



COVERSHEET

Minister	Hon Barbara Edmonds	Portfolio	Economic Development
Title of Cabinet paper	Report back on the Mandate of the Procurement System Leader	Date to be published	9 October 2023

List of documents that have been proactively released

Date	Title	Author
July 2023	Report back on the Mandate of the Procurement System Leader	Office of the Minister for Economic Development
27 July 2023	Mandate of the Procurement System Leader Report back GOV-23-MIN-0025 Minute	Cabinet Office

Information redacted

NO

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Office of the Minister for Economic Development

Cabinet Government Administration and Expenditure Review Committee

Report back on the mandate of the Procurement System Leader

Proposal

- 1 This paper proposes a mandate for the Procurement System Leader that will drive performance across the procurement system and support the delivery of the Government's strategic procurement priorities.

Issue identification

- 2 The government procurement system is underperforming – we don't have good information about what is being delivered, it isn't as efficient as it should be, and central oversight is weak. In April 2022 we agreed in principle to strengthen leadership of the government procurement system through greater centralisation, co-ordination, and assurance of government procurement functions [CAB-22-MIN-0126 refers] with a focus on:

- 2.1 procurement data transparency, digitalisation and automation;
- 2.2 direct lines of accountability to the centre, stronger central oversight, and a model that drives collaboration among agencies and productive relationships with suppliers;
- 2.3 streamlining practice and ensuring the procurement profession has the right skills and capability to underpin the success of the system.

Relation to government priorities

- 3 A strengthened government procurement system contributes to the Government's priorities to:
 - 3.1 build a productive, sustainable and inclusive economy; and,
 - 3.2 lay the foundations for a better future through reducing inequality and addressing social outcomes and reducing carbon emissions.

Executive Summary

- 4 The establishment of System Leadership under the Public Service Act 2020 creates an opportunity to bring more oversight and accountability to government procurement by providing the Procurement System Leader with the right mandate.
- 5 Procurement in New Zealand is undertaken by each agency. Across government, the largest areas of procurement expenditure are health and social services, construction, and information technology. Most agencies have expenditure on information technology, only some on health and social services, and even fewer on construction. Almost all agencies buy from the All-of-Government contracts that cover common use goods and services.

- 6 In this distributed model, agencies' primary focus is on achieving their own outcomes. While important, this can result in overlooking system-wide benefits and opening up system-wide risks.
- 7 We are currently implementing a programme of work approved by Cabinet in November 2021, which includes creating the "single, smart government client of choice" in the major spend sectors. A strong system leader mandate will reinforce and drive the transition we are seeking.
- 8 I am proposing that the Procurement System Leader has a mandate that enables them to:
- 8.1 System outcomes: propose, for the approval of Cabinet, overall outcomes for the procurement system;
 - 8.2 System settings and strategy: set and direct agencies to use system-wide frameworks and arrangements (e.g. collaborative contracts, systems and practices);
 - 8.3 Workforce: lift capability and capacity and re-articulate the way the government procurement profession works (e.g. setting core competencies and practice expectations);
 - 8.4 System performance: establish outcome measures and require agencies to provide the data needed to monitor system performance – publishing it when it is in the public interest to do so;
 - 8.5 Agency performance: identify areas of agency under-performance (if any) and require the relevant agency to confirm remedial actions;
 - 8.6 Risk management: monitor for system, sector and agency risks and critical issues, and if significant or increasing risks are identified, advise what actions are required to mitigate them;
 - 8.7 Collaboration: facilitate and coordinate cross-agency collaboration across the government procurement system;
 - 8.8 Cross-cutting: inform and advise the relevant Minister about procurement system performance and any areas of systemic under-performance.
- 9 This mandate will deliver the best possible public value from procurement across government¹ through stronger central oversight and the ability to drive consistent and better procurement practice when engaging suppliers and providers.

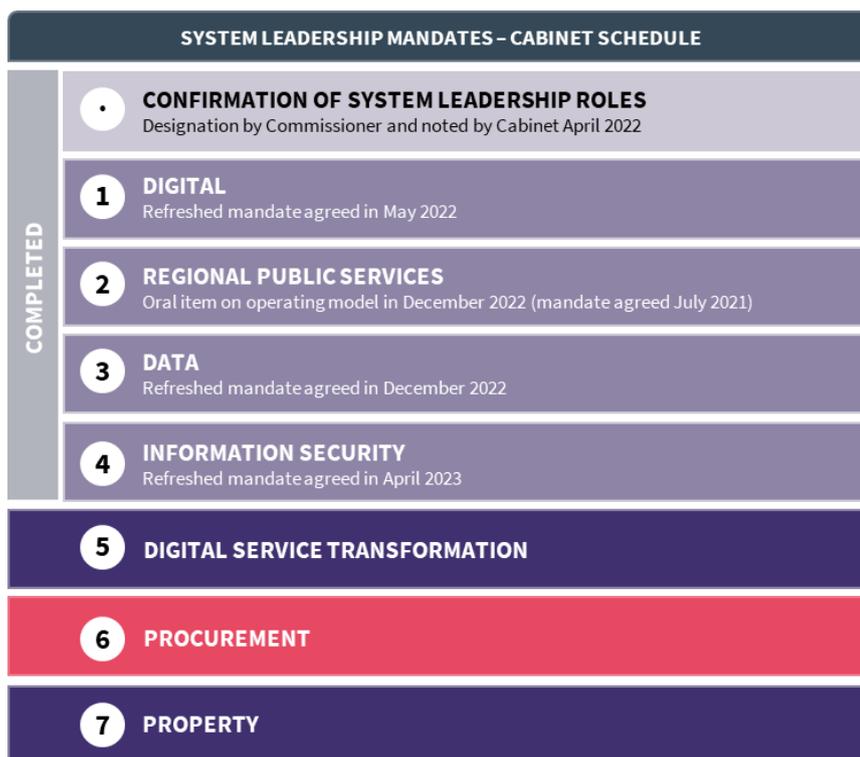
Background

- 10 In May 2012, Cabinet agreed that the State Services Commissioner appoint functional leaders in the areas of ICT, procurement, and property [CAB MIN (12) 16/10 refers]. The Chief Executive of the Ministry of Business, Innovation and Employment (MBIE) was appointed as the Procurement Functional Leader

¹ Public value means getting the best economic, social and environmental outcomes for New Zealand for the money spent and in an efficient and effective manner.

