provide assurance that spending is targeted to priorities and service delivery, and ensure investment and spending decisions take account of longer-term issues and trade-offs.

Te whakahaere whakatutukitanga

Performance management

The Commissioner has statutory responsibility for the appointment of Public Service chief executives and, on behalf of Ministers, for the performance management of agency chief executives. During the 2023/24 year, the Commission made six chief executive appointments and two reappointments. This number is lower than previous years due to the pre-election period, during which significant appointments (which include chief executive appointments) are generally not made.

An enhanced approach to chief executive performance management is now in place. The new approach adjusted the chief executive performance process to encompass the Government's target programme, and other priorities. The Commission has worked closely with DPMC to ensure that reporting against milestones will feed into the refreshed performance framework for agencies and chief executives.

Work commenced during the year to introduce a performance pay element to chief executive remuneration, including testing initial design with a chief executive reference group.

Alongside its performance management of chief executives the Commission runs a programme of Performance Improvement Reviews of agencies. In the year in review the Commission completed the review phase of three Performance Improvement Reviews, and published two review reports. [The Ministry for Pacific People review report](#) was published in May 2024 with the [Inland Revenue report](#) published in June 2024. The reviews identified areas where these agencies are doing well, as well as areas where improvements can be made to ensure future success.

The model for conducting performance improvement reviews has been updated to reflect the Government's priorities for the Public Service.

An important part of the Commission's performance focus is on the performance of the Crown entity sector. The Commission works with Ministers, boards and monitoring departments to ensure clarity of roles, responsibilities and supporting them to be effective. Over the year in review the Commission has:

- Provided guidance to Crown entity board chairs on the terms and conditions, including the appointment and remuneration, of Crown entity chief executives.
- Worked with the Treasury to support development of an Enduring Letter of Expectations for Statutory Crown entity boards setting out the expectations of the Minister of Finance and Minister for the Public Service.
- Continued development of a digital platform (AppointNet) that will support a streamlined process for managing appointments to and fee payments for public sector bodies.
- Run tailored inductions for Ministers, new board chairs and boards on their roles and responsibilities.
- Developed additional web-based resources on governance and monitoring for Ministers responsible for Crown entities, board chairs and monitoring departments.
- Maintained a regular programme of formal engagement with monitoring managers to promote good monitoring practice.
- Provided the Minister for the Public Service with advice on proposals for exceptions to the Cabinet Fees Framework.
- Provided support on board chair and member recruitment to monitoring departments and advised responsible Ministers on candidates for significant Crown entity chair and board member roles.

Ngā ratonga me ngā mahi hou

New services and functions

Organisational change can be an important element in configuring the Public Service to address changed priorities. Over the year new agencies have been designed, and the necessary change processes have been carried out. The Commission, as the Government's lead advisor on the 'machinery of government', plays a central role in these developments.

The Public Service and Commission supported the incoming Government by:

- Establishing the Ministry for Regulation as a department and central agency of the Public Service. The Ministry will evaluate proposals for new regulations, carry out regulatory reviews, and produce omnibus bills to implement the findings of those reviews. The Ministry also took on some of the functions previously held by the Treasury and the Ministry of Business, Innovation & Employment (MBIE). These functions include the strategic coordination, oversight and administration of the Regulatory Management System; providing guidance and support for agencies on their regulatory stewardship capability; and delivering on New Zealand's international obligations.
- Delivering on the National-ACT coalition agreement to disestablish the Productivity Commission. This was the first disestablishment of an Independent Crown Entity and provided a funding stream for the new Ministry for Regulation.
- Disestablishing the Māori Health Authority and redistributing its functions to Health NZ and the Ministry of Health.

- Completing work to establish a new central agency, named the Social Investment Agency, as a Public Service department. All resources, contracts and functions of the existing Social Wellbeing Agency were transferred to the new entity. The new department took on the additional functions of setting standards for social investment practice; overseeing the data and evidence for social investment; applying the social investment approach in agencies; and measuring outcomes.

Completing work to establish the Charter School Agency as a departmental agency, hosted by the Ministry of Education. It is the first departmental agency to be established that will manage its own assets and liabilities.

The developments described above all concern single agencies. Another dimension to service transformation is bringing together existing agencies or adding to their functions. These changes enable the system to work in new ways, responding more agilely to new requirements. The Public Service Act 2020 contains a range of new organisational forms to enable greater agility in the system. The past year has seen these used to help the system respond to new demands.

One example of agility has been the developing role of the Digital Executive Board, which is one of the interdepartmental executive boards established under the Public Service Act 2020. The Public Service Commissioner has joined the Board which has been tasked with working on a service modernisation roadmap to improve the digital services provided by government. This has been backed by the efficient amendment of mandates and expectations to reflect changed circumstances. The mandate of the Digital Executive Board has been amended twice by Order in Council in the past year; firstly, to establish that its role is one of leading change, and second to refocus its role towards digitising government services.

A further example of the agility of the system is the work of the Regional Public Service Commissioners (RPSCs). These roles were established in 2019 and have developed a record of achievement in terms of aligning public sector agencies to support the achievement of regional priorities. RPSCs work to improve relationships and trust both between the Public Service and communities, and within the public sector itself. The year in review has seen initiatives that demonstrate the developing importance of the RPSCs' work including; rural community access to dental care in Waikato, improving housing quality on the West Coast, and in relation to building resilience to crime in Southland communities.

Ease of disestablishment is also an advantage of the Public Service Act 2020. The year saw the disestablishment of the Spatial Planning Board, which had been established as an Interdepartmental executive board under the Public Service Act 2020. With the repeal of the Spatial Planning Act 2023, the Board's functions were no longer needed.

Over the past year the Commission has begun work on an updated approach to our system design work. This work has also included initial thinking about amendments to the Public Service Act 2020 that may be needed to keep the Act fit for purpose into the future.

Te rāngaimahi o te ratonga tūmatanui me te hautūtanga

Public Service workforce and leadership

The most important resource that the Public Service has is the skills and capabilities of the Public Service workforce. The Commission's role in relation to the workforce is multi-faceted and covers employment relations, workforce capability building and workforce adjustment, leadership development, and pay equity.

The Commission collects and publishes a range of information on the Public Service workforce including quarterly data on workforce size, composition and trends, remuneration and other conditions of employment, agency and professional groups, employment of contractors and consultants, pay gaps, and fixed-term employment. The Commission draws other insights on Public Service work and careers through Te Taunaki | The Public Service Census.

Employment Relations

The average Public Service salary at June 2024 was \$101,700, an increase of 4.6% on the previous year (\$97,200). This has been driven by negotiated increases across most departments and departmental agencies to give effect to the Public Sector Pay Adjustment (PSPA) agreed in 2022¹. Progression increases would also have been provided to most staff, leading to increases in average salaries.

Private sector average earnings increased at a lower rate (4.0%) over the same period according to Stats NZ Quarterly Employment Survey. Over the same period, Labour Cost Index² data shows annual wage growth in the Public Service (5.4%) exceeded private sector (3.6%)

It is clear that the fiscal circumstances of the Public Service will mean that continued increases at levels recently experienced will be unsustainable in the 2024/25 period and beyond.

The Commission is responsible for advising on and communicating the government's policy priorities for the workforce, including expectations on remuneration and other conditions of employment.

To this end, the Commission's Workforce Group has been supporting the Government through the drafting of a new Government Workforce Policy Statement on the Government's expectations for employment relations in the public sector. This reflects expectations that:

- employment outcomes are fiscally sustainable and respond to the current fiscal context and any budget advice
- employment conditions and remuneration settings support a high performing public sector and delivery of effective, efficient, and responsive services
- we have a workforce that is responsive to the needs of all New Zealanders
- agencies manage their workforce size and composition, including to reduce expenditure on consultants and contractors.

The Commission has also provided practical assistance and advice to agencies on remuneration issues in the transitional period to new expectations. We are also supporting the two new Public Service agencies on employment-related matters.

Workforce adjustment

There were 65,537 full-time equivalent (FTE) Public Service staff as at 30 June 2024. This is an increase of 0.7% since June 2023. Latest figures suggest that FTEs peaked in December 2023, with a 3.3% decrease since then.

We expect that the Government's ongoing savings and efficiency drive will continue to put downward pressure on the size of the workforce, and this will be most evident in the 24/25 year. The Commission has placed emphasis on ensuring that the Public Service as a whole is equipped to address this challenge and the resulting system-wide change.

Our major initiative to support the change has been the establishment of a Change Resource Hub run by the Commission. This is a central online space for change practitioners to share and draw from

¹ The Public Sector Pay Adjustment was a Government policy that provided for standardised remuneration increases across most of the Public Service (and some of the wider public sector) in 2023 and 2024.

² The Labour Cost Index is released quarterly by Stats NZ. It measures changes in salary and wage rates in the labour market for the same quality and quantity of labour. The Index is "adjusted", moving with changes in the price of labour, holding the quality and quantity of labour static.

examples, templates and resources provided by agencies, as well as consolidating guidance, principles and information provided by the Commission. The Hub facilitates agencies with significant change experience, making their expertise and examples available to those who may have capability gaps or less familiarity with management of change processes.

The Hub was established in February 2024 following discussions with agency heads of human resources on how the Commission could best support agencies as they navigated change processes under the Fiscal Sustainability and Effectiveness Programme (FSP). The Commission designed the Hub to be a one-stop-shop for practitioners leading change within the Public Service (core and wider) to access and share resources, templates and thinking. The online site has been visited approximately 8,000 times since it was established.

Workforce capability

Ensuring the Public Service workforce can deliver now and into the future is a priority. The Commission has commenced work to identify the current state of capability across the Public Service, including challenges and barriers to developing capability, the likely future capability requirements and to identify potential capability gaps. This work will support the design and implementation of system settings and practical actions (short and long term) that will support the Public Service to build and attract the capability it needs.

The Commission has focused on supporting the system to share and harness best practice, experience and expertise including through its Heads of Profession networks. Also, through the HR Head of Profession function, the Commission supported the human resource community to implement a consistent coordinated approach to workforce issues, enabling improved human resource practices, pipelines of critical capability and channels for collaboration and rapid sharing of information across the system.

The Commission also undertakes succession planning for all Public Service chief executive roles; manages Development Boards that identify and

grow emerging Public Service talent; and engages with Crown entity board chairs to provide visibility of talent across the system for Crown entity chief executive and senior leadership roles.

Kia Toipoto annual pay gaps action plans

The Commission supports all agencies to measure and close pay gaps under Kia Toipoto: The Public Service Pay Gaps Action plan, by preparing their own pay gap action plans, which report on their pay gaps data and the actions they will take to make further gains. All Public Service agencies and eighty percent of Crown entities voluntarily published plans in 2024. Working with agencies, the Public Service has seen:

- the gender pay gap drop to 6.1% in 2024 from 7.1% in 2023 and from 12.2% in 2018. This is the biggest six-year drop since gender pay gap data was first reported in 2001 and it is now at its lowest level. By comparison, over the same period the national gender pay gap has dropped only 1.4 percentage points from 9.6 percent to 8.2 percent
- the Māori pay gap is now at 4.8 percent (June 2024), down from 5.4% in 2023 and 11.2% in 2018, the lowest it has been
- the Pacific pay gap has increased from the record low of 16.6% in 2023 to 17.2% in 2024, compared to 21.6% 2018. It remains the highest of the pay gaps we measure.

Focus is now turning to addressing occupational segregation and leadership representation, which are strong drivers of Pacific and Asian pay gaps.

A Public Service workforce that reflects New Zealand society

Progress has also been made on ensuring that the composition of the Public Service workforce generally reflects the makeup of society and that there is equality of access to opportunities at all levels of employment.



Identity Check

Identity Check is a safe and secure online identity verification service developed by Te Tari Taiwhenua | Department of Internal Affairs (DIA). It works by confirming the identity information provided by a person online against the New Zealand Passport or Driver Licence databases.

The service has been successfully integrated into the online application processes at Te Manatū Whakahiato | Ministry of Social Development (MSD) which means clients can now verify their identity online in real-time by comparing their live face image against either their passport or driver licence photo. Previously they would need to verify their identity in person, creating a barrier for people to access MSD's services.

Providing the option to verify their identity online has improved the accessibility to many of MSD's ongoing financial assistance. Using existing client data held securely by government and leveraging digital channels in this way, means New Zealanders can prove their identity conveniently and securely outside of service centre hours and on their own terms.

During the first nine months, over 60,000 clients confirmed their identity using Identity Check. As well as benefits to clients, enabling this online, real-time verification has significantly reduced the administrative load on frontline staff so they can stay focused on serving New Zealanders.

Identity Check was a finalist in Te Tohu Auaha Hou | Innovation Award at the 2024 Te Hāpai Hapori | Spirit of Service Awards.

The Commission supports Public Service agencies to build more diversity within their workforces, with increases in the number of Māori, Pacific, Asian and Middle Eastern/Latin American/African (MELAA) public servants (data to end of June 2024):

Tiers	NZ working-age population		Whole of Public Service	
	2023	2024	2023	2024
Women	50.6%	50.5%	62.2%	61.9%
Māori	15.0%	14.9%	16.8%	16.7%
Asian	15.4%	17.4%	14.5%	15.9%
Pacific	6.7%	6.7%	10.7%	11.0%
MELAA	1.3%	1.5%	2.2%	2.3%

- The NZ working-age (15-years and over) population estimates in this table are from Stats NZ’s Household Labour Force Survey.
- Pacific and MELAA public servants have higher representation than the working-age population, and also higher than population representation levels (across all ages) at the 2023 Census (8.9% and 1.9% respectively).
- Asian representation is below the working-age population and the overall population (17.3%). However, the number of Asian public servants is increasing rapidly.
- Māori public servants are well represented against the working-age population, however they continue to lag the overall population (17.8%).

This targeted action is being taken to increase diversity equity and inclusion for disabled public servants and public servants from rainbow communities. We are working across the system to deliver these plans with Whaikaha-Ministry of Disabled People, Stats NZ, Ministry of Social Development, and the leads for disability and rainbow public servants.

Through the Diversity, Equity and Inclusion (DEI) team, the Commission continues to support Tui Raumata. This is the governance rōpū for nine cross -agency employee-led networks (ELNS) that connects cross-agency ELN representatives

to enable communication, collaboration and partnership for public servant voices in order to drive a more diverse, equitable and inclusive Public Service. This year has seen the addition of two new cross-agency ELNs to Tui Raumata - the Women in Colour Public Sector Network (WOCPSN) and Including Neurodiversity in Government Organisations (INDIGO). At the NZ Diversity Works Awards in September, Tui Raumata were recognised for their ability to work together in cooperation, cross-collaboration and co-design and were winners of the Respectful Culture Award.

Leadership Development

A key aspect of workforce development is the development of the leadership cohort of the Public Service and wider Public Sector. This occurs through the Leadership Development Centre, and initiatives of the Commission.

The Leadership Development Centre was created by the Public Service as a whole, and continues to operate on a full cost-recovery basis from participating agencies. In the last 12 months the LDC has continued to deliver its important leadership programmes while also making a contribution in other new areas of activity. The work of the LDC is described in more detail in the next section.

The Commission also undertakes a wider set of initiatives which, together with those of the LDC, enable the Commissioner to meet the responsibility for leadership development under the Act. These include publication of the [‘Leadership Strategy for New Zealand Public Service’](#) published on the Commission website on 23 July 2023. The purpose of the strategy is to set a clear vision for Public Service leadership and outline a plan to get there. It is initially focused on the senior leaders in Te Pae Turuki | Public Service Leaders Group (PSLG): the group of senior leaders nominated by agencies for targeted leadership development. This is complemented by the Development Boards which have a specific focus on particular types of leadership including operations, policy, and corporate.

The Commission also works to increase diversity in leadership such as Māori representation in senior

management (17.1 percent) which is increasing fast and is now close to Māori representation in the Public Service overall (16.7 percent). This increase has been especially apparent in the last 5 years.

We developed and released a new priority for Public Service agencies to focus their efforts on diverse leadership. The priority *Fostering diverse leadership* was released at the end of 2023 and is about agencies focusing on growing future leaders, and proactively creating pathways to senior leadership for people from historically under-represented groups.

While the proportion of Pacific and Asian public servants in leadership roles is increasing in the Public Service, we still lag behind the representation of these groups in the Public Service overall.

Tiers	Management Tiers 1-3	
	2023	2024
Women	55.9%	56.7%
Māori	16.0%	17.1%
Asian	3.1%	3.3%
Pacific	5.1%	5.3%
MELAA	1.0%	0.7%

The Leadership Development Centre

Through the Leadership Development Centre (LDC) the Commission continues to invest in training and development of leaders across the Public Service. In the last 12 months the LDC has delivered 25 development programme to 391 participants and completed 868 leadership assessments to focus development on priority areas. Programmes include common core development for all leaders as they transition into new levels of management accountability. It also includes the flagship Leadership in Practice for mid-career, high talent leaders and Te ara ki Matangireia targeting emerging Māori leaders.

Having a centralised approach to leadership development enables system efficiency. In addition to the programmes delivered directly by the LDC, learning material created for common core development is available to agencies. During the year, 11 agencies used LDC common core programme resources to deliver leadership training to 30 cohorts of learners. Building on the success of this model, LDC and agency collaboration

has now resulted in a further suite of leadership development programme resources available to agencies. These resources are focused on the development needs of those already in people leadership roles.

While Leadership is important it is not the only area of development focus for the system. This year the LDC launched the Public Service Core Learning Hub, alongside the new Public Service induction, Te Waharoa o te Rāngai Tūmatanui | The Gateway to the Public Sector. Working in the Public Service is unique and ensuring our people understand important elements such as our principles, our structure and how government works is vital. In addition to getting new public servants up to speed the learning hub hosts on-line resources for our existing people, keeping integrity and our principles top of mind. We will continue to build on these important learning options throughout the coming year.

Pay Equity

The past year has seen a major change in the Commission's role in relation to pay equity. The Commission has had a leadership role over the past several years and has provided extensive support, assistance and guidance to parties in public sector pay equity bargaining. This was against a background of a new piece of legislation and an unfamiliar area of work for many agencies. This year the Government determined that the level of support can be reduced as Public Service agencies are now able to take a greater level of independent responsibility for pay equity. The Commission's focus in this area moving forward will be to support the operation of the Commissioner's statutory delegation for pay equity bargaining.

There have been 15 pay equity settlements and one extension so far, correcting pay of 175,804 employees by an average of 30%. Eleven of these have been reached since 2020. All are in the public sector or publicly funded sector.

In the last twelve months, seven new pay equity claims have been raised (six in the funded sector, and one in education).

Te ngākau tapatahi me te puata

Integrity and transparency

A primary statutory duty of the Commission is safeguarding the ethical and behavioural foundations of the Public Service. Integrity is a key contributor to New Zealanders' trust in the Public Service and the wider public sector. It is important that people can be confident that the Public Service is trustworthy, and public servants act in the interests of New Zealanders and never for their own personal gain. The Commissioner promotes integrity, drives transparency and upholds accountability across the Public Service.

The general election

Election periods present particular risks for the Public Service and generally heighten concerns about matters of integrity. In 2023 the Commission played a key role in supporting public sector agencies to act with integrity and maintain political neutrality before, during and after the general election.

Following publication of our updated Election Guidance in early 2023, the Commission engaged with agencies and public servants on application of the guidance in practice pre- and post-election through targeted communications, tailored integrity advice, webinars and training sessions. The Commission also published Supplementary Guidance for Public Service Agencies on Interpreting and Applying the *Guidelines for Government Advertising*. The supplementary guidance responded to advances in technology, the advertising industry, and New Zealand's system of government, and was accompanied by practical tools such as checklists and 'real life' scenarios to help decide on an appropriate approach for proposed advertising activity.

Agencies responded well, for example:

- Around 40,000 views of the guidance on our website (compared to ~10,000 in 2020), including over 5,000 downloads of the Election Guidance and over 3,000 views of the Supplementary Guidance for Public Service Agencies on Interpreting and Applying the *Guidelines for Government Advertising*.

- A series of presentations and webinars reached more than 2000 public servants. This included targeted sessions for specific groups, e.g. senior leaders, ministerial political staff and portfolio private secretaries, communications and HR professionals, and those new to the Public Service.
- In December 2023, more than three-quarters of agencies surveyed about their engagement with the election guidance or advice related to the guidance agreed they were extremely well supported by the Commission.

The Public Service also has an important responsibility in providing technical information for political parties in post-election coalition negotiations. The Commissioner leads and coordinates this process. Following the 2023 General Election, the Commission coordinated agencies to provide timely information and analysis when requested by political parties seeking to form a government. This supported the negotiations to form a new government to proceed smoothly, while ensuring agencies maintained their political neutrality.

Ensuring the Public Service acts with integrity

The Commissioner is responsible for setting standards of integrity and conduct across most of the public sector.

Over the last 12 months the Commission has developed and consulted on guidance to explain the Public Service Principles (enshrined in Section 12 of the Public Service Act 2020), their importance, and how they apply in practice. This was the most substantive update of guidance since the Code of Conduct guidance was issued in 2007 and the first time specific guidance will be issued on their interpretation. The guidance is intended to support agencies in upholding their integrity and conduct responsibilities and consolidates our advice on the Principles in one place that is easy to access and understand.

The Leadership Development Centre's refresh of the public sector induction modules included the development of core capability learning for the Public Service Principles, with specific resources for political neutrality and the spirit of service. The spirit of service underpins everything we do and unifies the Public Service towards a common goal, to individually and collectively deliver better outcomes and services for New Zealanders.

Te Mahi me ngā Mōrehu: Working with Survivors Model Standards, which set out expectations for how the public sector will work with families affected by significant disasters, was reviewed this year in partnership with the Stand with Pike Families Reference Group. While the work on the Model Standards is complete for now, the group continues to advocate for the survivors of catastrophic events.

Supporting system integrity improvement

The Commission acts to build the culture of integrity within the Public Service. To that end we work closely with a group of senior Public Service leaders (Integrity Champions) on matters of integrity and conduct. Over the past year this network has further strengthened links between the Commission and agencies, helping to lead a more coordinated and consistent approach to integrity across the Public Service. The network has grown to include representatives from 63 agencies across the core Public Service and wider public sector. This demonstrates the depth of commitment to integrity across the entire Public Service.

The Commission has also continued to provide integrity advice to agencies, public servants and the public on request. This includes clarification on how standards and guidance are applied, reviews of draft policies, advice on specific scenarios not covered in guidance, escalations of issues not resolved within agencies (including self-reported breaches of standards), formal complaints and protected disclosures. Over the past year, advice was most commonly requested on election guidance, codes of conduct, conflicts of interest and sensitive expenditure.

Upholding accountability

The Commission is also responsible for investigating possible breaches of standards.

Commission inquiries, investigations and reviews are essential to ensuring that citizens have trust and confidence in their Public Service. They provide a transparent way to find out what happened, to ensure that it does not happen again, and help hold agencies and chief executives accountable, by ensuring they publicly own, fix, and learn from their mistakes.

In the past year we have completed several investigations into matters of integrity and conduct. These explored such matters as sensitive expenditure on farewell and welcome functions for senior Public Service leaders, agency 'speaking-up' processes and assurance of an agency's recruitment practices and processes for reviewing appointments.

