BRIEF TO INCOMING PRIME MINISTER

THE DEPARTMENT OF THE PRIME MINISTER AND CABINET

November 2008

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Chief Executive's Foreword

The Department of the Prime Minister and Cabinet provides impartial advice and support to the Prime Minister and Cabinet and, through the Clerk of the Executive Council and Government House, to the Governor-General. We are part of the core public service, and serve at the heart of New Zealand's democratic system of Government. Our staff are required to serve the Prime Minister and Government of the day in an impartial, responsible, and trustworthy manner.

The department's core function is to support the effective conduct of executive government in New Zealand. That includes policy advice and support to the Prime Minister on all issues of interest; administrative and secretariat support for the conduct of Cabinet business; coordination and management of domestic and external security risks, including intelligence; assessment of international developments of interest to New Zealand; and support for and advice to His Excellency the Governor-General and Mrs Satyanand. We also have an important role in facilitating cross-agency alignment and whole-of-government initiatives, and in bringing together multiple players in pursuit of common government objectives.

DPMC also has a role as one of the three central agencies, along with Treasury and the State Services Commission. In this capacity, we seek to ensure that the entire public sector and public service is acting effectively in support of the Government's policy objectives. Central agencies are committed to improving the performance of the public sector, and will have further advice for Ministers on how this important topic might be addressed.

This short brief outlines the current functions and resources of the department. Further material can be provided on request. All of the department's staff, and the senior management team, stand ready to extend the highest level of professional support they can so that you can effectively execute your important responsibilities as chair of Cabinet and leader of the government, and prosecute the Government's policy agenda.

Maarten Wevers

What we seek to achieve

DPMC's overall outcome is good government with effective public service support.

What we do

The Department of the Prime Minister and Cabinet (DPMC) was set up only in 1990 as a separate public service department. From that time, a clear organisational distinction has been drawn between the provision of impartial policy advice, support and secretariat services to the head of government from professional public servants, and party political, electorate, media and personal support, which is provided through the Prime Minister's Office. PMO is staffed through the Department of Internal Affairs (Ministerial Services). The Department of the Prime Minister and Cabinet is directly accountable, via its Minister, to Parliament, in terms of the State Sector Act 1988 and the Public Finance Act 1989. The Chief Executive is appointed by the State Services Commissioner.

DPMC has four roles – to lead, advise, support, and coordinate. As well as providing impartial high-quality advice and support to the Executive (the Prime Minister, the Governor-General, and the Cabinet), DPMC is tasked at times to lead specific areas of work. Normally these are complex or critical cross-government issues which do not sit easily within a single portfolio, and where a strong coordination and leadership role is required. Recent examples have included initial work on climate change policy, foreshore and seabed, and housing affordability. DPMC also coordinates the input of other departments so that Cabinet decisions take into account all relevant viewpoints and is as coherent and complete as possible.

The department collaborates on a daily basis with Treasury and the State Services Commission over agency, chief executive, sector and public service performance. The common purpose of the central agencies is the assurance of a high performing, trusted and accessible State sector - delivering the right things in the right way at the right price. DPMC also has a leadership role in driving whole-of-government collaboration on the government's policy priorities, and in relation to national security issues, through the Officials' Committee for Domestic and External Security Coordination, ODESC.

Our Structure

The department has five business units – the Cabinet Office (including the Honours Secretariat), the Policy Advisory Group, the Domestic and External Security Group, the External Assessments Bureau, and Government House.

Cabinet Office provides impartial secretariat services to support Cabinet and Cabinet Committee decision-making processes, the Executive Council, and legislation programming. The Cabinet Office has particular responsibility to ensure that executive government is well conducted and continues in accordance with accepted conventions and practices. It is the custodian of knowledge and experience of the New Zealand system of Cabinet government. Much of this experience is codified in two resources: The *Cabinet Manual,* which provides authoritative guidance on central government decision making and which records constitutional conventions and practices, and the *CabGuide* website, which provides more detailed procedural advice on Cabinet processes (www.cabguide.cabinetoffice.govt.nz). The Cabinet Office provides advice on the matters set out in these resources. The Secretary of the Cabinet as Clerk of the Executive Council has a range of constitutional duties to advise, independently, the Governor-General and the Prime Minister. The Cabinet Office includes the Honours Secretariat. The Clerk of the Executive Council is the line manager for the Official Secretary and has an overall responsibility for Government House.
Locations: Level 10 Beehive
Level 5, Reserve Bank Building (Honours Secretariat)

Policy Advisory Group (PAG) is responsible for providing free, frank and impartial advice on issues of the day directly to the Prime Minister and, as appropriate, to other Ministers. The advisors can commission and coordinate advice from other government departments, and draw on information and analysis from a range of external sources to ensure advice is well informed. They are well connected and able to take an active role in problem solving and helping departmental officials understand the context for Ministers' decisions.
Location: Level 8 Beehive

The Cabinet Office and the Policy Advisory Group are physically located in the Executive Wing with the Prime Minister, Ministers and the Prime Minister's Office. This facilitates the efficient conduct of day-to-day business, and the timely provision of advice. The location of the Cabinet Office and the PAG in the Executive Wing enables stronger relationships between these two groups of Prime Ministerial support staff, on the one hand, and the Prime Minister's Office and Ministers' Offices, on the other.

