

Statement of Intent

*Parliamentary Counsel Office
Te Tari Tohutohu Pāremata*

*for the period 1 July 2009
to 30 June 2012*



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Ministerial statement of responsibility

I am satisfied that the information on future operating intentions provided by my Office in this Statement of Intent is in accordance with sections 38, 40, and 41 of the Public Finance Act 1989 and is consistent with the policies and performance expectations of the Government.



Hon Christopher Finlayson
Attorney-General

Introduction from the Chief Parliamentary Counsel

The mission of the Parliamentary Counsel Office (PCO) is to:

- provide impartial high-quality legislative drafting services and advice and enable easy access to the laws of New Zealand.

To achieve this mission, the PCO delivers the following outputs:

- Law Drafting Services
- Access to Legislation.

Over the period covered by this Statement of Intent (SOI) the key priority for the law drafting output is to deliver the Government's legislation programmes, and the key priority for the access to legislation output is to ensure that New Zealand legislation is readily accessible to the public, in particular by working towards making the content of the New Zealand Legislation (NZL) website (www.legislation.govt.nz) an official source of legislation alongside the printed copies we publish.

PCO Strategic Plan

The PCO has developed a new Strategic Plan, which gives staff a cohesive one-page document showing where the PCO is headed over the next three years and the actions and plans it needs to develop and implement to achieve its mission.

The PCO has made major strides in modernising its management practices, especially in the areas of strategic management, human resources, internal audit and risk management, and business continuity and disaster recovery planning. However, the PCO has just begun this process and the 2009/10 financial year will be important for completing some of the projects in our new Strategic Plan (which includes our new Human Resources Strategic Plan and Information Systems Strategic Plan) and beginning others as we look to ensure that the PCO has the management practices and trained staff to carry out its roles in an effective and efficient manner.

Current economic conditions and their effect on the PCO

The PCO is well aware of the current economic environment that it is now operating within. It recognises the importance of making the best and most efficient use of its resources and, where possible, identifying savings that can be released back to the Government, and is continuing to take a prudent approach to the way it uses resources.

Law Commission reviews

The Law Commission completed its review of the presentation of New Zealand statute law in December 2008.¹ The PCO and Ministry of Justice are working on a joint response to the recommendations in the report.

The Law Commission is currently completing its review of the Statutes Drafting and Compilation Act 1920 and the PCO awaits the outcome of this review with some interest. Implementing Government decisions that follow from this review will then need to be planned and carried out by the PCO.

Operating intentions

The operating intentions section of this SOI explains in more detail what we will do to ensure that we continue to provide best practice legislative drafting services as well as legislation that is readily accessible to the public, and also identifies the ways in which we intend to make improvements, where possible.

Major areas of focus for the law drafting services output will include:

- working with the Legislation Design Committee, the Legislation Advisory Committee, the Law Commission, and instructing departments and agencies to improve the quality of draft legislation
- engaging with other parliamentary authorities to identify and remove or reduce procedural issues that have the effect of reducing the quality, clarity, and accessibility of legislation
- continuing to work with other common law drafting offices to develop further changes that improve access, clarity, and understanding of legislation
- ensuring consistency of drafting within the PCO, to be achieved through a number of initiatives.

Major areas of focus for the access to legislation output will include:

- continuing to officialise the content of the NZL website
- continuing work on the technical simplification of the NZL system and its business processes
- working with other agencies to maximise the potential of the NZL system and website, including opportunities to foster greater access to the NZL website
- strengthening our collaboration with other parliamentary agencies through, for example, the Joint Information Strategy.

¹ www.lawcom.govt.nz/ProjectReport.aspx?ProjectID=132

In addition, strengthening our organisational health and capability, which encompasses both outputs, will continue to be a major focus over the next three years. Here, the major areas of focus, detailed on pages 26 and 27, will include:

- managing change and developing the strength and depth of our leadership and management capability
- continuing to develop risk management processes for the NZL system and other core business processes, as well as continuing to strengthen our business continuity, security, and resource management systems
- achieving key deliverables from the PCO's Human Resources Strategic Plan.

