# The Treasury

## Budget 2012 Information Release

## Release Document

## June 2012

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# Budget 2012: Four-year Budget Plan

**State Services Commission**

Covering:

**Vote State Services**

## Four-year Budget Plan

Final

31 January 2012

Forwarded by:

**Minister of State Services**

## Section 1: Overview

### Direction of Change

The Government and the public are expecting improved performance from the State services to help improve the lives of New Zealanders. This is set within a context of a difficult global economy and therefore an expectation to do more with less.

The State Services Commission (the Commission), in conjunction with its central agency partners, the Treasury and the Department of Prime Minister and Cabinet, is at the centre of New Zealand's Public Service. The Commission is responsible for leading the State Services to ensure it is flexible, innovative and responsive to the needs of the people of New Zealand.

Given these challenges, the Commission and its central agency partners have been reviewing how they lead and support the State Services. This has led to a number of initiatives that are outlined below.

The incoming Government has received a report from the Better Public Service Advisory Group that provides recommendations for State sector reform. The Commission is likely to lead a number of changes if these are endorsed by the Government. This has the potential to have a significant impact on the priorities of, and services we provide. The recommendations of the Advisory Group will set out a programme of change based around a clearer definition of priority results for New Zealanders, a strengthening of the leadership of agencies and sectors, and improvements in system capability.

The Commission is also reviewing the State Sector Act 1988. While this work has been conducted separately to the Better Public Services review, there are linkages with the legislative recommendations, from that review that focus on improvements to State Services leadership and governance so agencies deliver results more efficiently and cohesively, as part of one system.

This system and sector focus is being embedded in the Commission's strategic direction and the services the Commission provides. State sector results, system performance monitored through the Performance Improvement Framework, and improved system capability through chief executive recruitment and senior leadership talent identification have been developed to ensure a greater system and sector focus.

A new strategic direction, including new outcomes and priorities, will begin to guide the Commission's services in 2012. The strategic direction aligns and supports the shifts in direction sought for the State Services, and ensures the Commission has the capacity and capability to lead and support these changes. These changes have included the reorganisation of the Commission and setting up a shared services unit that integrates the three central agencies common corporate functions.

The Commission is in a state of significant change. Once the newly elected Government and the Minister for State Services outline their priorities, decisions are made on the Better Public Services report to Government, and final decisions are made on the Commission's strategic direction, the Commission will align our services and priorities to achieving our outcomes.

*Summary of Changes (applies to all agencies and votes)*

| *1. Operating changes sought* | **Impact $m increase/(decrease)** | | | | |
|---|---|---|---|---|---|
| | **2011/12** | **2012/13** | **2013/14** | **2014/15** | **2015/16** |
| **Current Baseline** | ***244.149*** | ***41.548*** | ***41.683*** | ***42.480*** | ***42.480*** |
| Cost pressures resulting from existing policies/settings [**section 3**] | - | - | - | - | - |
| Cost of new/increased activities [**section 4**] | - | - | - | - | - |
| Efficiency savings [**section 4**] | - | *(0.723)* | *(0.719)* | *(0.735)* | *(0.735)* |
| Amount reprioritised [**section 4**] | - | - | - | - | - |
| **Net impact** | **-** | ***(0.723)*** | ***(0.719)*** | ***(0.735)*** | ***(0.735)*** |
| **New baseline** | ***244.149*** | ***40.825*** | ***40.964*** | ***41.745*** | ***41.745*** |

| *2. Baseline capital expenditure* | **Impact $m increase/(decrease)** | | | | |
|---|---|---|---|---|---|
| | **2011/12** | **2012/13** | **2013/14** | **2014/15** | **2015/16** |
| ***Departmental*** | | | | | |
| Baseline funding available for departmental capital expenditure **[section 5, table 5, row e]** | *6.359* | *1.561* | *1.155* | *0.935* | *0.676* |
| Investments funded from departmental capital expenditure **[section 5, table 5, row f]** | *5.339* | *0.840* | *0.625* | *0.625* | *0.625* |
| ***Non-departmental*** | | | | | |
| Total **[section 5, table 6]** | - | - | - | - | - |

## Section 2: Priorities

### The main outcomes and priorities for the Vote

The Commission's main outcome is focused on improving performance and maintaining trust in the State Services to ensure the Government and public have confidence in the system. To deliver this, the Commission has identified four strategic areas (pillars) where we can best impact on the system:

- leading the system
- delivering performance excellence
- building system capability
- strengthening integrity and trust.

