



Proactive Release

The following documents have been proactively released by the Department of the Prime Minister and Cabinet (DPMC), on behalf of Hon Grant Robertson the Deputy Prime Minister:

Implementation Unit: Mid-Year Review of the 2022 Work Programme

The following documents have been included in this release:

Title of paper: Implementation Unit Mid Year Review of the Implementation Unit's 2022 Work Programme (CPC-22-SUB-0021 refers)

Title of minute: Implementation Unit: Mid-Year Review of the 2022 Work Programme (CPC-22-MIN-0021)

Title of minute: Report to the Cabinet Priorities Committee: Period Ended 29 July 2022 (CAB-22-MIN-0284 refers)

~~In Confidence~~

Office of the Minister Hon Grant Robertson
Deputy Prime Minister

Chair, Cabinet Priorities Committee

Implementation Unit: Mid-Year Review of the Implementation Unit's 2022 Work Programme Proposal

1. This paper:
 - 1.1. Provides an update on the scope and timing of the Implementation Unit's (the Unit) existing approved commissions for the second half of 2022; and
 - 1.2. Seeks agreement to a proposed list of additional priority programmes for inclusion in the Unit's workplan for 2022.

Relation to government priorities

2. The Unit's operations are critical to enabling the successful delivery of Government priorities, particularly *accelerating economic recovery and laying foundations for the future*.

Executive summary

3. The Unit continues to progress its work programme. Eight of the 11 commissions approved by Cabinet in March 2022 remain on its work programme for the second half of 2022. Two commissions have been completed and have reported back to the Cabinet Priorities Committee (CPC), with the third beginning a follow-on commission. For some commissions, the scope and/or timing of the Unit's intervention has been adjusted to ensure that the Unit can continue to add the greatest value to delivery. These adjustments have been made to, for example, accommodate changes to agency milestones, to better align with new agency timeframes, or to re-focus commissions on critical components of delivery.
4. As part of the Unit's ongoing work on the delivery of the \$1.9bn Budget 2019 Mental Health and Addiction Package, the Minister of Health and I have directed the Unit to source appropriate expertise and undertake a deep dive into each of the 16 Mental Health Infrastructure Programme (MHIP) projects. This is a priority piece of work to identify the status of delivery, robustness of estimated completion dates, and risks, barriers, and issues.
5. The Unit has retained capacity for the second half of 2022 to add additional programmes to its work programme [CPC-22-SUB-0003 refers]. A scoping exercise has been undertaken to identify appropriate programmes for inclusion, with a focus on programmes that are complex, represent significant government investment, and where successful delivery will generate broad benefits for New Zealanders (and in one instance for Pacific Island Countries). I am proposing that the Unit adds specific assignments for each of the following 6 programmes to its work programme for the latter half of 2022: *Immigration Rebalance; Census Readiness; Government Investment in Decarbonising Industry Fund; New Zealand's International Climate Finance Commitments; Delivery of Public Housing; and Provision of Housing Supply Initiatives*.

6. I will report back to the Cabinet Priorities Committee (CPC) on 6 December 2022 with the Unit's proposed work programme for the first half of 2023.

Background

7. In March 2022, Cabinet **agreed** 11 commissions for Unit's work programme for 2022 [CAB-22-MIN-0057]. The Unit has delivered four reports since March 2022 on the following programmes: *New Zealand Upgrade Programme, Emergency and Transitional Housing, Infrastructure Reference Group, and the Budget 2019 Mental Health and Addiction Package*. It has concluded its working alongside role with the Ministry of Health for its support of its new performance monitoring arrangements; working arrangements with the new Health entities; and its Mental Health and Addiction programme.
8. I provided updates on the Unit's progress, including its reports and its findings, to CPC in December 2021, May, and June 2022. [CPC-21-SUB-0032; CPC-22-SUB-0012 and CPC-22-SUB-0016 refers].
9. In March 2022, Cabinet **noted** that the Unit retained capacity for the second half of 2022 to add additional priority programmes. Cabinet **noted** that I would bring an update to CPC in July, including any additional programmes to be included in the Unit's work programme for the second half of 2022 [CAB-22-MIN-0057]. This paper provides that update.

