

Vote Public Service

APPROPRIATION MINISTER(S): Minister for Social Development and Employment (M63), Minister for the Public Service (M66)

DEPARTMENT ADMINISTERING THE VOTE: Public Service Commission (A36)

RESPONSIBLE MINISTER FOR PUBLIC SERVICE COMMISSION: Minister for the Public Service

Overview of the Vote

The Minister for the Public Service is responsible for appropriations in Vote Public Service for the 2023/24 financial year covering:

- a total of over \$36 million to support decision-making by Ministers on Government policy matters and leading the Public Management System to ensure that the Public Service is collectively responsible and works together
- a total of \$4 million to support the strengthening of the public sector in Pacific Island countries and territories through the establishment and delivery of Public Service Fale
- a total of nearly \$19 million for the remuneration and related employment costs of chief executives employed by the Commission
- a total of \$200,000 for payments associated with New Zealand's membership of the Open Government Partnership, and
- a total of \$540,000 for departmental capital expenditure for minor furniture and IT replacements.

The Minister for Social Development and Employment is responsible for appropriations in Vote Public Service for the 2023/24 financial year covering a total of nearly \$7 million for the provision of strategic cross-system advice and support, creating insights, tools, and practices in order to implement the social wellbeing approach to support and further the long-term wellbeing of New Zealanders.

Details of these appropriations are set out in Parts 2-4.

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
Leadership of the Public Management System (M66) (A36) 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.	46,606	44,189	36,400
Public Service Fale (M66) (A36) 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.	-	-	4,000
Supporting Implementation of a Social Wellbeing Approach (M63) (A36) 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.	7,181	7,082	6,758
Total Departmental Output Expenses	53,787	51,271	47,158
Departmental Capital Expenditure			
Public Service Commission - Capital Expenditure PLA (M66) (A36) This appropriation is limited to the purchase or development of assets by and for the use of the Public Service Commission, as authorised by section 24(1) of the Public Finance Act 1989.	1,194	1,194	540
Total Departmental Capital Expenditure	1,194	1,194	540
Non-Departmental Other Expenses			
Open Government Partnership (M66) (A36) This appropriation is limited to payments associated with New Zealand's membership of the Open Government Partnership.	200	200	200
Remuneration and Related Employment Costs of Chief Executives (M66) (A36) This appropriation is limited to the remuneration and costs relating to the employment of chief executives employed by the Public Service Commissioner.	18,621	17,389	18,617
Total Non-Departmental Other Expenses	18,821	17,589	18,817
Total Annual Appropriations and Forecast Permanent Appropriations	73,802	70,054	66,515

Capital Injection Authorisations

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Public Service Commission - Capital Injection (M66) (A36)	328	328	-

Supporting Information

Part 1 - Vote as a Whole

1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2022/23 Final Budgeted \$000	2023/24 Budget \$000	2024/25 Estimated \$000	2025/26 Estimated \$000	2026/27 Estimated \$000
Increased costs for delivering the outputs provided by the appropriation - Public Service Commission	Leadership of the Public Management System Departmental Output Expense	428	-	-	-	-
Total Initiatives		428	-	-	-	-

1.2 - Trends in the Vote

Summary of Financial Activity

	2018/19	2019/20	2020/21	2021/22	2022/23		2023/24			2024/25	2025/26	2026/27
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Final Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	43,543	44,673	45,969	46,330	53,787	51,271	47,158	-	47,158	43,840	43,781	43,781
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	15,167	15,538	15,450	18,483	18,821	17,589	-	18,817	18,817	18,837	18,845	18,845
Capital Expenditure	1,867	654	822	584	1,194	1,194	540	-	540	423	367	100
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>Capital Expenditure</i>	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Appropriations	60,577	60,865	62,241	65,397	73,802	70,054	47,698	18,817	66,515	63,100	62,993	62,726
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	14,574	14,768	14,900	17,712	18,672	17,298	N/A	18,668	18,668	18,688	18,696	18,696
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Crown Revenue and Capital Receipts	14,574	14,768	14,900	17,712	18,672	17,298	N/A	18,668	18,668	18,688	18,696	18,696

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered. In this instance Total Appropriations for the Budgeted and Estimated Actual year may not equal Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations in the Details of Appropriations and Capital Injections.

Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

There have been no restructuring adjustments to prior year information in the Summary of Financial Activity table.

