Long-Term Insights Briefing

Submissions analysis and summary

DECEMBER 2024



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How is New Zealand's Public Service prepared for the future? |

He aha te āhua o te takatū a Te Ratonga Tūmatanui o Aotearoa mō te anamata?

This document summarises public submissions received on the proposed subject-matter for a 2024/25 long-term insights briefing from Te Kawa Mataaho Public Service Commission.

Background

Te Kawa Mataaho Public Service Commission is preparing our second long-term insights briefing on the trends, risks and opportunities facing our Public Service, in accordance with the Public Service Act 2020.

The purpose of these Briefings is to:

- support stewardship by ensuring our Public Service departments are thinking about the more complex long-running issues facing society, and are exploring capabilities and solutions that might be needed to respond to these issues.
- make the information and analysis public to New Zealanders to support informed public discourse on important issues. It also enables effective democratic government by providing parties from across the political spectrum with a basis to formulate their policies.

The Public Service Act requires that the public is consulted on:

- the subject matter to be included in the Briefing, and
- a draft of the Briefing once this is prepared.

This ensures that the Briefings cover topics and information that the public cares about and wants to engage with.

Te whakawhiti whakaaro | Consultation

We recently completed public consultation on the subject matter to be included in the briefing.

We asked you for your reflections on the following three topics, and your view on which topic should be prioritised for this briefing:

- Future of the public service workforce
- Future of public service integrity
- Future of public service organisations

The information we received as part of this consultation has informed the proposed topic of the briefing, and the issues we will investigate during its development.

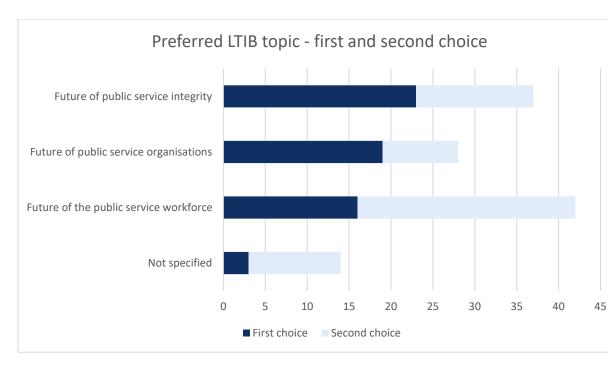
Given the support received for all of the topics consulted on, topics that cannot be included in this briefing may still be considered for future long-term insights briefings.

Overview of submissions

We received 60 submissions on our proposed topics through the online survey and via email. This includes submissions from both individuals and organisations.

First choice Second choice Topic (no. of submissions) (no. of submissions) Future of public service organisations 19 9 Future of public service integrity 14 23 Future of the public service workforce 26 16 No preference 3 11

The table below shows the most popular topics for this briefing as indicated in submissions.



The results are graphed below:

The contents of the submissions are summarised by topic below.

Future of the public service workforce

What we consulted on:

This topic involves asking 'what skills, knowledge and attributes will the future Public Service workforce need to deliver for the public and work alongside all communities?'

There are a range of trends in this area that are likely to impact the sorts of work a future public service will need to do and the type of workforce that will be needed to do it. These include population aging, increasing diversity, technological change and workplace trends like flexible working.

What we heard:

This was the most popular topic when also taking into account those who ranked it second (42 submitters). Submitters saw workforce as a strong complementary topic for each of the other two topics, reflecting the fact that there are significant aspects of both integrity and public service organisations that relate to the workforce.

One submitter noted that changing the workforce requires a long lead in time, making it especially appropriate for a long-term insights briefing. More general themes are outlined below.

Leadership

- **Importance:** 15 submissions mentioned leadership as a key determinant of public service quality. Two submissions noted concerns around retrenchment and a shallow talent pool for leadership positions, especially in terms of institutional knowledge and providing "an anchor on constitutional conventions." One submission suggested looking at "how to bring leadership out from within every part of our workforce."
- Links to other themes: Leadership was also linked to other themes, for example in relation to specific skills and capabilities, integrity matters, and the importance of focusing on how the public service works rather than on structural changes.