External Assessments Bureau (EAB) is part of New Zealand's intelligence community. It provides in-depth assessments on events and trends overseas which affect New Zealand's

interests to the Prime Minister, selected other Ministers, and senior officials in other departments. These are usually of a political, economic, strategic or biographical nature. Assessments draw on a wide range of New Zealand and foreign-sourced information and intelligence, both classified and public. Reports range from immediate assessments on developing crises to longer-term reports on matters of strategic importance to New Zealand.
Location: Level 3 Reserve Bank Building, 2 The Terrace, Wellington 6011

Domestic and External Security Group (DESG) provides advice on national security issues that affect New Zealand, principally onshore but also overseas, and undertakes a coordination and leadership role across government agencies on these matters. It also has a crisis management function. National security issues encompass a range of risks to national welfare, and include counter-terrorism, intelligence, emergency preparedness and management, biosecurity and pandemic events, and defence force deployments. DESG coordinates cross-government efforts to maintain security preparedness and responsiveness. The unit focuses on policy and planning, and security risk mitigation.

DESG provides the secretariat for the Officials' Committee for Domestic and External Security Coordination, ODESC, which meets at Chief Executive level and is chaired by DPMC. Core ODESC agencies include the Ministry of Foreign Affairs and Trade, New Zealand Police, the New Zealand Defence Force, Ministry of Defence, Treasury, Security Intelligence Service and the Government Communications Security Bureau.

The roles performed by EAB and DESG link to other responsibilities traditionally held by the Prime Minister, who is normally the Minister responsible for New Zealand's two security and intelligence agencies.
Location: Level 5 Reserve Bank Building, 2 The Terrace, Wellington 6011

Corporate Services provides human resource, IT, information management, financial, accounting and record keeping services and support. Corporate Services also coordinates the production of accountability and other reporting requirements under the Public Finance Act 1989 and the State Sector Act 1988 (including Annual Reports and Departmental Forecasts); as well as negotiating terms and conditions for paid government-agency advertising and publicity.
Location: Level 5 Reserve Bank Building, 2 The Terrace, Wellington 6011

Government House provides administrative and support services for the Governor-General to enable him to carry out the functions of the office; and maintains Government House and its grounds in Wellington, as well as the smaller Government House in Auckland. The funding for these services is appropriated through Vote Prime Minister and Cabinet.

The Department recently received budgetary approval to undertake a major renovation and

conservation project at Government House Wellington. As a consequence, Their Excellencies have relocated their official residence in the capital to the former Prime Ministerial residence at Vogel House, Lower Hutt from February 2009. Management of the conservation project will be a major undertaking for the department over the next three years. An important requirement will be to maintain appropriate support for Their Excellencies in all facets of their roles over this period.

An appropriation under permanent legislative authority in Vote Prime Minister and Cabinet provides for the Governor-General's salary, personal allowance, and travel within New Zealand and internationally.

Conduct and values

The staff of the department are drawn from a wide variety of backgrounds, including the private sector, and form part of the core public service. They are subject to the DPMC Code of Conduct, and the State Services Standards of Integrity and Conduct, which require that they act at all times as impartial public servants and perform their official duties with professionalism and integrity. DPMC staff serves the Government of the day, and always seeks to maintain the confidence of the Prime Minister. The department operates under the convention of political neutrality.

SENIOR MANAGEMENT TEAM

Maarten Wevers CNZM

CHIEF EXECUTIVE

Gregory Baughen

DIRECTOR, EXTERNAL ASSESSMENTS BUREAU

Steve Long QSO

DIRECTOR, DOMESTIC & EXTERNAL SECURITY GROUP

Brent Anderson

CORPORATE SERVICES MANAGER

Andrew Kibblewhite

DIRECTOR, POLICY ADVISORY GROUP

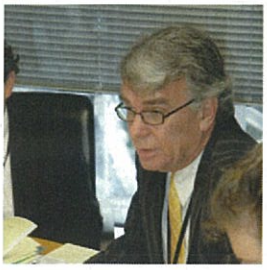
Rebecca Kitteridge

SECRETARY OF THE CABINET & CLERK OF THE EXECUTIVE COUNCIL

Robert Taylor

OFFICIAL SECRETARY, GOVERNMENT HOUSE

Senior Management



Maarten Wevers, CNZM – Chief Executive

Maarten took up his current role in June 2004, following four years in senior management positions at New Zealand Post Ltd. Prior to working at Post, Maarten served in the Ministry of Foreign Affairs and Trade for over twenty years. He was High Commissioner to Papua New Guinea, and Ambassador to Japan, and also served in Belgium. Maarten was the Chair of the Senior Officials' Meeting during New Zealand's APEC year in 1999. From 1985-1987 Maarten served as Private Secretary to the Rt. Hon. David Lange, in his capacity as Minister of Foreign Affairs.

Andrew Kibblewhite – Director, Policy Advisory Group

Andrew has been the Director of the Policy Advisory Group (PAG) since November 2004. Previous positions have included General Manager R&D Operations at Industrial Research Ltd, General Manager Innovation and International at the Ministry of Research, Science and Technology, and 14 years in a range of management and analytical positions at The Treasury. Earlier in his career Andrew spent 2 years as Budget Manager at the Department of Conservation.