(PFL) [SEC MIN (12) 10/2 refers]. The role of the PFL was to lift procurement performance and improve consistency of practice across the state services.

- 11 The Public Service Act 2020 (the Act) provides a legislative framework that supports the Public Service to act as a single team. Section 56 of the Act empowers the Public Service Commissioner to designate a public service chief executive as a system leader, to lead and co-ordinate best practice in a particular subject matter area across the whole or part of the state services.
- 12 Seven chief executives have so far been designated as system leads, including the Chief Executive of MBIE as Procurement System Leader. System leads meet regularly as a team, chaired by the Public Service Commissioner, to drive greater efficiency, alignment, and impact across their areas, prioritise investment and coordinate advice, and ensure that a whole-of-system approach is taken to address their common challenges.
- 13 In April 2022 Cabinet agreed in principle to strengthen leadership of the procurement system through greater centralisation, co-ordination, and assurance of government procurement functions [CAB-22-MIN-0126 refers] by:
 - 13.1 prioritising procurement data transparency, digitisation and automation to enable a stronger focus on strategic considerations and public value;
 - 13.2 working better as “one government” with direct lines of accountability to the centre, stronger central oversight, more collaboration among agencies and consistently productive supplier relationships;
 - 13.3 unlocking value through streamlining practice and ensuring the procurement profession has the right skills and capability to underpin the success of the system.
- 14 Reflecting these priority areas, a reset of the procurement system is in progress [CAB-21-MIN-0467 refers]. I am now proposing a mandate for the Procurement System Leader that will not only support this reset, but also drive performance improvements across the system in the longer-term.
- 15 This paper is one of a series of report backs commissioned by Cabinet to clarify the role and mandate of the new system leaders:



Government procurement – current state

- 16 Government procurement in New Zealand is largely decentralised – most is done by individual government agencies that are responsible and accountable for undertaking their own procurement to deliver their public functions and services (Annex One refers).
- 17 The breadth of both type and volume of spend means that agencies need to remain primarily responsible for what they purchase. However, agencies are mostly focussed on their own core business – not the performance of the system as a whole. As a result, there are few incentives to work together or to consider system benefits and risks. In some markets, agencies compete for suppliers and resources, resulting in price escalation, sub-standard quality, and delivery delays.

Scope of the government procurement system

- 18 Each year government agencies spend around \$52.5 billion purchasing goods and services from third parties. This includes spending on infrastructure, health and social services, and information technology, as well as common goods and services. Effective management of this spend is critical both to maximising value from government expenditure and to supporting the Government’s wider goals.
- 19 Infrastructure (\$18 billion), social services (\$12 billion) and ICT (\$8 billion) are the largest areas of government procurement expenditure each year (Annex Two refers).
- 20 Around \$3 billion per annum is spent through collaborative contracts managed by groups of agencies or the all-of-government (AoG) contracts managed by

New Zealand Government Procurement for goods and services needed by most agencies (e.g. office supplies, motor vehicles, electricity).

- 21 Other goods and services – including agency-specific services – are purchased by a wide range of agencies, and often involve relatively small proportions of expenditure which are nevertheless critical in delivering public services.

Current state: Procurement Functional Leadership

- 22 Essentially, the Procurement Functional Leader influences the procurement activities of agencies by setting expectations in the Government Procurement Rules, issuing guidance which agencies must consider, and managing the supply of common goods and services².
- 23 Around \$1.16 billion has been saved across government since 2015 because of efficiencies achieved through the collective purchasing power of the AoG contracts.
- 24 Alongside this, government's collective purchasing power is already being used to achieve greater public value – to lower emissions, reduce waste, raise wages, and eliminate modern slavery, among other things. Our already-high expectations of the public value we want to deliver through procurement will only increase in the future.
- 25 Despite the gains made through functional leadership, the government procurement system is not yet performing as well as we want it to. We don't have good information about what is being delivered, it isn't as efficient as it should be, and central oversight is weak.

What Procurement System Leadership will deliver

- 26 System leadership is key to achieving greater public value from procurement. It will bring together oversight of the procurement workforce, system data, performance, and risk management, and the authority to drive improvements.
- 27 I am proposing that the Procurement System Leader take a strong role in central oversight and coordination of procurement activities (Annex Three refers). While each agency will remain responsible for delivering public services (such as health, education and infrastructure), the Procurement System Lead will ensure that the Public Service operates as a unified whole.
- 28 The approach I am proposing balances the need for change across the procurement system with the efficient delivery of public services and infrastructure by individual agencies. It gives the Procurement System Leader the authority and mandate to deliver on Cabinet priorities, while enabling agencies to continue to procure the diverse range of specialised goods and services necessary to deliver their public services effectively and efficiently.

² Further detail is included in Annex One.

Proposed functions and powers of the Procurement System Leader

- 29 Under the Act, the Procurement System Leader is responsible for leading and co-ordinating procurement best practice across the whole or part of the state services and for achieving agreed outcomes.
- 30 Some functions and powers have already been determined. In April 2022 Cabinet agreed [CAB-22-MIN-0126 refers] that all system leaders may co-ordinate investment relevant to that function where relevant and must be:
 - 30.1 consulted on significant proposals (including Cabinet and budget decisions) relevant to their function;
 - 30.2 given the opportunity to insert separate advice into relevant Cabinet papers.
- 31 In addition to these, and to drive procurement in the direction Cabinet has already agreed, I now propose that the Procurement System Leader should be mandated to focus on the following functional areas:
 - 31.1 Setting system outcomes (with agreement from Cabinet);
 - 31.2 Determining system settings and strategy;
 - 31.3 Workforce;
 - 31.4 Driving collaboration;
 - 31.5 Improving system performance;
 - 31.6 Managing system risk, including critical issues.
- 32 To enable the Procurement System Leader to effectively undertake these functions, I also propose that the Procurement System Leader have the following powers. The mandate is intended to be a broad, flexible framework that enables the Procurement System Leader to be responsive to changing system challenges, needs and priorities over time. I expect the Procurement System leader to use these powers only when appropriate to achieve the outcomes agreed by Cabinet:

