

The Treasury

Budget 2014 Information Release

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Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 6(a) - to prevent prejudice to the security or defence of New Zealand or the international relations of the government
- [2] 6(c) - to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
- [3] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [4] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
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- [6] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [7] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [8] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [9] 9(2)(h) - to maintain legal professional privilege
- [10] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [11] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [12] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [13] Not in scope
- [14] 6(e)(iv) - to damage seriously the economy of New Zealand by disclosing prematurely decisions to change or continue government economic or financial policies relating to the entering into of overseas trade agreements.

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, a [3] appearing where information has been withheld in a release document refers to section 9(2)(a).

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

Office of the Clerk of the House of Representatives

Four-year Plan – Update

In December 2012, the Office presented its Four-year Plan for the financial years 2013/14 to 2016/17. The plan is still relevant as the Office's strategic direction has not changed. Therefore, in accordance with the Four-year Plan Guide issued by The Treasury, it will only be presenting an update, and a report on progress made against its strategic objectives.

The outcome of the Office of the Clerk is a legislature in which members of Parliament are able to discharge their constitutional duties in respect of the consideration of legislation and other parliamentary business, and interested parties are informed and able to participate.

The Office continues to focus on its four impact areas developed to enhance the effectiveness of Parliament as an institution:

- Parliament remains relevant because it has the capacity to adapt its procedures
- Effective parliamentary scrutiny enhances government outcomes
- Public respect for the institution of Parliament grows because the public is informed about what Parliament is doing and able to participate
- Parliament's capacity is enhanced by members' engagement with other parliaments and inter-parliamentary organisations.

Progress made on each of those impact areas follows:

Parliament remains relevant because it has the capacity to adapt its procedures

Work on the upcoming review of the operation of the Standing Orders, to be undertaken by the Standing Orders Committee, has already commenced and will require innovative advice on House and committee procedure.

The Office also continues to provide input to the consideration of the statutory framework for parliamentary privilege. This will ensure that the place of parliamentary privilege is well understood and Parliament's independence maintained. In addition, the Office has continued to contribute to the thinking on New Zealand's wider constitutional arrangements and the impact of freedom of information and privacy principles on Parliament.

The update of *Parliamentary Practice in New Zealand* (McGee) is progressing well, and is expected to be finalised for the 51st Parliament. A new edition will provide extensive up-to-date information on parliamentary procedure and practice, which is of great value to parliamentarians and the public. It will enhance public understanding of Parliament and its processes and in so doing should facilitate greater public participation.

Effective parliamentary scrutiny enhances government outcomes

The Office continues to seek opportunities to enhance support of the House's financial scrutiny functions. This work will focus on developing a parliamentary response to public sector management and government financial management changes arising from the drive for better public services, as

part of the review of the operation of the Standing Orders. In addition, the Office is developing its resources to provide improved assistance to select committees in order to enhance scrutiny of constitutional and administrative law issues and regulatory impact, including cost benefit and value for money considerations in legislation—issues that policy advisers do not always address.

Public respect for the institution of Parliament grows because the public is informed about what Parliament is doing and able to participate

An overarching communications strategy for Parliament has been developed by the Office, and is now in the process of implementation. The strategy focuses on providing information to the public in a form that balances both modern and traditional communications channels. To deliver on this strategic initiative, the Office has reviewed one of its teams so that it has an enhanced communications and engagement focus. Once this is in place, the Office will continue its work to enhance the Parliament website, which will entail both refreshing its look and feel, search functionality, and making its content more accessible.

The pilot to webcast select committee proceedings on the Parliament website is well underway, and expected to be fully functional at the time this update is presented. The pilot will webcast public hearings of evidence from two designated select committee meeting rooms and will be webcast through the Parliament TV platform. Following the pilot, the Office will seek feedback from members and, depending on the outcome and the members' will to provide this service more widely, additional funding may be required.

The re-development of the Office's two key parliamentary applications, the *Hansard* Production System (HPS) and the Core Parliamentary Data (CPD) system have progressed well, and are expected to be operational by the first half of 2014. Once these systems are fully functional, development will begin on the closed captioning system to make parliamentary proceedings immediately accessible to the hearing-impaired community.

Exploratory work on the programme of projects to upgrade and standardise all of the Office's publishing systems continues to progress. It will streamline the information required by members to perform their constitutional duties in the House and committees, enabling them to access it from any device of their choice. Decisions on the timing and scale of the programme will be made in February 2014. Given the size of the project, the Office is working collaboratively with the Parliamentary Service and the Parliamentary Counsel Office. Risk analysis has shown the publishing ends of all Office applications also need standardising and upgrading. This will be done as a matter of priority from the existing baseline.