Skills and capabilities

- **Skills and attributes:** 17 submissions mentioned the importance of having the right skill sets and attributes. Many of them gave more specific examples like "specialist knowledge versus generalist adaptability," working across boundaries, "reflecting NZ's increasingly diverse (social, ethnic, financial etc.) communities," knowledge management, skill differences across policy and non-policy roles, co-design and relationship skills, problem solving, and health, safety and wellbeing skills.
- **Digital and innovation skills:** This was a common theme across eleven submissions, reflecting the interest in the topic of innovation that was considered for our first long-term insights briefing as well as the recently more widespread interest in artificial intelligence. Submitters identified important general characteristics for future public servants:
 - o digital literacy
 - o data capability
 - o continuous learning
 - o higher risk tolerance
 - o curiosity and critical thinking
 - adaptability
 - cross-sector collaboration

These sat alongside more specific suggestions such as "tailored digital training programmes" that include Māori perspectives and data sovereignty.

• **Te Tiriti:** Māori perspectives and interests were raised in a few submissions, often in relation to projections about the increasing proportion of Māori in New Zealand's future population. One submission went in depth on the skills, knowledge and attributes that public servants need in order to support the Crown's relationships with Māori under Te Tiriti o Waitangi:

- Recognition of Te Tiriti as a founding principle of the public service
- Capabilities to engage with Māori (iwi, hapū, and other groupings), understand Māori perspectives including desired outcomes for future generations, and understand impacts of policy options on Treaty rights and interests across all dimensions
- Technical skills and knowledge to understand how technology impacts and can support Māori
- Capabilities of leaders to support aims and aspirations of Māori employees to support greater involvement in the public service
- Public service capability to support the Crown in its relationship with Māori over the long term.

Workforce planning

- **Diversity:** 9 submissions mentioned diversity, with some referring directly to the public service workforce and others noting our aspiration to reflect the communities we serve, which are projected to increase in diversity. Neurodiversity was emphasised as an important dimension of diversity in two submissions, while another submission focused on the health and safety implications of an older and more culturally diverse workforce.
- **System settings and purpose** of the public service workforce: 7 submitters were interested in exploring the public service workforce at a more fundamental level, looking at the purpose and contribution of the public service in order to determine what its workforce should do and look like. This includes focusing on how the public service works rather than on structural changes, with an emphasis on delivering value.
- **Career path mapping:** 4 submitters indicated that there is an opportunity to strengthen long-term workforce planning, particularly to show career paths for younger public servants. This was also tied to the theme of workforce mobility, for which some submitters identified ongoing challenges. Other submitters suggested enablers like consistent ways of working, flexible learning environments, and common terms and conditions.

Future of public service integrity

What we consulted on:

This topic would involve asking 'how can New Zealand proactively address integrity risks in the future?'

While New Zealand has typically been seen as a high integrity environment, evidence of increasing risk in other countries suggests that it may be timely to reexamine our approach and ensure it remains fit for purpose. Challenges like corruption risks from foreign interference, fiscal pressures, and the use of artificial intelligence in decision-making will need to be addressed, alongside the more fundamental question of how we should measure integrity.

What we heard:

This was the most popular topic as a first choice, selected by 21 submitters, and many others still made comments and suggestions in relation to integrity even where they had not ranked it highly. Common themes are outlined below.

Trust and social license

- **Trust:** 16 submissions mentioned the importance of integrity for maintaining public trust and confidence. For example, one submitter said, "Integrity is central for building trust between government and its citizens." Another submitter noted that public service and government institutions draw on this trust for their social license.
- **Misinformation:** 7 submissions mentioned issues around mis- and dis-information, with several of these specifically concerned about the quality and trustworthiness of information communicating the role and operations of the public service.

Specific integrity issues

- **Current problems:** Many submitters who prioritised this topic highly had concerns about specific integrity issues, including unauthorised disclosure, fear and favour, institutional racism, and implications of artificial intelligence (for accuracy, bias, explainability, privacy, and potential for misuse or harmful outcomes).
- **Politicisation** was a key concern, discussed in terms of polarisation, the principle of political neutrality and political appointments, and the culture of the public service and its relationship to ministers. Many submitters particularly noted the impact of the relationship between politicians and the public sector as a driver.

Accountability, oversight and controls

- **Consequences:** 8 submissions talked about the need for clear lines of accountability and consequences for a lack of integrity at the individual level. As part of this, some thought that watchdog organisations needed greater authority. One submitter noted that investigations are most effective when they lead to work programmes to address the identified issues. Another submitter noted that preventative controls should be prioritised because responding to an incident means it is already too late.
- **Reporting:** 3 submissions suggested that the integrity system needs greater independent monitoring and reporting of breaches. One submitter argued that independent monitoring could identify indicators of integrity issues before they led to actual incidents.