The Commissioner issued two certificates under schedule 3, clause 8 of the Public Service Act 2020, providing that certain provisions in the Inquiries Act 2013 would apply in two investigations: a review of the administration of the Accredited Employer Work Visa scheme, and an inquiry into how government agencies protected personal information provided for the 2023 Census and COVID-19 vaccination purposes.

Publishing the findings of investigations and discussing them with senior public sector leaders offers an important opportunity for the Commission to re-state and re-shape expectations, to support learning and improvement.

We also started a joint programme with DPMC to support agencies to better prevent, detect and respond to unauthorised disclosures ('leaks'). Public servants who use their privileged access to government information to influence political debates breach the code of conduct and undermine public trust and confidence in the Public Service. This work programme includes gathering and sharing lessons learned from agencies who have responded to leaks as well as strengthening guidance on information sharing.

Recognising integrity in practice

The Commission recognises and celebrates exemplary integrity in practice through its awards and honours programme. In the past year we have refreshed the Te Hāpai Hapori | Spirit of Service Awards, including updating award categories to better recognise the many innovative ways agencies and public servants support New Zealanders every day.

We also continue to nurture and celebrate excellence through the Te Rā Ratonga Tūmatanui | Public Service Day Awards and Te Tohu Manawaroa a Te Kawa Mataaho | Public Service Commissioner's Commendation for Service. In 2023, we recognised 24 recipients of the New Zealand Public Service Medal and 20 recipients of the Public Service Commissioner's Commendation for Excellence at the Te Rā Ratonga Tūmatanui | Public Service Day Awards in November. Additionally, 320 public servants were recognised for their Public Service over a distinguished period through Te Tohu Manawaroa a Te Kawa Mataaho | Public Service Commissioner's Commendation for Service.

Promoting open and transparent government

Through the official information work programme the Commission supports Public Service agencies to maintain open and transparent information processes to ensure citizens can access information in a timely manner. Timely access to information is an important factor in building public trust and confidence as it supports citizens to better understand and participate in government decision making.

Since 2016, we have been reporting data on Official Information Act 1982 (OIA) compliance. Increased transparency has led to significant improvements in timeliness since 2016, despite a near doubling in volume of requests over the same period. For the most recent reporting period 1 July 2023 to 21 December 2023, 98.1 percent of requests were responded to within legislated timeframes. Collectively agencies completed 30,834 requests. It was the second time, timeliness has been above 98 percent.

As part of our leadership role in OIA practices, we provide support to agencies through official information forum events. Over the past year we have held six events, attended by 1,109 public servants from across government agencies and

statutory Crown entities. Three of these were held together with the Office of the Ombudsman to provide new OIA practitioners with tools and resources to support them in their roles.

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Another aspect of transparency in government is the proactive release of information. This includes reporting to Cabinet on the proactive release of Cabinet papers in accordance with Cabinet's agreement in 2022 that agencies should report this information to the Commission six-monthly. For the period 1 July 2023 to 31 December 2023, 209 papers (81 percent) were released within Cabinet's stated policy intention – to proactively release papers within 30 working days or publish following a delay envisioned by the policy. 177 papers (69 percent) were released within 30 working days. These figures show an improvement compared to previous reporting periods.

The Commission has worked with agencies and civil society organisations on open government and active citizenship through the Open Government Partnership. This is an international collaboration between governments committed to strengthening open government and public participation. Our fourth National Action Plan is due to end in December 2024.

Plain language

Under section 12 of the Plain Language Act 2022 agencies must report annually to the Public Service Commissioner on how the agency complies with the Act.

Most agencies have published plain language information on the intranet for all staff, not just targeted to those responsible for public facing documents. Other approaches include communicating to teams through managers and information emails to staff. Some agencies have set up a network of plain language champions and some have established a writing hub with access to internet resources.

A range of approaches has been taken by agencies to training. Training has included making online training and support modules available (some developed in-house and some purchased), group workshops and advice, and drop-in support from in-house experts.



Learning Community Hubs

Learning Community Hubs play a vital role for ethnic communities accessing and understanding the New Zealand education system and supporting their children in school.

Evidence shows that parent engagement directly helps to lift attendance, participation, progress, and educational achievement at school, so Te Tāhuhu o te Mātauranga | Ministry of Education set out to support this participation and engagement in learning.

The learning hubs promote educationally powerful connections – a shared responsibility between home, school and the community. They also provide a long-term view to transformational approaches to learning, teaching and engaging with the different parts of the education system to fulfil the needs and realise the aspirations of, ethnic communities.

The initiative is community-led and has been designed and delivered as the community sees best for them. It puts students, together with their families, at the centre of what education can offer. In 2023, the hubs delivered 334 workshops, supported 1,925 families and 1,195 students across 52 ethnicities. An independent evaluation of the learning hubs found that they have a positive impact on the students from ethnic communities as well as the schools' understanding of the students' needs and goals.

The Learning Community Hubs were a finalist in Te Tohu mō ngā Hua E Pai Ake Ana | Better Outcomes Award at the 2024 Te Hāpai Hāpori | Spirit of Service Awards.

Public Service Fale

Overview

Totō hau tōkiga auā na tupulaga e fāi mai

Plant now for the future generations to harvest

This Tokelauan proverb reflects the focus of the Public Service Fale (the Fale) over the past 12 months.

In 2020 the Fale was established at the Public Service Commission at the request of sixteen Pacific Public Service Commissioners (Pacific Commissioners). The Fale works with the Pacific Commissioners to achieve their public sector strengthening priorities. The programme is funded by the Ministry of Foreign Affairs and Trade as part of the International Development Cooperation Programme.

Over the past 12 months the Fale has increased opportunities to engage with Pacific Commissioners and their public service teams face-to-face, bringing them together to provide opportunities for knowledge exchange in person.

During 2023, **key priorities** were set by the Pacific Commissioners following which the Fale identified opportunities to:

- **better understand and report on the impact of our interventions**
- **enhance its regional and bilateral support** to Pacific Commissions, and
- **enhance coordination with other partners** that invest in public sector strengthening programmes in the Pacific.

Key priorities: understanding and reporting on impact

In 2024, we reviewed our evaluation and reporting framework and conducted the first annual *Pacific Public Service Commissions' Perceptions Survey*. Senior Pacific leaders were highly engaged with the survey and the results showed that:

- 95 percent of senior Pacific leaders surveyed agreed or strongly agreed that support from the Public Service Fale helped improve their agency's connection and collaboration with other Pacific public service agencies.

- 100 percent of Pacific Commissions were satisfied or very satisfied with the relevance, quality and timeliness of the technical support that they received from the Public Service Fale.
- 82 percent of the 16 Pacific Commissions agreed or strongly agreed that the Public Service Fale supports their agency's goals and strengthens public services in their respective countries.

Key priorities: enhanced regional and bilateral support

Providing regional and bilateral support in response to requests from Pacific Commissioners is one of the two key outputs of the Fale. During 2024, Commissioners asked for increased bilateral support with a focus on acknowledging the distinctiveness of individual Pacific Public Service Commissions. Three examples that help describe the story of the Fale's response to these requests are as follows.

Solomon Islands Learning Management System Portal

FaleOnline is the Fale's online learning management system and is available to all Pacific Public Servants. The Fale and the Solomon Islands Institute for Public Administration and Management (IPAM) worked together to co-design and develop a portal in FaleOnline for 19,000 Solomon Islands public servants to access IPAM's public sector training prospectus and register for future courses. The portal is highly contextualised for the Solomon Islands Public Service and introduces a look and feel that is both relevant and functional.

The Fale provided a week-long on the ground train-the-trainer course for IPAM staff, face to face in the Solomon Islands to enable skills transfer in using the new system.

Digitisation in the Tongan Public Service

The Fale supported the Tongan Public Service Commission (PSC) to develop a change management plan for digitising public services. To co-design this work, the Fale team engaged with the Tongan PSC over several months, including online and during a visit to New Zealand by the Chief Executive Officer of the Tongan PSC, Ms Victorina Kioa.

To further contextualise development of the change management plan, digital experts from the Fale and the Commission visited Nuku'alofa working on the ground with local Tongan officials to fully understand their context and provide tailored advice and support. The draft plan is practical, relevant and fit for purpose.



Clockwise from left: Loseti Mahe – Deputy CEO for ICT Division, Ministry of Revenue and Customs
Garrick Gemmell – Senior Advisor, Public Service Fale
Clifton Latu – Senior Computer Programmer, Ministry of Health
Charlie Tuihalamaka – Assistant Secretary – Ministry of Foreign Affairs
Abner Otukolo Tokai – Senior Analyst – CERT (Computer Emergency Response Team) Tonga

Kiribati Anti-corruption and Customer Service Training

The Fale partnered with the New Zealand Serious Fraud Office to support the Kiribati Public Service Office with in-person anti-corruption investigations training and customer service design and delivery training.

Kiribati faces challenges with internet connectivity so providing face-to-face support in country works best. The anti-corruption and customer service design workshops were practical, hands-on sessions that gave access to topic specific experts.

The on the ground team were able to contextualise their approach during the training week and provide learning that was flexible and highly tailored to Kiribati's context.

Key priorities: Strengthening governance and enhancing coordination

In November 2023 the Fale hosted the first face to face annual Pacific Public Service Commissioners Conference since 2019 (due to the previous travel restrictions of COVID-19) The theme of the Conference (Fono 2023) was *In service of country and people: public service leadership to meet the challenges of the region*.

To enable Pacific Commissioners to engage fully in the annual Conference, preparatory face to face sub-regional meetings were held during the year in Fiji, Tonga and Nauru.

48 international delegates attended the annual Conference in New Zealand which spanned three days and included governance discussions, keystone events, technical working sessions and a Pacific Commissioners Panel Discussion.



Saskia Peel, Senior Advisor Public Service Fale with attendees at public service customer service design workshop, Kiribati

These face-to-face governance engagements strengthened relationships between the Fale and Pacific Commissioners and ensured that peer-to-peer relationships between Pacific Commissioners were also strengthened. Consistent feedback to the Fale is that peer-to-peer support provides a network for Pacific Commissioners that is highly valued and relevant to achieving their public sector strengthening goals.

Feedback from Pacific Commissioners during the Annual Conference was for the Fale to engage in formal partner coordination on their behalf. The Fale will build this function over the coming 12 months to coordinate technical support with other partners that invest in public sector strengthening programmes in the Pacific. This is a time and cost-effective way to maximise the International Development Co-operation Programme funding from the New Zealand Government and provide meaningful support to Pacific Commissioners to achieve their public sector strengthening goals.



ACC's Rongoā Māori Service

ACC is committed to increasing equitable access to services and experiences that lead to better health outcomes for Māori. Part of this includes providing choice to Māori and their whānau when it comes to recovery from injury. So, in 2020, ACC made rongoā Māori accessible as a form of social rehabilitation for kiritaki (clients).

Rongoā Māori is a traditional healing system used in te ao Māori that provides holistic healing. It includes, but isn't limited to, the use of plant-based remedies, bodywork (like mirimiri and romiromi), whitiwhiti kōrero and karakia. Rongoā has always existed in Aotearoa New Zealand but was made illegal for much of the 20th century under the Tohunga Suppression Act (repealed in 1962).

In 2011, the Waitangi Tribunal found that New Zealand's health system has a responsibility to support the use of rongoā Māori as an important tool for improving Māori wellbeing. And, in 2019, a field survey by ACC found that 80% of Māori respondents considered it important that their health provider offer rongoā Māori services. ACC responded to this call from the community, recognising the need to offer more options to whānau who have experienced injury. The work included developing guidance for funding rongoā Māori within legislative criteria, building strategic partnerships with the Ministry of Health and rongoā. Over 11,000 kiritaki (clients) and whānau have accessed rongoā Māori through ACC since the service began. ACC's rongoā Māori service was a finalist in Te Tohu mō Whai Ratonga | Māori Crown Award at the 2024 Te Hāpai Hapori | Spirit of Service Awards.

Te Kawa Mataaho – Tō mātou whakahaere

Our Organisation

The Public Service Commission provides leadership and oversight of the Public Service. Our organisation's key focus is to ensure the Public Service works as one system focused on delivering the outcomes and services that New Zealanders want, need and expect while maintaining high levels of trust and confidence.

We lead the Public Service while protecting and enhancing the standards of integrity and conduct that are at the heart of what we do. Our organisation sets the course, role models what good looks like, and leads the system to deliver the results and services that matter to New Zealanders.

We continue to grow our organisation's capability to deliver and perform at its best. Organisational health, continuous improvement of the operating model, and modelling best practice for the Public Service are important parts of the Commission being ahead of the game, fit for the future and enabled to lead and serve.

It is important that the Commission is prepared and organised to adapt in response to new priorities and meet fiscal expectations. This means helping each group and the Commission to operate at its best as a **high performing and sustainable organisation**.

Over the last year, we have through an organisational development plan, achieved progress across key areas of our organisational capability and performance, including:

- **maintaining strong fiscal sustainability**, including ensuring that our resources are efficiently deployed within the organisation to priority areas of work for the Government.
- **building a modern and flexible workplace** that is a great place to work and be productive, based on an inclusive respectful and positive working environment, including **providing trusted advice, tools and information**.
- developing assurance and accountability, role modelling and **keeping our organisation safe, resilient and sustainable**.

- **growing an agile, diverse and capable workforce**, supporting diversity and building cultural competency and eliminating the gender pay gap (including our gender pay gap action plan, progressing Papa Pounamu diversity and inclusion priorities and implementing Te Angitū, our Māori strategy)

A high performing and sustainable organisation

Following the change of government, we engaged with our Minister and central agencies to understand and implement the Government's priorities and work programme. We have also adjusted to our new baseline funding as the Government seeks savings and efficiencies from agencies.

We have reaffirmed our vision for "a leading edge, unified, trusted Public Service that serves Aotearoa New Zealand and its people." This vision includes our strategic goal to strengthen outcomes and services, as well as trust and legitimacy in the Public Service. We have refined the Commission's core purpose as:

"We lead the Public Service to perform for New Zealand."

We are prioritising our work around the Commission's statutory obligations. Our 2024 Plan identifies six priority areas of work – what we have termed our 'Big Rocks' – that will drive the necessary changes within our organisation and across the Public Service (see case study on page 30).

In early 2024 our focus has been on our Fiscal Sustainability Programme and the structural changes required for the Commission to deliver within a reduced baseline. After we put the new organisational structure in place, the Commission will review its governance arrangements and ways of working to support our leadership and operating model.

Refreshing our strategic intentions

During the reporting year, we refreshed our strategic intentions for the period 2024-2028. These are published [on our website](#) and provide an overview of our work, and measures of success in our Public Service leadership role.

Our strategic intentions are focused on our vision for a leading edge, unified, trusted Public Service that serves Aotearoa New Zealand. The Strategic Intentions document specifically outlines how we will lead the Public Service to perform by:

1. Activating the system by organising agencies to deliver on the priorities of government
2. Driving efficiency and fiscal consolidation
3. Ensuring an ongoing capability and performance focus.

As a small, non-frontline agency, it can be challenging to measure our success. We have put effort into improving how we describe and measure the impact we make and a range of indicators have been developed which will demonstrate progress against these intentions.

Together, our 2024 Plan and our strategic intentions will help ensure we work as a unified Public Service.



Maintaining strong fiscal responsibility

A key focus of the Commission in this fiscal year has been supporting and enabling our financial management strategy. Reduced baselines and the end of time-limited funding, alongside the rising costs due to inflation and remuneration meant we needed to look across the organisation for efficiencies and to prioritise the use of our resources.

Strategic Finance review

We undertook a Strategic Finance Review, which was a whole of Commission approach to finding sustainable efficiencies. The five areas of focus were:

- **Functional mapping**
This involved the functional mapping of employees to statutory functions to understand where the Commission's core effort was placed. Details can be found in the Commission's [Briefing to the Incoming Minister](#)
- **Non-Personnel spending**
This initiative aimed to reduce non-personnel spending to the extent it was appropriate and feasible. This ultimately led to finding savings of \$1.2 million (17 percent of the non-personnel budget).
- **Corporate Review**
An independent review of the Commission's corporate functions was commissioned to determine whether our corporate services were appropriately efficient, effective, value-adding and mature, relative to the size of the Commission. The review determined that the Commission has one of the lower levels of expenditure on its corporate functions when compared to other agencies of similar size.
- **Funding sources**
This initiative involved investigating options where it may be appropriate to share costs with other agencies. One way to lower costs has been by recovering portions of our rental costs by then subleasing to other agencies.
- **Non-Departmental Expenditure**
This initiative involved a close examination of non-departmental funding to see if there

were options for reducing expenditure in these appropriations. Particular attention was given to the Remuneration and Related Employment Costs of Chief Executives Appropriation, to determine if the contingent component of the budget could be run more efficiently. This ultimately led to savings of \$400,000 being found in the appropriation.

Government Fiscal Sustainability Programme

In December 2023, the Government launched a multi-year Fiscal Sustainability Programme across the Public Service. As part of this, the Commission was asked to save 7.5 percent from our baseline as part of Budget 2024. The work undertaken in the Strategic Finance Review informed our savings approach, and the deficit we would face in 2024/25 and outyears.

In the first phase of our Fiscal Sustainability Programme, employees were asked for suggestions for efficiencies and cost savings in all aspects of our work. These suggestions, combined with previous analysis of our non-personnel spend meant we were able to find savings of approximately \$1.2 million (as covered above).

In the second phase we reviewed all staff roles and responsibilities in the Commission, seeking efficiencies and a reprioritisation around current and future work programmes.

Following staff consultation, we have now completed a change process that has reduced the number of tier two leaders (deputy chief executives) by 43 percent, down from seven to four, and reduced the number of other leaders (managers and chief advisors) by 22 percent from 27 to 21. The Commission is now structured in four externally facing groups, plus one that is primarily internally focused, supporting and driving our performance as an agency.

The Commission will continue to work in line with the Government's expectations to identify and maximise opportunities for efficiency and cost-effective delivery of services. This work is ongoing and factored into the Commission's governance and management expectations.



Our 'Big Rocks' – the Commission's 2024 Plan

Alongside our Fiscal Sustainability Plan, we have reprioritised our work programme to ensure it is focused on our statutory obligations.

Our 2024 Plan identifies six priority areas of work – what we have termed our 'Big Rocks' – that will drive the necessary changes within our organisation and across the Public Service.

There are four key areas of work that we have identified to drive Public Service performance over the next year:

- Driving system performance – by leading an enhanced central agencies work programme that drives a co-ordinated, focused, and effective Public Service to deliver Government priorities
- Public service system design – by supporting the Government to consider and implement changes to the design, structure and operation of the public service to drive the delivery of their priorities
- Ensuring the public service workforce delivers – by developing and implementing a strategic workforce plan and employment relations settings to ensure that the public sector workforce has the right composition, capacity and capability to deliver on Government priorities
- Promote integrity, drive transparency and uphold accountability – by lifting integrity, accountability and transparent performance across the public sector

There are also two key areas that the Commission needs to invest in to ensure that we have the tools and resources available to successfully deliver our 2024 Plan:

- Enhancing data and insights for decision-making - by ensuring data and insight is driving evidenced understanding and interventions on performance of the Public Service
- Developing a high performing and sustainable organisation – by delivering on fiscal sustainability expectations and ensuring the Commission is fit for the future
- Focusing on these priorities will ensure that we are effectively supporting the Government's agenda.

Building a modern and flexible workplace

We continue to improve our physical workplace design to help us use our current property footprint as efficiently as possible. Our flexible office layout has enabled us to host and support the establishment team for the Ministry for Regulation, providing the Ministry flexible and expanding space to grow.

We continue to work with the Government Property Group to support the development of Bowen House, a central hub where Public Service agencies can co-locate and collaborate. It is currently planned the Commission will move into Bowen House in 2025 when our lease expires at the Reserve Bank building, further reducing our property footprint and generating savings.

Digitally enabling our work through the Information Systems Strategic Plan

The Commission has a relatively mature digital function following our investment in this area over the past three years. We are cloud first and our tools and platforms support our people no matter where they work. We have a training and awareness programme which ensures that our people know how to use the tools they have, and good governance in place to monitor our performance.

Our Information Systems Strategic Plan has the following themes:

- Base foundations – We have a good understanding of our information assets and manage them appropriately. We have mature processes and procedures and trusted suppliers.
- Tools and platforms – We have the right digital tools to excel in our role. These tools are selected, deployed, and maintained in such a way that we know how to use them and use them to their best effect.
- Data and analytics – We have the information we need to support and enable the Commission in its role.
- Information security – We are astute custodians of our information.
- Digital maturity – Digital is at the centre of how we perform our role and we lead the Public Service in digital adoption.

- Organisational efficiency – We automate the routine and workflow standard processes. Our focus is on enabling the uplift of organisational efficiency via digital solutions. The organisation efficiency uplift will be directly supported by our Digital Automation Programme.

Keeping the Commission safe, resilient and sustainable

We continue to build and embed a strong risk and assurance environment to keep the organisation and our people safe, secure and accountable. We have improved the Commission's lines of defence for risk and assurance and have been working to lift risk maturity and business resilience for both known and unexpected risks. This includes business continuity, health, safety and wellbeing and protective security.

Work is ongoing to ensure we meet our health and safety obligations. In this fiscal year we have revitalised our health, safety and wellbeing portfolio by implementing several key initiatives. These include streamlining our systems and processes such as compliance activities, managing health and safety volunteers, development of a health and safety dashboard, and launching staff awareness campaigns.

In addition, we have developed new automation tools such as health and safety incident and workplace maintenance notification forms. In the future we will further develop a robust technology, advanced health, safety and wellbeing program for our people.

Key activities in this financial year include:

- participation by senior leaders in Exercise Rū Whenua 2024 to test New Zealand's arrangements for responding to and recovering from a significant Alpine Fault earthquake
- reconstituting the Health, Safety and Wellbeing Committee, its terms of reference and refreshing our health, safety and wellbeing risks

- developing new protective security tools and resources along with raising education and awareness to embed a security culture and greater workforce assurance
- updating our risk management framework and practices, including building our capability and maturity towards being a risk intelligent organisation
- commenced work to develop the Commission's assurance framework, and refresh of its internal audit programme for the next three years

Growing an agile, diverse and capable workforce

Progressing our workforce strategy and people plan

Our Mahere Tāngata People Plan 2022–25 sets out our aspirations as an employer and our roadmap for ensuring we have a diverse workforce that is capable and reflects the communities we serve.

Key achievements include:

- During 2023/24 we reprioritised our people plan to support the delivery of our Fiscal Sustainability Programme and align with our 2024 Plan. This included contributing to our fiscal sustainability strategy, leading and supporting our people through change and improving our efficiency and effectiveness.
- We refreshed our Diversity, Equity and Inclusion (DEI) plan, building on insights from initiatives delivered in 2022/23, employee feedback, and aligning with our current fiscal context.
- We continue to evolve and strengthen our Leadership Community of Practice. This initiative connects leaders to our strategy, develops leadership practices and facilitates peer-to-peer learning.