Rebecca Kitteridge – Secretary of the Cabinet and Clerk of the Executive Council

Rebecca took up the role of Secretary of the Cabinet and Clerk of the Executive Council in April 2008, after five years as Deputy Secretary (Constitutional). Rebecca's earlier public sector roles were legal and constitutional in focus, including a stint at the Ministry of Foreign Affairs and Trade and an earlier legal adviser role in the Cabinet Office. Before joining the public service, Rebecca was for nine years a private sector lawyer, working mainly at Chapman Tripp.

Steve Long QSO – Director, Domestic and External Security Group

Steve was the Deputy Commissioner of Police in charge of operations prior to his appointment to DPMC. He has a wide experience of crisis and emergency coordination, police district leadership and senior management roles in various major security operations.

Gregory Baughen – Director, External Assessments Bureau

Greg joined the External Assessments Bureau in 1990 and became its Director in July 2006. Previous roles within EAB include various strategic, defence and regional analytical positions, Intelligence Liaison Officer in the New Zealand High Commission in London, and assessments manager. Earlier in his career Greg worked for the Department of Trade and Industry and the Department of Social Welfare.

Over the period 8 September to 8 December 2008, Mike Hickman (one of EAB's assessment managers) is the Acting Director while Greg is seconded to Headquarters New Zealand Police.

Rob Taylor – Official Secretary Government House

Rob took up the position of Official Secretary in March 2008. He comes to DPMC as a secondee from the Ministry of Foreign Affairs and Trade where he has previously served in a number of overseas postings, most recently as Consul-General, Los Angeles.

Brent Anderson - Corporate Services Manager

Brent was involved in establishing DPMC in its present form in 1990 and has worked with all successive administrations since then. He has a wide experience of the public sector, machinery issues, and an intimate knowledge of DPMC. Prior to that he worked in senior management, project coordination and advisory roles in the Ministry of Energy.

Staffing

The department currently has 120 staff including 13 part time staff and 12 seconded from other departments and other organisations. Casual staff are not included.

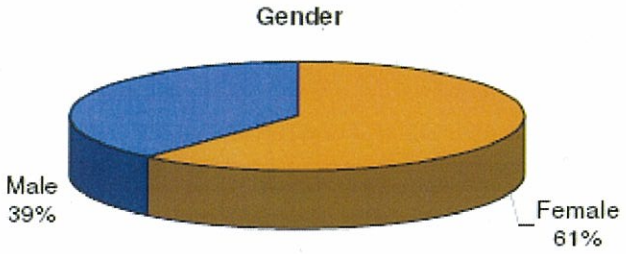
Department of the Prime Minister and Cabinet

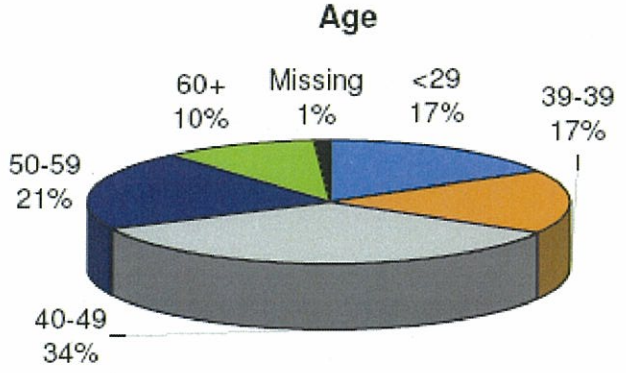
Actual Staff levels as at 30 June 2008

SECTION	STAFF NUMBERS
Office of the Chief Executive	2
Policy Advisory Group	16
Cabinet Office	25
Domestic & External Security Group	6
External Assessments Bureau	27
Government House	27
Corporate Services	17
TOTAL	120[1]