This programme of work, with both an internal and external focus, presents us with a number of interesting and exciting challenges. I have every confidence that the drive, determination, and professionalism of the PCO's people will ensure that we will continue to deliver well-drafted and readily accessible legislation for New Zealand.

Chief Parliamentary Counsel statement of responsibility

In signing this statement, I acknowledge that I am responsible for the information contained in the Statement of Intent for the Parliamentary Counsel Office. This information has been prepared in accordance with the Public Finance Act 1989. It is also consistent with the proposed appropriations set out in the Appropriation (2009/10 Estimates) Bill, as presented to the House of Representative in accordance with section 13 of the Public Finance Act 1989, and with existing appropriations and financial authorities.

Signed



David Noble
Chief Parliamentary Counsel

Countersigned



Noel Lee
Corporate Services Manager

NATURE AND SCOPE OF FUNCTIONS

The PCO is constituted as a separate office of Parliament by the Statutes Drafting and Compilation Act 1920 (the 1920 Act). The PCO is under the control of the Attorney-General or, if there is no Attorney-General, the Prime Minister.

The PCO is not part of the Public Service under the State Sector Act 1988, and thus is not under the direct control of the State Services Commissioner. However, the PCO is subject to certain provisions of the State Sector Act 1988, including those that relate to the setting and enforcement of minimum standards of integrity and conduct.

Under the 1920 Act, the PCO is responsible for the drafting of Government Bills and Statutory Regulations. This includes drafting amendments to Bills required by select committees and by Ministers at the committee of the whole House stage. Bills administered by the Inland Revenue Department (IRD) are drafted by that department.

The PCO also examines and reports on local Bills and private Bills. This involves providing drafting advice and assistance (including the preparation of draft Bills) to the promoters of the Bills and their legal advisers. The PCO also drafts Members' Bills if directed to do so by the Attorney-General.

Under the Acts and Regulations Publication Act 1989, the PCO is separately responsible for the publication of Acts of Parliament (including reprinted Acts), Statutory Regulations (including reprinted Statutory Regulations), and the annual bound volumes of Acts and Statutory Regulations. The PCO also compiles reprints of Acts and Statutory Regulations with their amendments incorporated.

The PCO is responsible for supplying printed copies of Bills and Supplementary Order Papers (SOPs) to the House, and publishing printed copies of Bills and SOPs.

The PCO publishes the *Tables of New Zealand Acts and Ordinances and Statutory Regulations and Deemed Regulations in Force* annually in printed form, and publishes four interim indexes to the Statutory Regulations for each year.

Acts, Statutory Regulations, Bills, and SOPs are available in up-to-date form free via the NZL website at www.legislation.govt.nz.

The outcome that the PCO seeks to achieve is contributing to parliamentary democracy under the rule of law by supporting Parliament and the executive in their law-making roles and contributing to the Government's objectives. The PCO seeks to ensure that:

- legislation that is necessary to change the law to implement Government policies is effective, clear, consistent with other legislation, and adheres to legal principle

- legislation, including Bills and SOPs, is accessible to the public in both printed and electronic forms, and printed copies of Government Bills and Government SOPs are provided to the House.

This is discussed in more detail under “Strategic Direction” on page 10.

STRATEGIC DIRECTION

Outcome: contributing to parliamentary democracy under the rule of law

In New Zealand, parliamentary democracy based on the rule of law is the outcome of different factors and influences. The institutions of Parliament, the Government (or executive), and an independent judiciary existing within the framework of New Zealand’s constitutional law and conventions are central to that outcome. So too is respect for and adherence to the rule of law in its widest sense. The drafting of New Zealand’s laws and the making of those laws accessible to the citizen contribute to the outcome.

Under New Zealand’s constitutional arrangements, Parliament has supreme law-making power. It exercises that power by passing Acts of Parliament. It also has the power to delegate law-making powers to the executive. It exercises that power by conferring on the executive, in the statutes that it enacts, the power to make regulations and other types of subordinate legislation. In this context, the term “executive” includes the Governor-General in Council, Ministers of the Crown, and other individuals and agencies who are authorised to exercise delegated law-making powers.