Supporting the four pillars is a foundational pillar transforming SSC. This acknowledges the shifts the Commission must make to ensure we can deliver on the other four pillars to achieve our overall outcome.

The focus for the Commission is improving the performance of the State Services to deliver on key results efficiently. This focus on results and efficiency may require innovative solutions. The main priorities of the Vote for the Commission are to help the State Services deliver key results efficiently include:

- identifying the key results for the State Services, and then supporting agencies and sectors to achieve them
- developing stronger Public Service leadership through:
    - the effective recruitment, expectation setting and performance management of Public Service chief executives and other senior leaders,
    - identifying future Public Service leaders through a talent management programme
- advising Ministers and focusing leaders on the best models for the integration, governance and organisation of public services, including working with agencies to develop high quality analysis to support governance for redesigned service delivery models that work across the system
- working with agencies to develop workforce strategies to manage capability, capacity, culture and change leadership required to deliver sustainable services, and to identify system level improvements
- working with agencies to deliver performance information that assesses their contribution to the overall performance of the system, through the Performance Improvement Framework and other evidence-based analysis.

These priorities will help support the implementation of Better Public Services and achievement of the Government's priorities for the State Services.

**The planned key achievements within the Vote over the next four years include:**

- The purpose for the Commission is ensuring confidence in the State Services through trusted and high performing State Services. Successful delivery of this achievement should see an improvement in the service quality scores in the Kiwis Count survey, which monitors the public experience of the State Services.

- Performance lifts across the system, which should be shown through the results of Performance Improvement Framework reviews. This work identifies areas of good practice across all facets of an organisation, which will ensure performance benchmarks and expectations continue to rise across the Public Service and wider State Services.

- Beginning to see some achievement and tracking towards key State Service results, once the results have been defined.

To support and lead these achievements, the Commission will have implemented the approved recommendations of the Better Public Services work, and implemented changes across the Commission to lift its capability to lead and support the State Services.

## Section 3: Cost Pressures

### Major pressures facing the Vote over the forecast period

**Pressure:** The need to lead and support significant change within the State Services, within the constraints of a tight fiscal environment.

**Risk:** That the State Services Commission does not have enough resources to respond. The State sector is undergoing significant change to respond to the challenges of increased expectations from Government and the public to perform, within the context of a tight fiscal environment. As leader of the State Services, the Commission needs to lead and support agencies, sectors and the system to respond to these challenges. In addition a programme of State sector review is being developed and recommendations are to be provided by the Better Public Services Advisory Group to the incoming Government, which could lead to significant State sector reform.

**Mitigation:** To meet the challenges, the Commission has developed a new Business Strategy and is evaluating a number of programmes to ensure they are fit for purpose. This includes reviewing the Sector and Agency Performance Groups operating model; reviewing chief executive recruitment processes, and supporting development of sector based results. This work will ensure greater effectiveness and efficiency of these programmes, but does involve an initial investment to undertake the review.

While the Commission has been undertaking these reviews, there is some under spend that can be mainly attributed through vacancies and associated reduction in work programme. This under spend for 2011/12 will help with supporting the increased demands on SSC, with some carry forward for 2012/13.

In addition the Commission will realise some savings and efficiency gains through:

- Reprioritisation of services to meet demands. This may result in scaling back some services to support the Commission's ability to respond to other increasing demands.
- The move to new accommodation has expected savings of up to $890k per annum from 2012/13.
- The Central Agency Shared Services will result in efficiency gains.
- Increased scrutiny of internal budgets and budget management processes to ensure efficient allocation of resources.
- Developing more robust forecasting techniques across both departmental and non departmental appropriations.

**Pressure:** Capability

**Risk:** With the challenges facing the State sector, the Commission needs to have the capability to lead and support the shifts required to improve the performance of the State Services and State sector reform. The Commission relies on highly capable and experienced specialist staff to execute a challenging work programme. A key risk is that the Commission does not have the right human resource capability or capacity, through attracting, developing and retaining the right people, to deliver business critical, specialist functions.

**Mitigation:** The Commission is developing its workforce strategy to align and shape the Commission's workforce to deliver the business outcomes. This will result in looking at the permanent / FTE / contractor mix to ensure SSC has the ability to be flexible and respond quickly to opportunities as they arise.