Culture of integrity

- Ethics and action: Several submitters discussed features of integrity that relate to strengthening and sustaining integrity at the cultural level within the public service. Some considered this the best way to bridge the gap between ethics and action. Enablers for this included leadership that could "set the tone from the top," training and a rebooted Code of Conduct, and looking at integrity as an aspect of performance.
- **Strong foundation:** One submitter acknowledged that New Zealand does already have a foundation of ethical culture, while another emphasised that culture needs to be considered in totality rather than focusing on component part like a 'speak up' culture or 'positive and safe workplaces.'

Future of public service organisations

What we consulted on:

This topic involves asking 'what is the best way to organise and govern public service agencies into the future?'

Public services around the world are facing a range of challenges that are putting pressure on existing institutions, including climate change and challenges to democracy and trust. New Zealand's existing system of agencies structured around vertical hierarchies may not remain appropriate for dealing with complex, cross-cutting problems. Solutions may lie in greater horizontal coordination and local self-determination, as well as in private sector models (e.g. activity-based, matrix, agile).

What we heard:

This was the second most popular topic as a first choice. Some submitters particularly found it difficult to separate this topic out from the workforce topic in order to rank one over the other, as they were seen as highly interconnected. General themes are identified and summarised below.

Communities and regions

- Localism: 10 submissions mentioned the importance of local and regional decisionmaking, using a range of different language (e.g. decentralisation, devolution, local selfdetermination). One submission mentioned the Regional System Leadership Framework, which is "locally-led, regionally enabled, and nationally supported." This idea also came up in other submissions, which noted that community initiatives needed to be enabled and supported by the public service.
- **Centralisation/decentralisation:** Several submissions specifically discussed tensions between centralisation and decentralisation. One submitter emphasised the need to reflect community perspectives rather than a centralised 'Wellington' perspective. Another submission suggested exploring governance, accountability, and coordination arrangements that would help the public service operate with the right balance between the two, suggesting that centralisation has a role to play for back-office functions and coordinated service delivery (see also the 'joining up' theme below). Other submissions referred to the relationship between central and local government, with one questioning whether it was a "connection or disconnection" and another suggesting that systems thinking across the two would be helpful.
- **Value:** A couple of submissions explained how community decision making can help close the gap between the public service and citizens, and how it allows the development of tailored solutions that improve service delivery and responsiveness.

Joining up

• **Cross-sector collaboration:** This was a common theme across submissions, often building on discussions about regional public services and striking the right balance between centralisation and decentralisation. Some of these submissions discussed particular structural opportunities like "decentralised, networked organisational structures," "strategy units," and "cross-agency working groups." Other submissions

focused specifically on collaboration of the public service with other sectors such as the philanthropic sector and the private sector (especially tech companies and others known for innovation). Some submissions mentioned specific enablers for better collaboration across agencies, such as co-location and information sharing.

- **Restructuring:** One submission mentioned the flexible organisational forms in the Public Service Act that allow for some level structural reorientation but without significant upheaval. Relatedly, other submissions mentioned the difficulties of restructuring, for example in terms of the proliferation of smaller agencies, reform fatigue, and costs.
- Link to workforce topic: Cross-sector collaboration was also touched on within the workforce topic, as some submitters identified collaboration and cross-sector working as a specific set of skills and capabilities. One submission suggested that the expectation to collaborate across agencies should be a key part of public service workforce inductions while another noted that it requires strong leadership and should be a governance consideration.

New delivery requirements

- **Complex problems:** Several submissions picked up discussions in the consultation document about how the future may bring different demands of the public service that require us to be configured in different ways. For the most part, these demands were described as arising from the need to solve complex problems like climate change, inequality, and declining trust. The need to be more collaborative and more joined up were closely linked with what submitters saw would be required for "future models of public service provision" and "new ways of operationalising policy" such as missions and mission-led government. Some submissions on this topic emphasised organisational strategies from which appropriate organisational structures would follow. Across multiple submissions, these included: flexibility, agility, entrepreneurialism, engagement with citizens, local decision-making, and integrated service delivery would help address complex problems.
- **Technology and private sector models:** Three submissions focused specifically on the technological changes that will lead to more integrated systems and services. Another submission mentioned strategy units (also discussed as a cross-sector collaboration structure above) as a way to meet future delivery requirements, by focusing on innovation and new knowledge from different sectors and taking a long-term view.