Functions:	Mandate: The Procurement System leader <u>can</u>:
System outcomes	<ul style="list-style-type: none"> • Propose overall outcomes for the procurement system, for Cabinet approval
System settings and strategy	<ul style="list-style-type: none"> • Develop, set, and direct agencies to use system-wide frameworks and arrangements that deliver on the outcomes approved by Cabinet, including collaborative contracts, systems, processes, practices and procedures
Workforce	<ul style="list-style-type: none"> • Lift the capability and capacity of the government procurement profession, which may include setting core competencies

Functions:	Mandate: The Procurement System leader <u>can</u> :
	<ul style="list-style-type: none"> • Provide specialist procurement resources, where it makes sense and is efficient for them to be provided centrally and may do so on a cost recovery basis where appropriate
Collaboration	<ul style="list-style-type: none"> • Facilitate opportunities for cross-agency collaboration across the government procurement system
System performance	<ul style="list-style-type: none"> • Require agencies to report and provide data and information necessary as needed in order to monitor system performance and support system-level decision making • Publish data and information that is in the public interest³ • Identify areas of agency underperformance or non-compliance (if any), and require the relevant agency to confirm remedial actions
System risk and assurance, including critical issues	<ul style="list-style-type: none"> • Monitor for system, sector and agency risks and critical issues that may undermine the integrity of the system • If significant or increasing risks are identified, advise relevant agencies and others what actions are required to mitigate them
Cross-cutting	<ul style="list-style-type: none"> • inform and advise the Minister about procurement system performance and any areas of systemic underperformance • coordinate specified procurement activities across the system • influence market capacity and resilience • <u>and must</u> be consulted on and agree proposals from agencies to leverage government procurement system-wide as a way of meeting their objectives

Coverage of the Procurement System Leader’s mandate

33 The mandate of the Procurement Functional Leaders extends to all agencies currently required to apply the Rules (shown in Annex Four). To preserve this coverage, I propose that we agree that:

33.1 the mandate of the Procurement System Leader applies immediately to all public service departments and departmental agencies⁴ as well as to non-public service departments (except the Office of the Clerk of the House of Representatives and Parliamentary Service⁵); and

33.2 the mandate be extended in future to cover all Crown Entities (except school board trustees) and all companies named in Schedule 4A of the

³ To improve transparency, MBIE intends to progressively publish agency level procurement data collected through centralised platforms like the Government Electronic Tendering System and All-of-Government panels.

⁴ Specified in Schedule 2 of the Public Service Act 2020.

⁵ The Parliamentary Service and the Office of the Clerk of the House of Representatives are non-public service departments within the Legislative branch of government and are accountable to the Speaker of the House.

IN CONFIDENCE

Public Finance Act⁶. These entities are currently required to apply the Rules through a Whole-of-Government direction⁷.

33.3 MBIE be directed to prepare a new Whole-of-Government direction under section 107 of the Crown Entities Act 2004 and Cabinet Office Circular (13) 4 for Cabinet's consideration, including consultation with all affected parties as required by legislation.

33.4 The wider state sector⁸ and public sector⁹ continue to form part of the government procurement system, and similar to current arrangements will be encouraged to follow best practice approaches and standards set by the Procurement System Leader.

34 While technical in nature, these proposals will ensure minimal disruption to agencies' ongoing procurement activities as Procurement System Leadership is implemented.

Implementation

35 I propose that the Procurement System Leadership is established and takes effect from the date of this Cabinet decision. The Procurement System Leader will continue to engage with mandated agencies around how procurement system leadership is implemented.

36 The existing role and mandate of the Procurement Functional Leader will continue until such time as Cabinet makes a decision to disestablish procurement functional leadership¹⁰.

37 In transitioning from Functional Leadership to System Leadership, I also propose that, in the event of any inconsistencies between standards and guidance issued by the Procurement System Leader under the Act and guidance, tools, templates, instruments and other artefacts already issued by the Procurement Functional Leader, those issued by the Procurement System Leader will have precedence.

38 Other system leads, such as the Government Chief Digital Officer who has a role in digital investment, as well as some agencies play leadership roles across the public sector and/or industry sectors. For example, the Ministry of Social Development has a leadership role around social sector commissioning, MBIE has a leadership role around the construction sector and Te Waihangā has a leadership role around infrastructure. The Procurement System Leader is aware of the leadership roles that these agencies have and will work closely with them to align strategic direction and support the achievement of government objectives.

⁶ These entities are subject to direction under section 107(2A) of the Crown Entities Act 2004.

⁷ The Direction regarding Procurement Functional Leadership came into effect on 1 February 2015.

⁸ This includes entities such as tertiary education institutions such as Pūkenga New Zealand Institute of Skills and Technology and universities and State-owned enterprises.

⁹ This includes local authorities.

¹⁰ This is as set out in the 2012 Cabinet decision that established Functional Leadership [CAB MIN (12) 16/10 refers].

Financial and Resourcing Implications

For agencies within the mandate of the Procurement System Leader

- 39 The mandate of the Procurement System Leader proposed in this paper may result in some costs for agencies where they are required to adopt new approaches, processes, and practices. When setting standards or directing agencies within the scope of the mandate, the Procurement System Leader will consider, in consultation with agencies, the short-term costs against longer-term benefits for the system.

For the Ministry of Business, Innovation and Employment

- 40 As noted, a reset of the procurement system is already underway. This, together with the strengthened mandate of the Procurement System Leader proposed in this paper, will mean that MBIE needs more capacity and capability to effectively support the implementation of procurement system leadership. This will in turn have financial implications.
- 41 MBIE is in the process of identifying the capacity, capability and financial resources needed to ensure that the procurement system reset and system leadership are set up for success. Implementation of the reset and system leadership mandate will be phased in over time as MBIE resources and funding allow.

Legislative Implications

- 42 No legislative implications have been identified in this paper.