[1] 115.3 FTE

Demographics





Appropriations for Vote Prime Minister and Cabinet

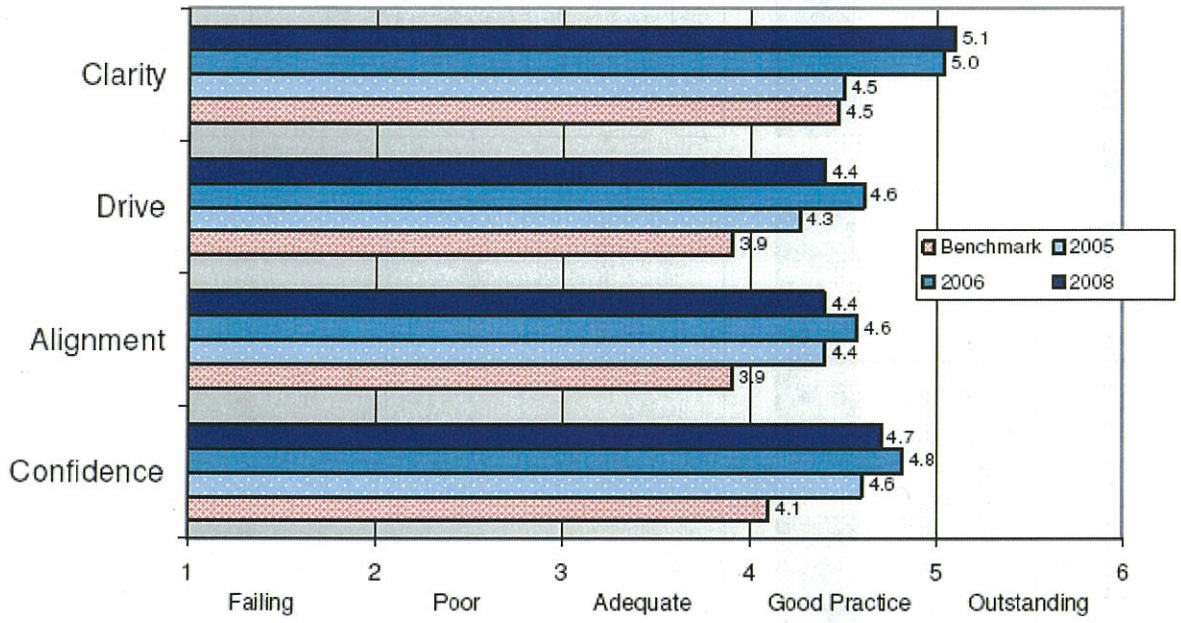
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
	Actual	Actual	Actual	Actual	Actual	Budget	Estimated
	$000	$000	$000	$000	$000	$000	$000
Departmental Output Expenses							
Output Expenses	**14,474**	**15,145**	**14,172**	**14,936**	**15,619**	**15,527**	**15,527**
Capital Expenditure	156	509	233	213	270	1,320	300
Non Departmental Output Expenses							
Other Expenses	1,117	810	1,209	1,257	1,901	1973	2,033
Capital Expenditure	700	2,263	795	146	1,512	7,284	15,450
Total Appropriations	16,291	18,218	16,176	16,339	19,897*	16,847*	33,010*
Staff numbers (including secondees)	**127**	**121**	**123**	**125**	**123**	**N/A**	**N/A**

** Includes capital funding for the conservation of Government House Wellington.*

DPMC Climate Survey conducted May 2008

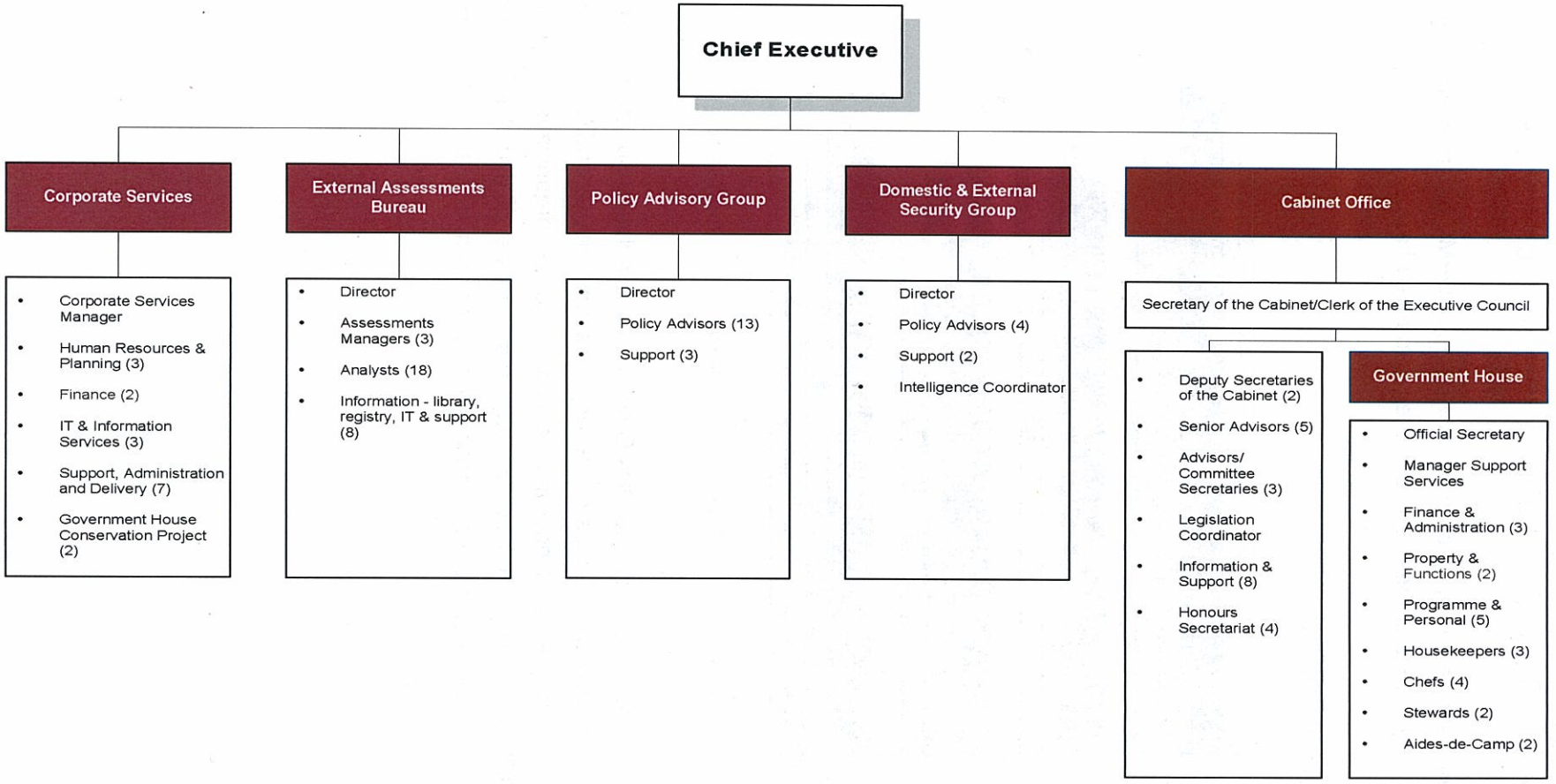
Every two years staff are surveyed on their opinions of DPMC by an external research organisation. Key results of these surveys are reproduced here.