1.3 - Analysis of Significant Trends

Details of significant movements within each appropriation type are detailed below:

Appropriations

Output Expenses

Output expenses have slowly been trending upwards between 2018/19 and 2021/22. This is the result of two competing trends. The Leadership of the Public Management System has increased significantly in this time period (from \$30 million to \$39 million) resulting from new functions (such as the Public Service Fare, Employee Led Networks team and the Clerical and Administration Pay Equity Claim) and successive budget bids to ease the Commission's ongoing cost pressures. This increasing trend is offset by the Social Wellbeing and Implementation appropriation decreasing over the same time period (from \$12 million to \$7 million). This decrease is due to the completion of the Data Exchange, which was a significant project with time-limited funding.

The increase in 2022/23 is largely due to the Pay Equity Centre of Excellence which began in 2021/22 but was not fully operational until 2022/23. Furthermore, funding was received in both Budget 2022 (\$900,000 to deliver on the Commission's core functions, system leadership and Government expectations) and Budget 2023 (\$428,000 to cover Commission cost pressures).

The 2023/24 budget has decreased back to \$45 million. This is largely the result of the Clerical and Administration Pay Equity Claim coming to a close.

The forecast is for the budget to drop by \$3 million in 2024/25 as this is when the time-limited funding for the Pay Equity Centre of Excellence ends.

Other Expenses

The increases in actual spend from 2018/19 to 2021/22 reflects the increase in the number of chief executives as a result of the increasing number of agencies.

The actuals for 2020/21 were lower than would otherwise be anticipated due to chief executives accepting a 20% pay reduction for 6 months during COVID-19.

The actuals for 2021/22 are \$3 million higher due to the Government decision around the establishment of two new agencies, as well as chief executive salaries returning to their normal amounts.

The budget in 2022/23 and out-years is relatively constant. These numbers are higher than 2018/19 to 2020/21 due to:

- an adjustment to the appropriation to better align the appropriation with the current cost of chief executives
- a Government decision to establish new agencies which has increased the number of chief executives, and
- the inclusion of a contingency component to allow for unplanned expenditure relating to chief executives.

Capital Expenditure

Capital expenditure was significantly higher in 2018/19 because of the Commission leaving the Central Agencies Shared Services arrangement and purchasing its own IT hardware and infrastructure.

Capital Expenditure from 2019/20 to 2021/22 reflects:

- growth in size over recent years (with a resultant need for more floor space and IT equipment), including the acquisition of the Leadership Development Centre, Public Service Fale, Clerical and Administration Pay Equity team, Employee Led Networks and the Social Wellbeing Agency and their respective capital costs, and
- undertaking a unified communications project to allow the Commission to be fully flexible in its approach to work.

The increased capital expenditure in 2022/23 is due to the data transformation and digital platform projects being undertaken within the Commission.

2023/24 and out-years reflects the usual levels of forecast capital expenditure.

Crown Revenue and Capital Receipts

Non-Tax Revenue

The increase between 2018/19 and 2020/21 reflects the increasing costs of chief executives, as this revenue relates to the recovery of chief executive salaries.

The increase in 2021/22 relates to recovery of one-off cost budgeted around government's decision for establishment of new agencies and alignment to current chief executive remuneration.

The forecast in out-years is reflective of the contingency built into the baseline reflecting the possibility of unplanned expenditure relating to chief executives (mentioned above).

1.4 - Reconciliation of Changes in Appropriation Structure

2022/23 Appropriations in the 2022/23 Structure	2022/23 (Current) \$000	Old Structure		New Structure		
		Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2022/23 Appropriations in the 2023/24 Structure	2022/23 (Restated) \$000	2023/24 \$000
Leadership of the Public Management System	46,606	Transferred from Leadership of the Public Management System to Public Service Fale	4,558	Leadership of the Public Management System	42,048	36,400
		Transferred to Public Service Fale	(4,558)	Public Service Fale	4,558	4,000
Total Changes in Appropriation	46,606		-		46,606	40,400

Explanations of the reasons for changing the appropriation structure are noted in the details of each appropriation in Parts 2-4.

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Leadership of the Public Management System (M66) (A36)

Scope of Appropriation

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.

Expenses and Revenue

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	46,606	44,189	36,400
Revenue from the Crown	32,248	32,248	31,085
Revenue from Others	14,358	12,632	5,315

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve a higher performing public sector through delivery of policy advice and leadership of the public management system by ensuring that the Public Service is collectively responsible and works together, learning what works best and using it to improve performance for customers and having the people, institutions and approach to respond effectively to the needs of New Zealanders today and in the future.

