Proposal
1 The paper proposes Cabinet agrees an overarching set of priority outcomes to help coordinate a cohesive Government work programme; assist Ministers prioritising their portfolio initiatives and communicate the Government’s agenda. The paper proposes how these priorities will be monitored and progress reported.

Executive Summary
2 The Government's priorities re-establish a sense of shared purpose and progressive goals for New Zealand and reflect a determination to do things differently and put the wellbeing of people and the environment at the centre of the policy programme.

3 The paper proposes establishing 12 priority outcomes which reflect contributions from all of the Government parties and reiterate the commitments set out in the coalition and confidence and supply agreements as well as a number of other documents.

4 This paper sets out a framework and provides a management tool to assist the Government in coordinating a cohesive government work programme across portfolios. The approach seeks a more comprehensive and accurate representation of the issues New Zealanders are experiencing and that the Government is responding to. It aims to provide a broader and more relevant measure of success.

Development of Government Priority Outcomes
5 The Government’s priorities are an amalgam of the parties’ collective position. As such they reflect the MMP nature of the arrangements between the parties and have therefore been informed by the coalition and confidence and supply agreements. These areas were thoroughly canvassed during the 2017 general election campaign and have been articulated across a number of existing documents. These include the Speech from the Throne in November 2017, the subsequent Prime Minister’s Address in Reply and the Budget Policy Statement published in December 2017.

6 In addition, Ministers have provided portfolio-specific priorities. These have been collated, reviewed and incorporated with the direction outlined in the above documents and further refined to develop the overall government priorities outlined in this paper.

7 At the centre of the Government’s approach is a desire to change the manner in which the Government sets priorities, monitors progress and reports results. The approach seeks a more comprehensive and accurate representation of the issues New Zealanders are experiencing and that the Government is responding to. The Government’s aim is to provide greater transparency across priority areas: what actions have been undertaken to achieve its goals and how they have resulted in change. This approach provides a more relevant and broader measure of success.

8 This paper proposes establishing 12 priority outcomes, for which a set of measurements and indicators will be determined to monitor progress toward achieving each outcome. This approach provides a tool to demonstrate policies that are succeeding and allows for changes to those that are not working. Future policy initiatives related to achieving the Government’s key objectives will be prioritised and funded according to the extent to
which they demonstrably contribute to the achievement of the related priority outcome. This approach will also be incorporated into relevant government processes such as the Budget process.

9 The 12 priority outcomes are grouped into three broad themes:

- Build a productive, sustainable and inclusive economy – This reflects the Government’s commitment to regional economic development, addressing climate change and continued economic growth and shared prosperity, as well as its strong focus on meeting the Budget Responsibility Rules. The Government has also signalled the need to support innovation in the economy to respond to some of the country’s persistent and long term challenges.

- Improve the wellbeing of New Zealanders and their families – This theme recognises the Government’s focus on improving the wellbeing of all New Zealanders across a range of portfolio areas, including health, education, employment, housing, justice, police and social development.

- Providing new leadership by Government – These priorities articulate the type of Government we will be; the nature of the leadership required to achieve the Government’s goals and the manner in which Ministers should execute their portfolio responsibilities and duties.

10 The 12 priority outcomes have been identified as follows (together with indicative Cabinet committee):

**Theme: Build a productive, sustainable and inclusive economy**
- Grow & share New Zealand’s prosperity [DEV]
- Deliver responsible governance with a broader measure of success [GOV]
- Support thriving & sustainable regions [DEV]
- Transition to a Clean, Green and Carbon Neutral New Zealand [ENV]

**Theme: Improving the wellbeing of New Zealanders and their families**
- Ensure everyone is earning, learning, caring or volunteering [SWC]
- Support healthier, safer, & more connected communities [SWC]
- Ensure everyone has a warm, dry home [SWC]
- Make New Zealand the best place in the world to be a child [SWC]

**Theme: Providing new leadership by Government**
- Deliver transparent, transformative and compassionate Government [CPC]
- Build closer partnerships with Maori [CMR]
- Value who we are as a country [SWC]
- Create an international reputation we can be proud of [ERS]

11 Further work will be undertaken to determine how best to measure, report and demonstrate progress. As part of this process, work has already begun on the living standards framework and child poverty reduction. In addition the allocation of specific
outcomes to each Committee will also be finalised to ensure each Committee has visibility of the relevant outcomes and success measures.

12 It is important to note this paper does not purport to reflect every area of government activity or policy development. Each portfolio will have related issues that will need to be progressed. Ministers will remain responsible for implementing policies in their relevant portfolios. This paper sets out a framework against which the Government can organise and prioritise initiatives. New information and research, as well as new issues and challenges will be incorporated as they emerge. The Government may be required to adapt or adjust the priorities and/or supporting initiatives to accommodate significant unforeseen events such as adverse shocks to the global economy, geopolitical events beyond our control or local natural disasters all of which have the potential to significantly alter the Government’s operating context.

13 Finally, it is noted that due to the complexity of the policy challenges facing the country, the priority outcomes and related initiatives support one another (for example, ensuring everyone has a warm, dry home will support thriving regions, and growing and sharing prosperity). There will therefore be a number of interdependencies. Establishing the timetable and managing the delivery of these will be a key task of the relevant Cabinet committees. In particular, Cabinet Priorities Committee (CPC) will have a role in ensuring this takes place.