Organisational Snapshot



The high Clarity score indicates the DPMC continues to achieve outstanding practice in this area: staff have a very clear sense of the organisation's values and standards, understand what their role comprises and how they contribute to the organisation's goals, and know where the DPMC is going. The survey provides a range of useful information to assist managers to better manage the organisation and its most important asset – its people.

Department of the Prime Minister and Cabinet



Chief Executive's Office

8th Floor Beehive

Position	Name	Telephone
Chief Executive	Maarten Wevers	
Executive Assistant	Cathie Fraser	

Key roles:

The Chief Executive is responsible for leadership and management of the department, and is accountable under the State Sector Act 1988 and the Public Finance Act 1989 for the performance and conduct of the department and its staff, and for the resources appropriated by Parliament to the department.

In addition, the Chief Executive serves as Chair of the Officials' Committee for Domestic and External Security Coordination, ODESC.

With the Secretary of the Treasury, John Whitehead, and the State Services Commissioner, Iain Rennie, the Chief Executive works to enhance the performance of public service as a whole, through central agency collaborative mechanisms. DPMC has a particular role in leadership and communications across government agencies, in support of the Prime Minister as Chair of Cabinet, and leader of the government.

Each second Friday, the Chief Executive convenes a meeting of all public service Chief Executives and some Crown Entity CEOs to discuss prominent current issues, and to enhance cross-agency collaboration and alignment. This is a useful forum for regularly conveying the Prime Minister's views and priorities to the leadership of the state sector.

In addition, the three central agency Chief Executives meet each Friday, with their respective deputies and the Secretary of Cabinet, to consider the Cabinet Agenda for the following Monday, and other matters of current significance.

As with the other two central agency Chief Executives, the CEO of DPMC has traditionally had authority from the Prime Minister to engage directly with other Ministers and Chief Executives in pursuit of the policy objectives of the Government of the day.

Policy Advisory Group (PAG)

8th Floor Beehive

2008/2009 Operating Budget : $3.571 million Staff: 13 Policy, 3 Support

Position	Name	Telephone
Director of the Policy Advisory Group	Andrew Kibblewhite	

The PAG is staffed by senior advisors drawn from the public and private sectors. Collectively staff bring a range of skills and experience including in commercial, legal, business, Treaty, economic and social policy.

The Policy Advisory Group:

The PAG is a small, flexible group focused on supporting the PM. The PAG stands ready to adjust what it does and how it does it to best meet the PM's needs. The PAG:

- offers immediate, medium and long term policy advice to the Prime Minister and, at the Prime Minister's request, other Ministers;
- provides written and oral briefings to the Prime Minister on Cabinet Committee papers and for other meetings and engagements. Staff attend such meetings in support of the Prime Minister when requested;
- supports Ministerial Chairs of Cabinet Committees, either through chairing or attending Officials' Committees or providing direct briefing;
- promotes and facilitates interdepartmental coordination of policy development and issues, including sharpening departments' focus on the results that matter most to the Government;
- acts as an "honest broker" where there are conflicts over policy advice being offered by different public sector agencies;
- works closely with Treasury and the State Services Commission to lift performance standards across the State Sector.

Recent cross departmental officials groups led and supported by DPMC

- Foreshore and Seabed Group (2004-05)
- House Prices Unit (2007-08)
- Urban Development Authorities Team (2008)

Advisors and Responsibilities:

Cabinet Office

10th floor Beehive

Honours Secretariat: *Level 5 Reserve Bank*

2008/2009 Operating Budget : $3.29 million 26 staff

Position	Name	Telephone
Secretary of the Cabinet and Clerk of the Executive Council	Rebecca Kitteridge	
Deputy Secretary of the Cabinet	Martin Bell	
Deputy Secretary of the Cabinet	Michael Webster	
Honours Secretariat: Director, Honours New Zealand Herald of Arms	 David Baguley Phillip O'Shea	

Support for the Government

The Cabinet Office, headed by the Secretary of the Cabinet/Clerk of the Executive Council, provides:

- impartial secretariat services to Cabinet and its Committees and to Executive Council;
- high quality and timely policy advice to the Prime Minister and, at the Prime Minister's request, other Ministers and departments, on central government constitutional, policy and administrative issues.