Effective employment relations

Effective employment relations are a priority for the Commission. This year our leadership team reviewed our employee value proposition and our workforce strategy to define our four key action areas, being:

- Develop an effective union relationship to support our mission and goals
- Focus on being a good employer to all
- Ensure our managers are valued, recognised and involved in steering our organisation
- Engage our teams and enhance the employee experience

This year we embedded the Commission's first Collective Agreement and implemented Phase 2 of the Public Sector Pay Adjustment. In early 2024, we updated and offered a new Individual Employment Agreement (IEA) to eligible employees. Overall, 98 percent of those eligible transitioned to the new IEA. Our new IEA has also led to increased efficiencies through improved alignment of core terms and conditions across our workforce.

Throughout our work, we have modelled approaches that drive greater consistency and commonality to the Public Service.

Commitment to building Māori Crown relations capability and te reo Māori revitalisation

Our Māori capability strategy, Te Angitū is about building foundational cultural capability for our people. We want our people to confidently understand, value and participate in te ao Māori in a way that enables our organisation to support the Crown in its relationship with Māori. This is part of our responsibility under the Public Service Act 2020 of building and maintaining our capability to engage with Māori and understand Māori perspectives.

We continue to build our relationships with Te Arawhiti and Te Taura Whiri i te Reo Māori | Māori Language Commission to support our capability.

We know, through our agency level Te Taunaki Public Service Census results, that 86 percent of our people value their knowledge of te reo Māori and/or want to grow it.

In 2023-24 we continued to progress the foundational programmes in place:

- We achieved our Te Angitū strategy target of 100 percent of our employees attending at least one development opportunity to build Māori Crown capability through a variety of activities, including courses, staff talks, events, workshops and conferences.
- We continued to provide level 1, 2 and 3 foundational Māori cultural competency training incorporating te reo Māori, tikanga and Te Tiriti o Waitangi.
- Most of our employees have now completed The Wall Walk® educational programme, a core development offering in our organisation to raise our people's awareness of Aotearoa New Zealand's history of Māori Crown relations.

Our cross-Commission team, Te Rōpū Angitū, continued to support the strategy through organising cultural events, celebrating good practice and supporting wider culture change across all our teams. Te Rōpū Angitū led our celebration of Te Wiki o te Reo Māori and our Matariki celebrations.

Encouraging diversity, equity and inclusion

Diversity, equity and inclusion is about reflecting and valuing the communities that we are here to serve, including people across all dimensions of diversity: gender, ethnicity, disability, Rainbow, age and more.

Our Diversity, Equity and Inclusion Plan priorities are to have:

- a more diverse workforce and leadership that reflects, values and understands New Zealand society
- a fairer workplace with equitable pay and people practices
- a workplace culture where everyone feels included, valued and comfortable being themselves at work

Our plan is consistent with the Public Service Act 2020, which covers promoting diversity and inclusiveness and good employer requirements.

It enables us to meet our commitments under *Kia Toipoto* | *Public Service Pay Gaps Action Plan 2021-24* as well as *Papa Pounamu* - the work programme that brings together diversity and inclusion initiatives across the Public Service.

In 2023-24 we refreshed our Diversity, Equity and Inclusion Plan, incorporating feedback from employees and our employee-led networks (ELNs), and realigning plans to be realistic and in line with our fiscal context.

This included:

- Embedding training on addressing bias, building cultural competence and Rainbow inclusion into induction
- Engaging employees in the refresh of our internal policies and applying best practice guidance to remove bias
- Strengthening and invigorating organisational culture, wellbeing and relationships through celebrations such as Matariki, Mental Health Awareness Week and language weeks
- Social, cultural, and educational events hosted by our ELNs, raising awareness and enabling members to feel connected, respected, and valued.

Highlights over the past year include:

- Achieving Rainbow Tick Re-accreditation and introducing Active Allyship training.
- Our internal-facing ELNs have continued to mature and support members, while hosting and co-hosting celebrations such as Pink Shirt Day, Zero Discrimination Day, Non-Binary People's Day, Intersex Awareness Day, and supporting Sweat for Pride.
- Establishment of a network for employees who identify as neurodiverse.
- Workshops for leaders on inclusive leadership.



Telling the story of the Public Service

As the Public Service Commission, we are in the unique, privileged position to tell the story of New Zealand's Public Service, and in July 2023, we set out to tell that story through a new Digital Content and Channels Strategy.

The overarching purpose of the digital strategy is to increase knowledge about what the Public Service is and does and increase awareness of the information and services available through the Commission and other Public Service agencies.

We aim to achieve this through evergreen website articles that focus on educating people about the Public Service and telling stories about innovation, inter-agency connection, and the diverse people who serve New Zealanders every day.

Over the year, we published 39 articles about the Public Service and public servants. This included nine interviews with young leaders, nine with Regional Public Service Commissioners, and 12 profiles on public servants who work in a diverse range of (mostly frontline) roles.

We also published eight educational articles on topics such as where public servants work, the jobs public servants do, how the Public Service has changed over time and the ways the public can have their say. With over 24,000 article views and an increase in engagement on our social media channels – particularly LinkedIn where engagement is up by 160% and Facebook where engagement is up by 50% - shows that the strategy is performing well so far.

Public Service Commission Demographic Profile

The Commission ended the 2023/24 year with 175.1 fulltime equivalent employees³ at 30 June 2024. This was a decrease of 12.4% (24.8 full-time equivalent employees) from 199.9 fulltime equivalent at 30 June 2023. This reduction is largely a result of our Fiscal Sustainability Programme, and the conclusion of the hosted pay equity programme of work.

Our new structure resulting from the Fiscal Sustainability Programme of change will be effective from mid-August 2024.

Our workforce is made up of those supporting our core statutory work programme, as well as the additional functions that we host on behalf of the Public Service. These include:

- the Public Service Fale (see more on page 23)
- the Leadership Development Centre
- the Employee-Led Networks Team
- the Pay Equity Claim Team (now disestablished).

The composition of our workforce as at 30 June 2024 is described below. Tier one (see note below) is included unless otherwise noted.

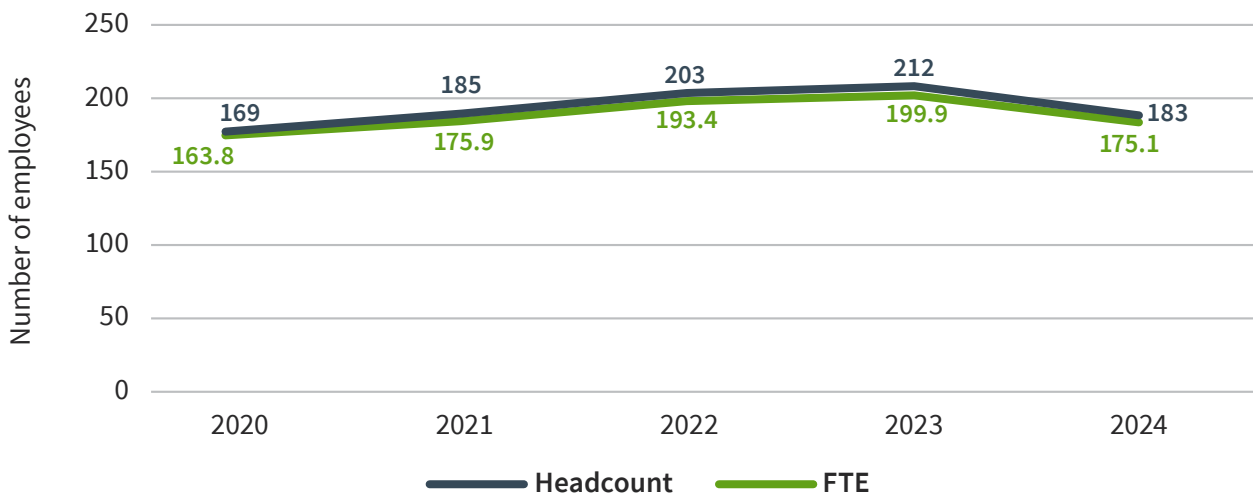
- we have 183 employees working both full and part time. 34 employees (18.6 percent of our headcount) are working in recoverable functions⁴
- the average age of employees at the Commission is 45 years
- 67.2 percent of our employees are female
- 54.5 percent of our people leaders below tier one are female (58.3% including tier one)
- our workforce profile has become increasingly diverse since 2019, with increases in Pacific, Asian and other non-European ethnicities
- while most organisations typically have one person at tier one (the chief executive or equivalent role), our tier 1 has three roles: the Public Service Commissioner and two statutory Deputy Public Service Commissioners. Currently all three roles are performed by female employees, noting the Commissioner and one Deputy role are filled on a temporary (acting) basis pending the appointment of the substantive Public Service Commissioner.

³ All employee related totals reported are as per workforce data definitions

⁴ A function within the Commission where the costs of running the function are fully recovered from other agencies or third parties

Our workforce

The Commission workforce headcount⁵ at 30 June 2024, including tier 1 statutory officers and employees seconded to other agencies. These figures include functions hosted by the Commission on behalf of the Public Service.

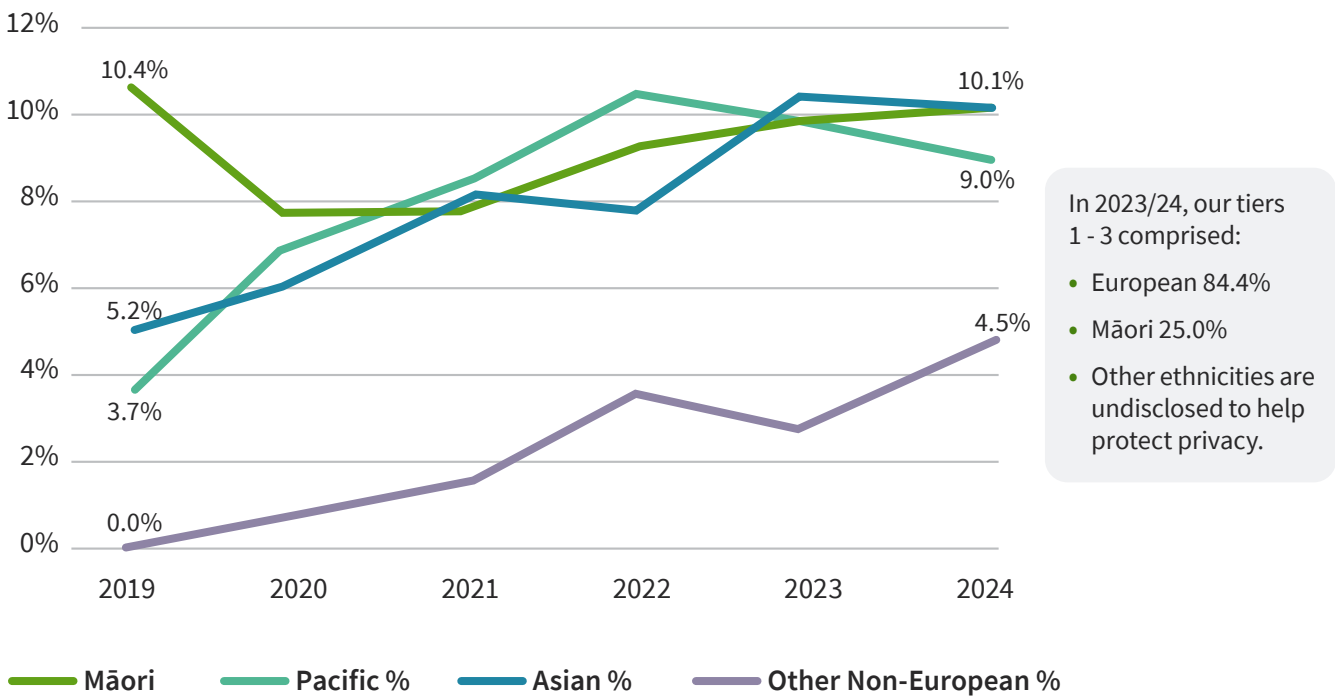


Our employee ethnicities

This data is based on employees who have voluntarily provided their ethnicity information. For the 2023/24 year, 97.3 percent of our employees disclosed their ethnicity information.

Some people may have reported more than one ethnic group, which can result in numbers adding up to more than 100 percent.

Māori, Pacific, Asian and other non-European employees in the Commission, 2019 - 2024 including tier 1 statutory officers, as at 30 June 2023



⁵ As per workforce data definitions

Pay gaps

We are building on work we delivered in previous years through the Public Service Pay Gaps Public Service Action Plan 2021–24 (Kia Toipoto). The Commission’s refreshed [Diversity, Equity, and Inclusion Plan 2024-25](#) incorporates our Kia Toipoto actions for making further progress on closing pay gaps across gender, Māori, Pacific and other ethnicity pay.

Pay Gap information excludes tier one, except where specified.

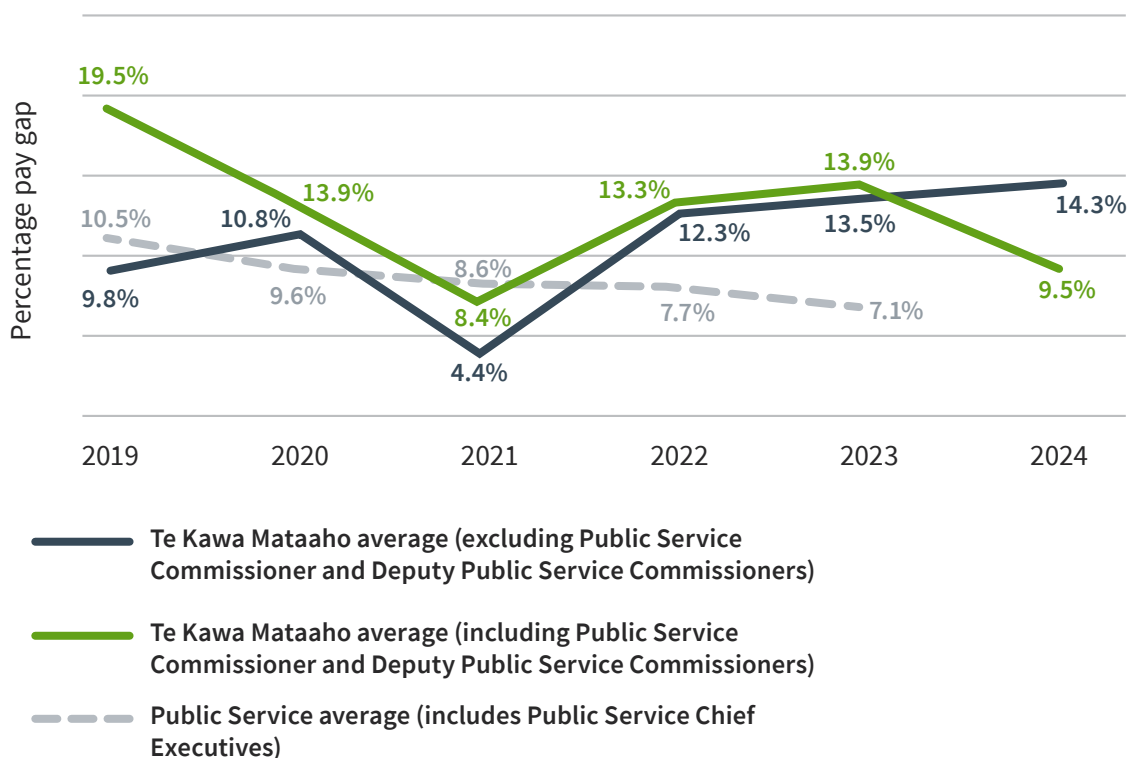
There is a difference between average (mean) and median pay gaps because average pay (mean) can be influenced by a small number of employees who receive very high salaries, whereas the median is less affected by outliers.

Our gender pay gap

Our gender pay gap increased slightly between 30 June 2023 and 30 June 2024 (using average pay) by 0.8 percent to 14.3 percent, excluding tier one roles.

The median gender pay gap for 2024 was 14.2 percent (in 2023, the median was 15.7 percent).

The Commission average (mean) gender pay gap, 2019 – 2024

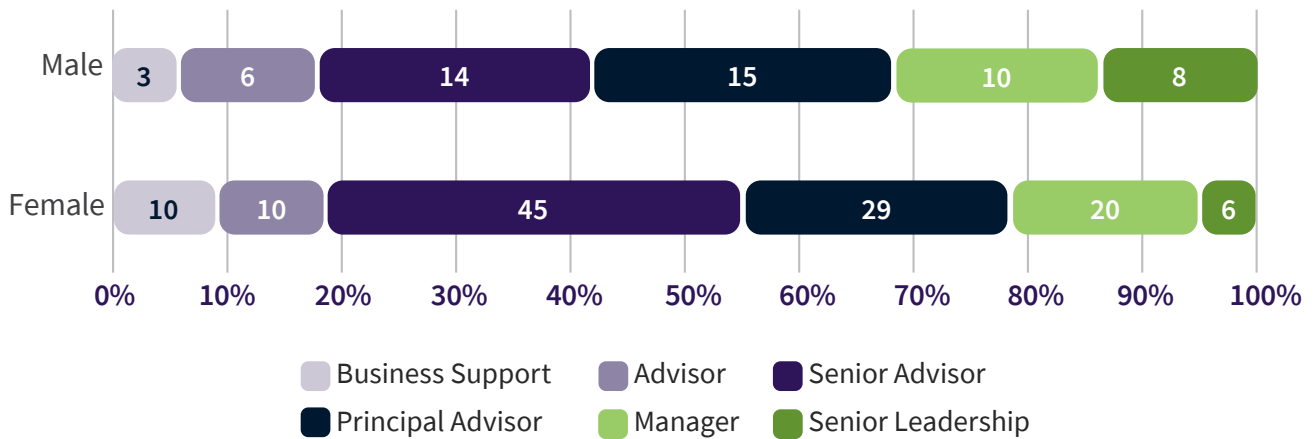


As a small organisation, our gender pay gap is volatile because a variation across a small number of employees can have a significant impact. For example, the published gender pay gap for the Commission is 14.3 percent excluding the remuneration of people in tier one, however when tier one is included to match the composition of the overall [Public Service pay gaps](#) data (which includes chief executive remuneration) our gender pay gap is reduced to 9.5 percent

Analysis of male and female average salary within pay bands indicates no pay gap. The cause of the overall pay gap is the distribution of men and women across the organisation. Because our organisation is 67.2 percent female, the distribution across the organisation of our relatively small proportion of male employees can have a disproportionate impact on our result. For example, while our people leaders below tier one are 54.5 percent female and only 42.4 percent male, the fourteen men in this grouping make up 25 percent of the total men in our organisation, while the women represent only 14.6 percent of the total women.

The Commission gender distribution by role, as at 30 June 2024

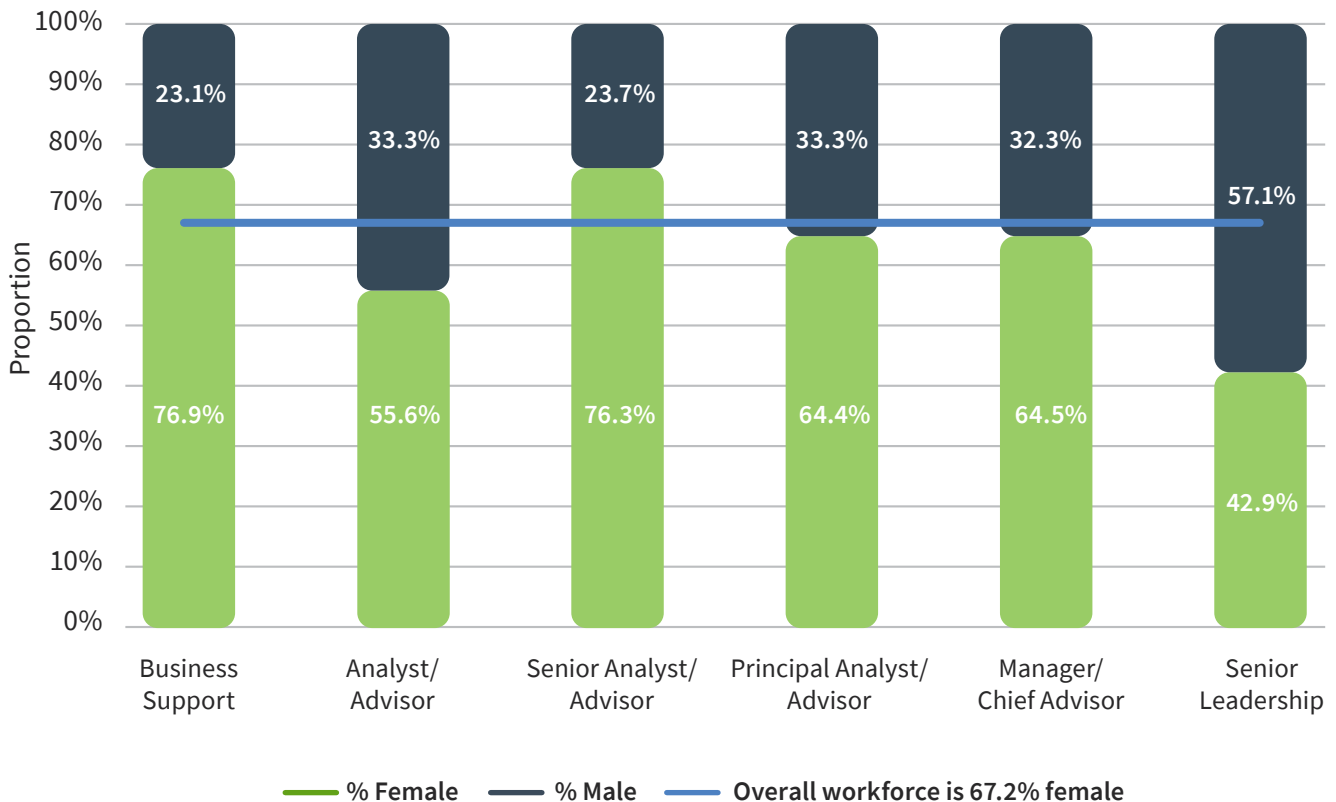
The following chart shows the distribution of men and women across the Commission’s role types, excluding tier one which is not included in our published gender pay gap of 14.3%.



Due to the small number of chief advisors, this and the following chart, combines manager and chief advisor roles. Senior leadership includes deputy chief executives and assistant commissioners due to the small numbers in each group. Data includes employees identifying as male or female but does not report unknown or other genders.

Our most significant challenge in reducing our gender pay gap remains rebalancing the gender share in lower and higher pay bands. Our business support roles are predominantly filled by women, with men making up only 23.1 percent of our business support roles, whereas our senior leadership (note this is a broader category than people leadership) is 57.1 percent male which, as outlined above, has a disproportionate effect given that males make up only 30.6 percent of the Commission.

Gender share of each role at the Commission, 2023/24 year



Our [Diversity, Equity, and Inclusion Plan](#) (see page 33) identified several focus areas to reduce our gender pay gap through equitable pay and our people practices and processes with particular focus on equity in recruitment, development opportunities and remuneration. Our remuneration framework ensures criteria are clear and transparent, we maintain processes to prevent starting salaries and salaries for the same or similar roles from being influenced by bias, and continually monitor to ensure pay gaps in same or similar roles do not reopen.