The renegotiation of the suite of contracts that cover the televising of Parliament will be concluded at the time this update is presented. As expected, cost pressures were a significant part of the negotiation. Transmission costs have increased, and the Office will now be required to pay for transmission costs 24 hours a day, seven days a week.^[11]

¹ The Office has started to engage with different parties to explore options.

Parliament’s capacity is enhanced by members’ engagement with other parliaments and inter-parliamentary organisations

The planning of the Conference of Speakers and Presiding Officers of the Commonwealth (CSPOC) is well advanced. The conference will take place in Wellington between 21 and 25 January 2014, and a good uptake of invitations is expected. In addition, a considerable number of Speakers from Pacific Island parliaments have confirmed the participation. The organisation of the conference is progressing on-time and on-budget.

Other strategic initiatives

Parliament Sector

Plans to establish a Parliament Sector governance arrangements with the Parliamentary Service are progressing well. Their purpose is to develop and implement common outcomes for Parliament, share strategy, and encourage further collaboration between both agencies. The appointment of external members of a Parliament Sector Advisory Board (of which the Speaker is the Sponsor) is underway, and the senior management teams from both agencies have developed a common work programme. The programme seeks to advance common initiatives in areas such as shared services, technology, common strategic outcomes, organisational and people capability, leadership, and policy.

Transfer of the information service functions to the Parliamentary Service

The Office has reviewed its information service needs. The Parliamentary Service took over the Office’s infrastructure, computers and mobile devices in July 2013. The review (which is now in its consultation phase) recommended that the servicing and maintenance of its line-of-business applications be transferred to the Service. [11]

The Office would retain its business analyst and records management functions and create a programme management role. If the Office adopts this recommendation, a careful transition will be required.

Workforce capability, capacity and costs information

5.9.1 Capability building

Capability	Capability shift required			Description of capability gap/pressure	Proposed actions to address capability gap
	High	Med	Low		
<i>Leadership</i>	✓			<i>The Office has identified a gap on the standard management competencies of its operational managers.</i>	<i>The Office’s management competency framework presented to the operational managers. Training focused on enhancing those</i>

					<i>management competencies will be offered followed by coaching from senior managers.</i>
<i>Communication skills</i>	✓			<i>Leadership of the implementation of Parliament's communication strategy.</i>	<i>Recruitment of leadership skills and training focussed across the Office.</i>
<i>Collaborative skills</i>		✓		<i>The Office is working alongside the Parliamentary Service to develop a sector approach that enables seamless services to the House of Representatives and its members. We anticipate this will provide further opportunities to achieve efficiency savings across both organisations.</i>	<i>This will be addressed through culture change communications and the implementation of the common work programme.</i>
<i>Strategic/Systems thinking</i>	✓			<i>As per Leadership above (one of the management competencies)</i>	<i>As per Leadership above</i>
<i>Strategy and planning</i>		✓		<i>The need to enhance strategic planning and monitoring has been identified.</i>	<i>Work is underway to improve how the senior management team manage its strategic priorities, risk and financial planning. This has been done using external coaching and re-focussing of resources in Organisational Performance along with shared services with the</i>

					<i>Parliamentary Service.</i>
<i>Programme and project management</i>		✓		<i>The Office has identified a need for more robust programme management.</i>	<i>An outsourced or shared service programme management function is under consideration.</i>
<i>Business analysis</i>		✓		<i>Review of the Office's Information Services function has identified the need for stronger business analysis which links information management needs and technical requirements.</i>	<i>Resources in Organisational Performance will be re-focussed following the IS review.</i>
<i>Commercial contract management</i>			✓		
<i>Customer related skills</i>			✓		
<i>Knowledge sharing</i>	✓			<i>The Office has focused efforts in achieving a knowledge sharing culture.</i>	<i>As part of this process, it has been making progress with its Knowledge Management Project (Kete Matauranga).</i>
<i>Captioning services</i>	✓			<i>New highly specialised skill, not available in the market.</i>	<i>Will require in-house development.</i>

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5.9.2 Government ICT Strategy and Action Plan to 2017 - Alignment of agency ICT Strategies to Destination 2017

The Office transferred its entire ICT infrastructure to the Parliamentary Service in 2013. The Service now provides the CIO role for the Office and will share its Information Systems Strategic Plan (ISSP). The Service's ISSP has recently been refreshed to cover the 2013-2017 period. This ISSP aligns with the Government ICT Strategy.