Impact Analysis

Regulatory Impact Statement

- 43 A regulatory impact analysis is not required.

Climate Implications of Policy Assessment

- 44 A Climate Implications of Policy Assessment is not required.

Population Implications

- 45 No population implications have been identified.

Human Rights

- 46 No human rights implications have been identified in this paper.

Consultation

- 47 All agencies that are required to apply the Government Procurement Rules were given the opportunity to comment on this Cabinet paper. A full list of these agencies is included in Annex Four.

Communications

- 48 We expect to announce these new functions and powers as soon as is practicable.
- 49 New Zealand Government Procurement will use its usual communications channels to work with and inform procurement mandated agencies of the new requirements agreed in this paper.

Proactive Release

- 50 Following Cabinet Office Circular CO (18) 4 regarding the proactive release of Cabinet papers, this paper will be proactively released within 30 business days of final decisions being taken by Cabinet, subject to redactions, as appropriate under the Official Information Act 1982.

Recommendations

The Minister for Economic Development recommends that the Committee:

Previous decisions

- 1 **note** that in April 2022 Cabinet agreed in principle to strengthen leadership of the government procurement system through greater centralisation, co-ordination, and assurance of government procurement functions [CAB-22-MIN-0126 refers].
- 2 **note** in April 2022 Cabinet noted that the Public Service Commissioner intended to designate the Secretary for Business, Innovation and Employment as System Leader for Procurement [CAB-22-MIN-0126 refers].

Mandate of the Procurement System Leader

- 3 **agree** that the Procurement System Leader has the following functions and mandate:

Functions:	Mandate: The Procurement System leader <u>can</u> :
System outcomes	<ul style="list-style-type: none"> • Propose overall outcomes for the procurement system, for Cabinet approval
System settings and strategy	<ul style="list-style-type: none"> • Develop, set, and direct agencies to use system-wide frameworks and arrangements that deliver on the outcomes approved by Cabinet, including collaborative contracts, systems, processes, practices and procedures
Workforce	<ul style="list-style-type: none"> • Lift the capability and capacity of the government procurement profession, which may include setting core competencies • Provide specialist procurement resources, where it makes sense and is efficient for them to be provided centrally and may do so on a cost recovery basis where appropriate
Collaboration	<ul style="list-style-type: none"> • Facilitate opportunities for cross-agency collaboration across the government procurement system

Functions:	Mandate: The Procurement System leader <u>can</u> :
System performance	<ul style="list-style-type: none"> • Require agencies to report and provide data and information necessary as needed in order to monitor system performance and support system-level decision making • Publish data and information that is in the public interest¹¹ • Identify areas of agency underperformance or non-compliance (if any), and require the relevant agency to confirm remedial actions
System risk and assurance, including critical issues	<ul style="list-style-type: none"> • Monitor for system, sector and agency risks and critical issues that may undermine the integrity of the system • If significant or increasing risks are identified, advise relevant agencies and others what actions are required to mitigate them
Cross-cutting	<ul style="list-style-type: none"> • inform and advise the Minister about procurement system performance and any areas of systemic underperformance • coordinate specified procurement activities across the system • influence market capacity and resilience • <u>and must</u> be consulted on and agree proposals from agencies to leverage government procurement system-wide as a way of meeting their objectives

4 **agree** that the mandate of the Procurement System Leader will immediately apply to Public Service Departments, Departmental Agencies (specified in Schedule 2 of the Public Service Act 2020) and Non-Public Service Departments, excluding the Office of the Clerk of the House of Representatives and Parliamentary Service.

Whole of government direction under section 107 of the Crown Entities Act 2004

5 **note** that there would be benefits to using a whole of government direction, issued under section 107 of the Crown Entities Act 2004, to take a whole of government approach to procurement system leadership.

6 **agree** that the mandate of the Procurement System Leader will in future apply to Crown entities and Public Finance Act Schedule 4A companies, subject to a whole of government direction being issued under section 107 of the Crown Entities Act 2004.

7 **direct** the Ministry of Business, Innovation and Employment to develop a proposal for a section 107 direction and a draft direction in consultation with Treasury and the Public Service Commission.

Implementation

8 **agree** that mandate of the procurement system leader as proposed in this paper will have effect from the date of this Cabinet decision.

¹¹ To improve transparency, MBIE intends to progressively publish agency level procurement data collected through centralised platforms like the Government Electronic Tendering System and All-of-Government panels.

IN CONFIDENCE

- 9 **agree** that all directions, guidance, tools, templates, instruments, and any other artefacts created by or issued by the Procurement Functional Leader, continue to apply, until procurement functional leadership is disestablished by Cabinet.
- 10 **agree** that in the event of any inconsistencies between standards and guidance issued by the Procurement System Leader under the Act and guidance, tools, templates, instruments and other artefacts already issued by the Procurement Functional Leader, those issued by the Procurement System Leader will have precedence.