14 Cabinet will be responsible for periodically reviewing this framework to ensure it remains relevant and responsive to the issues and challenges facing New Zealand. I propose that this periodic review take place twice a year.

Coordinated Management and Monitoring

15 Successfully tackling the complex challenges facing the country requires coordinated action over the short, medium and long term. There is no silver bullet to solving these issues. They cannot be reduced to a single measure or be given to a sole Government Department or Minister. Neither can priorities be separated from measurements. Therefore, I propose Cabinet agrees to assign oversight for all of the programmes and individual priorities within a priority outcome to individual Cabinet committees. This will include, where relevant, the ongoing monitoring of 100 Day priorities, and scheduling report backs with the relevant Ministers and Cabinet committee chairs. This will achieve a balance between effectively responding to the issues the Government has identified and ensuring Ministers retain ultimate accountability for the results of their programmes.

16 This approach provides a management tool to coordinate activity across Government. Cabinet committees will have responsibility for developing recommendations for Cabinet approval to establish a set of metrics for how best to measure, report and demonstrate progress for each priority outcome. Each Cabinet committee will also have oversight and responsibility on the forward development of programmes and individual priorities. They will be required to maintain a detailed list of policy initiatives intended to support the achievement of each priority outcome. This work programme will evolve as policies are developed, implemented and monitored. The work programme will span the range of initiatives, from discrete policy actions where the tools are readily available to more complex issues. This will assist Cabinet in managing a whole of Government approach to interdependencies and sequencing issues.

17 [9(2)(g)(i)]

These would not necessarily be related to the impact of specific policy initiatives, as my expectation is that individual Ministers will be monitoring the delivery and impact of their programmes, but instead would be broader indicators, relevant to the work and scope of the Cabinet committee.

18 I note that some priority outcomes will be more challenging to quantify than others. Similarly, some will require more intensive Cabinet committee oversight, due to their
significance, the interdependencies or complexity. Some will require further strategic
development, including engagement at Cabinet Priorities Committee to ensure there is
cohesive direction, that we align our resources accordingly and that they will get the
results we want. The Cabinet Priorities Committee will also from time to time commission
reports (or presentations) from Cabinet committees or Ministers on strategically important
issues to ensure the efficient management of issues.

19 My expectation is that the Cabinet Priorities Committee will track progress against the
Government’s overall agenda and make adjustments to the work programme as
appropriate. In this regard I note the Cabinet Priorities Committee includes representation
from all Government parties. The Committee will itself report through to Cabinet to ensure
wider visibility of its deliberations.

**Reporting on Progress**

20 This Government is committed to delivering results for New Zealanders and being
judged on its actions. One of the shared values of this Government, set out in our
coalition and confidence and supply agreements, is to build public confidence in, and
engagement with Parliament, and government.

21 We can contribute to this through a transparent approach that allows New Zealanders to
see what we are doing to have a meaningful impact on the things that matter most to
them.

22 I therefore propose that we establish regular public reporting against agreed specific
measurements and indicators for each priority outcome. I anticipate this reporting will
evolve over time – with some key elements remaining throughout and other elements
changing as we progress our agenda, deliver on our commitments and respond to new
challenges.

**Financial Implications**

23 Administrative costs have not been estimated but are not anticipated to be significant.
I expect any costs will be met, in the first instance, from within existing baselines. If not,
usual Budget processes will apply.

**Consultation**

24 The Department of Prime Minister and Cabinet has been consulted. The Deputy Prime
Minister and Minister Shaw have also been consulted.

**Human Rights**

25 There are no implications for the New Zealand Bill of Rights Act 1990 or the Human

**Legislative Implications**

26 There are no legislative implications.

**Regulatory impact analysis**

27 A regulatory impact statement (RIS) has not been provided, as this paper deals with
changes to the internal administrative and governance arrangements of the government,
and has no or only minor impacts on parties outside government.

**Gender implications**

28 A gender analysis has not been undertaken as the proposals in this paper do not seek to
distinguish between genders.

**Disability perspective**
The proposals in this paper do not have any negative implications for people with disabilities.

Publicity

If agreed, a communications plan to support public reporting on progress against the outcomes will be developed by my Office.

Recommendations

The Prime Minister recommends that the Cabinet Priorities Committee:

1. agree to establish 12 priority outcomes, as set out in this paper, to help coordinate a cohesive Government work programme.

2. note these outcomes have been informed by the coalition and confidence and supply agreements, Speech from the Throne, Address in Reply, Budget Policy Statement and by portfolio-specific priorities identified by Ministers.

3. note that initial oversight for all of the programmes and key initiatives and projects within a priority outcome will be assigned to individual Cabinet Committees, as set out in para 9 of this paper, subject to development of initiatives and indicators as set out in recommendation 4.

4. agree that each Committee report to Cabinet on the key initiatives in the forward work programme and a set of overall indicators, relevant to the work and scope of the Committee.

5. agree to review the outcome framework and contributing key initiatives and projects twice a year to ensure it remains relevant and responsive to the issues challenges facing New Zealand.

6. agree to establish regular public reporting against agreed specific measurements and indicators for each priority outcome.

Authorised for lodgement.
Rt Hon Jacinda Ardern
Prime Minister