5.9.3 Risks

Treasury and SSC intend to use the Plans to provide an overview of significant risks across the State Sector. Risks are defined as uncertainties as they relate to objectives.

5.9.3.1 Strategic & Operational Risks:

The Office has not identified any strategic or operational risks that could lead to a fiscal impact.

The Office has undertaken a complete review of all its risks, including its risk management framework, risk policy and risk toolkit. The newly developed, more robust processes include a widely communicated risk escalation process to the senior management team.

Risk No.	Description	Likelihood	Consequences	Exposure	Financial Impact and timing by year(where applicable)	Treatment/ Mitigation
S1	Services to the House and committees are compromised by a static or falling funding baseline (workforce cost pressures).	Possible	Severe	High	2017	Improve capability, financial management, and development of shared service options, while ensuring that core services to the House and committees are not compromised.

5.9.3.2 Resilience:

The Office is resilient to most eventualities within its appetite for risk. The Office (and its staff) are cognisant of the high level of risk associated with the political environment in which it works. Given the independent nature of the advice that the Office provides, it must maintain a strong reputation and good stakeholder relationships. These are underpinned by the Office's ability to deliver on its core values of expertise, accuracy, integrity, and impartiality which have been recently rated highly by our stakeholders.

Two of our most important information system applications are currently being redeveloped. Plans for more regular upgrades encompassing all applications are being established to ensure that our information systems capability is robust during the period of this plan. In addition, closer alignment with the Parliamentary Service’s IS infrastructure will enhance the Office’s information systems function.

The Office’s finances are strong, and its financial management capability has been, and will continue to be strengthened during this period. The Office recently appointed the Parliamentary Service’s Chief Financial Officer to provide strategic financial services to the Office, in addition to the already established shared role of management accountant. This will enhance the Office’s financial acumen and make its financial planning and management more robust.

The Office has completed its business continuity plan covering any incident from a minor disruption to service to a catastrophic event. This has included jointly working with other agencies in the parliamentary complex to plan for the temporary move of Parliament and Government to an alternative location in the event of a national emergency that leaves Wellington uninhabitable.

5.9.3.3 Risks to the sustainability of the 4YP beyond 17/18:

As outlined under section 5.9.3.1.

5.9.4 Government priorities

The Office aligns its outcome and outputs to the priorities of Parliament, rather than government priorities. Parliament’s priorities are determined by members and expressed in its day-to-day operations by the Speaker, and in a more strategic sense by the Standing Orders Committee. They are codified in Standing Orders and most of the Office’s activities flow from that document.

5.9.4.1 Delivering Better Public Services

	2012/13	2013/14	2014/15	2015/16
Resources committed	N/A	N/A	N/A	N/A
Resources reallocated across agencies	N/A	N/A	N/A	N/A

5.9.4.2 Canterbury rebuild

	2012/13	2013/14	2014/15	2015/16
Resources committed	N/A	N/A	N/A	N/A
Resources reallocated across agencies	N/A	N/A	N/A	N/A

5.9.4.3 Building a more productive and competitive economy (Business Growth Agenda work-stream)

	2012/13	2013/14	2014/15	2015/16
Resources committed	N/A	N/A	N/A	N/A
Resources reallocated across agencies	N/A	N/A	N/A	N/A

Financial information

Output class: Inter-Parliamentary Relations is a multi-year appropriation (MYA) which commenced on 1 July 2011 and will expire on 30 June 2014. The inter-parliamentary relations programme is tied to the term of each Parliament and so will require a MYA for the next parliamentary term. The current baseline has provision for annual appropriations so there is no fiscal impact.

The development of a Parliament sector inter-parliamentary relations strategy is part of the sector common work programme. In this context consideration is underway on how members' professional development and the regular political exchanges funded by the Parliamentary Service might be integrated with the inter-parliamentary relations programme administered by the Office of the Clerk.

The Office receives many approaches from inter-parliamentary organisations, that could be developed into a programme of professional development for members with opportunities for members also to undertake study relevant to party policy development. There is also the potential to develop friendship group exchanges and enhanced opportunities for committee exchanges, as part of developing the capacity of the New Zealand Parliament.

To implement such a programme, consideration will need to be given to funding. The best funding model is yet to be determined. The international travel rebate scheme funded through Vote

Parliamentary Service will be examined and consideration given to whether a fiscally neutral transfer of funds from Vote Parliamentary Service to Vote Office of the Clerk may be required. The goal is to develop a funding model for the 2014-15 Budget that best supports a Parliament sector inter-parliamentary relations strategy.