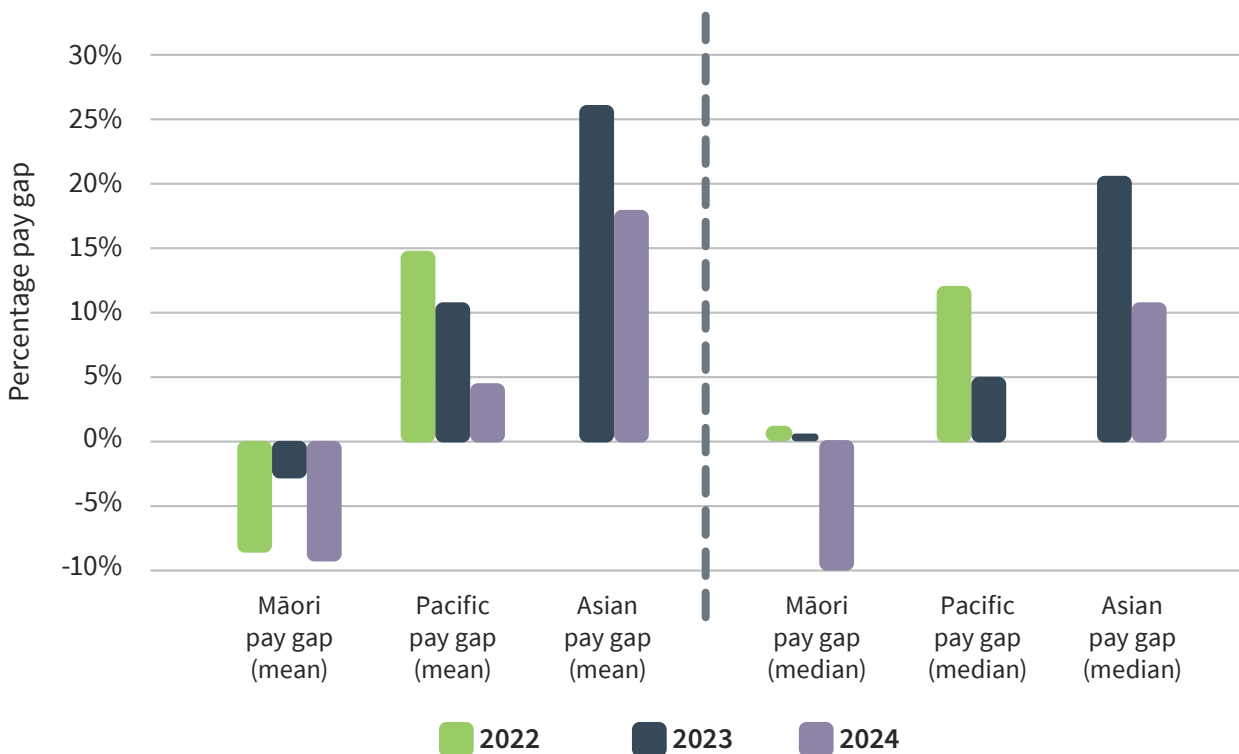
Our ethnic pay gaps

We review pay for individuals to ensure there is equity between those in the same or similar roles, and we have made continued progress in closing ethnic pay gaps. Closing ethnic pay gaps in a sustainable way requires an increase in representation across role levels that is maintained over time. Our analysis shows the following.

- We do not have a pay gap for Māori, with Māori employees currently earning more on average than non-Māori employees due to the higher representation of Māori employees at leadership levels.
- We have made some progress in reducing our average Pacific pay gap to 4.3 percent at 30 June 2024 from 10.5 percent at 30 June 2023. We do not have a pay gap for our Pacific employees using median pay.
- The average pay gap for our Asian employees is 17.6 percent as at 30 June 2024, a reduction from 25.5 percent in 2023, which had been the first time we had sufficient numbers of Asian employees to be able to report the pay gap. While we are making progress, the gap reflects that we don't currently have many people in leadership roles who identify as Asian. The median pay gap is currently 10.3 percent for this ethnic group.

Ethnic pay gaps at the Commission

Ethnic pay gaps exclude tier one roles due to the disproportionate impact of a small number of employees. The 0 percent line represents a zero pay gap.



The limitations of having a small agency data set means that our results may not meet the standards recommended by Stats NZ to ensure robust results. We report pay gaps for Māori, Pacific and Asian employees with the qualifier we have fewer than the recommended minimum group size of 20 people in each of these groups. We have too few employees of other ethnicities, such as Middle Eastern, Latin American and African (MELAA), to report on pay gaps.

Disability and Rainbow communities

Ensuring equity across a wider range of diversity dimensions, including for disabled people and Rainbow communities, is an action in our [Diversity, Equity, and Inclusion Plan](#) and will be informed by data collection primarily provided from the next Te Taunaki | The Public Service Census, which is designed to address any privacy considerations. The next Census is expected to take place in early 2025.

Our current statistics about these communities come from the 2021 Census, which informed us that:

- 8.7 percent of our respondents identify as gay, lesbian or bisexual (We do not have statistics on transgender, intersex or non-binary genders due to our small organisational size.)
- 6.5 percent of our employees report having a functional difficulty and/or activity limitation.

We use the six-item Washington Group Questions to assess our indicative disability data. These questions cover aspects of disability (sight, hearing, movement, concentration, communication, self-care).

Our carbon footprint

Carbon emissions and sustainability reporting

We are committed to role modelling best practice in reducing emissions and making a difference in the fight against climate change.

Total annual emissions and their source

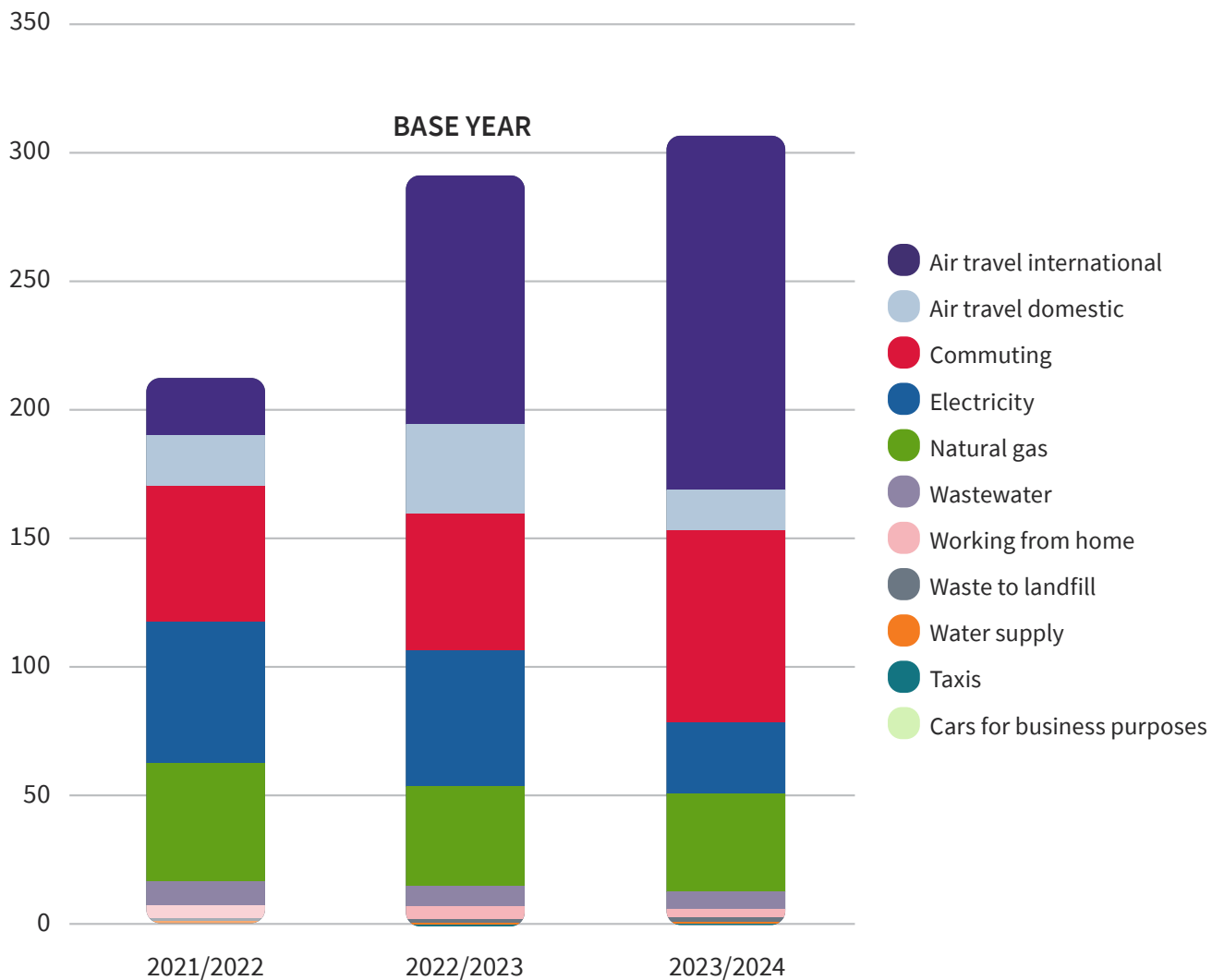
In 2023/24, we emitted 328 tCO₂-e (tonnes of carbon dioxide equivalent). Most of our emissions came from air travel, staff commuting, electricity for our three floors (in the Reserve Bank of New Zealand building), and the natural gas required to heat these floors. However, air travel alone is by far our biggest source of emissions, contributing to approximately half of our total for 2023/24. The 2023/24 result was an increase of 31 tCO₂-e compared with our 2022/23 total of 297 tCO₂-e. The main drivers of this increase were increases in Public Service Fale travel and employee commuting emissions.

The table below shows the Commission's 2023/24 emissions data when compared with the emissions from our 2022/23 base year:

Category	Scope	2022/23 (base year)		2023/2024	
		tCO ₂ -e	Percentage	tCO ₂ -e	Percentage
Category 1: Direct emissions	Scope 1	0.00	0%	0.00	0%
Category 2: Indirect emissions from imported energy	Scope 2	14.06	5%	7.61	3%
Category 3: Indirect emissions from transportation	Scope 3	195.15	66%	253.47	77%
Category 4: Indirect emissions from products used by organisation		87.32	29%	66.94	20%
Category 5: Indirect emissions associated with the use of products from the organisation		0.00	0%	0.00	0%
Category 6: Indirect emissions from other sources		0.00	0%	0.00	0%
Total gross emissions		296.53	100%	328.02	100%

Total emissions by activity, 2021/22 - 2023/24

The graph below compares the emissions activity between 2021/22 and 2023/24. This illustrates how international air travel continues to drive the increase in the Commission’s emissions (with a smaller increase from commuting).



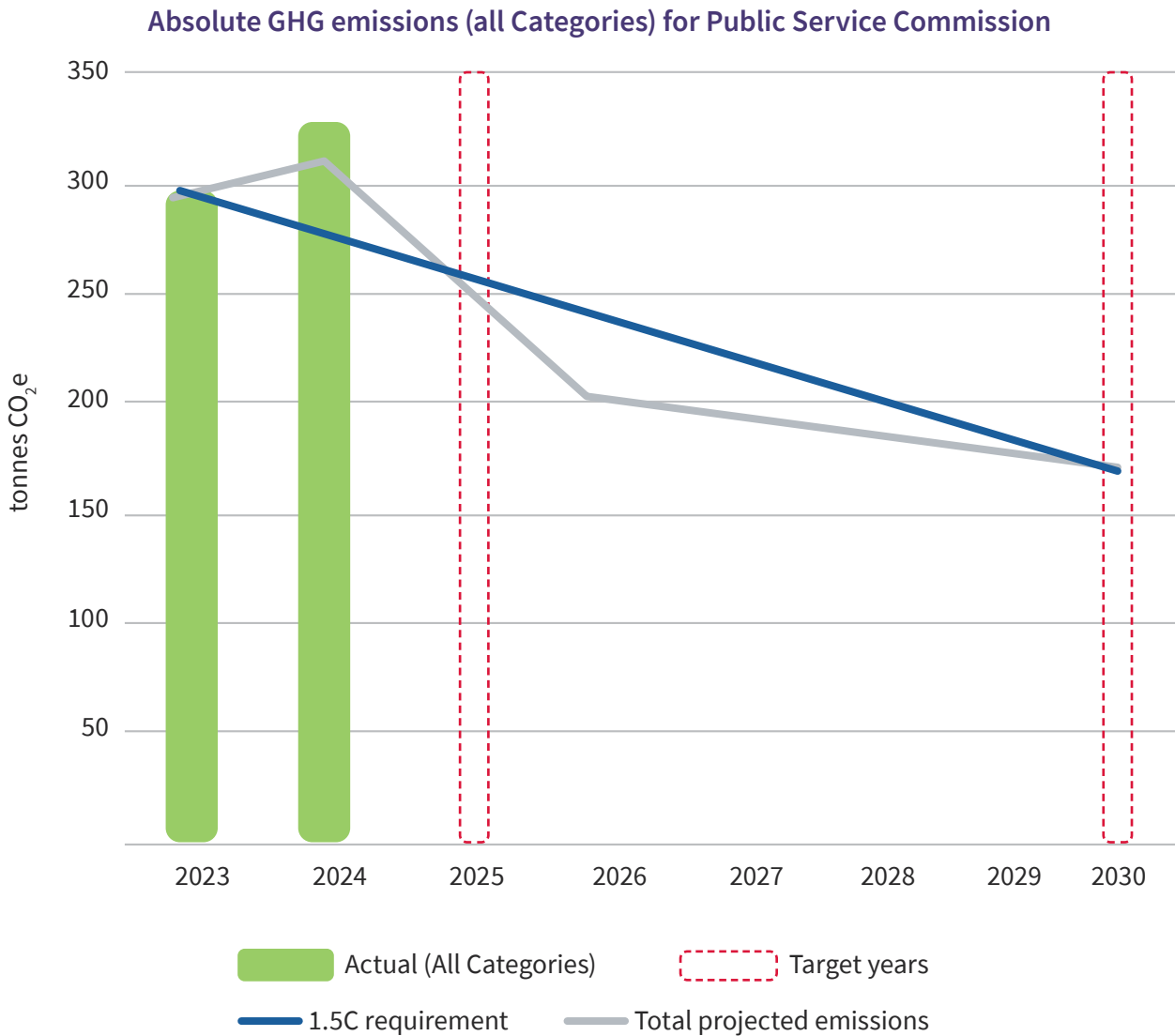
Emissions intensity

The Commission measures emissions intensity by FTE and expenditure. Both of these have increased in 2023/24 due to the increase in emissions driven by air travel while our FTE and expenditure remained relatively constant.

GHG emissions per KPI	2022/23	2023/24
Total Gross emissions per FTE	1.49	1.81
Total gross emissions per million dollars of expenditure	6.82	7.32

Our reduction targets

Our carbon emissions forecast acknowledged that 2023/24 would see an increase in emissions resulting from the Public Service Fale. However, the emissions that resulted from the Fale were greater than expected, resulting in emissions for 2023/24 exceeding our projections. The next phase of our plan anticipates steady decreases over the next few years as travel budgets take effect, our flexible working policy takes greater effect, and we move to accommodation with lower emissions. These will need to be monitored closely to ensure we meet our 2025 target, particularly the travel budgets. The graph below shows our projected emissions resulting from our carbon plan, compared to our actual results.



Our plans for the future

Future reduction plans

The Commission has identified a series of projects which have been developed to ensure we are able to reduce our emissions to reach our reduction targets once these are set. These include:

- **Carbon budgeting for travel** – we will be introducing our carbon budget for travel in 2024/25. These budgets gradually decrease in outyears to ensure we stay on track for our targets. The reduction will be based on the needs of each function within the Commission and reflect our international travel plan.
- **Future accommodation** – carbon emissions continue to be a key consideration in the Commission’s future accommodation strategy. We intend to move to new premises in 2025 with higher green and sustainability credentials. This will significantly lower our emissions.
- **Hybrid working** – With the latest working trends, people are more often choosing hybrid working options. This will significantly decrease energy emissions as well as reducing commuting.

Improving our data

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

- We are committed to more accurate carbon forecasting to complement our carbon inventory. At present, our forecasts are high level but we can bring more detail to this.
- Commuting makes up a significant part of our emissions, but the data is reliant on a survey done once per year. We are investigating options to increase the accuracy of our commuting emissions.

Independent verification

The greenhouse gas emissions measurement (emissions data and calculations) for the Commission 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.

Te pūrongo
mutunga-o-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 2024 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 2025 and its operations for the year ending on that date.



Heather Baggott

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

4 October 2024

Independent Auditor's Report

To the readers of the Public Service Commission's annual report for the year ended 30 June 2024

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 78 to 100, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2024, the statement of comprehensive revenue and expenses, 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 for the appropriations administered by the Commission for the year ended 30 June 2024 on pages 51 to 75 and, 117 and 118;
- the statements of expenses and capital expenditure of the Commission for the year ended 30 June 2024 on pages 76 and 77; and
- the schedules of non-departmental activities which are managed by the Commission on behalf of the Crown on pages 101 to 103 that comprise:
 - the schedules of assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2024;
 - the schedules of expenses; and revenue for the year ended 30 June 2024; 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 78 to 100
 - present fairly, in all material respects:
 - its financial position as at 30 June 2024; and
 - its financial performance and cash flows for the year ended on that date; and

- o comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards;
- the performance information for the appropriations administered by the Commission on pages 51 to 75 and, 117 and 118:
 - o presents fairly, in all material respects:
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
 - o complies with generally accepted accounting practice in New Zealand;
- the statements of expenses and capital expenditure of the Commission presented, 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 present fairly, in all material respects, in accordance with the Treasury Instructions:
 - o the assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2024; and
 - o expenses; and revenue for the year ended 30 June 2024.

Our audit was completed on 4 October 2024. 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 2023 – 2025, Estimates and Supplementary Estimates of Appropriations 2023/24 and the 2023/24 forecast financial figures included in the Commission’s 2022/23 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 for the appropriations administered by the Commission.

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 1 to 120, 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 (including International Independence Standards) (New Zealand) (PES 1) 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.

Karen Young

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 2024)

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.

2023 Actual \$000		2024 Actual \$000	2024 Budget \$000	2024 Supps \$000	2025 Forecast \$000
43,621	Expenses	40,759	36,400	41,743	32,722
32,248	Revenue Crown	31,979	31,085	31,979	28,026
11,146	Revenue Department	8,168	4,465	8,904	3846
606	Revenue Other	823	850	860	850
44,000	Total Revenue	40,970	36,400	41,743	32,722

The increase in the budgeted expenditure between 2024 budget and the 2024 supplementary estimates was \$5.343 million. This is mainly due to:

- \$4.449 million in revenue from other Departments and third parties. The most significant of these (those above \$0.500 million) were due to:
 - » an increase of \$0.864 million for the Clerical and Administration Pay Equity Claims team. This is due to the work finishing later in the year than originally expected.
 - » an increase of \$0.725 million for the two investigations undertaken by the Commission (the Fire and Emergency New Zealand investigation and the Accredited Employer Work Visa investigation).
 - » an increase of \$0.700 million arising from a drawdown of the memorandum account and adjusting for levies and course fees.
 - » an increase of \$0.598 million due to the new Performance Improvement Review Programme, in which some of the costs are recovered from the participating agency
- \$0.894 million to give effect to the Public Sector Pay Adjustment (PSPA).
- Actual expenditure for the year was higher than the original budget due to the inclusion of the above items in the 2024 supplementary estimates. However, actual expenditure was \$0.984 million less than the 2024 supplementary estimates as the increase in activity for the Clerical and Administration Pay Equity Claims team and the Performance Improvement Review Programme was not as high as predicted. This is also reflected in actual revenue from other Departments being \$0.736 million less than the 2024 Supplementary budget. Additional underspends have resulted from the Commission tightening up on new recruitment in anticipation of a reduced budget in the coming years.

Public Service Fale

This appropriation is limited to supporting the strengthening of the public sector in Pacific Island countries and territories through the establishment and delivery of the Public Service Fale.

2023 Actual \$000	2024 Actual \$000	2024 Budget \$000	2024 Supps \$000	2025 Forecast \$000
- Expenses	3,952	4,000	4,000	4,000
- Revenue Department	3,952	4,000	4,000	4,000
- Total Revenue	3,952	4,000	4,000	4,000

Statement of performance reporting

Our statement of performance outlines our delivery of products and services that support our leadership role and influence across the Public Service during the reporting period 2023/24.

Our performance information has been prepared in accordance with The Treasury Circular 2023/09: Guidance for applying PBE FRS 48 service performance reporting to annual reports and end-of-year reporting requirements.

We are part of the Executive branch of the Public Service. The legislated purpose of the Public Service is to support constitutional and democratic government; enable both the current and successive governments to develop and implement their policies; deliver high-quality and efficient public services; support the government to pursue long-term public interests; facilitate active citizenship and act in accordance with the law.

The Public Service Commissioner is the Head of Service and leads the Public Service and wider public sector agencies to work as one system and deliver better services and outcomes for Aotearoa New Zealand and New Zealanders.

The Commission's purpose is to lead and provide oversight of the public sector to this end. We ensure the Public Service carries out its purpose, acts with a spirit of service and builds public trust and confidence. We take a position when required; we back public servants and we protect the integrity of the Public Service – we lead; we serve.

We also uphold long-held Public Service principles that guide the work of public servants, that is: being politically neutral, offering free and frank advice, making merit-based appointments and providing open government and stewardship. People sign up to work in the Public Service because they want to make a difference for New Zealanders and Aotearoa New Zealand.

Our vision is to create a leading-edge, unified, trusted Public Service that serves Aotearoa New Zealand and its people.

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

- **achieve better outcomes and improved public services for New Zealanders.** A Public Service committed to bringing real tangible improvements in the lives of individuals, whanau, and communities – and public services organised around New Zealanders' need rather than agency function
- **to maintain and enhance the trust New Zealanders have in public services.** It is vital that New Zealanders see the Public Service as legitimate. A system that acts constitutionally and ethically will engender public trust. This 'licence to operate' requires strong connections between the Public Service and New Zealand's communities, cultures and traditions – including our democratic and constitutional heritage. It requires a high standard of Public Service behaviour and operations. It also requires public servant conduct in day-to-day interactions with the public to be grounded in a common spirit of service to the community.

Our performance framework

We use our performance framework to help us report on our progress against our strategic intentions. The framework acknowledges our responsibility for delivering products and services that support our leadership role and influence across the Public Service. The diagram Tā Tātou Ratonga Tūmatanui: The Public Service we are building together on page 55 outlines our performance framework, summarising our strategic intentions and illustrating how we use our framework to communicate our progress at every level.

- The top level reflects what New Zealanders need to see in the Public Service and the ultimate outcomes we contribute towards: improved outcomes and services, trust and legitimacy.
- The middle level outlines the strategy we will follow to achieve our outcomes, including the impacts we are aiming to achieve through our system leadership role.
- The third level lists our statutory functions and our work leading the public management system. Our output measures are aligned to these.