Authorised for lodgement

Hon Barbara Edmonds

Minister for Economic Development

Annex One: Government procurement – Current state

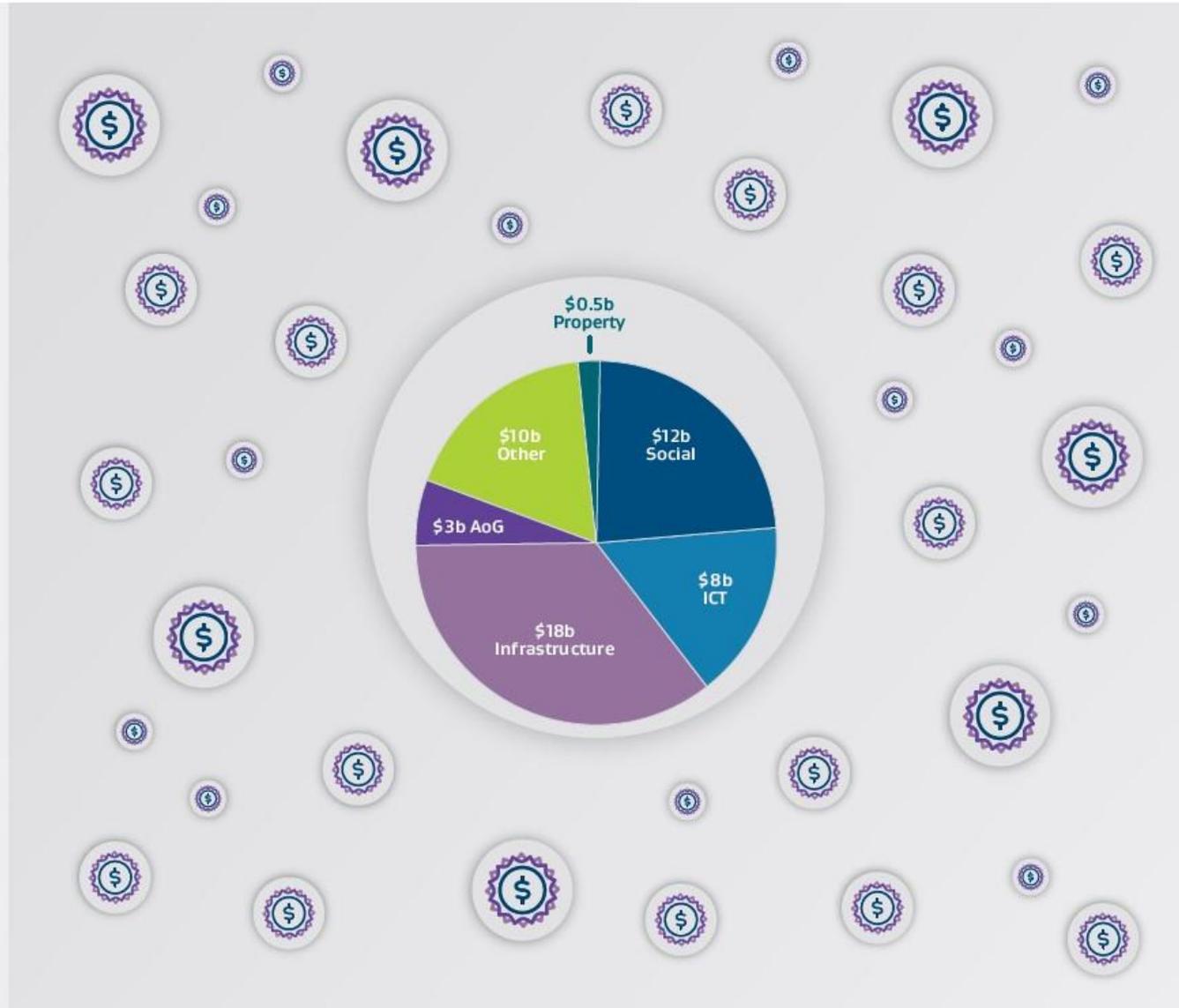
Individual agencies are responsible for the delivery of their public functions and services.

There is a breadth of both type and volume of spend that means decentralisation is the best delivery model. However, agencies are highly focussed on their own business.

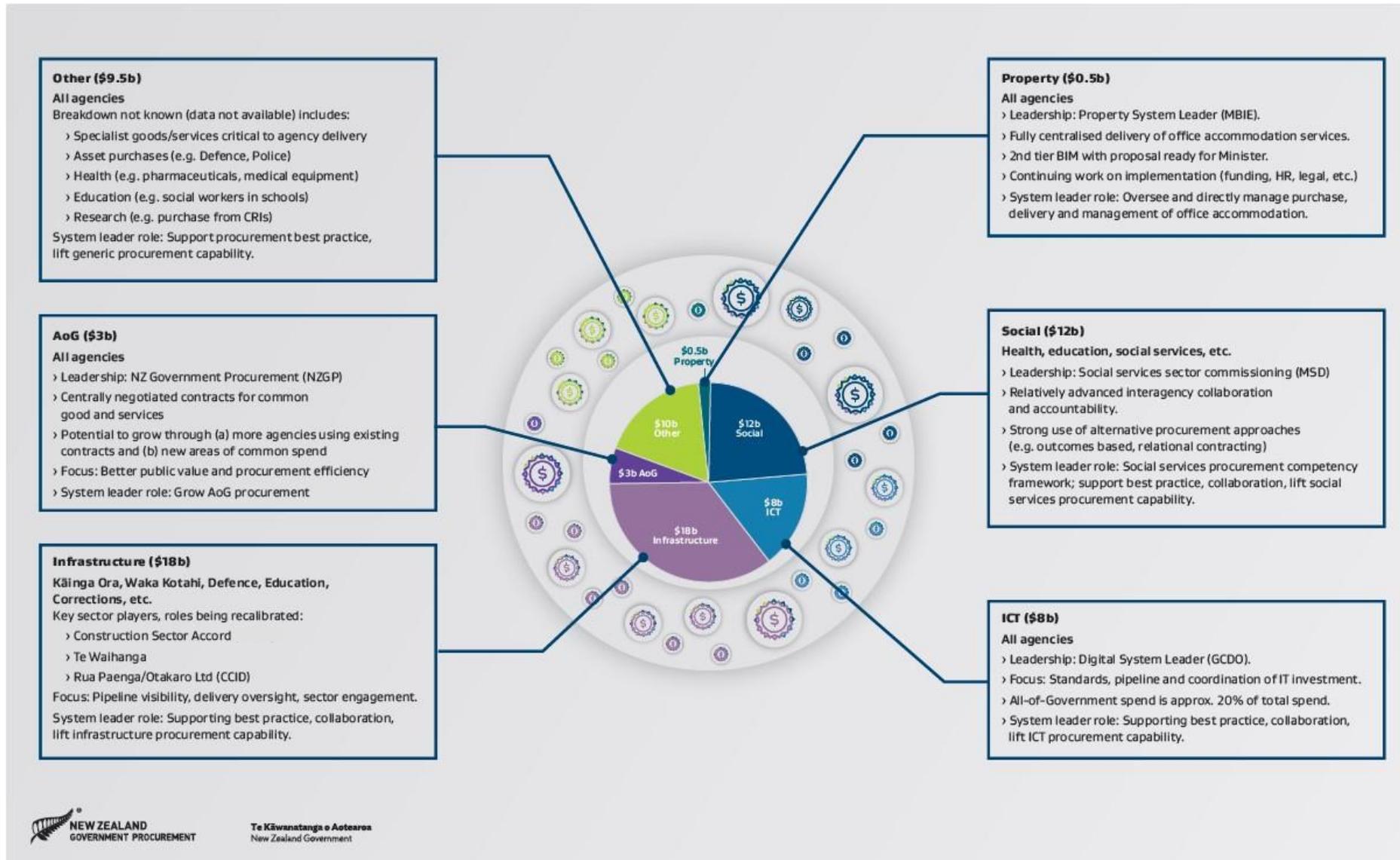
As a result, there are no incentives to work together or to consider system benefits and risks. Agencies are competing for suppliers and resources, which is resulting in price escalation, poor quality and delivery delays.