**Pressure:** Capacity

**Risk:** The degree of change required by Government across the State sector outstrips the Commission's organisational capacity to deliver, i.e. the Commission does not have enough resources to adequately respond.

**Mitigation:** The Commission's future organisational structure will include a contracting model that will allow flexibility in bringing in additional resources for key priorities. The proposed Central Agency Shared Services (CASS) structure will facilitate more flexibility in the allocation of additional financial planning resources as required by the Commission.

Possible expense transfers from 2011/12 to outyears will need to be considered to manage resource pressures.

**Pressure:** KiwiSaver appropriation in 2011/12 is adequate.

**Risk:** The trends of the KiwiSaver appropriation over the last two financial years suggest that the appropriation could be exceeded in 2011/12. The combination of this trend and the uncertainty of the future take up of the scheme due to possible compulsory membership represents' a financial risk to the Commission.

**Mitigation:** The Commission is closely monitoring the level of uptake in KiwiSaver and has now introduced additional reporting requirements from claimants for 2011/12. The Commission will also be requesting that claimants now make five returns in 2011/12 to ensure a timelier monitoring of the appropriation over its final year. The Commission is also looking into options to request a fiscally neutral adjustment to increase the KiwiSaver appropriation and decrease the State Sector Retirement Savings Scheme (SSRSS) appropriation. The transfer would ensure that the 2011/12 KiwiSaver appropriation is not exceeded, and would be requested in the March Baseline Update process.

**Changes to funding of retirement savings schemes**

The Government has removed central funding for employer contributions to make the state sector arrangements for KiwiSaver and SSRSS more consistent with good public sector management. The change means that state sector employers, like their private sector counterparts, face the full cost of employment when making decisions that affect their personnel costs. The financial implications of this change for the Commission as an employer are identified in table 1 of this document. The Commission has been able to meet the additional costs by reductions achieved in its March 2012 accommodation move to the Reserve Bank building.

**The capital and operating cost drivers in the Vote**

The Commission has a high percentage of personnel costs within the departmental vote that are subject to potential remuneration increases and will be required to be controlled carefully. The workforce strategy will consider the resource mix between directly employed FTEs and consultants, which may mitigate the risk.

The volume of reviews scheduled for the Performance Improvement Framework (PIF) programme and the Gateway programme will drive variable costs associated with both programmes. The new funding model for PIF relies on set funding from Treasury and DPMC which will be reviewed annually to ensure the sustainability of the programme. A review of the Gateway programme including the funding model is scheduled to be completed before the end of the 2011/12 financial year to ensure it also has a sound financial platform.

In 2011/12, the Commission will incur initial high capital costs related to the accommodation move to the Reserve Bank building and its investment in the CASS programme.

**Workforce Strategy**

At an agency/sector level, the Commission is providing guidance to agencies/sectors in Workforce Strategy planning, the timeframes for which are organised in tranches.

An organisational focus on the Commission's Workforce Strategy has also commenced. For this Workforce Strategy, the Commission will in Tranche 1 complete the development of an in- depth project plan to align and shape the Commission's workforce to deliver the business outcomes, now and in the future. The Commission is examining whether the Tranche 1 project planning can be completed in early 2012.

In Tranche 2, the Commission will then commence the implementation of the project plan and develop the Four Year Workforce Strategy. This work will be complete by November 2012, and the Commission's Workforce Strategy will then be in place for 2013 onwards.

While this work is proceeding, an initial high level investigation regarding the Commission's workforce has commenced and the current findings are summarised below:

- External resources are likely to increase in the short to medium term due to the injection of capability required to support the new business direction.
- Permanent staff numbers are likely to decrease due to the injection of specialist capability to support new business direction; and the potential impact of CASS in 2012.
- Fixed term staff numbers are likely to increase due to the injection of specialist capability to support new business direction; and the potential impact of CASS in 2012.
- Inward secondments could potentially increase due to the strengthening of the Commission's employment brand and a new way of working, encouraging movement around agencies and sectors.
- Outward secondments could potentially increase due to a new way of working, encouraging movement around agencies and sectors.

The impact of these changes would mean more expenditure incurred in consultancy, which will require a movement between budget areas. The Commission's current expectation is that, due to injections of capability required for projects and specific expertise to support the implementation of the organisational business strategy and direction, these figures are likely to increase in the 2012/2013 and 2013/14, albeit at a slower rate than currently experienced. There is an expectation that, as these changes are implemented in the Commission, vacancy levels will decrease and normalise between 2014 and 2016. The Commission will continue to focus on budgetary control in this area to ensure value for money is fully delivered.