Our performance measures are aligned to these levels. We use our measures to help us report expenditure in our annual report.

At the top level, we report on the overall performance of the Public Service in our annual report using narratives, case studies, metrics and other indicators which demonstrate progress across our strategic intentions. The content allows us to fully explore the performance of the Commission's overall leadership role, and 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 supporting ethnic communities to access and understand the New Zealand education system and supporting their children in school through learning community hubs on page 22 and using digital technology to increase accessibility to core government services (page 16).

As a performance measure, the Commission maintains and publishes regular measurement of trust in the Public Service. This is an overarching measure of the performance of our Public Service informed by international frameworks and best practice that enables us to make comparisons with other jurisdictions.

At the middle level, the Commission plays a leadership role in upholding the principles of the Public Service and ensuring that the operation of the Public Service is transparent and accountable.

We lead the Public Service in promoting and protecting open government and trusted, high-integrity public services. To do this, we support Public Service values, promote open government, provide guidance and advice on integrity matters, and set standards of conduct and behaviour. Where necessary, we undertake inquiries into matters of integrity and conduct. We also recognise and promote the spirit of service through an awards programme.

Data and research are a key asset for the Commission, Public Service and for the wider public. It underpins the Commission's work programmes, provides transparency of performance of the Public Service, and advances academic understanding on public management and workforce. To increase the value of our research and data assets, and support transparency of the Public Service, we publish our research and data on the Public Service website, including an upcoming timetable for data releases.

We also exercise a significant lever on Public Service performance, through the appointment and performance management of chief executives, as well as the leadership of the Public Service Leadership Team.

At the third level, the performance measures include products and services the Commission is directly delivering to drive influence across the Public Service and deliver on its strategic intentions.

We fulfil our responsibilities to provide advice to Ministers and measure the quality of our policy advice as well as the satisfaction of our Minister with our overall performance.

We work with Public Service leaders to develop a highly capable workforce that reflects the diversity of the society it serves and to ensure fair and equitable employment, including by promoting the good employer requirements in the Public Service Act 2020.

Selecting and reviewing our measures

All of our performance measures have 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.

On an annual basis we review our performance measures in the estimates and update any changes through the budgeting process. This involves completing a detailed analysis to review and update the current measures. In this process, we:

- address any audit recommendations identified through the annual reporting process.
- provide measures appropriate with the funding involved.
- provide appropriate and meaningful performance information to support the relevant intention statement for the appropriation.

Our measures are updated and approved by relevant Deputy chief executives, approved by the Chief Executive as a whole and signed off by the Vote Minister through the estimates process.

To ensure consistency in our reporting, we have developed and maintain data dictionary documents for each measure, which confirm how we have collected, calculated and recorded data. Te Mana Arataki | Executive Leadership Team receive quarterly reports on our estimates measures.

The performance measures for our outputs (products and services) are included from page 56.

Statement of compliance

The statement of performance of the Commission has 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. The performance information complies with PBE accounting standards as appropriate for Tier 1 entities.

Tā Tātou Ratonga Tūmatanui

The Public Service we are building together



Outcomes

Top Level
The top level reflects what New Zealanders need to see in the Public Service and the ultimate outcomes we contribute towards: improved outcomes and services, trust and legitimacy.

Outcomes and Services
Improving the provision of services to the public, and the support that the Public Service can provide towards the achievement of outcomes

Trust And Legitimacy
Strengthening the Public Service's licence to operate by securing the things that provide the basis of public legitimacy

Impacts

Middle Level
The middle level outlines the strategy we will follow to achieve our outcomes, including the impacts we are aiming to achieve through our system leadership role.

Improves outcomes for New Zealand
Modern, agile and adaptive
Highly skilled and capable
Prepared to meet future challenges

Delivers better services for New Zealanders
Unified by a common mission and ethos

Supports democratic government and active citizenship
Reflective of and engaged with communities we serve

Acts constitutionally and ethically
Committed to Māori and the treaty
Clear on and committed to our constitutional role

Strategies

Activating the Public Service around priorities

Driving efficiency and fiscal consolidation

Focusing on Capability and Performance

Public Service Operating Model

System Design

System Leadership

Workforce and employment relations

Culture

Outputs

Third Level
The third level lists our statutory functions and our work leading the public management system.

Our Functions
The Commission provides leadership of the public management system and policy advice through our statutory functions.

The Commission's Output measures (products and services) are seen here

Public Service Outcomes and Impacts are reported using narratives, case studies and metrics which demonstrate progress against our Strategic Intentions



What we achieved

Oversight of performance and integrity of the system

As described in our performance framework, the top level of our performance measures reflects what New Zealanders need to see in the Public Service and the ultimate outcomes we contribute towards: *better outcomes and services, trust and legitimacy*. The narrative of our annual report sets out examples of the services and outcomes delivered by the Public Service.

At the Commission, we measure the impact of all of this work in terms of the levels of trust that New Zealanders have in the Public Service. International research has demonstrated that this trust measure is driven by people’s experiences of the reliability and responsiveness of services, as well as their perceptions of the behaviour and integrity of the Public Service.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
The Kiwis Count trust and confidence survey for the financial year is run by the Commission with reporting provided quarterly to identify the public’s perceptions and experiences of trust and confidence in public services	Released within 8 weeks of receipt of the data	Achieved	Achieved	Achieved

Commentary

The budget standard has been updated from previously “Published month following the survey collection” as this does not allow sufficient time for analysis before release, particularly since the questionnaire had additional questions added in 2023.

Measurement approach

The research provider notifies the Commission that the data is ready and this date begins the 8-week period for each quarter. Confirmation of the result is based on the publication date for the latest quarter’s data occurring within 8 weeks of the notification of data availability being received.

Relevance

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 in delivering improved outcomes and better services; and connecting New Zealander’s trust to the service experience they have received. This enables a better understanding of the drivers of trust, allowing us to be responsive to how we deliver our services. Kiwis Count trust and confidence results are measured quarterly and are publicly available on the Commission’s website. Ensuring timely reporting supports transparency to the public and procurement of the next iteration of the survey has sought to provide more timely data.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
Respondents in the Kiwis Count trust and confidence survey for the financial year agree, or strongly agree that, based on their last service experience, they could trust public servants to do what is right (Note 1)	80%	81%	82%	80%

Commentary

The Kiwis Count survey has been operating for a number of years and the measure stated here has fluctuated at about 80 percent for more than 10 years. This means that more than 80 percent of the respondents to the survey agree that they can trust public servants to do what is right. This is a strong result and reflects the quality of public services in NZ.

Measurement approach

Approximately 2,000 people take part in the national survey each quarter, around 8,000 every year. These 2,000 people are selected from the Dynata online panel and represent the distribution of the NZ population. All respondents who confirm they have ‘used or had contact with a Public Service organisation’ within the last 12 months receive the question “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. Respondents who choose a rating of 4 or 5 on the scale are considered to have agreed or strongly agreed what they could trust public servants to do what is right. Responses across the financial year are collated by the Commission and the proportion of respondents who have selected 4 or 5 are reported as a percentage.

Relevance

Quality of our leadership of the system will impact the result of this measure. 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 in delivering improved outcomes and better services; and connecting New Zealander’s trust to the service experience they have received. This enables a better understanding of the drivers of trust, allowing us to be responsive to how we deliver our services.

Note 1 - The performance measure description has been amended by clarifying the measure relates to the financial year to ensure consistency in reporting over time.

A particular focus in our performance measures is the transparency of the operation of the Public Service. We ensure that data is available on compliance with the Official Information Act (OIA) 1982 across the public sector, and on the size and shape of the Public Service workforce. We now publish information on the full range of anticipated data releases that the Commission will make: [Public Service Data Releases for the 6 months from April 2024 - September 2024 - Te Kawa Mataaho Public Service Commission](#).

As part of our leadership role in OIA practices, the Commission helps build agency capability by leading the Official Information Forum, a community of practice for OIA practitioners across the public sector. Over the past year we held six. Four of these were held alongside the Ombudsman to provide new OIA practitioners with the tools and resources to support them in their roles. These events were attended by 1,111 public servants from government departments and statutory Crown entities.

The fundamental characteristic that motivates and unites the Public Service is acting with a spirit of service to the community. The Spirit of Service Awards help support the Public Service to preserve, protect, and nurture the spirit of service that Public Service employees bring to their work.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 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 Ombudsman.	100%	Achieved	Achieved	Achieved

Commentary

Six monthly reporting on OIA request statistics have been published within 3 months of the reporting period:

- Statistics for January – June 2023 was published on 13 September 2023
- Statistics for July – December 2023 was published on 15 March 2024
- Statistics for January – June 2024 was published on 11 September 2024

Measurement approach

The statistics published by the Commission capture the following 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

In 2022, elements were added to include measures around the use of extensions, transfers, refusals and average time to respond.

The Commission publishes 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 on its [website](#). Where extraordinary circumstances impact the Commission’s ability to report within this timeframe alternative arrangements are agreed with the Office of the Ombudsman.

Relevance

This measure is aligned to culture. The OIA gives New Zealander’s 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	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
The Commission recognises the contribution of public servants by coordinating annual awards and recognition events and publicising the recipients within one month of the awards	100% of recipients of Public Service medals are recognised and publicised within one month of the medal's award	100%	100%	100%

Commentary

On 6 November 2023 twenty-four medals were conferred by the Governor-General at a ceremony at Government House. Medal recipients are published on the Commission's website and notified in the New Zealand Gazette.

Measurement approach

The Commission maintains a register of recipients of the New Zealand Public Service Medal. This record is updated with the date on which each recipient was presented with the award. Within one month of the medal being given to the recipient, the Commission recognises the recipient publicly, where it is appropriate to identify the individual recipients.

Relevance

This measure 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 2020 – 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 the communities we serve and acts constitutionally and ethically.

Chief executive and agency performance management

One of the key levers that the Commission can exercise to drive our strategic intentions for the Public Service is the Commissioner's role as employer of Public Service chief executives, including by—

- i. appointing chief executives and reviewing their performance, including how they carry out their responsibilities and functions under the Public Service Act 2020 or another enactment; and
- ii. to the extent relevant in each case, reviewing the performance of the Public Service agency that the chief executive leads or carries out some functions within.

The Public Service needs to ensure it has the leadership and capabilities necessary to be able to respond to the challenges New Zealanders face. It also has an on-going role to drive the Public Service to perform more effectively for New Zealanders and ensure it is well equipped to continue doing so in the future. Appointing and reviewing the performance of chief executives is a key mechanism for us to do this.

There are 42 secretaries/chief executives (not including deputy public service commissioners, or those for whom we run the appointment process on behalf, for example the Statutory Deputy Police Commissioners). In the 2023/24 year, the Commission undertook the statutory process for six appointments and reappointments. This number is lower than previous years due to the election period (during which significant appointments are generally not made).

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
The Commission works with Public Service chief executives to agree individual development plans	100%	100%	100%	100%
<ul style="list-style-type: none"> 100% of chief executives have an agreed development plan 				

Commentary

All permanent chief executives who started in their roles before 30 June 2024 have agreed individual development plans. Three acting chief executives do not have development plans as the acting role is considered to be the main element of the development.

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, as 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.

Relevance

This measure 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 Aotearoa New Zealand and New Zealanders.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
A succession plan is developed for the chief executive position of Public Service agencies:	100%	100%	100%	100%
<ul style="list-style-type: none"> 100% of chief executive positions have a succession plan 				

Commentary

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

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.

Relevance

This measure 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 Aotearoa New Zealand, which is well prepared to meet future challenges.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
The Commission reports the remuneration of Public Service chief executives every financial year:	100%	100%	100%	100%
<ul style="list-style-type: none"> 100% of all chief executive remuneration published 				

Commentary

At the request of Cabinet, the Commission publicly reports on the remuneration of Public Service chief executives and secretaries, the chief executives of departmental agencies, Crown agents and other statutory Crown entities, Tertiary Education Institutions, Offices of Parliament and non-Public Service departments twice a year, via our website.

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.

Relevance

This measure 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 that acts constitutionally and ethically.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
The Commission meets its statutory requirements for appointment, reappointment and transfer of Public Service chief executives	100%	100%	100%	100%
<ul style="list-style-type: none"> 100% of appointment, reappointment and transfer of Public Service chief executives meets statutory requirements 				

Commentary

The requirements the Commissioner must meet in appointing, reappointing and transferring Public Service chief executives are set out in the Public Service Act 2020. The Commission retains evidence that it has met these requirements in a register that identifies the statutory requirements for each appointment and the evidence that demonstrates compliance with the Act.

Depending on the nature of the appointment/reappointment/transfer, this evidence may include correspondence with Ministers and the Governor-General to advise of vacancies, receive feedback on priorities for the role, update at relevant points of the process (such as after shortlisting and interview), on the advice of the Public Service Commissioner (or Deputy Public Service Commissioner's) recommendation with respect to appointment, public notification of the role.

Measurement approach

The Commission retains evidence of compliance with each requirement that can be made available.

The assessment of individual candidates, and the deliberations of panels, will not be made available, instead compliance will be recorded in the register of chief executive appointments, with all the requirements consolidated into a single overall 'the Commission has complied with all requirements' field.

This evidence may include (depending on the nature of the appointment/reappointment/transfer): correspondence with Ministers and the Governor-General to advise of vacancies, make recommendations and receive decisions; public notification of the role; and selection and meeting dates of the selection panel.

At the end of the year, a sample of chief executive appointments are reviewed, and their proof of compliance is used to indicate compliance across all appointments.

Relevance

The Public Service Act 2020 defines one of the Commissioner's functions as the appointment of the leaders of the Public Service. The requirements that the Commissioner must comply with when appointing, reappointing or transferring chief executives are detailed in Section 44(d) and Schedule 7 of the Public Service Act 2020.

This measure aligns to trust and legitimacy and the Commission's system leadership role. 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	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
<p>The Commission works with Public Service chief executives to set performance expectations for supporting the Crown in its relationships with Māori and developing capability to engage with Māori and understand Māori perspectives:</p> <ul style="list-style-type: none"> 100% of agreed performance expectations include a requirement to develop and maintain the capability of the Public Service to engage with Māori and understand Māori perspectives (see Note 2) 	100%	New measure	100%	100%

Commentary

All performance expectations agreed for Public Service chief executives in 2023 included this requirement.

Measurement approach

The Public Service Act 2020 states that the role of the Public Service includes supporting the Crown in its relationships with Māori under te Tiriti o Waitangi | the Treaty of Waitangi. It places explicit responsibilities on Public Service leaders to develop and maintain the capability of the Public Service to engage with Māori and to understand Māori perspectives.

By including this in setting performance expectations with chief executives, we are modelling our commitment to supporting Māori Crown relationships. By including this in setting performance expectations with chief executives, we are modelling our commitment to supporting Māori Crown relationships.

Relevance

This measure aligns to both trust and legitimacy and supporting the Crown in its relationships with Māori under te Tiriti o Waitangi. The performance standard reflects the agreed policy intent and statutory requirements.

Note 2 – This performance measure was selected as the Public Service Act 2020 states that the role of the Public Service includes supporting the Crown in its relationships with Māori under the Treaty of Waitangi. It places explicit responsibilities on Public Service leaders to develop and maintain the capability of the Public Service to engage with Māori and to understand Māori perspectives. By including this in setting performance expectations with chief executives, we are modelling our commitment to supporting Māori Crown relationships. This measure description has been updated slightly for clarity only.

Supporting Democratic Government

As a Department of the Crown, the Commission is responsible to the Minister for the Public Service in the delivery of our functions. This includes improving ways of working across agencies, being responsive on matters in the interest of government, supporting the Minister to act as a good steward of the public interest and provision of free and frank advice, including relating to the long-term implications of policies.

As part of this, we regularly advise the Minister for the Public Service and other Ministers on machinery of government policy issues to help ensure that the Public Service is organised most effectively to respond to issues and drive better outcomes for New Zealanders.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
Technical quality of policy advice papers assessed using the Policy Quality Framework	70%	75%	74%	76% or 3.8/5

Commentary

The Commission's approach to its policy quality assessment for 2023/24 included running a single policy panel to enable the prioritisation of Commission resources to deliver on the Government's priorities and our organisational 2024 Plan. This approach increased efficiency by reducing the number of people involved in the panel and the number of papers that are sampled. The Commission's practice has been to have a single measure of performance for the quality of its policy advice (70% target). The average policy quality score for 2023/24 was $3.8 / 5 = 76\%$. This target is supplemented by also reporting the percentage of papers that scored above 3, above 4, and below 2.5:

Performance Measure	Year End Result
Average score for policy advice papers that are assessed	76%
Percentage of policy advice papers that are assessed score 3/5 or higher	95%
Percentage of policy advice papers that are assessed score 4/5 or higher	65%
Percentage of policy advice papers that are assessed score 2.5/5 or less	5%

Measurement approach

Policy advice provided by the Commission is reviewed by an internal panel in accordance with the guidance for assessment panels in the [Policy Quality Framework \(PQF\)](#).

We use a panel of internal staff and all panel members are experienced advisors who have used the Department of Prime Minister and Cabinet PQF in their own work and are able to apply it to other papers. Panel members come from teams across the organisation which ensures a range of perspectives can inform the assessment. If there is a conflict of interest due to a panel members involvement in a paper they do not participate in scoring that paper.

Papers are sampled in accordance with our process guidelines "Quality of Policy Advice Assessment Guidance". This involves the panel chair receiving a long list of papers that went to the Minister, removing the highly operational papers as out of scope and then using a random sampling approach from the remaining list that is then reviewed and modified to provide for a spread of papers from across the organisation. For instance if two papers on a similar topic from the same author are sampled we randomly select one to keep and randomly sample for a replacement. The internal Policy Quality Panel takes a random and representative sample of the advice provided to Ministers and reviews it against the PQF. The scores of the sampled papers are used to calculate the average score and the proportion of low and high scoring papers. The following are calculated from the sample:

1. The average score of papers in the sample
2. The proportion of papers that score 3/5 or higher
3. The proportion of papers that score 4/5 or higher

Relevance

This measure 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 supports better outcomes and services for people and the trust and confidence in the Public Service.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
Minister for the Public Service has satisfaction with policy advice	80%	90%	98%	70%

Commentary

In 2023/24, due to a change in Government and subsequent changes in ministerial portfolios, the Ministerial Satisfaction Survey completed at year end by the Minister for the Public Service was a partial year survey.

We received feedback from the Minister noting that she is generally satisfied with the policy advice received. She has outlined that she is interested in receiving proactive advice that helps drive improved performance of agencies. Overall, the Minister for the Public Service has trust and confidence in the officials she engages with and the advice that is received.

Measurement approach

The Minister for 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 Public Service for presentation to, and endorsement by, Cabinet.

The survey covers four themes: general satisfaction, quality of policy advice, overall trust, and overall confidence. Each theme has questions scored out of 5. We use a weighted average on the result of each theme to determine the overall result for the reporting period.

Relevance

This measure 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.

Enabling Public Service capability & workforce

The Commission works with Public Service leaders to develop a highly capable workforce that reflects the diversity of the society it serves and to ensure fair and equitable employment, including by promoting the good employer requirements in the Public Service Act 2020.

The Leadership Development Centre (LDC) is the primary vehicle for delivering public sector leadership development. The focus is on creating great Public Service leaders, united around a spirit of service and skilled in working together to achieve positive results for New Zealanders.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
The Commission strengthens Public Service leadership through all Public Service departments being members of the Leadership Development Centre (LDC): <ul style="list-style-type: none"> All Public Service departments are members of LDC 	100%	100%	100%	100%

Commentary

Ministry for Regulation's membership was activated during the year after the Ministry was established.

Relevance

This measure is aligned to system leadership. The LDC 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 highly skilled and capable Public Service leaders who are prepared to meet future challenges and are unified by a common mission and ethos.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
The Commission strengthens Public Service leadership by promoting attendance at the Public Service Leaders' Summit: <ul style="list-style-type: none"> At least 500 Public Service leaders invited to the annual Public Service Leaders Summit 	500	1,244	1,115	No Summit held during 2023/24

Commentary

The Commission decided not to hold a Public Service Leaders' Summit in 2023/24, primarily due to the volume of change taking place across the Public Service at the time. Annual Summits typically take place between February and May. Throughout this period leaders were focused on the new Government's priorities, such as implementing the fiscal sustainability programme. In addition, revised membership criteria for Te Pae Turuki | Public Service Leaders Group were issued in March, as part of the Leadership Strategy for New Zealand's Public Service. Agencies required time to apply the revised criteria, resulting in the size and shape of the Group changing throughout the period when a Leaders' Summit would typically take place.

Measurement approach

The annual Public Service Leaders' Summit is arranged by the Commission and attendees for the event recorded leading up to the day of the summit. At least 500 senior leader attendees as part of Te Pae Turuki | Public Service Leaders Group are invited to attend the event (measurement excludes chief executives as part of the Public Service Leadership Team).

Relevance

The Public Service Leaders 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 Aotearoa New Zealand and New Zealanders.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
<p>The Commission strengthens senior leadership and management capability of the Public Service through implementation of the Leadership Strategy for New Zealand’s Public Service, initially focused on leaders in Te Pae Turuki Public Service Leaders Group (PSLG) positions:</p> <ul style="list-style-type: none"> At least 50 active members across all Development Board cohorts 	50	120	86	63

Commentary

63 active cohort members were profiled across all Development Boards between July 2023 and June 2024, five of them being profiled twice. The Budget standard has been updated for 2023/24, reducing the standard from 90 active cohort members to 50 to reflect the Development Boards move to a more targeted approach offering cross-agency development to smaller cohorts of leaders. The measure description has been updated to reflect the Leadership Strategy.

Measurement approach

Established practice is to record Development Board cohort members as ‘Active’. The Active Cohort is recorded in the Commission’s information systems and the size of the Active Cohort is reported biannually via the Public Service Leadership Dashboard (which is on the Commission’s website).

Relevance

To have the greatest impact and to increase system leadership capability, initiatives under the Leadership Strategy for New Zealand’s Public Service are focused on leaders in positions responsible for delivering the most significant Public Service priorities set by the Government and the Public Service Leadership Team. These positions have been identified by chief executives and are included in PSLG.

These Boards address system-wide leadership capability needs within their functional area or region by working with prioritised leaders who are ready for cross-agency development opportunities. There are three functional boards: Corporate, Operations and Policy; one regional board for Auckland, and each has its own cohort.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
The Commission through the Leadership Development Centre strengthens leadership practices by delivering Te Putanga Leadership in Practice: <ul style="list-style-type: none"> 80% of Te Putanga Leadership in Practice programme participants agree or strongly agree it made them effective leaders (see Note 3) 	80%	86.1%	96%	96.9%

Commentary

Te Putanga Leadership in Practice is a nine-month leadership development programme targeting mid-career, high talent Public Service leaders. Participants are typically at the point of their career where they will start to lead others beyond their technical domain. This performance measure is based on the evaluation results from three cohorts that completed the programme during the reporting year.