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Strategy and Policy			
The Strategy and Policy group designs and drives the Public Service of the future. This is achieved through maintaining a reputation for delivering first class advice to the Government of the day, development of public policy, strategy, research and data analytic skills, a rich understanding of the machinery of government and development of innovative, data and evidence driven approaches that enhances the future performance of public services.			
Technical quality of policy advice papers assessed using the Policy Quality Framework (see Notes 1 and 2).	70%	70%	70%
Minister for the Public Service has satisfaction with policy advice (see Notes 1 and 3).	80%	80%	80%
The Kiwis Count trust and confidence survey is run by the Commission with reporting provided quarterly that identifies the public's perceptions and experiences of trust and confidence in public services (see Notes 4 and 5).	Published month following the survey collection	Achieved	Published month following the survey collection

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Respondents in the Kiwis Count trust and confidence survey agree, or strongly agree that, based on their last service experience, they could trust public servants to do what is right (see Notes 4 and 6).	80%	82%	80%
The Commission collects and publishes Public Service workforce data annually.	Published no later than 15 December	Achieved	Published no later than 15 December
Integrity, Ethics and Standards			
The Integrity, Ethics and Standards group leads the Public Service in promoting and protecting open government and trusted, high-integrity public services. To do this, they support Public Service values, promote open government, provide guidance and advice on integrity matters, and set standards of conduct and behaviour. Where necessary, they undertake inquiries into matters of integrity and conduct. Their work also includes recognising and promoting the spirit of service awards.			
The Commission develops and oversees the implementation of the Open Government Partnership (OGP) National Action Plan. A National Action Plan and associated End-of-Term Self Assessment is published in accordance with OGP requirements (see Notes 7 and 8).	Achieved	Achieved	Achieved
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.	Achieved	Achieved	Achieved
The Commission recognises the contribution of public servants through the coordination of annual awards and recognition events by recognising and publicising the recipients within one month of the medal's award.	100%	100%	100%
System and Agency Performance			
The System and Agency Performance group brings together strategy and implementation to progress system change. They have responsibility for some of the Commission's key levers for improving performance across the Public Service. The group works provides an information source to assess the progress of system change, identify the challenges ahead, and to throw a spotlight on what's working well. This group leads the recruitment and reappointment of Public Service chief executives by the Public Service Commissioner and manage the appointment of a number of other senior executives on behalf of Ministers. The group also manage the day-to-day care of chief executives on behalf of the Commissioner.			
The Commission works with Public Service chief executives to agree individual development plans (see Note 9).			
<ul style="list-style-type: none"> 100% of chief executives have an agreed development plan. 	100%	100%	100%
A succession plan is developed for the chief executive position of Public Service agencies (see Note 9).			
<ul style="list-style-type: none"> 100% of chief executive positions have a succession plan. 	100%	100%	100%
The Commission reports the remuneration of Public Service chief executives every financial year.			
<ul style="list-style-type: none"> 100% of all chief executive remuneration published. 	100%	100%	100%
The Commission meets its statutory requirements for appointment, reappointment and transfer of Public Service chief executives (see Notes 10 and 11).			
<ul style="list-style-type: none"> 100% of appointment, reappointment and transfer of Public Service chief executives meets statutory requirements. 	100%	100%	100%