In this decentralised model, the Procurement Functional Leader exerts influence over the procurement activities of agencies by setting expectations in the Government Procurement Rules, guidance and centralised procurement of some common goods and services (e.g. motor vehicles, electricity).

Procurement System Leadership is an opportunity to exert stronger oversight, coordination and accountability in order to drive better system performance.



Annex Two: Government procurement – Annual spend



Annex Three: Government procurement – Future state

The Procurement System Leader will take stronger role in central oversight and coordination of procurement activities. While each agency is responsible for delivering public services (such as health, education and infrastructure), the Procurement System Lead will be responsible for ensuring that the Public Service operates as a unified whole.

System settings

Directing agencies to use collaborative contracts, standards, guidance and practices.

System performance

Collecting, monitoring and publishing data needed to drive system performance.

Collaboration

Coordinating and facilitating cross-agency collaboration.

System workforce

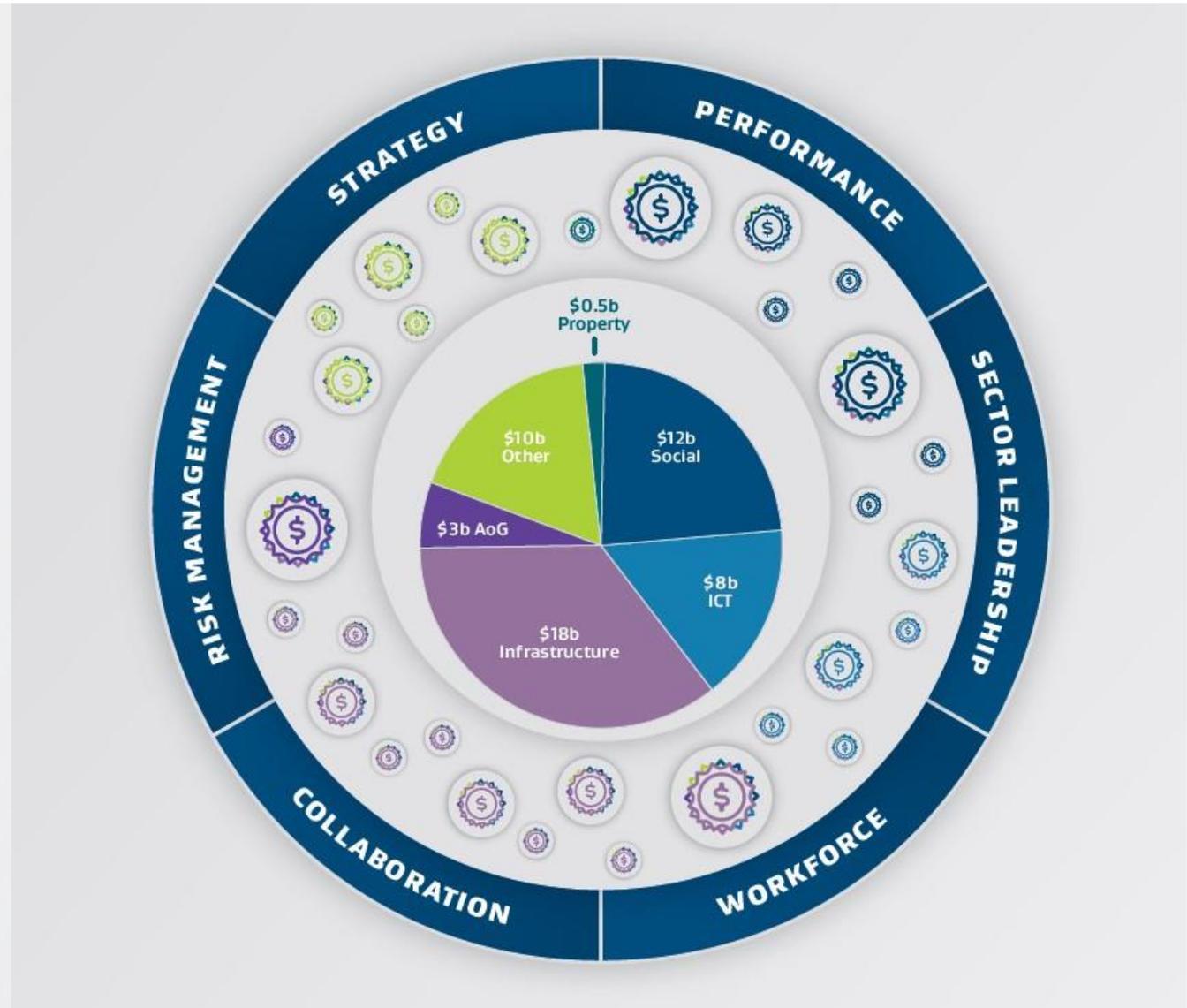
Improving capability and capacity of the workforce and centralised procurement expertise and support.

Sector leadership

Implement a framework so agencies with common areas of expenditure (e.g., infrastructure, ICT and social services) work together as a single, smart government client of choice.

Risk management

Monitor system risks and critical issues and direct agencies to take action to address them.