Once the newly elected Government and the Minister for State Services outline their priorities, decisions are made on the Better Public Services report to Government, the Commission will prioritise its resources to achieve its set outcomes while also managing its cost pressures.

## Section 4: Proposed Changes for 2012/13 to 2015/16

### Continuing activities

The Commission plans to continue its substantial work around chief executive recruitment and performance management, PIF reviews, Gateway reviews, and leading the Public Service.

To ensure the effectiveness of some of the Commission's key work areas and programmes, reviews are being undertaken that will confirm if any changes are required.

The Better Public Services work stream may require new or different work and rebalancing of effort, once Cabinet decisions have been made.

The Commission will also be seeking to improve the delivery of its current functions through continuous process improvements and will continue to examine its operations to determine whether any current functions are not aligned to its core business or Ministerial priorities.

### Changing activities

The activities listed below are all aligned with Government priorities.

**Performance Improvement Framework**

**Background**

Fourteen agencies have completed PIF reviews. Twelve agencies will be reviewed in 2012. The Re-reviews and cluster reviews are scheduled to begin in 2013.

Chief executives continue to comment favourably on the usefulness of the PIF process for providing a common framework and understanding of the direction they need to be taking, and the areas they need to focus on. They have also welcomed the independent insights and constructive commentary from PIF lead reviewers on where and how their agencies can lift their performance.

Central agency officials also comment favourably on the PIF, as they now have much better information about agency strengths and areas for improvement, as well as insight about where the central agencies can address system level performance issues.

The most important challenge the PIF faces is the high and rising levels of demand for PIF reviews from across the State Services. To respond to this challenge the central agency chief executives recently took a number of decisions that represent a broad and sustained commitment to the PIF.

**Efficiency, value and sustainability**

Before agreeing sustainable funding the central agency chief executives commissioned a revamp of the PIF process. The revamp was completed early this year with the help of lead reviewers (David Moore, Debbie Francis, Murray Horn, Paula Rebstock and Peter Bushnell).

PricewaterhouseCoopers have confirmed that the revamped process has reduced the average cost of a PIF review by 30%, and increased the critical value by providing more lead reviewer time (and therefore advice) to chief executives and chairs. These benefits are in addition to the decision to publish PIF reports as soon as they are available – so that no chief executive or chair has to wait more than a month to use their PIF report.

Satisfied with the revamped process, central agency chief executives have agreed four year funding arrangements for the PIF programme. While the Commission funds the majority share (75%), the contributions of the Department of Prime Minister and Cabinet (5%) and the Treasury (20%) are critical to the sustainability of the PIF programme, and for making sure the PIF is, in its implementation, a joint central agency product.

In addition, central agency teams are a critical element in the revamped PIF process: the teams now formally brief the lead reviewers at the start of each review, and are in turn briefed by the lead reviewers at the conclusion of each review. This debriefing process ensures the central agency teams are fully prepared to assist and engage with an agency to realise the benefits of a PIF review, and improve agency performance.

Finally, central agency chief executives also agreed that effective from 1 January 2012 agencies will pay 100% of the direct variable cost (i.e., the cost of lead reviewers which is about $88,000 per review). Central agencies will continue to fund the full fixed cost of the PIF programme, plus the full cost of a programme to promote performance excellence. Public Service chief executives were advised of this decision on the 23 September 2011.

**Continuous improvement and beyond**

Beyond noting a three year schedule, central agency chief executives agreed a number of signature PIF initiatives, including regular impact reports to Ministers, quarterly reviews of the PIF model and practice, a seminar series promoting strong practice, and regular training in PIF self reviews. The Commission has also scheduled an evaluation of the PIF programme for 2014.

**Accommodation move to the Reserve Bank building**

The Commission is currently located at 100 Molesworth Street, Thorndon, Wellington, with a lease expiring on 31 March 2012.

The Commission will be relocating to the Reserve Bank building, levels 10 and 11 at No. 2 the Terrace on 7th of March 2012. The space totals 1,830 $m^2$ with shared meeting and café facilities provided by the Reserve Bank.