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
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 (see Note 12).			
<ul style="list-style-type: none"> 100% of agreed performance expectations include a requirement to strengthen Māori Crown Relationships. 	100%	100%	100%
Leadership, Diversity and Inclusion			
The Leadership, Diversity and Inclusion group supports and leads the system's priorities to strengthen leadership across the Public Service, improve workforce diversity, foster inclusive workplaces, and support the Crown in its relationship with Māori under te Tiriti o Waitangi the Treaty of Waitangi. The group focuses on Public Service leaders and their development and supports the diversity, equity and inclusion work programme.			
The Commission strengthens Public Service leadership through the Leadership Development Centre (LDC), the annual Public Service Leaders' Summit, and supporting career boards (see Note 13).			
<ul style="list-style-type: none"> All Public Service Departments are members of LDC (see Note 14). 	100%	100%	100%
<ul style="list-style-type: none"> At least 500 are invited to the annual Public Service Leaders' Summit (see Note 15). 	500	1,244	500
<ul style="list-style-type: none"> At least 90 active members across all career board cohorts (see Note 16). 	90	120	90
The Commission through the Leadership Development Centre strengthens leadership practices by delivering Te Putenga Leadership in Practice.			
<ul style="list-style-type: none"> Participants of Te Putenga Leadership in Practice programme agree or strongly agree it made me an effective leader (see Note 17). 	80%	80%	80%
Workforce, Employment, and Equity			
The Workforce, Employment and Equity group leads the workforce strategy to ensure the Public Service is an exemplar employer and is responsible for strategic employment relations across the system and delivering workforce policy advice to the government of the day. The group leads dedicated Taskforces with actions to reduce inequity. Reducing gender, Māori, Pacific and ethnic pay inequity is a government priority. Closing pay gaps and progressing pay equity is an important driver to ensure the Public Service is reflective of the communities we serve. Increased diversity and inclusion helps the Public Service to deliver better outcomes and services and strengthens public trust and legitimacy.			
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 (see Note 18).	100%	100%	100%
The Commission provides services, support, and resources through the Pay Equity centre of excellence (Pay Equity Taskforce) (see Notes 18, 19 and 20).	80%	80%	80%
The Commission develops workforce guidance to support agencies and entities to implement Kia Toipoto Public Service Pay Gaps Action Plan 2021-24 (see Notes 18 and 21).	Achieved	Achieved	Achieved

Note 1 - These are measures of quality and are a requirement under the policy project led by Department of Prime Minister and Cabinet. The Minister for the Public Service is surveyed to assess satisfaction with the Commission's policy advice received during the financial year. The quality of our policy advice to the Minister demonstrates our commitment to accountability and transparency and leadership of the public management system, which enable better outcomes and services, and trust and confidence in the Public Service.

Note 2 - Policy advice provided by the Commission is reviewed by a panel in accordance with the guidance for assessment panels in the Policy Quality Framework. Papers are independently scored by panel members, and moderated through, before arriving at an overall score. The Commission looks at a random selection of papers, adjusted to ensure spread across business groups, of all policy papers provided to Ministers. This includes policy briefings, Cabinet papers, and related/similar material.

Note 3 - The Minister for Public Service is surveyed to assess satisfaction with policy advice provided during the reporting period. Policy advice papers provided to the Minister for Public Service for presentation to, and endorsement by, Cabinet. The rating measures Ministers' satisfaction on a scale from 1 to 10, where 1 means unsatisfied and 10 means extremely satisfied. Internal assessment of the quality of the Commission's policy advice is based on a five-point scale: 1 = Unacceptable; 2 = Poor; 3 Acceptable; 4 = Good; 5 = Outstanding.

Note 4 - These are measures of timeliness and quality. The Kiwis Count survey provides reliable reporting on trust and confidence in the Public Service. These measures determine 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.

Note 5 - Kiwis Count participants are selected from names on the electoral roll. Approximately 500 people will take part every three months and around 2,000 every year. The nationwide survey asks New Zealanders about their experiences using public services, how they have been treated when using those services and how they rate the quality of the services they have used. Results from individual services are then aggregated up to give overall scores of service quality and trust in public services. Kiwis Count surveys are publicly available on the Commission's website.

Note 6 - The Kiwis Count survey includes a large question set. All respondents who confirm they have 'used or had contact with a public service organisation' within the last 12 months receive the question with regard to the public service "Overall, you can trust them to do what is right". Respondents provide a numeric response on a 1-5 scale (1 = strongly disagree, 5 = strongly agree). The scale also has an 'N/A' option. Respondents who select 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 are collated by the Commission and the proportion of respondents who have selected 4 or 5 are reported.

Note 7 - Open government is about strengthening democracy, building trust, and improving wellbeing. The Open Government Partnership (OGP) is an international agreement by governments to create greater transparency, increase civic participation and use new technologies to make their governments more open, effective, and accountable. New Zealand joined the OGP in 2013, and the Commission leads New Zealand's interests on behalf of the Government. A National Action Plan (NAP) is a key deliverable and is an aggregation of commitments to be delivered during the plan implementation period. The journey to develop the fourth New Zealand Plan began in 2019, including public consultation and engagement. Information Further information about the NAP can be found by visiting the OGP New Zealand website.