The Unit's existing commissions for the second half of 2022

10. Eight of the 11 programmes approved by Cabinet in March 2022 remain on the Unit's work programme as at 1 July 2022. These are across the following programmes: *Carbon Neutral Government, Emergency and Transitional Housing, the Emissions Reduction Plan (ERP), the Health Reforms, He Waka Eke Noa, the Immigration Rebalance, Te Aorerekura – the national strategy for eliminating family violence and sexual violence, and the Three Waters Reform Programme*.
11. The Unit's current commissions, the scope for each approved programme, and the timing of the Unit's work and intervention are summarised in Appendix A.
12. For some of the commissions, the scope and/or timing has changed from the initial commissioning brief agreed in March 2022. The rationale for the change in focus and/or timing of the support is included in Appendix A.
13. Amendments have been made to ensure that the Unit is able to add value through its involvement in programmes, and that the Unit's intervention continues to be timely and relevant as agency milestones shift or delivery progresses. This has meant, for example, that commissions have been amended to accommodate refinement of agency milestones (for example: *ERP; the Immigration Rebalance*), or to re-focus commissions on more defined elements of delivery (for example: *Three Waters; He Waka Eke Noa*). The Unit's planned stocktake of the delivery of the redesigned *Emergency and Transitional Housing* programme will not commence this year due to changes to the timeframe for agencies seeking decisions and consequently for implementation. The revised timing for the stocktake will be considered in the November 2022 review of the Unit's workplan.

Mental Health Infrastructure Programme Commission

14. The Unit has continued its work on the delivery progress of the \$1.9bn 2019 Budget Mental Health and Addiction Package (the 'Package') through the first half of 2022.¹ As a follow-on commission from the Unit's second stocktake of delivery progress of the Package, the Minister for Health and I have directed the Unit to undertake additional work on the Mental Health Infrastructure Programme (MHIP).
15. We have directed the Unit to, with expertise and assistance from Te Waihangā – the Infrastructure Commission and working with the Health New Zealand Infrastructure and Investment Group (IIG),² complete a deep dive into each of the 16 MHIP projects.
16. The deep dive into the MHIP will provide us with advice on:
 - 16.1. For each MHIP project, the status of delivery, robustness of the estimated completion dates, and risks and issues.
 - 16.2. A delivery plan that will identify actions that will ensure projects gain momentum and get moving; and
 - 16.3. An assessment of the capacity and the capability of IIG to implement the delivery plan.
17. This work is now underway, and the focus is firmly on the pace of delivery. The Unit and Te Waihangā, working with IIG, will identify practical actions that will 'get projects moving'. The Unit will ensure that Ministers are informed of actions as projects are reviewed and a final report will be produced by 14 October 2022.
18. I will bring to the August CPC meeting the Unit's Briefing on its Second Stocktake Report of progress on the \$1.9bn 2019 Budget Mental Health and Addiction Package, its findings, and an update of progress on the further commission on the MHIP.

Proposed new commissions for the Unit for the second half of 2022

19. A scoping exercise has been undertaken to identify appropriate programmes of work for inclusion in the Unit's work programme, focussing on programmes that are complex, represent a significant government investment, and where successful delivery will generate broad benefits for New Zealanders.
20. I propose that the Unit adds to its work programme for the second half of 2022 a further 5 new programmes, with an additional commission for the Immigration Rebalance Programme (which is currently in the Unit's work programme as a working alongside commission).
21. The proposed scope, nature of the proposed intervention and timing is set out in Table 1.

¹ The Unit has previously completed two previous reports on the Package: A Mid-Term Review of the 2019 Mental Health Package; and a Progress Update on Actions from the Mid-Term Review of the Budget 2019 Mental Health and Addiction package. It has also 'worked alongside' the Ministry of Health and the Department of Corrections to support delivery of the Package. This support concluded at the end of March 2022.