In a parliamentary democracy committed to upholding the rule of law, it is an overarching objective that legislation enacted by Parliament and made by the executive reflects the fundamental concepts inherent in the rule of law, is based on legal principle, is effective and clear, and is accessible to those to whom it applies.

Parliament has, through the New Zealand Bill of Rights Act 1990, enacted legislation that recognises the importance of legislation being consistent with these principles. Parliament also scrutinises legislation made by the executive to ensure that it conforms with standards laid down by Parliament for principled law-making. The courts will review delegated legislation in cases that come before them in which the validity of a particular instrument is challenged, and apply well-established tests to determine questions relating to validity.

A cornerstone of parliamentary democracy under the rule of law is that for citizens to comply with the law they must know what the law is and therefore have ready access to it.

It is also a basic constitutional principle that the role of the courts is to interpret the meaning of legislation. In doing so, the courts apply common law principles developed to protect the values of freedom and justice inherent in the rule of law.

The PCO contributes to parliamentary democracy under the rule of law by supporting Parliament and the executive in their law-making roles, and contributes to the Government’s objectives in two ways:

- first, by drafting changes in the law that are required to implement Government policies—this enables those departments and agencies that administer the legislation to meet their objectives
- second, by making the laws passed by Parliament and the executive accessible to the public.

Strategic objectives: best practice legislative drafting services, and ready access to New Zealand legislation

One objective of the PCO is to ensure that the statutes enacted by Parliament and delegated legislation made by the executive are legally effective, are consistent with other legislation, the general law, and international law, and are clear. It is also the objective of the PCO to ensure, to the extent consistent with the policy of the legislation, that those statutes and delegated legislation are consistent with legal principle and with the rights and freedoms protected by the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993. The PCO’s additional objective in the case of delegated legislation is that it will withstand scrutiny by the Regulations Review Committee and challenge in the courts, and will not be subject to disallowance under the Regulations (Disallowance) Act 1989.

By making legislation available to the public, the PCO fulfils its second, equally important objective of ensuring that statutory law (as distinct from the common law) is accessible to those who may benefit from it and those who must obey it.

OPERATING INTENTIONS

The future operating intentions for the period covered by this SOI are stated on the assumption that the two core functions of the PCO will continue unchanged. These functions are to draft legislation and make it publicly available.

The framework for the PCO's future operating intentions continues to be provided by our two strategic objectives:

- best practice legislative drafting services, and
- ready access to New Zealand legislation.

Strategic Objective 1: Best practice legislative drafting services

The following section provides a summary of key achievements the PCO intends to accomplish over the next three years in the law drafting services output, along with information on the interventions that will be used and the desired impacts.

What are we seeking to achieve?

Achievements will include:

- delivering the Government's legislation programmes through the drafting of Government Bills, and the drafting of Statutory Regulations and SOPs
- legislative drafting that is more consistent, of a higher quality, clear, and easy to understand, which will result in a better quality end-product for all New Zealanders
- improved capability within instructing departments and agencies that will enable their officials to provide effective instructions, as well as an improved level of service by PCO drafters to those instructing departments and agencies
- more efficient use of resources due to streamlined procedures
- enhancement of the existing quality standard to enable key stakeholders, such as select committees, to assess the PCO's performance
- development of systems to enable comparisons to be made between the PCO and other similar drafting offices.

What will we do to achieve this?

Over the period of this SOI, the PCO will:

- review selected aspects of drafting practices, including peer review, supervision, and training, to identify areas where further improvements can be made. The PCO will also work with the Legislation Advisory Committee, the Legislation Design Committee, the

Law Commission, and other drafting offices to identify areas where the clarity and presentation of legislation can be improved

- develop and deliver a seminar programme to instructing departments and agencies. The PCO will also review the current PCO Drafting Services Survey content and process to ensure that the questions asked are the most relevant, and that it is provided to the most appropriate persons within the instructing departments and agencies in a timely manner
- engage with the parliamentary authorities (the Office of the Clerk, the Speaker, the Parliamentary Service, and the Standing Orders Committee) to identify and seek to remove or reduce unnecessary procedural issues that affect the efficient use of resources
- investigate methods of obtaining performance feedback from key stakeholders, such as select committees
- examine, with Australian and English drafting offices, the possibilities for benchmarking the drafting services provided by the PCO against other drafting offices operating in a similar constitutional and parliamentary environment
- ensure we use existing resources in the most efficient manner to draft all Bills on the legislation programme, and all Statutory Regulations and SOPs.