Note 8 - Open Government Partnership (OGP) National Action Plans are published by the Commission. The date of publication is dependent on a number of factors but occurs prior to the period to which the plan relates to. Whilst publication date will vary for each plan, in years where no plan is published, the

Commission can report progress towards the completion of the priorities articulated in the plan. The OGP is an independent body that defines the requirements for participation. These requirements are published on their website: www.opengovpartnership.org The OGP Independent Review mechanism publishes its reports on the development and content of the Commission's plan (Design Report) and on the implementation of the Commission's plan after it is completed (End-of-Term Report).

Note 9 - These measures focus on developing chief executives and their replacements to ensure a pipeline of capable high-performing people for senior leadership roles in the Public Service. Ensuring capable leadership delivers better outcomes and services across the Public Service and enables the Public Service to be prepared to meet future challenges.

Note 10 - 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 our 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.

Note 11 - This is a measure of quality. The Commission retains evidence of compliance with each of the requirements which 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 of the requirements consolidated into one 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 in council 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 the compliance within the sample used to indicate compliance across all appointments.

Note 12 - This is a measure of quality. 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.

Note 13 - The Leadership Development Centre (LDC) is the primary vehicle for system-wide leadership development. LDC works in partnership with Public Service agencies to design and implement common core development. These measures through 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. 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. Career Boards collectively focus on creating a strong, diverse, and inclusive pool of senior public service leaders so they are better prepared to lead the Public Service into the future and promotes our diversity and inclusion goal, ensuring our leadership is reflective of the communities we serve.

Note 14 - Public Service departments pay a membership subscription to the LDC. Membership of the LDC includes all organisations defined as Public Service departments under the Public Service Act 2020.

Note 15 - 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).

Note 16 - Established practice is to record Career Board cohort members as 'Active', 'Wider', or 'Wider-Development network'. The Active Cohort is recorded in the Commission's information systems and the size of the Active Cohort is reported quarterly. At the end of the reporting period, the Commission's information systems will be interrogated to validate that there are at least 90 active members across the four career boards.

Note 17 - This is a measure of quality, aligned to our role in developing leadership capability. The LDC facilitates the flagship 9-month development programme - Te Putenga | 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 support three programmes during the reporting year. Evaluations are conducted after each cohort. The Commission requests respondents provide a numeric response on a 1-5 scale (1 = strongly disagree, 5 = strongly agree). Respondents who select a rating of 4 or 5 on the scale, agree or strongly agree Te Putenga made me an effective leader. Evaluations are conducted after each cohort. Responses are collated by the Commission and the proportion of respondents who have selected 4 or 5 are reported.

Note 18 - Kia Toipoto | Public Service Pay Gaps Action Plan 2021-24 is a comprehensive set of actions to help close gender, Māori, Pacific and ethnic pay gaps in the Public Service. By putting Kia Toipoto into action, agencies can achieve the expectations set out in the Public Service Act 2020 and the Government Workforce Policy Statement 2021. These require the Public Service to be a good employer and close gender and ethnic pay gaps. Pay equity is about ensuring that everyone's work is valued based on their skills, responsibilities and experience, as well as the effort it requires. The Equal Pay Act 1972 makes it clear that equal pay and pay equity are legal requirements. Pay equity settlements are powerful vehicles for closing gender, Māori, Pacific and ethnic pay gaps. Together, these measures support the Public Service closing pay gaps and progressing pay equity. It is an important driver to ensure the Public Service is reflective of the communities we serve. Increased diversity and inclusion helps the Public Service to deliver better outcomes and services and strengthens public trust and legitimacy. Each agency's Pay Gaps Action Plan is published on their respective website this can be reconciled with the list of Public Service agencies and entities. The Commission separately reports on trends and progress toward closing gender, Māori, Pacific, and ethnic pay gaps through its workforce data and annual report.

Note 19 - The Pay Equity Taskforce is a dedicated centre of excellence responsible for developing and leading best practice guidance, support and advice on the pay equity process and claims. The Taskforce considers issues that have system-wide implications particularly when aspects of the legislation are being tested in court. We also provide system guidance and advice to Ministers and to agencies, businesses, and the community sector on pay equity claims and the pay equity process. The taskforce also provide educational webinars and workshops to increase the understanding of the pay equity in Aotearoa New Zealand.