Measurement approach

Evaluations are conducted after each cohort. The Commission requests respondents provide a numeric response on a scale of 1 to 5 (1 = strongly disagree, 5 = strongly agree). Respondents who select a rating of 4 or 5 on the scale, agree or strongly agree 'Te Putanga made me an effective leader'. Evaluations are conducted after each cohort. The Commission collates responses and reports on the proportion of respondents who selected 4 or 5.

Relevance

This measure is aligned to our role in developing leadership capability. The LDC facilitates the flagship 9-month development programme – Te Putanga | Leadership in Practice – for experienced Public Service leaders who are ready to transform their leadership impact and grow strategic influence across the Public Service. LDC supports three or four programmes during the reporting year.

Note 3 – This performance measure was introduced from 2022/23 to evaluate the effectiveness of the LDC's 9 month Te Putanga | Leadership in Practice programme. Due to COVID-19 delaying some programme delivery, in 2021/22 LDC completed and evaluated four Te Putanga programmes. Across the programmes, the percentage of participants who agreed or strongly agreed with the evaluation question that the programme made them a more effective leader was 86.1%.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
The Commission, in partnership with the Ministry for Women, supports all Public Service departments to publish their annual pay gaps action plans before 31 December	100% of departments publish by 31 December	97%	100%	100%

Commentary

The Commission has supported Public Service agencies to publish their annual Kia Toipoto, pay gaps action plans. All plans are published on the individual agencies websites and then we provide a link to all of the Public Service agency action plans on the Commission website.

The Kia Toipoto annual pay gaps action plans report on each agency's' pay gaps and representation data as well as the initiatives that each agency is committing to in order to reduce their pay gaps and increase representation.

Measurement approach

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

Relevance

This measure relates to Kia Toipoto | Public Service Pay Gaps Action Plan 2021-24 which is a comprehensive set of actions to help close gender, Māori, Pacific and ethnic pay gaps in the Public Service. The Equal Pay Act 1972 makes it clear that equal pay and pay equity are legal requirements. This measure supports the Public Service closing pay gaps. It is an important driver to ensure the Public Service reflects the communities we serve. Increased diversity and inclusion help the Public Service deliver better outcomes and services and strengthens public trust and legitimacy.

Each agency's pay gaps action plan is published on their respective website and linked to the Commission's website. The Commission separately reports on trends and progress toward closing gender, Māori, Pacific and other ethnicity pay gaps through its workforce data and annual report.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
The Commission develops and maintains workforce guidance to support agencies in line with Government expectations in any current or future Government Workforce Policy Statement (see Note 4)	Achieved	Revised measure	Achieved	Achieved

Commentary

The Commission has provided agency advice and guidance in line with Government expectations for public sector employment relations. Collective bargaining strategies and settlements have been approved under delegations in line with prevailing GWPS. Specific guidance has been provided regarding the integration of Kia Toipoto and Diversity & Inclusion action plans, supporting the overall goals of a more diverse, equitable and inclusive Public Service workforce. A revised set of Government expectations have been developed and consulted upon as part of a new GWPS.

When GWPS is updated, relevant workforce guidance will be reviewed to ensure it remains consistent with the updated expectations

Measurement approach

In 2023/24, the Workforce Managers' review the current workforce guidance/s to reflect that it is in line with the latest available Workforce Policy Statement or advice received from the Minister. Further Commentary will be provided in the Annual Report for which guidance/s were reviewed or updated as needed.

Relevance

This measure is linked to the Government's expectations under the Government Workforce Policy Statement. As part of this, the Commission has stewardship responsibilities to develop a highly capable Public Service workforce that reflects the diversity of the society it serves and to ensure fair and equitable employment. The quality of our workforce guidance and advice will have an impact on this outcome.

Note 4 – This performance measure has been updated from 2023/24 to reflect the new Government Workforce Policy Statement (released 7 August 2024). This measure replaces the existing measure “The Commission develops workforce guidance to support agencies and entities to implement Kia Toipoto | Public Service Pay Gaps Action Plan 2021-24”. This work will be completed in 2023/24 and the measure has been removed from 2024/25 as the annual pay gaps action plan will now be combined with the Diversity, Equity and Inclusion Plan

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
The Commission collects and publishes Public Service workforce data annually.	Published no later than 15 December	Achieved	Achieved	Achieved

Commentary

The 2023 annual workforce data collection results were published on 2 November 2023.

Measurement approach

The Commission collects and measures Public Service workforce information annually. The reporting provides information about Public Service department employees, including staff numbers, pay, senior leaders, diversity and workplace wellbeing. As reporting is prepared annually, and published no later than 15 December, the measure relates to 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.

Relevance

This measure is aligned to workforce. Regular Public Service workforce data reporting shows where progress has been made, and areas that need more focus. This allows the Public Service to identify areas of improvement in diversity and inclusion, promoting a Public Service that is reflect and engage with the communities we serve.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
The Public Service reflects the Communities we serve:	In line with NZ Population	New Measure	New Measure	Improving
<ul style="list-style-type: none"> Ethnic diversity in the Public Service workforce continues to be maintained (see Note 5) 				

Commentary

The Public Service workforce has been improving participation of underrepresented groups so that the ethnic composition of the Public Service reflects the communities we serve. For Māori, the Public Service workforce population is just under the overall population with steady increases for Pacific, Asian and MELAA populations in the Public Service workforce. Asian participation in the overall Public Service workforce has almost doubled in the last 10 years (from 8.2% in 2014 to 15.9% in 2024) but is just below the overall population.

Group	NZ Population	Public Service Workforce	Percentage Point Change in Public Service Workforce since 2023
	2023	2024	
European	67.8%	62.2%	-1.5
Māori	17.8%	16.7%	-0.1
Asian	17.3%	15.9%	+1.4
Pacific	8.9%	11.0%	+0.3
MELAA	1.9%	2.3%	+0.1
Other	1.1%	6.7%	Not Counted

Public Service workforce data is sourced from administrative (payroll) data, and this can explain some of the differences with the NZ population figures sourced from the Stats NZ 2023 Census. For example, the differences between the Public Service and the overall population in the European and Other ethnicities are likely due to some extent in differences in how the data was collected. There has been a focus on improving the quality of Public Service workforce ethnicity information in recent years, and it is possible that some of the changes in ethnic diversity over time could be due to these increases in data quality, rather than real world changes. The share of Public Service employees who have disclosed their ethnicity has risen from 86.1% in 2014 to more than 90% in each of the last 7 years.

Measurement approach

This measure compares the proportions of ethnic groupings within the Public Service workforce to the same groupings across the New Zealand population. The “Public Service workforce” measure uses ethnicity data collated from all departments and departmental agencies’ payroll data. The population measure is based on data as at March 2023 from the Stats NZ Census.

Relevance

This is a measure of quality and impact. Quality of our leadership of the system will impact the result of this measure. The Commission has a system leadership role to work with Public Service leaders to develop a highly capable workforce that reflects the diversity of the society it serves.

The Commission supports Papa Pounamu and the focus areas that chief executives have agreed to make mandatory in their organisations. To improve the way we are working with agencies, we have combined our work across diversity, equity, and inclusion into one work programme that focuses on Diversity and Inclusion (Papa Pounamu) and Pay Gaps (Kia Toipoto – the Gender, Māori, Pacific and ethnic Pay Gaps Action Plan 2021-24). These focus areas complement and reinforce each other to achieve the overall goals of a more diverse, equitable and inclusive Public Service workforce. The data the Commission collects provides insights that support our work to improve Public Service diversity and inclusion. This measure compares the proportions of ethnic groupings within the Public Service workforce to the same groupings across the New Zealand population.

Note 5 - This performance measure has been introduced from 2023/24 to show how the Commission acts as a steward for diversity and inclusion in the Public Service, engaging with our stakeholders to improve the composition, culture and capability of our workforce. There is no reliable prior year comparative data as this was the first time this data was collected.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
Contractor and consultant operating expenditure (OPEX) across the public sector is reduced by \$400 million from 2022/23 expenditure levels by 30 June 2025 (see Note 6)	On track	New Measure	\$2.16 billion	On track

Commentary

In the nine months to 31 March all monitored agencies have made good progress against the Government's target of \$400 million reduction in contractor and consultant operational spending (OPEX). Monitored agencies annualised figures and forecasts indicate a likely drop of over \$300 million for the full financial year.

Contractor and consultant OPEX is included in the Public Service workforce data for 2023/24 and will be published in October 2024.

Measurement approach

The Government target to reduce contractor and consultant operating expenditure (OPEX) by \$400 million by the end of June 2025 across monitored public sector agencies is measured against a baseline of \$2.16 billion for 2022/23.

The baseline is total OPEX expenditure for the 2022/23 financial year of departments, departmental agencies, Crown entities (Crown agents, ACEs, ICEs) and NZ Police, NZ Defence Force, and Māori Health Authority (until disestablishment). At the end of June 2025, the OPEX should be \$400 million lower when compared to the 2022/23 baseline.

Contractor and consultant OPEX is tracked every quarter and released annually with the Public Service workforce data and published on the Commission's website.

Relevance

This is a measure of quality and impact. Quality of our leadership of the system will impact the result of this measure. The Commission has a leadership role in setting and monitoring expectations on Public Service workforce composition and supporting responsible workforce spend.

Note 6 - This performance measure introduced from 2023/24 reflects a component of the Commission's work in promoting the appropriate level of outsourcing by Public Service departments and departmental agencies. There is no comparative trend information as the 2022/23 year is the baseline year determined by the Government.

Supporting the Pacific Public Service (The Public Service Fale)

The Fale is housed at the Commission and funded by the New Zealand Ministry for Foreign Affairs and Trade until 2026 as a part of the Government’s Pacific Reset programme. The Public Service Fale (the Fale) was established as a Pacific-led Public Service centre of excellence. It supports the Pacific Public Service Commissioners to achieve their goals and deliver quality public services in the Pacific.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
Pacific Public Service Commissioners who agree the Public Service Fale supports their goals and strengthens public services in their country (see Note 7)	80%	New Measure	New Measure	82%

Commentary

The Fale conducted an annual end of year survey of all Pacific Public Service Commissioners, or equivalents, within the 16 Pacific Island Forum Countries and Territories that the Fale supports.

Measurement approach

Within the Fale’s 16 partner nations, the Fale will survey; Pacific Public Service Commissioners or senior stakeholder equivalent where there is one primary working relationship with the Fale

Relevance

This is a measure of quality and impact. The MOU between MFAT and the Commission stipulates the overarching goal that Pacific public services are strengthened to be more trusted, adaptable, results-driven, gender inclusive and people centred.

This measure gathers the perspectives of the Pacific Public Service Commissioners, or equivalents, on how the Fale has responded to their priorities and needs and whether it has been effective and efficient in the delivery of services and support.

Note 7 - This performance measure has been introduced from 2023/24. There is no prior year comparative data, as the 2023 survey was the first time this data was collected.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
The Commission through the Public Service Fale supports relationship building and knowledge exchange between Pacific countries and territories: <ul style="list-style-type: none"> The Public Service Fale supports delivery of the Annual Pacific Public Service Commissioners Conference (see Note 8) 	1	0	0	1

Commentary

The annual Pacific Public Service Commissioner’s conference was conducted in Wellington in November 2023.

Measurement approach

This is a quantitative measure of delivery of the Pacific Public Service Commissioners’ annual conference

Relevance

Funding and support for delivery of the annual Pacific Public Service Commissioners’ Conference is an output stipulated in the MOU between MFAT and the Commission.

Note 8 - This performance measure has been introduced from 2023/24. There were no conferences in the prior year due to travel restrictions arising from COVID-19. Pacific Public Service Commissioners were not able to convene in their governance capacity as a 16 member regional body.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
The Commission through the Public Service Fale supports Pacific Public Service Commissioners to develop system leadership capability: <ul style="list-style-type: none"> Percentage of Pacific public servants who have completed Public Service Fale leadership programmes / courses / webinars / workshops would recommend future participation to a colleague (see Note 9) 	80%	New Measure	New Measure	100%

Commentary

This is the first time that this measure has been reported on.

Measurement approach

Participants of the Fale’s Integrity & Ethics Programme and Women in Leadership Programme were surveyed, and this information was used to report against this measure.

Relevance

This is a measure of quality and impact. Providing services that support public sector strengthening is an output stipulated in the MOU between MFAT and the Commission.

Note 9 - This performance measure has been introduced from 2023/24. There is no prior year comparative data, as the 2023 survey was the first time this data was collected.

Performance Measure	Performance standard	2021/22 Result	2022/23 Result	2023/24 Result
Percentage of participants agree the Public Service Fale mentoring programme improved leadership development (see Note 10)	80%	New Measure	New Measure	100%

Commentary

This is the first time that this measure has been reported on.

Measurement approach

A survey of participants of the Fale’s Mentoring Programme’s Cohort 5 and Cohort 6 was used to report against this measure.

Relevance

This is a measure of quality and impact. Providing services that facilitate sharing of knowledge and expertise, and support brokering relationships is an output stipulated in the MOU between MFAT and the Commission.

Note 10 - This performance measure has been introduced from 2023/24. There is no prior year comparative data, as the 2023 survey was the first time this data was collected.

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.

2023 Actual \$000		2024 Actual \$000	2024 Budget \$000	2024 Supps \$000	2025 Forecast \$000
292	Property, plant and equipment	24	540	540	423
707	Intangibles	125	-	-	-
999	Total appropriation	149	540	540	423

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 2023/24 capital expenditure in intangible assets was due to the second phase of the digital platform project.

The 2023/24 capital expenditure on property, plant and equipment was due to the:

- replacement of computer equipment
- purchase of new office furniture

Service Critical Assets

The table below outlines how the Commission performed against our unaudited asset performance measures in accordance with Cabinet Office Circular CO (23) (9) requirements. These assets are service critical assets which, if damaged or destroyed, are likely to have a significantly adverse impact on the delivery of our services.

Asset	Particulars	Assessment of Performance	Indicator	Standard	2022/23	2023/24
Public Service Commission website	The Commission's website is our primary channel for publishing public sector advice, guidance. Data and information.	Websites are operating and available, allowing users to access our advice, guidance, data and information.	Availability	99.9%	New measure	99.9%
Data warehouse	The Data Warehouse is a cloud storage asset.	The data warehouse is available for successful query execution.	Availability	99.9%	New measure	99.9%

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 2024

	2024 Actual \$000	2024 Budget \$000	2024 Supps \$000	2025 Forecast \$000	Location of End-of-year performance information
Public Service Commission					
Departmental Capital Expenditure					
Public Service Commission – Capital Expenditure under Permanent Legislative Authority	149	540	540	423	The Commission Annual Report
Non-departmental Other Expenses					
Open Government Partnership	200	200	200	200	
Remuneration and Related Employment Costs of Chief Executives	19,492	18,617	20,183	20,049	Exempt
Total Non-departmental Other Expenses	19,692	18,817	20,383	20,249	
Departmental Output Expenses					
Leadership of Public Management System	40,759	36,400	41,743	32,722	The Commission Annual Report
Public Service Fale	3,952	4,000	4,000	4,000	
Social Wellbeing Agency					
Departmental Output Expenses					
Supporting Implementation of a Social Wellbeing Approach	7,539	6,758	7,682	-	The Commission Annual Report
Total Annual and permanent appropriations for the Commission and SWA	72,091	66,515	74,348	57,394	

Reconciliation of Appropriations to Comprehensive Revenue and Expenses

	Leadership of Public Management System	Public Service Fale	Supporting Implementation of a Social Wellbeing Approach	Comprehensive Revenue / Expenses
Revenue Crown	31,979	-	6,758	38,737
Revenue Department and Other	8,991	3,952	842	13,785
Eliminations of inter-entity transactions	(120)	-	-	(120)
Total Revenue after Eliminations	40,850	3,952	7,600	52,402
Expenses	40,759	3,952	7,539	52,250
Eliminations of inter-entity transactions	-	(50)	(70)	(120)
Expenses after eliminations	40,759	3,902	7,469	52,130

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 2024

The Commission has not incurred any departmental and non-departmental expenses or capital expenditure without, or in excess of appropriation, or other authority (2023: Nil).

Statement of Departmental Capital Injections for the year ended 30 June 2024

2023 Actual capital injections \$000	2024 Actual capital injections \$000	2024 Appropriation \$000
328 Capital injection	-	-

Statement of Departmental Capital Injections Without, or in Excess of, Authority for the year ended 30 June 2024

The Commission has not received any capital injections during the year without, or in excess of, authority (2023: Nil)

Ngā Tauākī Pūtea me ngā Āpiti Pūtea

Departmental Financial Statements

(for the year ended 30 June 2024)

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 2024

2023 Actual \$000		Notes	2024 Actual \$000	2024 Budget \$000	2024 Supps \$000	2025 Forecast \$000
Revenue						
39,429	Revenue Crown	2	38,737	37,843	38,737	28,026
11,508	Revenue other	2	13,665	9,315	14,688	8,696
50,937	Total revenue		52,402	47,158	53,425	36,722
Expenditure						
37,679	Personnel costs	3	41,128	35,977	40,824	28,181
221	Capital charge	4	212	221	221	219
817	Depreciation and amortisation expense	6	687	768	785	591
11,824	Other operating expenses	5	10,103	10,192	11,595	7,731
50,541	Total expenditure		52,130	47,158	53,425	36,722
396	Net surplus/(deficit)		272	-	-	-
	Other comprehensive revenue					
	<i>Item that will not be reclassified to net surplus/(deficit)</i>		-	-	-	-
146	Gain on artworks revaluations	13	-	-	-	-
542	Total comprehensive revenue		272	-	-	-

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

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

Statement of Financial Position

as at 30 June 2024

2023			2024	2024	2024	2025
Actual		Notes	Actual	Budget	Supps	Forecast
\$000			\$000	\$000	\$000	\$000
Assets						
Current Assets						
13,305	Cash and cash equivalents		12,886	12,792	13,550	12,632
3,028	Debtor Crown		3,028	3,028	3,028	3,028
2,655	Debtors and other receivables	7	3,442	2,728	2,655	2,655
37	Prepayments		65	25	37	37
19,025	Total current assets		19,421	18,573	19,270	18,352
Non-current assets						
1,050	Property, plant and equipment	6	617	1,055	1,041	1,191
904	Intangible assets	6	796	778	668	436
1,954	Total non-current assets		1,413	1,833	1,709	1,627
20,979	Total assets		20,834	20,406	20,979	19,979
Liabilities						
Current Liabilities						
3,836	Creditors and other payables	8(a)	3,821	3,469	3,837	3,837
5,769	Revenue - advance	8(b)	3,962	6,487	5,768	5,768
-	Return of operating surplus	14	417	-	-	-
223	Provisions	10	724	208	223	223
3,035	Employee entitlements	9	4,117	2,833	3,035	3,035
12,863	Total current liabilities		13,041	12,997	12,863	12,863
Non-current liabilities						
228	Provisions	10	-	228	228	228
219	Employee entitlements	9	269	54	219	219
447	Total non-current liabilities		269	282	447	447
13,310	Total liabilities		13,310	13,279	13,310	13,310
7,669	Net assets		7,524	7,127	7,669	6,669
Equity						
5,742	Taxpayers' funds	13	5,742	7,031	7,427	6,427
1,685	Memorandum accounts	13	1,540	-	-	-
242	Artwork revaluation reserves	13	242	96	242	242
7,669	Total equity		7,524	7,127	7,669	6,669

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

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

Statement of Changes in Equity

for the year ended 30 June 2024

2023		2024	2024	2024	2025
Actual		Actual	Budget	Supps	Forecast
\$000	Notes	\$000	\$000	\$000	\$000
6,799	Balance as at 1 July	7,669	7,127	7,669	7,669
	Comprehensive revenue / (expense)				
542	Net surplus/(deficit) for the year	272	-	-	-
328	Capital contribution	13	-	-	-
-	Retention of surplus	-	-	-	-
-	Capital withdrawal	-	-	-	(1,000)
-	Return of operating surplus to the Crown	14	(417)	-	-
7,669	Balance as at 30 June	7,524	7,127	7,669	6,669

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

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

Statement of Cash Flows

for the year ended 30 June 2024

2023		2024	2024	2024	2025
Actual		Actual	Budget	Supps	Forecast
\$000	Notes	\$000	\$000	\$000	\$000
Cash flows from operating activities					
39,429	Receipts from Crown	38,737	37,843	38,737	28,026
10,863	Receipts from other revenue	11,071	9,315	14,688	8,696
(11,507)	Payments to suppliers	(9,776)	(7,308)	(11,680)	(8,859)
(37,227)	Payments to employees	(40,591)	(38,861)	(40,739)	(28,153)
(221)	Payments for capital charge	(212)	(221)	(221)	(219)
(32)	Goods and services tax (net)	498	-	-	-
1,305	Net cash flows from operating activities	11	(273)	768	(509)
Cash flows from investing activities					
(292)	Purchase of property, plant and equipment	(24)	(540)	(540)	(423)
(707)	Purchase of intangible assets	(122)	-	-	-
(999)	Net cash flows from investing activities	(146)	(540)	(540)	(423)
Cash flows from financing activities					
(5,235)	Repayment of operating surplus	-	(790)	-	-
328	Capital (withdrawal)/injection	-	-	-	(1,000)
(4,907)	Net cash flows from financing activities	-	(790)	-	(1,000)
(4,601)	Net (decrease) / increase in cash	(419)	(562)	245	(1,932)
17,906	Cash at the beginning of the year	13,305	13,354	13,305	14,564
13,305	Cash at the end of the year	12,886	12,792	13,550	12,632

Statement of Commitments

as at 30 June 2024

2023		2024
Actual		Actual
\$000		\$000
Non-cancellable operating lease commitments		
1,076	Not later than one year	1,223
256	Later than one year and not later than 5 years	405
-	- 5 or more years	-
1,332	Total non-cancellable operating lease commitments	1,628
1,332	Total Commitments	1,628

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 2023/24 or 2022/23.

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

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

Statement of Contingent Liabilities and Contingent Assets as at 30 June 2024

Unquantifiable Contingent Liabilities and Assets

There have been personal grievances raised by an employee against the Commission which relate to a current employment process. The Commission disputes the claims relating to these grievances. Disclosure of further information may prejudice the Commission's position. (2023: There was one unquantifiable contingent liability).

Quantifiable Contingent Liabilities and Assets

There are no quantifiable contingent liabilities and assets as at 30 June 2024 (2023: There were no quantifiable contingent liabilities and assets).

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 2024)

1. Statement of accounting policies

Reporting entity

Te Kawa Mataaho 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, 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 2024. The Forecast Financial Statements are for the year ending 30 June 2025.

The financial statements of the Commission for the year ended 30 June 2024 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 2024.

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.

The Public Finance Act 1989 required the Commission to have an audited annual report by 30 September 2024. This statutory deadline was not met. Due to unforeseen circumstances, the preparation of the annual report, which had implications for the audit of the annual report, took longer.

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.

New or amended standards adopted

2022 Omnibus Amendment to PBE Standards

The 2022 Omnibus Amendments issued by the External Reporting Board (XRB) include several general updates and amendments to several Tier 1 and Tier 2 PBE accounting standards, effective for reporting periods starting 1 January 2023. The Commission has adopted the revised PBE standards, and the adoption did not result in any significant impact on the Commission's financial statements.