Legislation Programme Coordinator (Amanda Powell)

- supports the Chair of the Cabinet Legislation Committee in establishing, managing and reviewing the legislation programme.
- works closely with the Leader of the House, Clerk of the House, Parliamentary Counsel Office.

Support for Governor-General

- the Secretary of the Cabinet is also Clerk of the Executive Council.
- the Clerk is the constitutional link between the Governor-General and his ministerial advisors. She is directly responsible to the Governor-General and the Prime Minister for the provision of advice and services to the Governor-General and the Executive Council.
- as Clerk she supports the Governor-General on the government formation process.
- as Clerk she also liaises with the Palace and the Sovereign.

Honours Secretariat

- responsible for the administration of the New Zealand Royal Honours System.

Domestic and External Security Group (DESG)

Level 5 Reserve Bank Building, 2 The Terrace, Wellington

2008/2009 Operating Budget : 1.466 million

Director
Operations Manager
3 Advisors
1 Intelligence Coordinator

Position	Name	Telephone
Director	Steve Long	
Operations Manager	Rob Mackie	
Policy Advisor	Pat Helm	
Policy Advisor	Stuart Brodie	
Policy Advisor	Darroch Todd	
Intelligence Coordinator	Graeme Roberts	

DESG provides:

- advice to the Prime Minister on domestic and external security issues, including emergency management, intelligence, and general security risk management including the development of policy and practice for managing terrorist incidents;
- coordination of interdepartmental advice and activities in the event of crises involving the security of New Zealand and New Zealanders;
- support for the Chief Executive in his role as Domestic and External Security Co-ordinator.
- secretariat support for the Officials Committee for Domestic and External Security Coordination (ODESC).
- general leadership of the whole of government National Exercise Programme (which exercises various parts of central and local government in a wide range of preparedness drills and exercises).
- specific support for the Intelligence and Security Committee, normally chaired by the Prime Minister and for the Inspector General of Intelligence and Security;
- coordination support for the intelligence community.

Commissioner of Security Warrants: *Sir John Jeffries*

Sir Jeffries was appointed on 9 September 1999. This term expires on 6 August 2010.

DESG also provides support to the Commissioner of Security Warrants, who is a statutory officer under the New Zealand Security Intelligence Service Act 1969. The Commissioner's job is to advise, consider and deliberate with the Minister in Charge of the SIS (normally the Prime Minister) on applications for domestic interception warrants, and to issue those warrants jointly with the Minister in Charge. The Commissioner is appointed by the Governor-General on the recommendation of the Prime Minister following consultation with the Leader of the Opposition.

The appropriation under permanent legislative authority (the NZSIS Amendment (No. 2) Act 1999) will provide for payments to the Commissioner as an independent judicial officer for the authorisation of domestic security warrants.

Comment

In our recent survey stakeholders indicated that if DESG was stronger (had more resources) it could achieve more.

DESG is seen as quite influential as it has the capacity and capability to lead high level strategic discussion on security issues. It is looked to by other agencies as objective and neutral and well connected.

In 2009 DESG will be looking to implement the lessons learned from four significant – two counter-terrorist and two civil emergencies – exercises in the contingency area.

As agents of ODESC, the DESG performs secretariat, leadership, and coordination roles with other agencies.

External Assessments Bureau (EAB)

Level 3 Reserve Bank Building, 2 The Terrace, Wellington

2008/2009 Operating Budget : $3.526 million

Director
3 Assessment Managers
Information Manager
Executive Assistant
18 Analysts
6 Information Centre staff

Position	Name	Telephone
Director	Gregory Baughen	
Assessment Manager	Anthony Smith	
Assessment Manager	Mike Hickman	
Assessment Manager	Anton Ojala	
Information Manager	Clare Hill	

The External Assessments Bureau (EAB) provides:

- the Prime Minister, selected other Ministers and senior officials with assessments of events and trends overseas likely to affect New Zealand's interests.

  Assessments may cover political, economic, strategic, scientific and biographic topics. Preparation for present and future assessments requires the collection and collation of information on overseas developments from a wide variety of sources.

  The Director of the EAB is directly accountable to the Prime Minister for the content and quality of EAB's assessments. Programmed reports are also issued by the inter-departmental National Assessments Committee (NAC) which is chaired by EAB.

EAB forms part of New Zealand's intelligence community. It is New Zealand's central foreign assessments agency, which means its purpose is to provide insights on events and trends overseas. Points to note:

- EAB's mandate is external, not domestic. It does not report on issues within New Zealand;
- it is explicitly excluded from any role in policy development, advocacy or advice. The

intention is that EAB has a disinterested role, uninfluenced by any debate that may arise over policy recommendations. EAB's reporting needs to be relevant to the policy-making process, but independent of it;

- EAB draws on intelligence material and diplomatic reporting, but it is an "all-source" agency. Much the greater part of the information it uses is publicly available.