Note 20 - This measure rates the quality of services, support and resources received by external stakeholders in the last 12 months by the Pay Equity Taskforce. The Commission requests all external stakeholders who confirm they have used or had contact with the Pay Equity Taskforce within the last 12 months to complete an annual survey. The survey includes 9 questions seeking feedback on the performance of the Pay Equity Taskforce over the period March 2022-March 2023. Respondents select from a range of options (excellent, very good, good, fair, poor). Responses are collated by the Commission and the proportion of respondents who have selected very good or excellent are reported.

Note 21 - This is a measure of quality. It was selected because it demonstrates how workforce guidance is developed and published for release, working collaboratively with the working group, Te Whakapiri, representing the Commission, Public Service Association, Ministry for Women, Ministry for Pacific Peoples, Ministry for Ethnic Communities, and employee led networks. The consultation process for developing guidance involves a series of actions, including who is involved, and signed off accordingly by the Deputy Commissioner, Workforce, Employment and Equity (the Commission) and by the National Secretary of the Public Service Association. The Commission separately reports on trends and progress

toward closing gender, Māori, Pacific, and ethnic pay gaps through its workforce data and annual report. This measure is anticipated to change in 2024/25 following the conclusion of Kia Toipoto and may be replaced with a new measure to reflect a more general set of workforce guidance.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Public Service Commission in the 2023/24 Annual Report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2022/23 Final Budgeted \$000	2023/24 Budget \$000	2024/25 Estimated \$000	2025/26 Estimated \$000	2026/27 Estimated \$000
Increased costs for delivering the outputs provided by the appropriation - Public Service Commission.	2022/23	428	-	-	-	-
Delivering on the Public Service Commission's core functions, system leadership and Government expectations.	2022/23	900	900	900	900	900
Continuing to deliver on the Commission's core functions, system leadership and Government expectations.	2022/23	2,000	2,000	2,000	2,000	2,000
Delivering on the Public Service Commission's core functions, system leadership and Government expectations.	2021/22	1,622	1,622	1,622	1,622	1,622
Establishing a Pay Equity Centre of Excellence.	2021/22	3,000	3,000	-	-	-

Reasons for Change in Appropriation

The decrease in this appropriation for 2023/24 is due to:

- a decrease of \$5.043 million reflecting one-off revenue received from departments and other parties in 2022/23. The largest of these are:
 - \$2.230 million due to the Clerical and Administration Pay Equity Claim coming to an end
 - \$604,000 in agency contributions to the Leadership Development Centre, and
 - \$458,000 due to a reduction in the number of external secondments
- a decrease of \$4 million due to establishing a new appropriation for the Public Service Fale where the funding for the Fale was previously held in the Leadership of the Public Management System appropriation
- a decrease of \$735,000 reflecting one-off expense transfers from 2021/22 to 2022/23 due to delays in resourcing the Pay Equity Centre of Excellence and in the recruitment of chief executives
- a decrease of \$428,000 reflecting a one-off increase in 2022/23 to support outputs and activities delivered by the appropriation.

Memorandum Account

	2022/23		2023/24
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Leadership Development Centre			
Opening Balance at 1 July	942	942	1,098
Revenue	3,500	3,849	3,500
Expenses	(3,500)	(3,693)	(3,500)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	942	1,098	1,098

	2022/23		2023/24
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Employee Led Networks			
Opening Balance at 1 July	-	-	83
Revenue	626	741	741
Expenses	(626)	(658)	(741)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	0	83	83

Public Service Fale (M66) (A36)*Scope of Appropriation*

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.

Expenses and Revenue

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	4,000
Revenue from the Crown	-	-	-
Revenue from Others	-	-	4,000

Comparators for Restructured Appropriation

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Vote, Type and Title of Appropriation			
Vote Public Service Departmental Output Expense: Leadership of the Public management System	4,558	3,917	-
Total	4,558	3,917	4,000

What is Intended to be Achieved with this Appropriation

This appropriation is intended to strengthen Pacific public services to be more trusted, adaptable, results driven, gender inclusive, and people centred.