How will we demonstrate success in achieving this?

Whether the PCO has succeeded will be measured as follows:

- there is improved consistency and quality of legislation as determined by quality assurance records maintained in-house
- a seminar programme is operating for instructing departments and agencies that adds value to their work and the drafting process as a whole
- the responses provided to the revised PCO Drafting Services Survey result in a more accurate assessment of the PCO’s drafting performance as well as identifying areas in which improvements could be made (the existing performance measure that 90% of instructing departments and agencies are satisfied with the PCO’s performance is based on quality and timeliness standards relating to the drafting process, the drafting product, and advice given)
- procedures have been streamlined and more efficient use has been made of resources
- relevant select committees are satisfied with the advice received from PCO drafters as evidenced by overall responses to a satisfaction survey
- relevant comparisons are made between the PCO and overseas drafting offices which result in identifying the PCO’s relative efficiency and cost effectiveness
- the Attorney-General is satisfied that the quality and timeliness standards for the drafting of Bills, Statutory Regulations, and SOPs have been met (more detail on the standards is given below).

One of the performance measures in the 2009/10 Information Supporting the Estimates is that the Attorney-General is satisfied that the quality and timeliness standards have been achieved.

The quality standard is that Bills and Statutory Regulations are:

- legally effective, consistent with other legislation, the general law, and international law, and clear
- consistent with the policy they implement, legal principle, the New Zealand Bill of Rights Act 1990, and the Human Rights Act 1993.

In addition, advice given on matters relating to the provision of legislative drafting services, including advice on legislative drafting, parliamentary procedure, executive government process, and the law, is sound, practical, and clear.

The timeliness standard is that:

- Bills, Statutory Regulations, and SOPs are drafted in accordance with time frames set by, or agreed with, the Government, select committees, and departments.

The Attorney-General's views on the achievement of these standards will be sought for the Statement of Service Performance in the PCO's future annual reports.

The following pages provide more detail on the strategic objective for the law drafting services output, and what we are seeking to achieve.

Law drafting services

The law drafting services provided by the PCO are part of the process of implementing new policy or changes to policy through the enactment of legislation. The PCO is initially involved with new legislation during the development of the Government's legislation programme, which establishes the priorities for development of the policy for, and drafting of, proposed legislation.

We work closely with the Legislation Coordinator, a Cabinet Office staff member, who plays a central role in this process.

The PCO's work usually starts with the receipt of drafting instructions for a change in the law from the relevant government department. Parliamentary Counsel translate these instructions into draft legislation, working closely with the instructing department (and sometimes Ministers) and consulting with other interested agencies. At its heart, drafting legislation means translating policy decisions into effective, principled, and clear law. It is not a simple process where a particular unit of input is matched by a corresponding unit of output. Legislation has to be consistent with the rest of the statute book, general legal principle, international law, and the common law. Ensuring that legislation is clear and accessible is also a critical component of the drafter's work and the PCO is committed to plain language drafting. We seek to draft in accordance with our own internal guides and manuals but drafting is often an iterative process, requiring revisions and often months of work to produce a Bill or set of regulations. Drafting must also accommodate changes to the policy that can occur during the process.

After the draft legislation is settled with the department, the process depends on whether the legislation is a Bill or proposed regulations. In the case of proposed regulations, Parliamentary Counsel certify whether they can be lawfully made and this process includes having regard to the grounds in the Standing Orders of the House under which regulations may be drawn to the attention of the House and risk being disallowed under the Regulations (Disallowance) Act 1989. The proposed regulations are referred to the Cabinet Legislation Committee, at which point our drafting work is usually at an end. The regulations are submitted to Cabinet for final approval, and are made by the Governor-General in Executive Council.