EAB produces several types of assessments and reports:

- longer assessments on developments and events overseas of strategic interest to New Zealand (108 in 2007-08);
- short assessments on current developments overseas, sometimes issued in quick response to matters of concern to New Zealand (146 in 2007-08);
- biographic assessments of senior figures from foreign countries or international organisations who are meeting the Prime Minister or selected other Ministers (575 issued in the 2007-08 reporting year); and
- reports on overseas visits by EAB staff and other discussions with foreign interlocutors (21 in 2007-08).

EAB's mandate is to report as globally as possible. The main areas of focus are on the Pacific Islands region; East Asia; transnational security issues (e.g. the proliferation of weapons of mass destruction; possible pandemics of infectious diseases such as avian influenza; international terrorism; transnational organised crime); and security concerns in relation to which New Zealand personnel are deployed, e.g. in Afghanistan and Timor-Leste.

EAB both benefits from, and contributes to, a set of sound relationships with domestic and external partners. A recent stakeholder survey undertaken by independent consultants in Wellington showed that EAB's main domestic partners rate EAB for the strength of its stakeholder relationships and its understanding of customer requirements. The survey also showed that EAB reports were considered to be high quality, and to add value through the strength of its analysis in areas of relevance to stakeholder organisations. In the same survey, however, some concern was expressed about the limits on overall output and resulting vulnerability in reliance on a relatively small number of people with critical knowledge and skills.

EAB maintains a range of external relationships with counterpart agencies in a dozen countries overseas. These relationships provide significant benefit to EAB, both for the access they provide to additional information and, more significantly, for the opportunity they provide for EAB to test the integrity of its assessments in discussions with knowledgeable overseas agencies. These relationships are in good shape and within the past year or so there has been an increase in the tempo and depth of the most important relationships. This looks likely to continue, and it will be important for EAB to position itself to capitalise on these improvements in order to derive maximum benefit from them.

Internally, EAB's focus continues to be on assuring the quality and relevance of its reporting to support the government's policy interests. Central to this is an increased emphasis on professional development and training for staff, noting also a general decrease in the average age and experience of EAB staff over the past two to three years. Given the increasing volume of open source material, the advent of new sources (and interaction) from international partners, and the increased output of domestic partners, EAB faces significant challenges in meeting its global remit while continuing to ensure depth of knowledge and analytical integrity in its assessments. In the absence of increased resources, this will require EAB to further increase its interaction with customers to ensure that limited outputs are clearly focused where they are most relevant to customer needs.

Government House

Rugby Street, Wellington

2008/2009 Operating Budget : $3.391 million

Staff (Office) : 12
(Household) : 9

Position	Name	Telephone
Official Secretary	Rob Taylor	
Manager, Support Services	Janet Gootjes	

Government House staff:

- provide official, domestic and personal services to the Governor-General;
- arrange and coordinate the Governor-General's programme including overseas visits;
- conduct a range of official functions, investitures, award ceremonies, credential ceremonies, charity fund raising functions aligned to Their Excellencies patronages; receptions, and house and garden tours at Government House (Wellington and Auckland);
- host State occasions and visits by distinguished persons;
- provide financial, communications, administrative and advisory services which support the Office of the Governor-General.

Government House Conservation Project (details below)

Implications of the project for Governor-General's support include:

- relocation of Governor-General to Vogel House, Lower Hutt (mid-February) for a period of up to three years;
- temporary relocation of Government House Office staff to Islington house (within the grounds of Government House Wellington);
- alternative venues required for a range of ceremonial occasions including state welcomes and investitures;
- realignment of Governor-General's programme due to limitations on the type and size of function that can be held at Vogel House. It is anticipated that Governor-General will spend more time in Auckland and in other major centres.

Corporate Services

Level 5 Reserve Bank Building, 2 The Terrace, Wellington

2008/2009 Operating Budget : $2.266 million, including the office of the Chief Executive. (Funded from within the business units budgets)

Human Resources (3)
Finance (2)
IT and Information Services (3)

Position	Name	Telephone
Corporate Services Manager	Brent Anderson	

Corporate Services provides the following functions in support of the department's business units:

- organisation development and planning
- accounting services
- financial management and reporting
- internal audit
- human resources management
- administration and support services
- information technology services
- information services
- messenger Services
- on behalf of the government, negotiates advertising volume incentive discounts (VIDs) with the media.

Issues

- resourcing for back office functions (IT and IS projects in particular)
- resourcing for compliance challenges
- major accommodation change project in early 2009 for DESG, EAB and Corporate Services.

DPMC Audit and Risk Committee

This Committee consists of two external members (Michael Wintringham, Chair and former senior public servant, Souella Cumming senior partner KPMG) and one internal (Steve Long). It meets quarterly and the purpose of the DPMC Audit Committee is to provide assurance to the Chief Executive in discharging his responsibilities in connection with:

- The integrity of financial management and reporting systems and processes;
- The adequacy, efficiency and effectiveness of the department's management systems, and
- The effectiveness of the department's risk management framework, including legislative and regulatory compliance.

Government House Wellington Conservation and Restoration Project

Project Manager: Mike Hannaway

Level 5 Reserve Bank Building, 2 The Terrace, Wellington

An historic New Zealand House ready for the future.

The Government House Conservation Project will ensure the House and its grounds are ready for the future. By respecting the past while implementing modern building and environmental standards, it will enhance the heritage values of the House and grounds so they meet the constitutional, ceremonial and community leadership roles of a modern Governor-General, and the people who support the Office of Governor-General.