² Formerly the Health Infrastructure Unit within the Ministry of Health.

Table 1: New commissions for inclusion the Unit’s work programme for the second half of 2022

| <i>Programme</i> | <i>Scope statement</i> | <i>Timing for delivery of the Unit’s report</i> |
|---|--|---|
| Immigration Rebalance | A rapid assessment of Immigration New Zealand’s (INZ) planning and approach to visa processing for the border reopening with a focus on risk management, contingency planning, and resourcing versus forecast demand. | 19 August 2022 |
| Census readiness | A rapid assessment of the implementation planning including risk mitigation measures to reach vulnerable communities before and during the census. | 31 August 2022 |
| Government Investment in Decarbonising Industry Fund | A stocktake of implementation readiness of the Government Investment in Decarbonising Industry Fund (GIDI). | 14 October 2022 |
| New Zealand’s International Climate Finance Commitments | A stocktake of the Ministry of Foreign Affairs and Trade’s (MFAT) delivery of New Zealand’s 2019 to 2022 commitment (\$300m) and readiness to deliver on the 2022 to 2025 commitment (\$1.3b) in the context of International Development Cooperation (IDC) and the international frameworks for climate finance. | 20 October 2022 |
| Kāinga Ora delivery of public housing | A stocktake of the progress of Kāinga Ora’s public housing construction pipeline and delivery. This includes an assessment of housing location, type (such as new builds and leasing or buying existing properties), and progress in meeting milestones and targets set by Ministers. | 25 November 2022 |
| Housing supply initiatives | A stocktake of delivery of existing housing supply initiatives . This is to ensure that non-regulatory supply initiatives are connected, lessons are carried across and effort is not being duplicated. | 9 December 2022 |

22. If the commissions in table 1 are approved, the Unit will draft commissioning briefs in consultation with the relevant agencies. I propose that I will approve the individual commissions briefs, in consultation with relevant Ministers, for these new commissions.

November review of the Unit’s work programme

23. The Unit has two programmes on its work plan for the first part of 2023 – these are a stocktake of the initial delivery of *Te AorereKura*, and a stocktake of progress to review the readiness of agencies, local government, and the interim Local Establishment Agencies to assume the accountability and delivery functions of the new water service entities in the *Three Waters Reform* programme [CAB-22-MIN-0057].

24. In November a scoping exercise will be undertaken to identify programmes for inclusion in the Unit’s work programme for the first six months of 2023. I will bring a draft work programme to CPC on 6 December 2022.

The Unit’s system-level work

25. The Unit's role and function means that it is uniquely placed to be able to identify lessons learned regarding successful delivery and implementation across the public service. The Unit will complete drafting system-level guidance on implementing complex programmes in July and will continue to assess where additional pieces of system-level learning and guidance would be of value.

Consultation

26. Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development; the Ministry of Social Development; the Ministry for Primary Industries; the Ministry for the Environment; Energy Efficiency and Conversation Authority; the Ministry of Business, Innovation and Employment, including Immigration New Zealand; the Ministry of Health; the Department of Internal Affairs and Te Puna Aonui were consulted on the existing commissions.
27. The Ministry of Foreign Affairs and Trade; Statistics New Zealand; the Ministry of Business, Innovation and Employment, including Immigration New Zealand; Energy Efficiency and Conversation Authority; Kāinga Ora and Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development were consulted on the Unit's new commissions.
28. The Treasury was consulted on all commissions.

Financial Implications

29. There are no direct financial implications from this paper.

Legislative Implications

30. There are no legislative implications arising from this paper.

Impact Analysis

31. An Impact Statement is not necessary for this paper.

Human Rights

32. There are no Human Rights implications arising from this paper.

Gender Implications

33. There are no gender implications arising from this paper.

Disability Perspective

34. There are no matters arising from this paper that require a disability perspective.

Publicity

35. No publicity is planned as a result of this paper.

Proactive Release

36. I intend to proactively release this paper and its associated minute within the standard 30 business days from its consideration by Cabinet.

