

Key features of different governance or entity forms

	Ministerial advisory committee	Statutory Officer	Functional chief executive	Departmental Agency	Department (including business units)	Inter-departmental executive board	Inter-departmental venture	Statutory Crown Entity	Company owned by the Crown	Officer of Parliament	Commission of Inquiry
Used for	External sector or technical advice.	Where statutory authority is needed to exercise specific functions or powers, without a whole agency needing them. Formalises independence of operational decision-making.	Leading on an important function within a department, or a system-wide function, where a full departmental agency is not required.	Clearly identifiable, ring-fenced departmental activity that doesn't need a stand-alone department.	Default form for executive government activities or advice.	Align policy, planning and budgeting around a problem that crosses agency boundaries.	Join up delivery of functions that would otherwise be delivered by separate agencies, or bring together resources to contribute to a specific activity or asset relevant to more than one agency.	Government operations at arm's length from Ministers: Crown Agent to deliver government policy Autonomous Crown Entity (ACE) has more defined autonomy Independent Crown Entity (ICE) for functions that must be seen to be free from ministerial control.	Activities which are mainly commercial in nature, although owned by the Crown for a policy reason.	Serves Parliament in holding executive to account.	Investigates a specific issue or area.
Establishment	Usually appointed by relevant minister with terms of reference and proposed membership taken through Cabinet (APH). Some Acts provide for ministerial advisory committees.	Under relevant legislation. Wide range of options exist for the degree of operational autonomy and lines of reporting which determine how this is established and configured.	Under Public Service Act 2020 – added to Schedule 5 by Order in Council.	Under Public Service Act 2020 – added to Schedule 2, Part 2 by Order in Council.	Under Public Service Act 2020 – added to Schedule 2, Part 1 by Order in Council. Some departments have specific legislation regarding their establishment, functions and/or powers (eg Te Puni Kōkiri, Department of Conservation).	Under Public Service Act 2020 – added to Schedule 2, Part 3 by Order in Council.	Under Public Service Act 2020 – added to Schedule 2, Part 4 by Order in Council.	Established under specific primary legislation, governed by that and Crown Entities Act 2004 (CEA). Schedule 1 of the CEA specifies any exemption from requirements under that Act.	Established under Companies Act 1993 plus: Crown entity companies – CEA (part 2). Can also have own Act (eg TVNZ, Radio NZ) Sch 4A companies – Public Finance Act 1989 (some CEA provisions also apply) Mixed ownership model companies – sch 5 Public Finance Act 1989. SOEs – State-Owned Enterprises Act 1986.	Established under specific primary legislation.	Royal commission and public inquiry both established by Order in Council under the Inquiries Act 2013. Government inquiry established by one or more ministers by notice in the Gazette.
Governing body	Minister, supported by department.	Officer reports to chief executive unless otherwise specified.	Functional chief executive	Chief executive	Chief executive	Board of chief executives	Board of participating chief executives	Board (ICE board members sometimes called Commissioners)	Board of director	Individual in the legislation (Auditor-General, Ombudsman, Parliamentary Commissioner)	Chairperson and inquiry members
Appointment of governing body	By minister through APH.	Officer appointed by chief executive unless otherwise specified.	By Public Service Commissioner, chief executive of host department on appointment panel.	By Public Service Commissioner, chief executive of host department on appointment panel.	By Public Service Commissioner.	By Public Service Commissioner, selected from chief executives of departments included in the Board's remit.	Board comprises chief executives of the relevant departments. Public Service Commissioner designates chairperson.	Crown Agent and ACE: By responsible minister. ICE: By Governor-General on recommendation of responsible minister (Parliament in case of Independent Police Conduct Authority).	Shareholding ministers (shareholding Crown entity/ies if a subsidiary).	By Governor-General on the recommendation of the House of Representatives.	Royal commission/public inquiry – Governor-General (likely on advice from ministers). Government inquiry – responsible ministers.