The key benefits for the accommodation move include the following:

- co-location with other lead agencies,
- alignment to best practice for information and communication technology, records management and library services
- creation of a more flexible accommodation space,
- innovative change in the ways we work as an organisation,
- significant reduction in rental costs and other building operating costs of $890k from 2012/13.

**Better Administrative and Support Services (BASS) results for 2010/11**

The SSC BASS results for 2010/11 indicate that in certain areas, higher administrative and support services costs have been incurred when benchmarked against its peer group performance. In the 2011/12 financial year and onward, there is an expectation of an improvement in these metrics as a result of the accommodation move and efficiencies delivered from the implementation of the Central Agencies Support Services programme.

Property cost per FTE has increased from $12,327 in 2009/10 to $16,373 in 2010/11, mainly due to the reduction in overall SSC FTE numbers. The SSC accommodation move in March 2012 will improve the metric from 2011/12 onwards with lower rental costs to be incurred under the new lease.

The table below details the expected trend over financial years for the property costs per FTE metric.

| Financial year | 2009/10 Actual | 2010/11 Actual | 2011/12 Forecast | 2012/13 Forecast |
|---|---|---|---|---|
| Cost per FTE | $ 12,327 | $ 16,373 | $ 13,267 | $ 6,459 |

**Central Agency Shared Services (CASS) programme**

In March 2012, CASS is scheduled to begin operation servicing the corporate needs of the three central agencies.

For some time the three central agencies have been considering whether there is scope to share some support services, or to strengthen common supporting systems. Over the last two years, the three agencies have been working hard to understand the current state of our corporate service functions (Finance, HR, Information Management and IT) in order to assess the strength of the case for developing the central agencies shared services. We have undertaken significant levels of analysis to identify potential benefits from integrating activities within these functions.

During that time the central agencies have developed and articulated a vision for shared services that included three overarching objectives:

- to **minimise risk** through building greater resilience and strengthening capability
- to develop **better services**, including both improving the capability to innovate, build job satisfaction and career development and
- to **lead by example** by building strong corporate services that will deliver services that exceed the sum of their parts.

The decision has been made by central agency chief executives to progress with the shared services model with a planned start date of 7 March 2012. CASS will be situated in Treasury, which will also be the host agency.

The full cost implications have been calculated, with a final decision on the CASS structure announced in December 2011.

Once CASS is up and running and fully operational, the estimated annual operating cost savings for the Commission are $0.660 million.

**State Sector Employer Contributions: KiwiSaver and State Sector Retirement Savings Scheme**

The non-departmental appropriations for State sector superannuation are responsible for around 90% of the Commission's total appropriation. As announced in Budget 2011 these two appropriations cease from the 2012/13 financial year.

## Remuneration and Related Employment Costs of Chief Executives

The Commission's non-departmental appropriation for the remuneration and related employment costs of Public Service chief executives is as follows:

| | $ million increase/(decrease) | | | | |
|---|---|---|---|---|---|
| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
| Annual appropriation | 13.793 | 13.482 | 13.735 | 13.992 | 13.992 |

Through a combination of fiscal restraint in wage increases and chief executive vacancies, SSC's expenditure in this area is expected to be managed within the appropriation. These amounts exclude an allowance for the remuneration of the Chief Executive of the Canterbury Earthquake Recovery Authority (CERA) from 2012/13 and outyears. Any additional funding relating to the Chief Executive, CERA is currently being considered and is expected to be included in time for the March 2012 Baseline Update submission.

## Efficiency Savings

The efficiency savings required from the Commission are set out in the table below.

| | $ million increase/(decrease) | | | |
|---|---|---|---|---|
| | 2012/13 | 2013/14 | 2014/15 | 2015/16 & outyears |
| Efficiency Saving | 0.723 | 0.719 | 0.735 | 0.735 |
| Offsetting KiwiSaver and SSRSS cost | 0.327 | 0.351 | 0.351 | 0.351 |
| Expected changes to baselines (revenue crown) | 0.396 | 0.369 | 0.384 | 0.384 |

The Commission has been able to meet its efficiency savings targets by cost reductions achieved in its March 2012 accommodation move to the Reserve Bank building. There is an expectation that the implementation of the Central Agency Shared Services will also deliver medium to long term efficiency savings.