Changes in accounting policies

There have been no other changes in the Commission's accounting policies since the date of the last audited financial statements.

Budget and forecast figures

Basis of the budget and forecast figures

The 2024 budget figures are for the year ended 30 June 2024 and were published in the 2022/23 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 2023/24.

The 2025 forecast figures are for the year ending 30 June 2025, which are consistent with the best estimate financial forecast information submitted to the Treasury for the BEFU for the year ending 2024/25.

The forecast financial statements have been prepared as required by the Public Finance Act 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 2025 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 22 April 2024. 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 2025 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 2024/25 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 22 April 2024, 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.
- The Social Wellbeing Agency (SWA) did not receive funding for the 2024/25 financial year, with its last day being 30 June 2024.

The actual financial results achieved for 30 June 2025 are likely to vary from the forecast information presented, and the variations might be material. Since the approval of the forecasts, there has been 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 Public Finance Act 1989.

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 Review Programme

Revenue from reviews is recognised based on percentage completed.

LDC Levies and LDC courses

Revenue from Levies for the Leadership Development Centre (LDC) 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

2023 Actual \$000	2024 Actual \$000
- Performance Improvement Review programme	385
2,625 LDC levies	2,729
1,220 LDC courses and other revenue	1,135
3,510 Public Service Fale contribution revenue	3,952
1,365 Clerical and Administration Pay Equity Claims team delivery revenue	587
848 Employee-led Networks levies	799
704 Secondments	904
- Ministry for Regulation (establishment and support)	431
290 Investigations	632
946 Other revenue (including recoveries)	2,111
11,508 Total other and departmental revenue	13,665

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 multi-employer 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.

2023		2024
Actual		Actual
\$000		\$000
34,601	Salaries and wages	37,422
373	Staff training and development	217
1,092	Superannuation contributions to defined contribution plans	1,147
843	Increase/(decrease) in employee entitlements	315
-	Redundancy and associated costs	1,308
770	Other	719
37,679	Total personnel costs	41,128

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 2024 was 5% (2023: 5%).

5. Other operating expenses

Accounting policy

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Other expenses

Other expenses are recognised as goods and services are received.

2023 Actual \$000		2024 Actual \$000	2024 Budget \$000	2024 Supps \$000	2025 Forecast \$000
4,327	Consultancy	2,577	1,556	2,291	1,356
873	Chief executives' recruitment costs	346	450	565	450
165	Legal fees	539	155	161	120
156	Fees to Audit New Zealand for audit of financial statements - the Commission	167	168	168	134
1,517	Rental and operating lease costs	1,619	1,537	1,632	1,334
245	Other occupancy costs	263	256	256	256
2,460	IT and communication costs	2,490	2,053	2,237	1,550
369	Travel	635	565	886	886
102	Sponsorship	25	68	12	12
362	Contractor fees for SWA	165	605	319	-
356	Costs paid to the Treasury for CASS	369	369	369	369
1	LDC Fellowships	(1)	-	-	-
891	Other operating costs	909	2,410	2,699	1,264
11,824	Total operating costs	10,103	10,192	11,595	7,731

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 by a registered artwork valuer, 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 2023.

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	Until lease expires	As calculated by lease expiry date	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 2022	930	136	995	126	1,015	3,202
Additions	292	-	-	-	-	292
Disposals/transfers	-	(22)	-	-	-	(22)
Revaluation increase	-	-	-	146	-	146
Other movements	-	-	-	-	-	-
Balance at 1 July 2023	1,222	114	995	272	1,015	3,618
Additions	12	-	-	-	12	24
Disposals/transfers	-	-	-	-	-	-
Revaluation increase	-	-	-	-	-	-
Other Movements	-	-	-	-	-	-
Balance at 30 June 2024	1,234	114	995	272	1,027	3,642
Accumulated depreciation and impairment losses						
Balance at 1 July 2022	462	108	629	-	649	1,848
Depreciation expense	342	20	236	-	144	742
Elimination on disposal	-	(22)	-	-	-	(22)
Balance at 1 July 2023	804	106	865	-	793	2,568
Depreciation expense	242	8	108	-	99	457
Elimination on disposal	-	-	-	-	-	-
Balance at 30 June 2024	1,046	114	973	-	892	3,025
Carrying amounts						
At 1 July 2022	468	28	366	126	366	1,354
At 1 July 2023	418	8	130	272	222	1,050
At 30 June 2024	188	-	22	272	135	617

Intangible Assets

	Intangible Assets \$000	Work in Progress \$000	Total \$000
Cost			
Balance at 1 July 2022	584	267	851
Additions	302	405	707
Disposals/transfers	(50)	(267)	(317)
Revaluation increase	-	-	-
Other Movements	-	-	-
Balance at 1 July 2023	836	405	1,241
Additions	-	125	125
Disposals/transfers	402	(405)	(3)
Revaluation increase	-	-	-
Other Movements	-	-	-
Balance at 30 June 2024	1,238	125	1,363
Accumulated Amortisation and impairment losses			
Balance at 1 July 2022	579		579
Amortisation expense	75		75
Elimination on disposal	(317)	-	(317)
Balance at 1 July 2023	337	-	337
Depreciation expense	230	-	230
Elimination on disposal	-	-	-
Balance at 30 June 2024	567	-	567
Carrying amounts			
At 1 July 2022	5	267	272
At 1 July 2023	499	405	904
At 30 June 2024	671	125	796

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

2023		2024
Actual		Actual
\$000		\$000
2,550	Current	2,546
6	Past due 31 - 60 days	412
-	Past due 61 - 90 days	34
99	Past due over 91 days not impaired	450
2,655	Total	3,442

8(a). Creditors and other payables

Accounting Policy

Creditors and other payables are recorded at their face value.

2023		2024
Actual		Actual
\$000		\$000
Payables under exchange transactions		
968	Trade Creditors	1,025
1,539	Accrued Expenses	932
2,507	Total Payables under exchange transactions	1,957
Payables under non-exchange transactions		
1,329	Taxes Payable	1,864
1,329	Total Payables under non-exchange transactions	1,864
3,836	Total Trade Payables and Other Payables	3,821

8(b). Revenue in Advance

Accounting Policy

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

2023		2024
Actual		Actual
\$000		\$000
2,712	LDC Levies and Courses	2,781
1,036	Public Service Fale contribution revenue	48
864	Clerical and administration pay equity claim team delivery revenue	276
540	Employee Led Networks levies	521
59	Organisation for Economic Co-operation and Development (OECD) contribution revenue	-
247	Department of Internal Affairs - Innovation Fund	200
311	Other revenue	136
5,769	Total Revenue in Advance	3,962

9. Employee Entitlements (Departmental)

Accounting policy

Short-term employee entitlements

Employee entitlements that are expected to be settled wholly before 12 months after the end of the reporting period that the employees provide the related service in are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date, and sick leave.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Long-term employee entitlements

Employee entitlements that are not expected to be settled wholly before 12 months after the end of the reporting period that the employees provide the related service in, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlements information; and
- the present value of the estimated future cash flows.

2023		2024
Actual		Actual
\$000		\$000
	Current liabilities	
944	Accrued salaries and performance pay	1,761
1,924	Annual leave	2,201
43	Sick leave	48
124	Retirement and long service leave	107
3,035	Total current portion	4,117
	Non-current liabilities	
219	Long service leave	269
219	Total non-current portion	269
3,254	Total employee entitlements	4,386

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: 5.30%; year 2: 4.49%; year 3+: 5.11%) and the salary-inflation factor (year 1: 3.80%; year 2+: 3.10%). 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

Accounting Policy

A provision is recognised for future expenditure of an uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for net deficits from future operating activities.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pretax discount rate based on market yields on government bonds at balance date with terms to maturity that match, as closely as possible, the estimated timing of the future cash outflows.

Restructuring

A provision for restructuring is recognised when an approved detailed formal plan for the restructuring has been announced publicly to those affected or implementation has already begun.

Breakdown of provisions and further information:

2023	2024
Actual	Actual
\$000	\$000
Current portion	
- Lease Make Good	228
144 LDC Fellowships	144
79 Ria McBride Award	76
- Restructuring Provision	276
223 Total current portion	724
Non-current portion	
228 Lease Make Good	-
- LDC Fellowships	-
- Ria McBride Award	-
- Restructuring Provision	-
228 Total non-current portion	-
451 Total Provisions	724

The Commission is required at the expiry of the lease term in the Reserve Bank on 28 February 2025 to make good the premises. \$0.228 million has been provided for this.

	Lease Make Good	LDC Fellowships	Ria McBride Award	Restructuring Provision	Total
	\$000	\$000	\$000	\$000	\$000
Opening balance at 1 July 2023	228	144	79	-	451
Additional provisions made	-	-	15	276	291
Provisions released	-	-	(18)	-	(18)
Closing balance at 30 June 2024	228	144	76	276	724

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

2023	2024
Actual	Actual
\$000	\$000
396 Net Surplus (Deficit)	272
Add/(Less) Non-Cash Items	
817 Depreciation and Amortisation	687
817 Total Non-Cash Items	687
Add/(Less) Working Capital Movement	
61 (Increase)/Decrease in Receivables and Prepayments	(815)
(319) Increase/(Decrease) in Creditors and Other Payables	(2,320)
(32) Increase/(Decrease) in GST	498
15 Increase/(Decrease) in Provisions	223
202 Increase/(Decrease) in Employee Entitlements	1,082
(73) Total Net Movement in Working Capital Items	(1,282)
165 Add/(Less) Movements in Non-current Liabilities	50
Add/(Less) Items Classified As Investing Or Financing Activities	
- (Gain)/Losses on Disposal of Property, Plant and Equipment	-
1,305 Net Cash Flows from Operating Activities	(273)

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

Revenue and Expenses	The	SWA	Total
	Commission	Actual 2024	Actual 2024
	Actual 2024	Actual 2024	Actual 2024
	\$000	\$000	\$000
Revenue			
Revenue Crown	31,979	6,758	38,737
Revenue other	12,943	842	13,785
Total Revenue (before inter-agency eliminations)	44,922	7,600	52,522
Elimination of inter-entity transactions	(120)	-	(120)
Total Revenue	44,802	7,600	52,402
Expenditure			
Personnel costs	34,818	6,310	41,128
Capital charge	212	-	212
Depreciation and amortisation	687	-	687
Other operating	8,994	1,229	10,223
Total Expenses (before inter-agency eliminations)	44,711	7,539	52,250
Elimination of inter-entity transactions	(120)	-	(120)
Total Expenses	44,591	7,539	52,130
Net Surplus	211	61	272

Assets and Liabilities	The	SWA	Total
	Commission	Actual 2024	Actual 2024
	Actual 2024	Actual 2024	Actual 2024
	\$000	\$000	\$000
Current assets	17,996	1,425	19,421
Non-current assets	1,413	-	1,413
Current liabilities	11,388	1,425	12,813
Non-current liabilities	497	-	497
Net Assets	7,524	-	7,524
Total Equity	7,524	-	7,524

12(b). Change in Organisational Form and Discontinued Operations

Discontinued operations – the disestablishment of the Social Wellbeing Agency

On 29 April 2024, Cabinet agreed to disestablish the Social Wellbeing Agency (SWA) and establish a new Public Service department named the Social Investment Agency (SIA), with the Minister for Social Investment as its Responsible Minister, which would replace SWA. SWA's last day of operations was 30 June 2024 and SIA was established on 1 July 2024. The existing employees and functions of SWA have been transferred to SIA. Contracts held by SWA were also transferred, and existing shared services arrangements continued. Net assets and liabilities held by the Commission relating to SWA have been transferred to SIA.

SIA's new functions include setting the standards for social investment practice to ensure there is consistency across government agencies and contracted providers, advising on and facilitating the creation of the necessary data and evidence infrastructure for social investment, working with other agencies to apply the social investment approach and leading

an ongoing review of social sector spending to measure outcomes. These functions are additional to the functions of SWA which have been transferred to SIA. SIA is a Public Service Department, and not a Departmental Agency hosted by the Public Service Commission, 2023/24 is the final year the Commission will include SWA in its Statement of Service Performance and financial statements. SIA will have its own annual report in 2024/25 and beyond.

The surplus from SWA's discontinued operations recognised in the financial statements is outlined in note 12 (a). There has been no gain or loss recognised in the statement of comprehensive income associated with the measurement to fair value less costs to sell, or on the disposal of the assets of SWA.

The net cash flows attributable to the operating activities of the SWA for the 2023/24 financial year are \$61,000, with no investing or financing activities.

13. Equity

Accounting Policy

Equity is the Crown's investment in the Commission 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

2023 Actual \$000		2024 Actual \$000
	Taxpayers' funds	
5,761	Balance as at 1 July	5,742
396	Surplus	272
	- Capital injections	-
	- Retention of surplus	-
	- Capital withdrawal	-
(415)	Transfer of memorandum account net (surplus)/deficit for the year	145
	- Return of operating surplus to the Crown	(417)
5,742	Balance as at 30 June	5,742
	Artwork revaluation reserves	
96	Balance as at 1 July	242
146	Revaluation gains	-
242	Balance as at 30 June	242
	Memorandum accounts	
942	Balance as at 1 July	1,685
328	Capital injection	-
415	Net memorandum account surpluses/(deficits) for the year	(145)
1,685	Balance as at 30 June	1,540
7,669	Total equity	7,524

Breakdown of memorandum accounts and further information

2023		2024
Actual		Actual
\$000		\$000
Leadership Development Centre memorandum account		
942	Balance as at 1 July	1,254
3,845	Revenue	3,864
(3,533)	Expenses	(3,979)
312	Surplus/deficit for the year	(115)
1,254	Balance as at 30 June	1,139

2023		2024
Actual		Actual
\$000		\$000
Employee Led Networks memorandum account		
-	Balance as at 1 July	431
328	Capital injection	-
848	Revenue	799
(745)	Expenses	(829)
103	Surplus/deficit for the year	(30)
431	Balance as at 30 June	401

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 Commission'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.

2023		Notes	2024
Actual			Actual
\$000			\$000
542	Net (deficit)/surplus		272
<i>Add back:</i>			
(146)	Artwork revaluation losses/(gains) recognised in surplus/deficit		-
(415)	Net operating deficit/(surplus) in memorandum accounts	13	145
19	Net operating deficit in other operating activities		-
-	Return of operating surplus to the Crown		417

15. Related party transactions

All related party transactions have been entered into on an arms' 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		SWA		The Commission		SWA	
Actual 2023	Actual 2023			Actual 2024	Actual 2024		
Leadership Team, including the Public Service Commissioner							
4,290,300	1,084,952	Remuneration		4,144,005	1,060,700		
-	-	Termination benefits		238,825	206,908		
10.72	3.81	Full-time equivalent staff		9.87	3.33		

The above key management personnel compensation excludes the remuneration and other benefits the Minister for the Public Service receives. The Minister's remuneration and other benefits are not received only for her 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 (2023: 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 2023/24 Actuals and the 2023/24 Original (Mains) Budget.

Statement of Comprehensive Revenue and Expense

Revenue

Revenue Crown was higher than originally budgeted due to the drawdown of the Public Sector Pay Adjustment contingency. This was slightly offset by an expense transfer into 2024/25 for delays on the Digital Platform.

Revenue other was higher than originally budgeted due to an increase in revenue from other departments. The largest contributions were the Clerical and Administration Pay Equity Claims team and the Leadership Development Centre. These are both functions of the Commission which are funded by other departments. The other significant contributions were the two investigations carried out by the Commission (where some of the costs are recovered from the respective agencies), recoveries from the Ministry for Regulation for establishment and support costs, and staff on secondment (where the Commission continues to pay staff costs and receives revenue from the secondment agency to cover it).

Expenditure

Personnel costs were higher than budgeted mainly due to the redundancy costs arising from the Commission's change programme, the Public Sector Pay Adjustment, and the extension of work occurring in the Clerical and Administration Pay Equity Claims team (who were funded through other departments).

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.

Variances in the Statement of Changes in Equity result from an unbudgeted surplus in 2022/23 driving a higher 2023/24 opening equity balance than anticipated. The 2022/23 surplus was a combination of surpluses in the Leadership Development Centre and Employee-led Networks memorandum accounts, and the gain on artwork revaluation.

18. Financial Instruments

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

2023		2024
Actual		Actual
\$000		\$000
Financial assets measured at amortised cost		
13,305	Cash and cash equivalents	12,886
5,683	Receivables (excluding taxes receivable)	6,470
18,988	Total financial assets measured at amortised cost	19,356
Financial liabilities measured at amortised cost		
2,507	Payables (excluding income in advance and taxes payable)	1,957
2,507	Total financial liabilities measured at amortised cost	1,957

Non-departmental Schedules (for the year ended 30 June 2024)

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 2024

2023 Actual \$000		2024 Actual \$000	2024 Budget \$000	2024 Supps \$000	2025 Forecast \$000
18,274	Remuneration and related employment costs of chief executives	19,492	18,617	20,183	20,049
	<i>Consists of:</i>				
18,223	Remuneration and leave costs	19,395	18,417	19,983	19,849
51	Training and development	51	100	100	100
-	Relocation costs	46	100	100	100
200	Open Government Partnership	200	200	200	200
6	GST Input expense	9	-	-	-
18,480	Total non-departmental expenses	19,701	18,817	20,383	20,249

Schedule of Non-departmental Revenue and Receipts

for the year ended 30 June 2024

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.

2023 Actual \$000		2024 Actual \$000	2024 Budget \$000	2024 Supps \$000	2025 Forecast \$000
16,886	Reimbursement of chief executives' remuneration	18,386	18,668	18,638	18,804
16,886	Total non-departmental revenue	18,386	18,668	18,638	18,804

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 2024.

Explanation of significant variance against budget are provided in Note 2.

Schedule of Non-departmental Assets

as at 30 June 2024

2023 Actual \$000		2024 Actual \$000	2024 Budget \$000	2024 Supps \$000	2025 Forecast \$000
13,798	Cash	15,319	12,804	13,798	13,798
281	Debtors and other receivables	-	-	-	-
14,079	Total non-departmental assets	15,319	12,804	13,798	13,798

Schedule of Non-departmental Liabilities

as at 30 June 2024

2023 Actual \$000		2024 Actual \$000	2024 Budget \$000	2024 Supps \$000	2025 Forecast \$000
61	Creditors and other payables	60	294	61	61
	Current liabilities – employee entitlements				
853	Salaries and wages	854	68	572	572
1971	Annual leave	2,117	1,864	1,971	1,971
2,824	Total current liabilities – employee entitlements	2,971	1,932	2,543	2,543
	Long-term liabilities				
835	Retirement leave	1,247	768	835	835
3,659	Total current and long-term provision for employee entitlements	4,218	2,700	3,378	3,378
3,720	Total non-departmental liabilities	4,278	2,994	3,439	3,439

Schedule of Non-departmental Commitments

as at 30 June 2024

There are no non-departmental commitments as at 30 June 2024 (2023: Nil).

Schedule of Non-departmental Contingent Liabilities and Contingent Assets

There are no non-departmental contingent liabilities and contingent assets as at 30 June 2024 (2023: Nil).

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 2024.

Explanation of significant variances against budget are provided in Note 2.

Notes to the Non-Departmental Statements and Schedules (for the year ended 30 June 2024)

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 2024. 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 2024.

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).

Summary of significant accounting policies

Significant accounting policies are included in the notes to the departmental financial statements and non-departmental schedules on pages 82 to 85 of this report.

2. Explanation of major variances against budget

Schedule of revenue and schedule of expenses

The variance in the current year actuals and budget is due to Government decisions around the establishment of three new agencies. The supplementary estimates in the expenditure schedules include a contingency component to allow for unplanned expenditure relating to chief executives, this explains the variance against the supplementary estimates.

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 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 current and long-term provision for employee entitlements.

Preface

Change in Organisational Form and Discontinued Operations

Discontinued operations – the disestablishment of the Social Wellbeing Agency

On 29 April 2024, Cabinet agreed to disestablish the Social Wellbeing Agency (SWA) and establish a new Public Service department named the Social Investment Agency (SIA), with the Minister for Social Investment as its Responsible Minister, which would replace SWA.

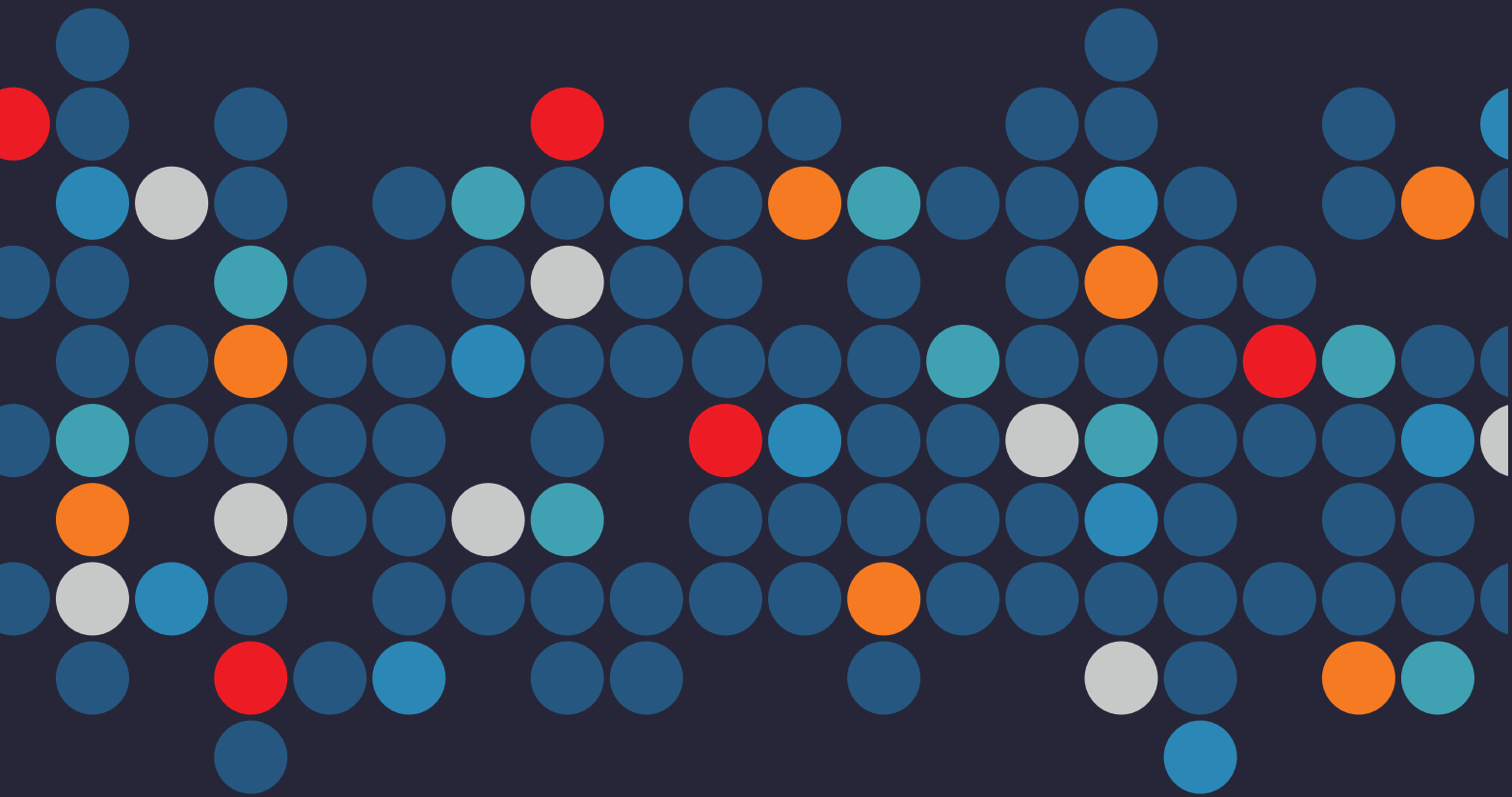
SWA's last day of operations was 30 June 2024 and SIA was established on 1 July 2024. The existing employees and functions of SWA have been transferred to SIA. Contracts held by SWA were also transferred, and existing shared services arrangements continued. Net assets and liabilities held by the Commission relating to SWA have been transferred to SIA.