Ratonga Tūmatanui | Public Service [Public Service Act Sch 2]

Departments

1. **Te Tari Ture o te Karauna** | Crown Law Office
2. **Te Papa Atawhai** | Department of Conservation
3. **Ara Poutama Aotearoa** | Department of Corrections
4. **Te Tari Taiwhenua** | Department of Internal Affairs
5. **Te Tari o te Pirimia me te Komiti Matua** | Department of the Prime Minister and Cabinet
6. **Te Tari Arotake Mātauranga** | Education Review Office
7. **Te Tira Tiaki** | Government Communications Security Bureau
8. **Te Tari Taake** | Inland Revenue Department
9. **Toitū Te Whenua** | Land Information New Zealand
10. **Manatū Taonga** | Ministry for Culture and Heritage
11. **Te Manatū mō Ngā Iwi ō te Moana-nui-ā-Kiwa** | Ministry for Pacific Peoples
12. **Manatū Ahu Matua** | Ministry for Primary Industries
13. **Manatū Mō Te Taiao** | Ministry for the Environment
14. **Manatū Wāhine** | Ministry for Women
15. **Hikina Whakatutuki** | Ministry of Business, Innovation, and Employment
16. **Manatū Kaupapa Waonga** | Ministry of Defence
17. **Te Tāhuhu o te Mātauranga** | Ministry of Education
18. **Manatū Aorere** | Ministry of Foreign Affairs and Trade
19. **Manatū Hauora** | Ministry of Health
20. **Te Tūāpapa Kura Kāinga** | Ministry of Housing and Urban Development
21. **Te Tāhū o te Ture** | Ministry of Justice
22. **Te Puni Kōkiri** | Ministry of Māori Development
23. **Te Manatū Whakahiato Ora** | Ministry of Social Development
24. **Te Manatū Waka** | Ministry of Transport
25. **Te Mana Ārai o Aotearoa** | New Zealand Customs Service
26. **Te Pā Whakamarumarū** | New Zealand Security Intelligence Service
27. **Oranga Tamariki** | Ministry for Children
28. **Te Kawa Mataaho** | Public Service Commission
29. **Te Tari Hara Tāware** | Serious Fraud Office
30. **Tatauranga Aotearoa** | Stats NZ
31. **Te Tai Ōhanga** | The Treasury

Departmental agencies

1. **Te Aho o Te Kahu** | Cancer Control Agency
2. **Te Rākau Whakamarumarū** | National Emergency Management Agency
3. **Te Tari Mātāwaka** | Ministry for Ethnic Communities
4. **Whaikaha** | Ministry of Disabled People
5. **Te Arawhiti** | Office for Māori Crown Relations
6. **Toi Hau Tāngata** | Social Wellbeing Agency

Interdepartmental executive boards

1. Border Executive Board
2. Climate Change Chief Executives Board
3. Family Violence and Sexual Violence Executive Board
4. Strategic Planning Reform Board

Ratonga kāwanatanga | State Service

Ngā tari Ratonga Tūmatanui-kore | Non-Public Service departments

Executive branch

1. **Te Ope Kātua o Aotearoa** | New Zealand Defence Force
2. **Ngā Pirihimana o Aotearoa** | New Zealand Police
3. **Te Tari Tohutohu Pāremata** | Parliamentary Counsel Office

Ngā hinonga Karauna | Crown entities | [Crown Entities Act Sch 1 – Part 1]

Statutory entities – Crown agents

1. **Te Kaporeihana Āwhina Hunga Whara** | Accident Compensation Corporation
2. Callaghan Innovation
3. **Te Mana Rererangi Tūmatanui o Aotearoa** | Civil Aviation Authority
4. **Kōmihana Rūwhenua** | Earthquake Commission
5. **Manapou ki te Ao** | Education New Zealand
6. **Te Tari Tiaki Pūngao** | Energy Efficiency and Conservation Authority
7. **Te Mana Rauhi Taiao** | Environmental Protection Authority
8. Fire and Emergency New Zealand
9. **Te Whatu Ora** | Health New Zealand
10. **Kupu Taurangi Hauora o Aotearoa** | Health Quality & Safety Commission
11. Health Research Council of New Zealand
12. **Kāinga Ora** | Homes and Communities
13. **Nō te rere moana Aotearoa** | Maritime New Zealand
14. Antarctica New Zealand (New Zealand Antarctic Institute)
15. **Ratonga Toto O Aotearoa** | New Zealand Blood Service
16. **Mana Tohu Mātauranga o Aotearoa** | New Zealand Qualifications Authority
17. **Manaakitanga Aotearoa** | Tourism New Zealand (New Zealand Tourism Board)
18. **Te Taurapa Tūhono** | New Zealand Trade and Enterprise
19. **Waka Kotahi** | New Zealand Transport Agency
20. **Herenga ā Nuku Aotearoa** | Walking Access Commission
21. **Te Pātaka Whaioranga** | Pharmaceutical Management Agency
22. **Te Mana Papawhenua** | Real Estate Authority (Real Estate Agents Authority)
23. **Kāhui Whakamana Tauwhiro** | Social Workers Registration Board
24. **Ihi Aotearoa** | Sport New Zealand (Sport and Recreation New Zealand)
25. **Taumata Arowai** | Water Services Regulator
26. **Te Amorangi Mātauranga Matua** | Tertiary Education Commission
27. **Mahi Haumarū Aotearoa** | WorkSafe New Zealand

Statutory entities – Autonomous and Independent Crown Entities | [Crown Entities Act Sch 1 – Part 2]

Autonomous Crown Entities (ACEs)

1. Accreditation Council
2. Arts Council of New Zealand Toi Aotearoa
3. Broadcasting Commission
4. Government Superannuation Fund Authority
5. Guardians of New Zealand Superannuation
6. **Pouhere Taonga** | Heritage New Zealand
7. Museum of New Zealand Te Papa Tongarewa Board
8. New Zealand Artificial Limb Service
9. New Zealand Film Commission
10. **Te Waihanga** | New Zealand Infrastructure Commission
11. New Zealand Lotteries Commission
12. New Zealand Symphony Orchestra
13. Public Trust
14. Retirement Commissioner
15. **Te Reo Whakapuaki Irirangi** | Māori Broadcasting Funding Agency
16. **Te Taura Whiri i Te Reo Māori** | Māori Language Commission