Recommendations

37. I recommend that the Committee:

- (a) **Note** that the Implementation Unit (the Unit) will continue to work across the following programmes in the second half of 2022, with the scope and timing of the Unit's support having been amended to better support the commission: *Carbon Neutral Government Programme; Emergency and Transitional housing; Emissions Reductions Plan; Health Reforms; He Waka Eke Noa; Immigration Rebalance; Te Aorerekura – the national strategy for the elimination of family and sexual violence; Three Waters reform programme.*
- (b) **Note** that the Deputy Prime Minister and the Minister for Health have directed the Unit to undertake a deep dive into each of the 16 Mental Health Infrastructure Programme projects.
- (c) **Agree** to the following new assignments and the initial scope being added to the Unit's work programme for the second half of 2022:
 - a. *Immigration Rebalance*: A rapid assessment of Immigration New Zealand's (INZ) planning and approach to visa processing for the border reopening with a focus on risk management, contingency planning, and resourcing versus forecast demand.
 - b. *Census readiness*: A rapid assessment of the implementation planning including risk mitigation measures to reach vulnerable communities before and during the census.
 - c. *Government Investment in Decarbonising Industry Fund*: A stocktake of implementation readiness of the Government Investment in Decarbonising Industry Fund (GIDI).
 - d. *New Zealand's International Climate Finance Commitments*: A stocktake of the Ministry of Foreign Affairs and Trade's (MFAT) delivery of New Zealand's 2019 to 2022 commitment (\$300m) and readiness to deliver on the 2022 to 2025 commitment (\$1.3b) in the context of International Development Cooperation (IDC) and the international frameworks for climate finance.
 - e. *Kāinga Ora delivery of public housing*: A stocktake of the progress of Kāinga Ora's public housing construction pipeline and delivery. This includes an assessment of housing location, type (such as new builds and leasing or buying existing properties), and progress in meeting milestones and targets set by Ministers.
 - f. *Housing supply initiatives*: A stocktake of delivery of existing housing supply initiatives. This would be to ensure that non-regulatory supply initiatives are connected, lessons are carried across and effort is not being duplicated.
- (d) **Agree** to delegate the authority to the Deputy Prime Minister in consultation with relevant Ministers to approve commissioning briefs for each of the Unit's new commissions for the second half of 2022.

- (e) **Note** that the Deputy Prime Minister will bring a proposed Unit workplan for the first half of 2023 to the Cabinet Priorities Committee in December 2022.

Authorised for lodgement

Hon Grant Robertson
Deputy Prime Minister

Proactively Released

Appendix A: Updates on the scope and/or timing of the Unit’s approved existing commissions for the second half of 2022

| <i>Programme</i> | <i>Unit’s commission for the second half of 2022</i> | <i>Date</i> | <i>Any change from March 2022</i> |
|-------------------------------------|--|--|---|
| Carbon Neutral Government Programme | Work alongside to support the review of governance arrangements, strengthen reporting, and assist development of a revised process for State Sector Decarbonisation Fund approvals. | Through to end of July, 2022 | Yes. This support is longer than originally agreed, as the deadline for delivery agencies’ report back on governance arrangements was extended from May to July. |
| Emergency and Transitional Housing | Some limited work alongside Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development and the Ministry of Social Development following decisions on a redesigned Emergency Housing System. | May be towards the end of 2022, depending on timing of policy decisions on the redesign. | <p>Yes. The Unit was originally commissioned to work alongside delivery agencies once Cabinet had made decisions on the redesign, originally planned for early 2022, and then to undertake a stocktake of delivery progress by the end of the year.</p> <p>Cabinet is due to consider the direction of change in July 2022 and take decisions on key components of the redesign of the emergency housing system later in 2022.</p> <p>The timing for a stocktake of delivery of the redesigned Emergency Housing System will be revisited in November 2022 when the Unit considers its workplan for the first half of 2023.</p> |
| Emissions Reductions Plan (ERP) | <p>Work alongside to support the development of the implementation plan, including:</p> <ul style="list-style-type: none"> • <i>From May to July 2022:</i> inform advice with MfE on functions, remit, and scope of the interdepartmental executive board (IEB) in the implementation of the ERP and National Adaptation Plan • <i>From May to October 2022:</i> work alongside Ministry for the Environment on the development of the implementation plan on the ERP to be presented to the IEB, and then Cabinet in quarter four of 2022. | Through to the end of October 2022. | Yes. This support is longer and more targeted than originally agreed, as the implementation plan is now expected to be finalised in October. |
| Health Reforms | Work alongside to support the Ministry of Health (MoH) to develop plans to implement the | July 2022 – December 2022. | Yes. Extended the timeframe for support as the Ministry has got a transitional structure in place |