SIA's new functions include setting the standards for social investment practice to ensure there is consistency across government agencies and contracted providers, advising on and facilitating the creation of the necessary data and evidence infrastructure for social investment, working with other agencies to apply the social investment approach and leading an ongoing review of social sector spending to measure outcomes. These functions are additional to the functions of SWA which have been transferred to SIA.

As SIA is a Public Service Department, and not a Departmental Agency hosted by the Public Service Commission, 2023/24 is the final year the Commission will include SWA in its Statement of Service Performance and financial statements. SIA will have its own annual report in 2024/25 and beyond.

Pūrongo-ā-tau Annual Report

2023 - 2024



**SOCIAL
WELLBEING
AGENCY**

TOI HAU
TĀNGATA

Te Kāwanatanga o Aotearoa
New Zealand Government

He kōrero nā te Tumu Whakahaere From the Chief Executive

This report reflects our achievements and activities during our final year as the Social Wellbeing Agency.

I am pleased to share the work we have done to make a difference in the lives of New Zealanders through our advice, analysis, insights and tools to support decision-makers. This has included analysis and insights on several priority issues for New Zealand, such as youth crime, school attendance, and housing.

To better understand the lives of older people, we released an interactive data explorer tool, which allows users to examine the needs and experiences of older populations across five wellbeing domains. This enables better planning by government to meet future needs.

During the year, we pivoted in response to shifting government priorities. We began scoping a work programme for the social investment portfolio. This has involved: initial advice on evidence standards for social investment; development, and initial testing of a framework to review the value and impact of government spending on the lives of New Zealanders; and considering how we will lead on the implementation of the social investment approach across government.

On 1 July 2024, we became the Social Investment Agency, a stand-alone central agency. Social investment is the consistent, rigorous, and systematic application of data and evidence to our social sector budget to improve social outcomes. Our new functions and direction set us up to build on the work we've done in previous years.

Thank you to Renee Graham, former Chief Executive of the Social Wellbeing Agency, for her leadership for the past three years and for setting up the Agency for its next exciting phase.

Thank you to Te Kawa Mataaho Public Service Commission for their support over the last six years.

Thank you to our partners, social sector agencies, and to our staff for their contribution towards our achievements over the past year.

Ngā mihi nui,



Dr Craig Jones
Acting Chief Executive, Te Tumu Whakahaere
Social Investment Agency, Toi Hau Tāngata

4 October 2024



Ā mātou mahi

What we do

The Social Wellbeing Agency provided cross-agency advice, analysis, and tools to understand and address complex social sector challenges. During the year, in response to the changing priorities of the Government, the Agency, in coordination with Treasury, pivoted to focus on the design and implementation of social investment as an organising framework for how social services are funded and delivered.

This work led to the establishment of the new Social Investment Agency, coming into effect from 1 July 2024, with the following new functions.

- setting the standards for social investment practice, ensuring consistency across government agencies and contracted providers;
- advising on and facilitating the creation of the data and evidence infrastructure necessary for social investment;
- working with other agencies to apply the social investment approach; and
- leading an ongoing review of social sector spending to measure outcomes.

These are in addition to its current functions of delivering:

- cross-social system advice and supporting the social sector with cross-system work; and
- insights, tools, and practices that improve cross-social system decision making for improving wellbeing.

The Agency supported decision-makers by providing advice on cross-sector issues, enhancing the use of data and evidence in making decisions and delivering Government priorities. It generated social sector insights and took a system-wide view of the social sector's data and evidence requirements.

Vision, mission and values

- Our vision is that people, whānau and communities live the lives to which they aspire.
- Our mission is to deliver cross-system advice and to create tools, insights, and practices.
- Our values, developed by our people, guide how we work and underpin what we do

As the new Social Investment Agency takes shape, the vision, mission, and values will be reviewed to ensure they align with the new functions of the Agency.

Ngā hua me ngā ratonga

Our achievements

Social investment

During the latter half of 2023/24, we prepared to support the Government's social investment approach and our transition to a central agency with new functions.

The social investment work has involved: scoping and early implementation of a work programme for the social investment portfolio, development, and initial testing of a framework to measure the value and impact of government spending on people's lives, and considering how we will lead in the social sector on reviews of spending so that government resources are aligned with best available evidence. We have worked to support the Social Investment Ministerial Group. We have undertaken significant analytical work to support a range of government priorities as we transition to the social investment approach. We also began planning for our role in supporting the new Social Investment Board.

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.

Wellbeing of children and young people who offend

To support changes to how the government responds to increasing frequency and seriousness of young people offending, we combined and summarised previous analyses. This enabled a better understanding of the needs and experiences of children and young people associated with offending behaviour, and their distribution across New Zealand. Findings from this research informed Government decisions to strengthen support for young people who had offended, particularly in regions where our analysis showed need was highest.

Long-term impacts of Teen Parent Units

In order to enable improvements in the provision of education for teen parents, we measured the long-term and intergenerational impacts of Teen Parent Units (TPU). This analysis built on a 2017 evaluation and was used to further test our methodology of using research data sets to provide rapid insights on the impacts of programmes and policies.

Case study: using administrative data to better understand water-related deaths and near misses

To support prevention and preparedness efforts, we developed a new method in the Integrated Data Infrastructure (IDI) to generate insights into rare events resulting in death to provide new insights into water-related harm. Our analysis showed drowning rates and survival rates by age, sex, ethnicity and local authority.

Analysis of the veteran population

We worked with Veterans' Affairs New Zealand to identify the veteran population, using data from the Integrated Data Infrastructure (IDI). This was a great example of using available data to systemically research a population group, in this case to support the health and wellbeing of veterans. The method we used to identify veterans

also has applications for identifying other groups defined by an occupation. We have shared the code relating to our method with other researchers examining veterans and other occupational groups such as the health workforce.

Understanding the population receiving Disability Support Services

We worked with Whaikaha - Ministry of Disabled People to better understand the needs of people receiving Disability Support Services – a package of services designed to support quality of life for disabled people and enable them to achieve their aspirations. This provided the new Ministry with an understanding of its clients, as well as describing what we know about disabled people who are not receiving disability support but might benefit from them.

Insights relating to education and attendance

We supported the Education Review Office on several projects which allowed them to integrate insights from the IDI with what they were hearing from teachers, school leaders, students and whānau. These analytical projects included:

- An analysis of new teachers, their prior education and employment pathways, and the factors associated with remaining in the teaching workforce.
- An analysis supporting Alternative Education evaluation to support better outcomes for young people.
- A description of the later life outcomes of students who are stood down and suspended from school.
- Identification of broader social factors that are protective and risk factors relating to school attendance.

The last two analyses are contributing to an evidence stream that supports the Ministry of Education's work on the Government Target to improve school attendance.

We also started a project investigating the impact of the Attendance Service on school attendance.

Creation of tools, insights and practices

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

Older People's Explorer

We released a new data explorer allowing users to examine the life experiences and characteristics of Aotearoa New Zealand's older population.

The data explorer was developed following work with the Ministry of Social Development and the Ministry of Health to understand the size, scale and characteristics of older people experiencing vulnerability in health, housing, finance, social connection, and access. It can help policy makers find out more about older people's needs and experience across five wellbeing domains. This work supports better planning for services that will be needed in the future.



Working with iwi

We are working closely with both Te Nehenehenui Trust, the post-settlement governance on behalf of Ngāti Maniapoto, and Te Hiku ō te Ika Iwi Development Trust, the entity that gives effect to the Social Development and Wellbeing Accord on behalf of Te Hiku ō Te Ika Iwi; Ngāti Kuri, Ngāi Takoto, Te Rarawa, and Te Aupōuri, to provide data and insights to enable evidence-based decision-making.

Our agency is working alongside Te Hiku to provide timely data and insights, particularly around housing, health, education, and employment, to support the delivery of Te Oranga ō Te Hiku (Wellbeing) report - a report that provides a baseline picture of the current state of social development to enable and inform decision-making and investment for their people and their rohe.

We are also sourcing data to support Te Nehenehenui with the strategic objectives of the Punga stage (five-year-focus) of their long term Te Kawau Rukuroa 2050 strategy.

Delivering a data and analytics platform

In partnership with Te Puni Kōkiri, we continued to develop our data and analytics platform (the Platform). We enable other agencies to access the Platform to support safe and secure data storage and evidence-based decision making. The Platform has been populated with a range of regional and sub-regional wellbeing indicators that can be used by agencies. The 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.

Developing tools

We have continued to produce analytical tools and reusable codes for researchers who have access to Stats NZ Integrated Data Infrastructure (IDI). This aims to lift the analytic capacity and capability of the IDI community and to transparently share our work. These tools help researchers ensure high quality outputs, and support an efficient and timely checking service. We also continued to share and publish the codes for all our indicators and definitions online for researchers to reuse.

Mō mātou | Our people

He tāngata, he tāngata, he tāngata

Our people strategy Tāngata supports our organisational strategy and builds on our workplace culture, where everyone is valued, respected, and can bring their whole selves to work. Tāngata has 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.

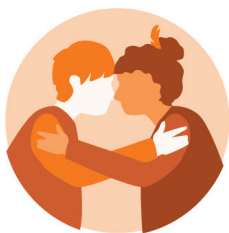
Tāngata focuses on building an environment that enables, supports, and invests in our people's development and performance for high-performing culture. We want to be known as an employer that grows talent and as a great place to work.

Tāngata 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.

Our values

Our values, developed by our people, focus our efforts, and are used internally and externally to guide us.



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.

Te Aho Kura – Māori Cultural Capability Plan 2023–2026

In 2023, the Māori Advisory Team commenced a refresh of Te Aho Kura. Te Aho Kura is our bespoke Māori Cultural Capability Plan introduced in 2019 in response to the State Sector Act Reform: Te Ao Tūmatanui – strengthening the Māori/Crown relationship.

The name, *Te Aho Kura*, translates to 'the special thread' in reference to weaving. Te Aho Kura aims to weave its three core values: Mātauranga (cultural knowledge and skills), Manaakitanga (empathy and understanding), and Mahitahi (effective partnership) throughout the entire Agency.

The delivery and reporting of Te Aho Kura are guided by the Whāinga Amorangi plan, Te Arawhiti's *multi-year cross-agency work programme designed to lift the Māori/Crown relations capability of the public service*.

Te Aho Kura primarily focuses on building staff knowledge and capability in Te Reo Māori, New Zealand History/Treaty of Waitangi, Tikanga/Kawa, Engagement with Māori, and how we apply these to our work.

We continued initiatives such as weekly waiata sessions, learning and applying karakia, and supporting staff to attend Te Arawhiti *Engagement with Māori* workshops.

Building our capability

Performing together through Ngā Tahī

Ngā Tahī means ‘together’ or ‘as one’, acknowledging that we grow together, as individuals, managers, teams and an organisation. Ngā Tahī, 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 Tahī 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 and leadership; and capability.

Building our resourcing

During the year, we continued to plan for new resourcing to support the transition to the Social Investment Agency and support the new functions and roles that the Agency will have.

Our diversity, equity, and inclusion

We are committed to building an inclusive and equitable workplace, and having a workforce that reflects the growing diversity of Aotearoa New Zealand.

To make a difference for New Zealanders we need diverse thinking, backgrounds, and experiences. We also need an inclusive culture where people are valued, respected, and supported to reach their potential and contribute to our mahi.

During 2023/24, our diversity and inclusion working group, Tātou, led the development and implementation of our Diversity, Equity, and Inclusion Plan (DEI Plan). Our DEI Plan sets out our commitment to meeting the Public Service Kia Toipoto Action Plan, the Papa Pounamu priority areas, and the four-point plans for rainbow people and tāngata whaikaha Māori and disabled people.

In the development of our DEI Plan, we considered the impact we had made from implementing our 2022/23 Kia Toipoto Action Plan and the Papa Pounamu priority areas. 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. Because of this, we used other information such as our workforce profile, trends, people data, and recruitment statistics, to measure impact. While we made good progress, although we identified more things we wanted to do to build on our existing work, with a priority focus of recruiting for diversity. During 2023/24 we had lower turnover than expected so we had fewer opportunities for this. This is likely to remain a priority for us when we review our plan during the 2024/25 year.

Our [DEI plan](#) can be found on our website (sia.govt.nz).

Health, safety, and wellbeing

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

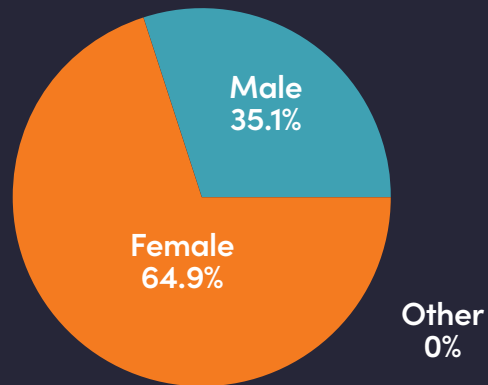
We support our people to have a meaningful work-life balance, to proactively look after their physical and mental wellbeing, to increase their sense of belonging through employee-led networks, and to seek professional support through our employee assistance programme.

Our people by numbers

Staff numbers

37 The Agency had 37 permanent and fixed-term staff as at 30 June 2024. Our demographic profile is similar to the previous year. We continue to encourage staff to include demographic information in their HR profile.

Gender



Ethnicity



*We have not reported percentages that are low to protect our people's privacy

** People may have multiple ethnicities, resulting in a percentage total exceeding 100%

Carbon neutral reporting

Work towards carbon neutrality

Our Agency continued to work towards minimising our carbon footprint and environmental impact in 2023/24.

Our success in reducing carbon emissions

We gather and prepares data on carbon emitted in the course of our work. Our emissions are compared against the reduction targets set in our base year. We also assess patterns and trends.

Total annual emissions 2023/24

Our Agency's carbon emissions (refer to Table 1) were externally verified in September 2024.

The Agency met its carbon emissions reduction targets in 2023/24, with 33.982 tonnes of carbon emitted in the course of our work. This is a reduction from the first year of reporting ("base year") of around 70 percent.

SWA's 2023/24 result is an overall reduction against the base year of 67.938 tonnes of carbon.



Table 1: Social Wellbeing Agency's emissions by source, scope and category 2023/24

Source	Scope	Totals by scope	Emissions (kgs/ carbon)
Gas used	1	8,757	8,757
Electricity used	2	2,501	2,350
Water	2		151
Gas losses	3		325
Staff commute	3		18,671
Working from home	3		372
Staff mileage	3		0
Taxi use	3		139
Rental cars	3		19
Domestic air travel	3	22,725	954
International air travel	3		0
Domestic accommodation	3		27
International accommodation	3		0
Waste water	3		1,687
Electricity losses	3		348
Waste to landfill	3		182
Total annual emissions			33,982

As at 30 June 2024, SWA had 35.9 full time equivalent staff (FTEs), and a headcount of 37. Based on that headcount, this equates to 918 kilograms of carbon per person for the year, down from 1,295 for 2022/23, 874 for 2021/22 and 2,912 for the base year.

With expenditure for 2023/24 of \$7.538 million, SWA's emissions intensity for the year was 4.508 tonnes of carbon per million dollars of expenditure.

Table 2: Emissions intensity by headcount and by expenditure

	Base year	2021/2022	2022/23	2023/24
Headcount	35	32	35	37
Expenditure (\$m)	10.318	6.843	7.164	7.539
Emissions intensity				
Emissions per person (kg/carbon)	2,912	874	1,294	862
Emissions per \$m of expenditure (kg/carbon)	9,877	4,084	6,324	4,508

2025 and 2030 gross emissions reduction targets

Our original Carbon Emissions Inventory and Reduction Plan detailed our required carbon reduction targets against the base year. These overall targets were:

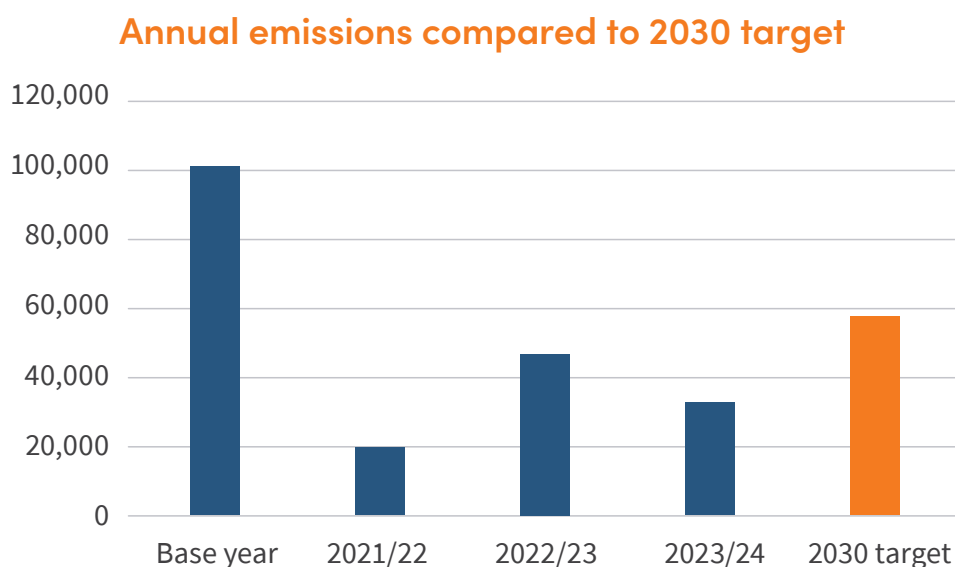
- a reduction in gross emissions of 21 percent by 2025 (to 80.52 tonnes per annum)
- a reduction in gross emissions of 42 percent by 2030 (to 59.16 tonnes per annum)

In our base year, we emitted more than 101 tonnes of carbon in the course of our work. The 2023/24 year result of 33.983 tonnes of carbon is a reduction from the base year of around 70 percent.

Our Agency remains committed to reducing our overall carbon emissions by 42 percent by 2030. This equates to an overall reduction of 43.4 tonnes per annum against the base year, resulting in total carbon emissions of not more than 59 tonnes per annum by 2030.

As shown in Figure 1 below, we have achieved such a reduction in all subsequent years.

Figure 1: Annual emissions compared to the 2030 reduction target



We have achieved this by particularly focusing on the following three carbon reduction activities:

- reducing our air travel
- reducing our electricity use
- reducing our waste to landfill

As shown below, the 2023/24 results for all three of these activities demonstrate a significant achievement against the 2030 targets.

Table 3: Top three emissions reduction targets

Reduction measure	Base year result	2021/22 result	2022/23 result	2023/24 result	2030 target
Minimise air travel	75.26	21.88	51.48	0.95	39.86
Reduce electricity use	3.16	3.34	3.23	2.35	2.84
Reduce waste to landfill	0.34	0.34	0.46	0.18	0.24

Our 2023/24 carbon data excludes the following emissions sources:

- Refrigerant. SWA owns two small domestic fridges and the emissions from these are *de minimis*.
- Fleet vehicles. SWA does not own any vehicles.
- Freight. SWA's operation and location mean emissions for this are also *de minimis*.

Our challenges

Our Agency remains a low carbon emitter. Some carbon emissions sources cannot be controlled by the Agency. These include those related to our premises being a privately-owned building that is not environmentally rated, such as gas used for heating, water use and some electricity use.

Carbon reduction planning

In planning our carbon emissions reduction work, we maintain a pragmatic, realistic but still ambitious approach that aligns with the wider government goal of a reduction in carbon emissions of 42 percent by 2030 against our base year emissions.

Our achievements to date reflect that.

We are mindful that achievement has to be consistent. We are therefore planning to maintain our efforts in order to continue these results to 2030 and beyond.

He kupu mō ngā mahi o te tau | Social Wellbeing Agency Statement of Performance for the year ended 30 June 2024

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.

What does this appropriation intend to achieve?

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.

Expenses and revenue

2023 Actual \$000		2024 Actual \$000	2024 Budget \$000	2024 Supp Estimates \$000	2025 Budget \$000
7,164	Total Expenses	7,539	6,758	7,682	n/a
7,181	Revenue Crown	6,758	6,758	6,758	n/a
0	Revenue Department	842	0	924	n/a
7,181	Total Revenue	7,600	6,758	7,682	n/a

Assessment of performance

Performance measure	Final budgeted standard 2023/24	Actual prior year (2022/23)	Actual 2023/24
The satisfaction rating given by the Minister for the quality and timeliness of advice.	At least 70%	100%	56%
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	100%	100%
The quality of our advice (as assessed annually using the Policy Project guidelines)	At least 75%	N/A (new measure)	3.3 out of 5 90% of papers assessed scored 3 or higher
Our insights are shared widely (as measured by our publications, presentations, and social media).	At least 6 publications per year	N/A (new measure)	9 publications

Measurement approach

- The information collected is consistent with the reporting requirements for the output expense budget standards as set out in Vote Public Service 2023/24, although it differs from the guidance provided by the Department of Prime Minister and Cabinet (DPMC) for scoring the ministerial satisfaction survey.
- For information on how the quality of our advice is assessed, please see: [Policy Quality Framework: A guide on panels and processes for assessing policy advice papers \(dpmc.govt.nz\)](https://dpmc.govt.nz/policy-quality-framework)
- These measures have been selected as the most effective ways to capture the provision of cross-system advice.
- The Agency's work programme and organisational priorities are set out in the annual business plan and agreed with the Minister.



Statement of Responsibility

I am responsible, as Acting Chief Executive of the Social Wellbeing Agency as at 30 June 2024 and Acting Chief Executive of the Social Investment 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.



Dr Craig Jones

Acting Chief Executive, Te Tumu Whakahaere
Social Investment Agency, Toi Hau Tāngata

Date: 4 October 2024

PŪRONGO- Ā-TAU ANNUAL REPORT

Mō te mutunga o te tau i te
30 o ngā rā o Pipiri 2024

**For the year ended
30 June 2024**



Te Kāwanatanga o Aotearoa
New Zealand Government