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The Public Service Fale works with Pacific Public Service Commissions to grow their capacity to deliver services for their citizens. The Fale serves 16 Pacific countries, providing advice, fostering relationship building and information exchange. The Fale's main priorities are enhancing digital connectivity, investing in leadership development, and strengthening governance. Through enhancements to FaleOnline and a secure online portal for Pacific Public Service Commissioners, the Fale provides access to training, information, and opportunities for collaboration and engagement.			
The Commission through the Public Service Fale supports relationship building and knowledge exchange between Pacific countries and territories.			
<ul style="list-style-type: none"> Pacific Public Service Commissioners and Pacific stakeholders who agree the Public Service Fale supports their goals and strengthens public services in their country (see Notes 1 and 2). 	New Measure	80%	80%
<ul style="list-style-type: none"> Fale governance meetings supported by the Public Service Fale. 	New Measure	3	3
The Commission through the Public Service Fale supports Pacific Public Service Commissioners to develop system leadership capability.			
<ul style="list-style-type: none"> 70% of Pacific public servants who have completed Public Service Fale leadership programmes / courses / webinars/ workshops would recommend future participation to a colleague. 	New Measure	70%	70%
<ul style="list-style-type: none"> 80% of participants agree the Public Service Fale mentoring programme improved leadership development (see Notes 3 and 4). 	New Measure	80%	80%

Note 1 - The Public Service Fale reports annually to the Ministry of Foreign Affairs and Trade (MFAT) as part of a Memorandum of Understanding (MOU) between MFAT and the Commission. The MOU sets out the overarching goal, intended outcomes, and outputs of the Fale.

Note 2 - This is a measure of quality. The MOU between MFAT and the Commission on progress towards outcomes requires an independent mid-cycle evaluation to understand whether the Fale is well positioned to achieve the goal, outcomes, and outputs as set out in the MOU. A key priority of the mid-cycle evaluation is to gather the perspectives of the Pacific Public Service Commissioners (PPSCs) and other key stakeholders on how the Fale has: Responded to the priorities and needs of the PPSCs; Been effective and efficient in the delivery of services and support. The time of the activity implementation to be evaluated is 20 February 2020-31 October 2022.

Note 3 - The Public Service Fale's nine-month mentoring programme matches Pacific public service leaders with mentors in New Zealand and the Pacific who work together to maximise mentees' skills and potential. The Commission provides the Public Service Fale outputs to the agreed specifications, though an MOU with the Ministry of Foreign Affairs and Trade.

Note 4 - The Commission requests respondents provide a response for the following questions: Your leadership capabilities; Your networking opportunities; Your communication skills; Your career planning; Your confidence; Your professional practice. Responses are collated by the Commission and the proportion of respondents who agree the Public Service Fale mentoring programme improved their leadership development are reported. The Public Service Fale completed its first mentoring programme during 2021/22. During 2022/23 a second cohort commenced, and a third cohort has been established.

Type of Change	Assessment of Performance	Reason for Change
New Measure	<p>The Commission through the Public Service Fale supports relationship building and knowledge exchange between Pacific countries and territories</p> <ul style="list-style-type: none"> Pacific Public Service Commissioners and Pacific stakeholders who agree the Public Service Fale supports their goals and strengthens public services in their country Fale governance / sub-regional Fono meetings supported by the Public Service Fale 	<p>The Public Service Fale reports annually to the Ministry of Foreign Affairs and Trade (MFAT) as part of a Memorandum of Understanding (MOU) between MFAT and the Commission.</p> <p>The MOU sets out the overarching goal, intended outcomes, and outputs of the Fale.</p> <p>The Fale's regional programmes are aligned with key priority areas and implemented via project workstreams, each of which are each led by senior Fale staff members.</p>
New Measure	<p>The Commission through the Public Service Fale supports Pacific Public Service Commissioner's to develop system leadership capability</p> <ul style="list-style-type: none"> Pacific public servants who have completed Public Service Fale leadership programmes / courses / webinars/ workshops would recommend future participation to a colleague Participants agree the Public Service Fale mentoring programme improved leadership development 	<p>The Public Service Fale reports annually to the Ministry of Foreign Affairs and Trade (MFAT) as part of a Memorandum of Understanding (MOU) between MFAT and the Commission.</p> <p>The MOU sets out the overarching goal, intended outcomes, and outputs of the Fale.</p> <p>The Fale's regional programmes are aligned with key priority areas and implemented via project workstreams, each of which are each led by senior Fale staff members.</p>

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Public Service Commission in the 2023/24 Annual Report.

Reasons for Change in Appropriation

The increase in this appropriation is due to establishing a new appropriation for the Public Service Fale where the funding for the Fale was previously held in the Leadership of the Public Management System appropriation.

