



5 February 2019

Dear [REDACTED]

Official Information Request
Our Reference: 2019-0008

I refer to your official information request that was transferred to the State services Commission on 18 January 2019 where you have asked for:

"a copy of SEC MIN (12) 10/2"

In response to your request, please find attached a copy of the SEC MIN (12) 10/2 – Accelerating Functional Leadership for Better Public Services.

If you wish to discuss this decision with us, please feel free to contact Ministerial.Services@ssc.govt.nz.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that we intend to publish this letter (with your personal details removed) and enclosed documents on the State Services Commission's website.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Nicky Dirks'.

Nicky Dirks
Managing Principal – Ministerial Services
State Services Commission



Cabinet Committee on State Sector Reform and Expenditure Control

SEC Min (12) 10/2

Copy No: 17

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Accelerating Functional Leadership for Better Public Services

Portfolios: Finance / State Services

On 26 July 2012, the Cabinet Committee on State Sector Reform and Expenditure Control (SEC):

- 1 **noted** that on 14 May 2012, Cabinet:
 - 1.1 agreed that the State Services Commissioner (Commissioner) be responsible for functional leadership and that functional leadership be defined as "leadership aimed at securing economies or efficiencies across departments, improving services or service delivery, developing expertise and capability across the Public Service, and ensuring business continuity";
 - 1.2 agreed that the Commissioner may delegate this responsibility by appointing functional leaders within the Public Service;
 - 1.3 agreed that any proposals that would give functional leaders powers to impose mandatory requirements on departments must be specifically agreed by Cabinet, and that this must be used sparingly;
 - 1.4 noted that it will be a responsibility of the Commissioner to provide advice on the specific areas where it is desirable to bring non- Public Service departments and Crown entities within the ambit of functional leadership;

[CAB Min (12) 16/10]

- 2 **agreed in principle**, subject to the further work referred to in paragraph 3, that all State services agencies should, in the areas of information and communications technology (ICT), procurement, and property, adopt the common cross-government processes, tools or infrastructure established by functional leaders, and agree strategic and investment plans with the relevant functional leader;
- 3 **noted** that further work is needed to give full effect to the three year ambition for each of the three areas of ICT, procurement, and property;

ICT

- 4 **directed** chief executives of departments, subject to paragraph 14 below, to adopt the common ICT capabilities one.govt, Infrastructure-as-a-Service, and igovt;

- 5 **directed** chief executives of departments, subject to paragraph 14 below, to secure the Government Chief Information Officer (GCIO's) agreement to their strategic ICT plans, and investment intentions, prior to finalising or implementing them;
- 6 **agreed in principle** subject to the report referred to in paragraph 7, in order to realise the medium term ambition for functional leadership of ICT, that the mandate of the GCIO be extended to enable the GCIO to lead and direct the reorganisation of ICT capability, both human and other, into sector/cluster hubs, in order to address current issues of fragmentation and duplication;
- 7 **invited** the Minister of State Services and the Minister of Internal Affairs to report to SEC by 28 September 2012 to address wider issues in reorganisation of ICT capability in the State Services, and funding for the GCIO;

Procurement

- 8 **directed** chief executives of departments to take up existing all-of-government contracts for the supply of Vehicles, Office, Legal, Air Travel, syndicated IT procurement contracts for desktop/laptop, print management, and mobile voice and data, subject to paragraph 14 below;
- 9 **agreed in principle** that, in order to realise the medium term ambition for government procurement, the mandate of the Chief Executive of the Ministry of Business, Innovation and Employment (the MBIE) be extended to enable the MBIE to ensure that State services agencies are provided with sound commercial advice, and draw on associated commercial and legal expertise, and that their commercial practices improve accordingly;
- 10 **invited** the Minister of State Services and the Minister of Economic Development to report to SEC by 31 August 2012 to address further measures to address commercial capability and practices in the State services;

Office accommodation

- 11 **agreed** that the Chief Executive of the Ministry of Social Development (the MSD) sign off on all departmental property decisions in Christchurch. This is to cover both decisions in relation to the Christchurch central business district (office accommodation for regional management and corporate support functions) and the wider service delivery network;
- 12 **agreed** that the Chief Executive of the MSD will lead a co-ordinated procurement process (including business case) for office accommodation in Wellington for those agencies currently seeking head office accommodation;
- 13 **invited** the Minister of State Services to report to SEC by 30 September 2012 to address the future scope of activity in the property area and any further issues relating to regional office accommodation strategies;

General

- 14 **agreed** that departments must secure the agreement of the relevant functional leader, and failing that the Head of State Services, if they wish to opt-out of Cabinet-mandated common capabilities and all-of-government contracts;
- 15 **directed** the State Services Commissioner to communicate the government's expectations on functional leadership to departmental chief executives;

- 16 **invited** responsible Ministers, following advice from functional leaders, to communicate the government's expectations in relation to ICT, procurement, and property to relevant entities in the wider State services, and invite Crown entities to discuss any issues with the relevant functional leader;
- 17 **agreed** that functional leaders will advise responsible Ministers of any issues in their engagement with particular Crown entities;
- 18 **noted** that previously agreed amendments to the Crown Entities Act 2004, when enacted, will enable stronger direction to Crown entities in relation to functional leadership;
- 19 **agreed** in principle that, following planned amendments to the Crown Entities Act 2004, functional lead mandates will be extended to cover some or all Crown entities as appropriate in the particular case;
- 20 **noted** that the Head of State Services will be responsible for putting in place means of managing the performance of functional leaders.



Sam Gleisner
Committee Secretary

Reference: SEC (12) 46

Present:

Hon Bill English (Chair)
Hon Tony Ryall
Hon Hekia Parata
Hon David Carter
Hon Dr Jonathan Coleman
Hon Craig Foss
Hon Chris Tremain

Officials present from:

Office of the Prime Minister
Department of the Prime Minister and Cabinet
Officials Committee for SEC

Distribution:

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