The traditions of the House, its symbolism to the nation and the graciousness extended to visitors will be preserved. A refurbished Government House will continue to earn the respect and affection of New Zealanders and it will offer a special New Zealand experience to those fortunate enough or honoured to attend functions, or to stay.

Scope of Work

The conservation of Government House involves a major strengthening programme to ensure it remains safe for use now and in the future. The project will renew services and components to ensure "as near as practicable" compliance with the building code, it will ensure that heritage values are maintained and enhanced.
The project includes replacement of worn out 100 year old roof and cladding systems. The sewer and stormwater systems and the road network have also reached the end of their service life and require replacement or repair.

In addition to the completion of deferred maintenance and legislative compliance upgrades, the opportunity is being taken to enhance the sustainability of the House utilising solar heating, insulation and energy efficient heating and cooling systems, while the House is out of commission.

Some replanning of the House is also included, making use of rooms that no longer have a specific purpose and improving the functionality of the building.

Project Status

The project scope can be summarised as follows and is being implemented in stages.

1. Moving and storage
2. Establishment of temporary Government House office support facilities on site at Islington House
3. Establishment of temporary Government House residence at Vogel House
4. Establishment of temporary project office facilities in an existing historic building
5. The conservation of the Main House
6. The repair/ replacement of site services and the development of the site facilities
7. The construction of the garden toilets and shelter building together with the garages and utility building.
8. The construction of the visitor building and guard house development, and
9. Completion of maintenance work to remaining outbuildings on site.

The detailed design stage for the main house is complete. A competitive tender was completed and the main contract awarded to LT McGuinness Ltd. They are a Wellington based construction company with an excellent reputation for quality workmanship and have considerable experience in conservation work. Pricing of Sub contract work continues and is expected to be completed by the end of November. It is anticipated that construction on the main house will commence in Jan 09

Developed design for the other project stages is progressing well.
All resources consents have been obtained.

The moving contract is nearing completion and the Governor General has left the main House with his new offices established in Islington House. The Governor General and Mrs Satyanand are planning to move in to Vogel House in February 2009.

The project is currently progressing well and is on programme and meets budget expectations.

A detailed description of the project scope is available to view if you desire.

Cost breakdown

1	Grounds and ancillary buildings: Repair or replacement of roads, paths, gutters, sewage and stormwater pipes. Collection of rainwater for recycling. Reconfigured circulation to main entry, disabled access points to house, new carpark. Construction of visitor centre, utility building and garage, garden shelter and toilets	$17.4 million (37%)
2	Structure: Foundations and basement service trench, roof strengthening, structural strengthening to walls, reconstructed attic area after asbestos removal.	$4.2 million (9%)
3	Finishes/walls: Partitions, doors, walls, floor finishes, ceilings, curtains and blinds, furniture and appliances	$6.85 million (15%)
4	Services: New energy efficient boilers, heat pumps, solar water heating, electrical, plumbing, security, kitchen fitout, IT, drains, fire protection services	$10.5 million (22%)
5	Building fabric: Walls, roof and windows	$7.85 million (17%)

Project Governance

1. The Government House conservation project is now underway and a Project Governance Board (PGB) has been established to provide governance advice, oversight and assurance around the project.

2. The PGB is responsible to the Chief Executive (CE) for the delivery of the Project. It provides assurance to the Chief Executive that the Project is delivered in accordance with the department's Statement of Intent, its Business Plans, the Government House Wellington Conservation Project Business Plan, relevant government policies, and directives from Cabinet and the Prime Minister.

3. The current project business plan foresees a three year project with reoccupation of the restored residence in mid to late 2011. A shorter rebuild may be possible and the timeline will be revisited once the main contractor is engaged.

4. The proposed responsibilities of the PGB are to:

- provide project leadership to this nationally significant and historical project
- ensure that the best possible decisions are made throughout the project
- enable the Project Manager and Project Control Group (PCG) to deliver the project benefits
- ensure that DPMC interests are best served
- ensure that project risks are mitigated and well managed at all times
- oversee expenditure and budget
- oversee all tender processes associated with the project to ensure they meet government guidelines and good practice

- accept tenders on the recommendation of a tenders panel.

5. The PGB will report regularly to the Chief Executive and a quarterly report to the Prime Minster (and the Governor-General as appropriate) on how the project is progressing, any outstanding issues and reporting expenditure against budget will then be prepared.

6. Purpose and Personnel

   The Chief Executive of the Department of the Prime Minister and Cabinet has overall accountability to the Prime Minister. The Chief Executive through the Clerk of the Executive Council liaises with the Governor-General.

7. Project Governance Board members:

- Brent Anderson, Corporate Services Manager, DPMC (Project Sponsor)
- Rebecca Kitteridge, Clerk of the Executive Council and Secretary of the Cabinet, DPMC (Key stakeholder)
- Ian Mills (External consultant with construction industry background)
- Rob Taylor, Official Secretary, Government House (Business Owner)
- Neil Walter, former senior public servant (Chair)

Appendices

- Statement of Intent
- Annual Report
- Main Estimates
- Budget Monitoring Report