Independent Crown Entities (ICEs) | [Crown Entities Act Sch 1 – Part 3]

1. Broadcasting Standards Authority
2. Children's Commissioner
3. Climate Change Commission
4. Commerce Commission
5. Criminal Cases Review Commission
6. Drug Free Sport New Zealand
7. Electoral Commission
8. Electricity Authority
9. External Reporting Board
10. Financial Markets Authority
11. Health and Disability Commissioner
12. Human Rights Commission
13. Independent Police Conduct Authority
14. Law Commission
15. Mental Health and Wellbeing Commission
16. New Zealand Productivity Commission
17. Office of Film and Literature Classification
18. Privacy Commissioner
19. Takeovers Panel
20. Transport Accident Investigation Commission

Crown entity companies

Crown Research Institutes (CRIs)

1. AgResearch Limited
2. Institute of Environmental Science and Research Limited
3. Institute of Geological and Nuclear Sciences Limited
4. Landcare Research New Zealand Limited
5. National Institute of Water and Atmospheric Research Limited
6. Scion
7. The New Zealand Institute for Plant and Food Research Limited

Other companies

1. Crown Irrigation Investments Limited
2. New Zealand Growth Capital Partners Limited
3. Radio New Zealand Limited
4. Television New Zealand Limited

Ture Tahua Tūmatanui 1989 Ngā Kamupene Āpitianga 4A | [Public Finance Act 1989 Schedule 4A Companies]

1. City Rail Link Limited
2. Crown Asset Management Limited
3. Crown Infrastructure Partners Limited
4. Crown Regional Holdings Limited
5. Education Payroll Limited
6. New Zealand Green Investment Finance Limited
7. Ngāpuhi Investment Fund Limited
8. Ōtākaro Limited
9. Predator Free 2050 Limited
10. Research and Education Advanced Network New Zealand Limited
11. Southern Response Earthquake Services Limited
12. Tāmaki Redevelopment Company Limited
13. The Network for Learning Limited

Crown entity subsidiaries of NZIST

1. Ara Institute of Canterbury
2. Eastern Institute of Technology
3. Manukau Institute of Technology
4. Nelson Marlborough Institute of Technology
5. Northland Polytechnic
6. Open Polytechnic of New Zealand
7. Otago Polytechnic
8. Southern Institute of Technology
9. Tai Poutini Polytechnic
10. Toi Ohomai Institute of Technology
11. Unitec Institute of Technology
12. Universal College of Learning
13. Waikato Institute of Technology
14. Wellington Institute of Technology
15. Western Institute of Technology
16. Whitireia Community Polytechnic

Other Crown entity subsidiaries

Approximately 150 Crown entity subsidiaries

School Boards of Trustees

Approximately 2,416 (including Te Aho o Te Kura Pounamu – The Correspondence School)

Ture Tahua Tūmatanui 1989 Ngā Whakahaere Āpitianga 4 | [Public Finance Act 1989 Schedule 4 Organisations]

Fish and Game Councils

1. New Zealand Fish and Game Council
2. Fish and Game Councils (12)

Reserves Boards

There are 20 Reserve Boards.

Trusts

1. Agricultural and Marketing Research and Development Trust
2. Asia New Zealand Foundation
3. National Pacific Radio Trust
4. Ngāi Tahu Ancillary Claims Trust (inactive)
5. Pacific Co-operation Foundation
6. Pacific Island Business Development Trust

Other (Bodies Corporate)

1. Game Animal Council
2. The Māori Trustee
3. New Zealand Game Bird Habitat Trust Board
4. New Zealand Government Property Corporation

Other (Unincorporated)

New Zealand Lottery Grants Board

Te Pūtea Matua | Reserve Bank of New Zealand

Ngā Hinonga Motuhake ā-Ture | Independent Statutory Entities

1. Te Aka Whai Ora — Māori Health Authority
2. Te Mātāwai

Te wahanga o te kāwanatanga | State Sector

Ngā tari Ratonga Tūmatanui-kore | Non-Public Service departments

Legislative branch

1. Office of the Clerk of the House of Representatives
2. Parliamentary Service

Ngā Tari Kāwanatanga | Officers of Parliament

1. Office of the Ombudsmen
2. The Controller and Auditor-General
3. The Parliamentary Commissioner for the Environment

In central government Tertiary Institutions Universities

1. **Te Wānanga Aronui o Tāmaki Makau Rau** | Auckland University of Technology
2. **Te Whare Wānaka o Aoraki** | Lincoln University
3. **Te Kunenga ki Pūrehuroa** | Massey University
4. **Waipapa Taumata Rau** | University of Auckland
5. **Te Whare Wānanga o Waitaha** | University of Canterbury
6. **Te Whare Wananga Otago** | University of Otago
7. **Te Whare Wananga o Waikato** | University of Waikato
8. **Te Herenga Waka** | Victoria University of Wellington

Te Pūkenga | New Zealand Institute of Skills and Technology Wānanga

1. Te Wānanga o Aotearoa (Te Awamutu)
2. Te Wānanga o Raukawa (Otaki)
3. Te Whare Wānanga o Awanuiārangī (Whakatane)

Ngā pakihi a te kāwanatanga | State-owned enterprises

[State Owned Enterprises Act Sch 1]

1. Airways Corporation of New Zealand Limited
2. Animal Control Products Limited
3. AsureQuality Limited
4. Electricity Corporation of New Zealand Limited
5. KiwiRail Holdings Limited
6. Kordia Group Limited
7. Landcorp Farming Limited
8. Meteorological Service of New Zealand Limited
9. New Zealand Post Limited
10. New Zealand Railways Corporation
11. Quotable Value Limited
12. Transpower New Zealand Limited

Tūmatanui Rangai | Public Sector

Kāwanatanga ā-rohe | Local Government

Definition of procurement

For the purposes of the mandate of the Procurement System Leader, procurement is defined as covering all aspects of acquiring and delivering goods, services and works (including refurbishment and new construction)¹². It includes identifying the need and managing the contract through to its completion or the end of the useful life and disposal of the asset. This definition is consistent with how procurement is defined in the Government Procurement Rules.

¹² Including both capital and operational expenditure.