

~~In confidence~~

Office of the Prime Minister

Chair, Cabinet Priorities Committee

IMPLEMENTING AND MONITORING OUR GOVERNMENT'S PRIORITIES

Proposal

- 1 This paper proposes a set of Cabinet and Cabinet committee processes to monitor and regularly assess progress against the Government's priorities. It outlines how the Budget process will support the Government's priorities, and how we will reassess and, where required, refresh the priorities and the key work programmes.

How we developed the Government Priority Outcomes

- 2 In March this year, we agreed to establish 12 priority outcomes under three key themes to help coordinate and focus the Government's work programme. The priority outcomes drew on contributions from all of the Government parties. They were informed by the coalition and confidence and supply agreements, as well as the 100 Day Plan and the Speech from the Throne. In addition, they incorporated portfolio-specific priorities identified by Ministers.
- 3 The 12 priority outcomes we agreed are:
 - **Theme: Build a productive, sustainable and inclusive economy**
 - Grow and share more fairly New Zealand's prosperity
 - Deliver responsible governance with a broader measure of success
 - Support thriving & sustainable regions
 - Transition to a clean, green and carbon neutral New Zealand
 - **Theme: Improving the wellbeing of New Zealanders and their families**
 - Ensure everyone who is able to is earning, learning, caring or volunteering
 - Support healthier, safer, and more connected communities
 - Ensure everyone has a warm, dry home
 - Make New Zealand the best place in the world to be a child
 - **Theme: Providing new leadership by Government**
 - Deliver transparent, transformative and compassionate Government
 - Build closer partnerships with Maori
 - Value who we are as a country
 - Create an international reputation we can be proud of
- 4 At the beginning of May, I tabled at CPC a paper setting out an initial set of draft measurements, work streams, and key policy initiatives for each priority outcome. Cabinet committees, in consultation with relevant portfolio Ministers, were invited to review and sequence key work programmes, and to develop measurements with which to track and regularly assess progress.
- 5 At CPC on 28 May, we reviewed the material that had been developed by the Cabinet committees. The discussion focussed on two key areas:

- the types and number of measures proposed and whether they enabled us to clearly see whether we are achieving the outcomes we set;
 - whether the workstreams provided comprehensive solutions to the challenges they seek to address.
- 6 Our review of the work undertaken by the Cabinet committees and relevant portfolio Ministers showed that much progress has been achieved by the Government already. But it also suggested that we cannot be complacent. Successfully tackling the complex challenges facing the country requires concerted action over the short, medium and long term.
- 7 For this reason, at CPC on 28 May, we directed the Department of the Prime Minister and Cabinet (DPMC) to “consolidate and refine the work of the Cabinet committees into a comprehensive and cohesive government work programme, including priority portfolio initiatives and indicators for measuring, reporting on, and demonstrating progress against the priority outcomes” [CPC-18-MIN-0004 refers]. Working with my Office, DPMC has completed that work. The results are attached as Appendix A to this paper.

How we will use the Government Priority Outcomes

- 8 The Government Priority Outcomes framework helps coordinate and communicate a coherent Government work programme. It also provides guidance to Ministers and agencies in contributing toward the broader objectives of the Government. The priorities do not represent an all-of-government work programme. Ministers will continue to work on a range of matters as their portfolio requires, but I expect that they will regularly review the progress of these initiatives, and change or halt those that are not working.
- 9 The framework has two practical purposes. Firstly, to allow Cabinet and CPC to review the current Government work programme to ensure it is coordinated and that the progress of relevant policy initiatives can be tracked. Secondly, to support the communication of the Government’s work programme.
- 10 The table at Appendix A sets out each priority outcome and details the workstreams and current policy initiatives required to deliver the outcome and achieve the results we are seeking. It also provides an initial set of high level indicators of long-term progress for each outcome. These are intended to be consistent with the direction of the living standards framework and wellbeing measurements, although may differ (for example, they may differ in that they are intended to define success as opposed to measure activity).
- 11 s9(2)(g)(i) [REDACTED] By tracking and regularly assessing progress against the overall objectives we set ourselves, we will be able to identify the policies that are succeeding, change those that are not working, align our resources with priorities, and get the results we want for New Zealanders.
- 12 The priorities signal to Ministers the collective Government expectation of where we expect to make significant gains over this parliamentary term. I expect that papers considered by Cabinet policy committees will show how what is proposed does or will contribute to the Government’s key overall objectives, how Ministers and the public will be able to gauge its progress and impact, or why the issue must be addressed.
- 13 The approach allows future policy initiatives related to achieving the Government’s key objectives to 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.