| <i>Programme</i> | <i>Unit's commission for the second half of 2022</i> | <i>Date</i> | <i>Any change from March 2022</i> |
|---|---|---|--|
| | additional funding received in Budget 22 to increase its capability to perform its new role. | | and identifying its capability requirements may take it some time. The Unit will stop its support earlier if the work is completed earlier. |
| | Undertake a stocktake on the effectiveness of the new working arrangements between the Ministry of Health and the new agencies – Health New Zealand, Māori Health Authority, Public Health Agency, and the Ministry for Disabled Peoples. | 2 December 2022. | Yes. Timeframe extended to provide agencies with more time to have operated with and adapted working arrangements and to be able to make improvements as it gets up and running. The work will still start in October as planned but will run over a longer timeframe. If this proves not necessary, the timeframe will be shortened. |
| He Waka Eke Noa | Work alongside to assist with implementation planning and provide assurance of delivery of programme milestones. | Through to the end of August 2022. | Nil change from March 2022 commissioning brief. |
| | Rapid assessment of progress on delivery milestones | Due 18 November 2022 | Yes. This has changed from a stocktake to a rapid assessment. The rapid assessment will be focussed on progress data, as well as assessing the quality of the Partnership's plans (rather than the quality of programme arrangements). The Report due date has been moved back a month, as there is now a date for when the most recent farm-level data will be received. |
| Immigration Rebalance | Work alongside as the Ministry of Business, Innovation and Employment (Immigration) implements the Immigration Rebalance Programme, focusing on advice on integrated approach to implementation planning, and informing engagement and communications to help build confidence in Immigration New Zealand. | Through to the end of September 2022. (Support will be temporarily replaced with the Rapid Assessment) | Yes. This support is longer than originally agreed to enable the Unit to work alongside MBIE as the Immigration Rebalance is implemented, and the sector agreements are finalised (expected in September); this support will pivot to support the Unit's Rapid Assessment (which will be finalised by 19 August 2022). |
| Te Aorerekura – the national strategy for the elimination of family and sexual violence | Work alongside to support the ongoing establishment of the interdepartmental executive board (IEB) and the development of the investment plan. | Through to the end of August 2022. | Yes. This support is longer than originally agreed and is more targeted to support key areas of the Te Aorerekura's set-up for delivery. This extension will enable consistent support from the Unit throughout the IEB's establishment, and through to |

| <i>Programme</i> | <i>Unit's commission for the second half of 2022</i> | <i>Date</i> | <i>Any change from March 2022</i> |
|------------------|--|-------------------------------------|--|
| | (The Unit will undertake a stocktake of delivery against the first Action Plan in early 2023) | | the deadline for the first components of the Investment Plan. |
| Three Waters | <p>Work alongside to:</p> <ul style="list-style-type: none">• Ensure agency governance and organisational structures are clear about the accountabilities, roles, and responsibilities of senior leaders and the National Transition Unit Board, and that these arrangements operate effectively to drive programme delivery in an efficient, effective, and coordinated manner• Strengthen monthly reporting for Ministers by providing practical, actionable support to the NTU team• Strengthen transitional planning, capacity, capabilities, and risk mitigation by focusing on some of the key enablers for day one delivery, and beyond. <p>(The Unit will undertake a stocktake of Day 1 readiness across the Programme in 2023)</p> | Through to the end of October 2022. | Yes. This support has been refocussed to target the areas of the Three Waters reform programme where the Unit's support, advice and assurance can be of greatest value. It is also longer than originally agreed. This is because the original scope has been revised to include aspects of the reform programme that include critical activities taking place beyond the initial May deadline and taking account of the programme reset underway. |