Supporting Implementation of a Social Wellbeing Approach (M63) (A36)

Scope of Appropriation

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

Expenses and Revenue

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	7,181	7,082	6,758
Revenue from the Crown	7,181	7,181	6,758
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

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.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
The satisfaction rating given by the Minister for the quality and timeliness of advice (see Note 1)	At least 70%	70%	At least 70%
The percentage of key deliverables agreed with the Minister completed in accordance with organisational priorities and agreed standards will be no less than 85% (see Note 2)	85% or higher	85%	85% or higher
The quality of our advice (as assessed annually using the policy project guidelines) (see Note 3)	New Measure	New Measure	At least 75%
Our insights are shared widely (as measured by our publications, presentations, and social media presence) (see Note 4)	New Measure	New Measure	At least 6 publications per year

Note 1 - Ministerial satisfaction is measured using a survey with a range based on a five-point scale: 1 = Never; 2 = Some of the time; 3 About half the time; 4 = Most of the time; 5 = Always. All agencies are required to use this survey. SWA converts this to percentage rating.

Note 2 - The percentage of work completed as agreed by the Minister at the beginning of the year.

Note 3 - This is a new performance measure for 2023/24 reflecting the cabinet decision [CAB-19-MIN-0504] for the Agency to provide policy advice. This measure is to ensure the quality of our advice across the sector.

Note 4 - This is a new performance measure for 2023 /24 which has been included to demonstrate our ability to publish our work and share our insights making them available to the broadest audience.

Type of Change	Assessment of Performance	Reason for Change
New Measure	The quality of our advice (as assessed annually using the policy project guidelines).	This measure was chosen to track the quality of advice delivered by our policy function.
New Measure	Our insights are shared widely (as measured by our publications, presentations, and social media presence).	This measure was chosen to demonstrate our ability to publish our work and share our insights to add value across the sector.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Public Service Commission in the 2023/24 Annual Report.

Reasons for Change in Appropriation

The total decrease of \$423,000 in this appropriation for 2023/24 is due to expense transfers listed below from 2021/22 to 2022/23:

- \$208,000 to continue the refreshed work programme agreed by the Social Wellbeing Board which was delayed by COVID-19 related issues.
- \$115,000 to continue engagement with NGOs and diverse communities on Te Aorerekura: National Strategy for the Elimination of Family Violence and Sexual Violence.
- \$100,000 to fund support for the delayed Oranga Tamariki Action Plan and its implementation.

2.3 - Departmental Capital Expenditure and Capital Injections

Public Service Commission - Capital Expenditure PLA (M66) (A36)

Scope of Appropriation

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

Capital Expenditure

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	360	360	540
Intangibles	834	834	-
Other	-	-	-
Total Appropriation	1,194	1,194	540

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the renewal and replacement of life-expired assets in support of the delivery of the Public Service Commission's services.

How Performance will be Assessed and End of Year Reporting Requirements

Expenditure will be in accordance with the Public Service Commission's capital asset management policy.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Public Service Commission in the 2023/24 Annual Report.

Reasons for Change in Appropriation

The decrease in this appropriation for 2023/24 is due to the completion of the data transformation and digital platform projects.

*Capital Injections and Movements in Departmental Net Assets***Public Service Commission**

Details of Net Asset Schedule	2022/23 Estimated Actual \$000	2023/24 Projected \$000	Explanation of Projected Movements in 2023/24
Opening Balance	6,799	7,127	
Capital Injections	328	-	
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	7,127	7,127	

Part 3 - Details of Non-Departmental Appropriations

3.4 - Non-Departmental Other Expenses

Open Government Partnership (M66) (A36)

Scope of Appropriation

This appropriation is limited to payments associated with New Zealand's membership of the Open Government Partnership.

Expenses

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	200	200	200

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve supporting the delivery of New Zealand's Open Government Partnership commitments.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under s.15D(2)(b)(ii) of the PFA, and additional performance information is unlikely to be informative because this appropriation is limited to payments associated with New Zealand's membership to the Open Government Partnership.

Remuneration and Related Employment Costs of Chief Executives (M66) (A36)

Scope of Appropriation

This appropriation is limited to the remuneration and costs relating to the employment of chief executives employed by the Public Service Commissioner.

Expenses

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	18,621	17,389	18,617

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve meeting remuneration and other employment costs for chief executives employed by the Public Service Commissioner, who leads the Public Service.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under s.15D(2)(b)(ii) of the PFA, and additional performance information is unlikely to be informative because this appropriation is solely for the remuneration and costs relating to the employment of chief executives employed by the Public Service Commissioner.