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Removal of governing body	By minister, usually at will	None (Officer removed by chief executive unless otherwise specified).	By Public Service Commissioner, with agreement of Governor-General, after consulting chief executive of host department.	By Public Service Commissioner, with agreement of Governor-General, after consulting chief executive of host department.	By Public Service Commissioner, with agreement of Governor-General.	Automatic when board is wound up and removed from the Schedule. The composition of the Board can be amended by the Public Service Commissioner.	Automatic when venture is wound up and removed from the Schedule. The composition of the Board (relevant departments) can be changed by Order in Council.	Crown Agent: By responsible minister (at minister's discretion). ACE: By responsible minister (for justifiable reason). ICE: By Governor General, for just cause, on responsible minister's advice after consulting Attorney-General.	Shareholders.	By Governor-General, upon an address from the House of Representatives.	By appointing authority (Governor-General or minister) for reasons of misconduct, inability to perform or neglect of duty.
Ministerial Power to direct on government policy (can never override statutory independence)	Minister determines or agrees work of body – usually in terms of reference	Department must give effect to any lawful instruction. The effect on the statutory officer depends on statutory functions.	Broad powers, functional chief executive must give effect to any lawful instruction.	Broad powers, departmental agency must give effect to any lawful instruction.	Broad powers, department must give effect to any lawful instruction.	Broad powers, interdepartmental executive board must give effect to any lawful instruction.	Broad powers, interdepartmental venture must give effect to any lawful instruction.	Crown Agent: must give effect to government policy when formally directed by responsible minister under CEA. ACE: must have regard when so directed ICE: no policy direction unless specified in own Act All subject to whole of government direction under s107 CEA.	Shareholder powers under Companies Act; Crown entity and Sch 4A companies can also be subject to whole of government direction under s107 CEA.	No ministerial power.	Only through the terms of reference established by the Government.
Relationship with department	Department provides secretariat support. Other aspects of working relationship defined in terms of reference. Committee is usually also a key source of expert/ stakeholder advice to the supporting department.	Normally an employee, who has ring-fenced responsibility for particular functions.	Functional chief executive hosted by a department. Working arrangements between functional chief executive and host to be agreed by the 2 chief executives and approved by Public Service Commissioner.	Legally part of host department. Operates within the host department's strategic intentions and financial management unless specified in the Schedule. Working arrangements agreed between the 2 chief executives and approved by Commissioner. Departmental agency chief executive has statutory delegation for all decisions regarding individual employees.	N/A	Close connection with servicing department. Board may delegate administrative tasks to servicing department.	Venture operates as a department (eg staff employed by Board, administers appropriations). Connected to relevant departments through chief executives on the board but is not hosted or serviced by these departments.	Monitoring department has statutory role to assist minister and perform specific monitoring functions. Agents often have close relationship with department in developing policy.	The Treasury monitors.	No legal relationship. Constitutionally separate.	Administering department (often Department of Internal Affairs as administering department for inquiries legislation) pays fees and organises budget and services for inquiry secretariat.

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Relationship with minister	Direct, although often in consultation with supporting department.	May have direct reporting line, for example the Commissioner of Crown Lands and the Valuer-General.	Responsible to the appropriate minister for their particular functions.	Departmental agency chief executive is directly responsible to the appropriate minister for the departmental agency's activities.	Department chief executive is directly responsible to the appropriate minister.	Members of the board are jointly responsible to the appropriate minister for the operation of the board.	Members of the board are jointly responsible to the appropriate minister for the operation of the venture.	Legally separate from the Crown. Operates at arm's length from minister. Minister will usually have meetings with board chair. Responsible minister's role prescribed in entity's own legislation and CEA.	Shareholding ministers responsible for providing constitution etc to Parliament.	Speaker of the House chairs Officers of Parliament Committee and is escalation point for issues.	Royal commissions / public inquiries are appointed by and report to the Governor-General, and the inquiry report is tabled in Parliament. Government inquiries are appointed by and report to a minister.
Accountability for day-to-day operations	Appointing minister.	Chief executive. Statutory officer is accountable for statutory decision making.	Functional chief executive.	Chief executive of departmental agency.	Department chief executive.	Board, but they may appoint a director (of a servicing unit) who is accountable to the board.	Board, but they may appoint a director who is accountable to the board.	Chief executive accountable to the board, which has ultimate accountability.	Chief executive accountable to the board, which has ultimate accountability.	No set structure. Each Officer of Parliament determines structure of the office.	Chairperson/head of inquiry.
Assessment of performance	Appointing minister.	Chief executive (Some independent statutory functions may not be subject to conventional performance review, for example the Chief Archivist).	Public Service Commissioner assesses performance of functional chief executive. Audited as part of host department and examined by Select Committee.	Public Service Commissioner assesses performance of chief executive; must consult the chief executive of host department. Audited as part of host department and examined by Select Committee.	Public Service Commissioner assesses performance of Chief Executive. Audited. Examined by Select Committee.	Public Service Commissioner assesses joint performance of chief executives of the board as part of individual performance assessment.	Public Service Commissioner assesses joint performance of chief executives of the board as part of individual performance assessment. Audited. Examined by Select Committee.	Board assesses performance of chief executive. Monitoring department assists responsible minister in assessing performance of board. Audited. Examined by Select Committee.	Board assesses performance of chief executive. Treasury assists shareholding ministers in assessing performance of board. Audited. Examined by Select Committee.	Officers of Parliament Committee reviews performance and proposes funding for Budget	No explicit provision to manage performance of the inquiry as a whole. In practice, administering department will try to manage any issue of non-performance through secretariat and budget.
Examples	Long-term: National Advisory Council on the Employment of Women (since 1967). Statutory: Arms Advisory Group in Arms Act 1983. Specific purpose: Welfare Expert Advisory Group, Tax Working Group. One-person committees: Prime Minister's Chief Science Advisor, Chief Victims Advisor.	Inspectors (Corrections), Chief Archivist, Surveyor-General, Director of Land Transport.	None yet	Te Arawhiti	Corrections, LINZ Note many well-known 'departments' are actually business units within departments – for example Te Uru Rākau (MPI), Immigration NZ (MBIE), Work and Income (MSD).	Border Executive Board, Strategic Planning Executive Board.	None yet	Crown Agents include ACC, NZ Transport Agency, Environmental Protection Authority. ACEs include Te Papa, Public Trust, NZ Film Commission. ICEs include Independent Police Conduct Authority, Health and Disability Commissioner, Commerce Commission	Crown entity companies: Crown Research Institutes. Sch 4A companies: City Rail Link Ltd, Education Payroll Ltd SOEs: Transpower. MOMs: Mighty River Power.	Ombudsman, Auditor-General and Parliamentary Commissioner for the Environment.	Royal Commission of Inquiry into abuse in care. Standing commissions of inquiry – the Waitangi Tribunal.