The Commission previously made efficiency savings as part of the Budget 2011 process. These savings are detailed in the table below:

| | $ million increase/(decrease) | | | | |
|---|---|---|---|---|---|
| | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
| Departmental Operating Expenses | (0.317) | (0.250) | (0.500) | (0.650) | (0.800) |
| Non Departmental Operating Expenses<br>Remuneration and Related Employment Costs of Chief Executives | (0.422) | (0.757) | (0.510) | (0.257) | - |
| **Total reduction in operating baseline** | **(0.739** | **(1.007)** | **(1.010)** | **(0.907)** | **(0.800)** |

| | $ million increase/(decrease) | | | | |
|---|---|---|---|---|---|
| | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
| Reduction in capital baseline funding | (1.270) | (0.500) | (0.680) | (1.700) | (1.700) |
| **Total reduction in capital baseline** | **(1.270)** | **(0.500)** | **(0.680)** | **(1.700)** | **(1.700)** |

The financial implications to the Commission of the Better Public Services work area are yet to be confirmed. The Commission will not be offering up further efficiency savings in this budget round but this will be considered in future budget rounds when the implications are more certain.

**Proposed Changes**

**New Policy Advice Appropriation**

The Treasury has been leading an exercise to identify a common definition of what is policy advice with the purpose of ensuring agencies standardise the recording of expenditure on policy advice, and thus make the total cost of producing policy advice for Ministers transparent to stakeholders.

In order for the Commission to identify its current policy advice budget, an exercise to calculate resources against each cost centre has been implemented, with the total amount consolidated across the organisation. This amount will be transferred into a new policy advice departmental appropriation, as part of the Budget 2012 process.

As a result of the policy advice appropriation exercise, changes have also been made to the two existing departmental appropriations along with their scope statements to ensure they align and fit the operating model of the business.

The amount to be transferred will be finalised during the March 2012 Baseline Update process. Approximate amounts and percentages of the three appropriations are detailed in the table below, using the October 2011 Baseline Update amounts for the 2012/13 financial year:

| Vote State Services Departmental Appropriations | $ million | % |
|---|---|---|
| State Services Performance Management | 16.978 | 59% |
| Public Management System | 6.885 | 24% |
| State Services Policy Advice | 4.196 | 17% |
| Total Departmental Appropriation | 28.059 | 100% |

## Section 5: Baseline capital expenditure

The planned departmental capital expenditure for Vote State Services is detailed in table 5 below.

The key areas of capital expenditure for 2011/12 include:

- relocation to the Reserve Bank building;
- CASS Implementation
- records management system replacement

The capital investment amounts in table 5 assume a full incurrence of expenditure based on the forecasted capital appropriation, however this may change as the final expected capital and associated operating costs for the CASS programme are confirmed in the near future.

| 5. **Departmental capital expenditure** | **$m increase/(decrease)** | | | | |
|---|---|---|---|---|---|
| | **2011/12** | **2012/13** | **2013/14** | **2014/15** | **2015/16** |
| a. Opening baseline funding available | *5.823* | *1.020* | *0.721* | *0.530* | *0.310* |
| b. Depreciation funding (1:51:1, 199) | *0.536* | *0.541* | *0.434* | *0.405* | *0.366* |
| c. Sale of assets (1:52:0, 1999) | - | - | - | - | - |
| d. Other (please specify) | - | - | - | - | - |
| **e. Total baseline funding available** (a+b+c+d) | *6.359* | *1.561* | *1.155* | *0.935* | *0.676* |
| **f. Capital investments funded from baselines** | *5.339* | *0.840* | *0.625* | *0.625* | *0.625* |
| g. Closing baseline funding available (e-f) | *1.020* | *0.721* | *0.530* | *0.310* | *0.051* |

| 6. **Non-departmental capital expenditure** | **$m increase/(decrease)** | | | | |
|---|---|---|---|---|---|
| | **2011/12** | **2012/13** | **2013/14** | **2014/15** | **2015/16** |
| Capital investment in organisations other than departments (0:6:X & 0:7:X, 599) | - | - | - | - | - |
| Baseline funding available for the purchase or development of Crown capital assets (0:6:X & 0:7:X, 699) | - | - | - | - | - |
| **Total** | - | - | - | - | - |

The Commission does not plan to introduce private sector capital to help drive up the performance of State assets.

## Section 6: Further options

The financial implications to the Commission of the Better Public Services work area are yet to be confirmed. The Commission will not be offering up further efficiency savings in this budget round but this will be considered in future budget rounds when the implications are known.