Proactively Retrospect



Cabinet Priorities Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Implementation Unit: Mid-Year Review of the 2022 Work Programme

Portfolio Deputy Prime Minister

On 26 July 2022, the Cabinet Priorities Committee:

- 1 **noted** that the Implementation Unit (the Unit) will continue to work across the following programmes in the second half of 2022, with the scope and timing of the Unit's support having been amended to better support the commission:
 - 1.1 Carbon Neutral Government Programme;
 - 1.2 Emergency and Transitional housing;
 - 1.3 Emissions Reductions Plan;
 - 1.4 Health Reforms;
 - 1.5 He Waka Eke Noa;
 - 1.6 Immigration Rebalance;
 - 1.7 Te Aorerekura – the national strategy for the elimination of family and sexual violence;
 - 1.8 Three Waters reform programme;
- 2 **noted** that the Deputy Prime Minister and the Minister of Health have directed the Unit to undertake a deep dive into each of the 16 Mental Health Infrastructure Programme projects;
- 3 **agreed** to the following new assignments and the initial scope being added to the Unit's work programme for the second half of 2022:
 - 3.1 Immigration Rebalance: a rapid assessment of Immigration New Zealand's (INZ) planning and approach to visa processing for the border reopening with a focus on risk management, contingency planning, and resourcing versus forecast demand;
 - 3.2 Census readiness: a rapid assessment of the implementation planning, including risk mitigation measures to reach vulnerable communities before and during the census;
 - 3.3 Government Investment in Decarbonising Industry Fund: a stocktake of implementation readiness of the Government Investment in Decarbonising Industry Fund;

- 3.4 New Zealand's International Climate Finance Commitments: a stocktake of the Ministry of Foreign Affairs and Trade's delivery of New Zealand's 2019 to 2022 commitment (\$300 million) and readiness to deliver on the 2022 to 2025 commitment (\$1.3 billion) in the context of International Development Cooperation and the international frameworks for climate finance;
- 3.5 Kāinga Ora delivery of public housing: a stocktake of the progress of Kāinga Ora's public housing construction pipeline and delivery, which includes an assessment of housing location, type (such as new builds and leasing or buying existing properties), and progress in meeting milestones and targets set by Ministers;
- 3.6 housing supply initiatives: a stocktake of delivery of existing housing supply initiatives, which would be to ensure that non-regulatory supply initiatives are connected, lessons are carried across, and effort is not being duplicated;
- 4 **authorised** the Deputy Prime Minister, in consultation with relevant Ministers, to approve commissioning briefs for each of the Unit's new commissions for the second half of 2022;
- 5 **noted** that the Deputy Prime Minister will bring a proposed Unit workplan for the first half of 2023 to the Cabinet Priorities Committee in December 2022.

Jenny Vickers
Committee Secretary

Present:

Rt Hon Jacinda Ardern (Chair)
Hon Grant Robertson
Hon Dr Megan Woods
Hon Chris Hipkins
Hon Carmel Sepuloni
Hon Andrew Little
Hon David Parker
Hon Nanaia Mahuta
Hon Damien O'Connor
Hon Michael Wood

Officials present from:

Office of the Prime Minister
Officials Committee for CPC



Cabinet

Minute of Decision

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Report of the Cabinet Priorities Committee: Period Ended 29 July 2022

On 1 August 2022, Cabinet made the following decisions on the work of the Cabinet Priorities Committee for the period ended 29 July 2022:



CPC-22-MIN-0021 **Implementation Unit: Mid-Year Review of the 2022 Work Programme** CONFIRMED
Portfolio: Deputy Prime Minister



Rachel Hayward
Acting Secretary of the Cabinet