How the Government Priority Outcomes fit with Budget priorities and processes

- 14 The overarching priority outcomes will guide our work programme for the term of this Government, including new policy development, regulatory and legislative initiatives, and changes to the way we spend money on infrastructure and services.
- 15 The Budget process is a tool to emphasise elements of the overall priorities programme. The Budget process will enable us to deliberately and responsibly “build out” our programme. The Living Standards framework will, over time, give us better information from a wide range of indicators to inform our decisions on what will make a difference to overall wellbeing, and help us to understand whether we are achieving the expected results.
- 16 To achieve the priority results we seek, it will be vital that we actively seek to understand where our programmes are getting the results we want and where they are not. I expect us to look to actively build off the former, and to turn off the latter.
- 17 Because we are determined to do things differently, there will be elements of the previous government’s agenda that do not contribute to the results we want for New Zealanders or do not reflect the type of Government we want to be and the nature of the leadership we wish to demonstrate. I expect Ministers will discuss with the Minister of Finance the application, retention or return of any savings that are identified as a result of discontinuing elements of the previous government’s agenda within their portfolio.

Coordinated management and monitoring of the Government Priority Outcomes

- 18 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.
- 19 Cabinet will be responsible for periodically reviewing this framework to ensure it remains relevant and responsive to the issues and challenges facing New Zealand. New opportunities and issues requiring Government’s response will emerge. Some will need to be responded to immediately, others will need to be monitored. A periodic review process will enable us to ensure the Government’s forward work programme consistently focusses on the real challenges we face as a country, and continues to deliver the results we seek.
- 20 I propose that this periodic review take place twice a year, and that the next periodic review by Cabinet occurs in February 2019.
- 21 CPC will monitor progress against the priorities as a whole. Cabinet committee Chairs will be invited to discuss their Committee’s programmes, highlight progress, identify linkages and dependencies, in order to ensure effort across Government is appropriately coordinated and focused on what matters most.

Reporting on progress

- 22 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.
- 23 We can contribute to this through a transparent approach that allows New Zealanders to see what we are doing to have a real and meaningful impact on the things that matter most to them.

24 I therefore propose that we regularly publish progress updates setting out what has been achieved within our priority outcomes, what has changed within our key work programmes, and why.

25 I therefore seek the Committee's agreement to release a version of the table at Appendix A that sets out the Government's achievements to date.

Financial Implications

26 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

27 This paper reflects the priorities of all three Government parties and has been developed by all three parties.

Human Rights

28 There are no implications for the New Zealand Bill of Rights Act 1990 or the Human Rights Act 1993.

Legislative Implications

29 There are no legislative implications.

Regulatory impact analysis

30 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

31 The Government's work programme has been deliberately shaped to address gender disparities. While the proposals in this paper do not have any direct implications for gender, progressing matters relevant to gender issues will occur through specific initiatives within the Government's work programme.

Disability perspective

32 The Government's work programme has been deliberately shaped to address disability issues. While the proposals in this paper do not have any negative implications for people with disabilities, progressing matters relevant to people with disabilities will occur through specific initiatives within the Government's work programme.

Publicity

33 If agreed, a communications plan to support public understanding of the Government Priority Outcomes and for reporting on progress against the outcomes will be developed by my Office.

Recommendations

The Prime Minister recommends that the Cabinet Priorities Committee:

1. **note** that on 26 March 2018, Cabinet agreed to establish 12 priority outcomes under three key themes to help coordinate a cohesive government work programme
2. **note** the current Government work programme in support of the priority outcomes as set out in Appendix A
3. **recommend** that Cabinet reviews the outcome framework and contributing key initiatives and projects twice a year to ensure it remains relevant and responsive to the issues and challenges facing New Zealand

4. **agree** that the next review be undertaken in February 2019
5. **agree** that, in the interim, the Prime Minister may make minor amendments to Appendix A as required
6. **agree** that the Cabinet Priorities Committee will monitor progress against the priorities as set out in Appendix A at a frequency to be agreed by the Committee
7. **authorise** the Prime Minister to release a version of the table at Appendix A that sets out the Government's achievements to date

Authorised for lodgement.

Rt Hon Jacinda Ardern
Prime Minister

Date: August 2018

Proactively Released by the Prime Minister