The passage of a Bill is more complex. Throughout the process Parliamentary Counsel continue to work with departmental officials, and also with select committee members and the Office of the Clerk. After its referral to Cabinet Ministers, a Bill is introduced to the House for its first reading, and is then usually referred to a select committee. The select committee will hear submissions from the public and interested organisations, and considerable redrafting by Parliamentary Counsel can be required as a result of the committee’s consideration of the issues raised. The Bill will then be sent back to the House. At the committee of the whole House stage, further redrafting by Parliamentary Counsel may be called for by way of an SOP. Post-introduction versions of the Bill with their amendments incorporated are produced by the PCO on behalf of the Office of the Clerk. Parliamentary Counsel check these versions to ensure that the amendments have been correctly incorporated and that the Bill as amended during its passage through the House is correct. When the Bill has passed its third reading, the PCO, working with the Office of the Clerk, prepares the copy for Royal assent, which is signed by the Governor-General.

Improving drafting practice

In common with most countries, New Zealand legislation deals with a wide range of complex subjects. Most legislation has interrelationships with other areas of the law, statute law, and the common law. The meaning of legislation is affected directly by court decisions on its interpretation applying well-established principles of statutory interpretation.

Considerable changes have been made in the way that New Zealand legislation is drafted. The objective of these changes has been to improve the accessibility of legislation for readers. Examples include:

- the use of purpose provisions that explain in general terms what the legislation seeks to achieve
- the use of overview provisions that give readers an outline of the structure and organisation of the legislation, how it is arranged, and what the key provisions are, so that they will know what to expect when they read it
- the use of plain language
- the use of examples, flow-charts, diagrams, and graphics to aid readability.

We will introduce methods of obtaining performance feedback from key stakeholders, such as relevant select committees, to gauge the effectiveness of our existing plain language drafting techniques. We will also examine, with Australian and English drafting offices, the possibilities for benchmarking the drafting services provided by the PCO against other drafting offices operating in a similar constitutional and parliamentary environment.

We will continue to work with the Legislation Design Committee, the Legislation Advisory Committee, the Law Commission, and instructing departments and agencies to make improvements to draft legislation. We will also seek to engage productively with the parliamentary authorities (the Office of the Clerk, the Speaker, the Parliamentary Service, and the Standing Orders Committee) to identify and seek to remove or reduce the procedural issues that damage the quality, clarity, and accessibility of legislation.

The PCO will also continue to develop further proposals for changes that aid access, clarity, and understanding of legislation. Particular attention will be given in the period of this SOI to ensuring consistency of drafting practice across the office. This will require a number of initiatives. The PCO’s Drafting and Style Manuals are important resources in this regard and will continue to be updated over the course of the SOI period.

In addition, the PCO will examine the current system of peer review, the structure of drafting teams and their operation in practice with different types and sizes of legislative instrument, and the training programme for new counsel that involves teaching sessions based around a curriculum, on-the-job training, and supervision of junior counsel.

It is hoped that the programme of exchanges and secondments begun with the Commonwealth drafting office in Canberra, Australia in 2005 and continuing with the Law Commission (2008) and the United Kingdom (2008/09) can be maintained and the PCO will ensure that learning and experience gained from that programme is disseminated throughout the office.

Capability of instructing departments

As indicated in the explanation of the process, drafting legislation is a team effort and the role of departmental officials is critical to the success of the drafting process. In order to assist departmental officials to give effective instructions and to work collaboratively with drafters, the PCO will continue to provide seminars and other assistance to instructing departments to enhance their capacity to deliver fully developed drafting instructions. We aim to develop a structured seminar programme appropriate for the needs of all instructing departments.

Assisting other bodies and agencies involved with ensuring the quality of New Zealand’s legislation

The PCO will continue to actively participate in the work of the Legislation Advisory Committee and the Legislation Design Committee. The PCO will also work with the Law Commission, in accordance with Cabinet Office Circular (09) 01, to assist in the process of law reform.

Contributing internationally

The PCO will continue to support the development and provision of training and development of legislative drafters and lawyers from the Pacific Island nations as it has since 2004, by developing and then assisting in the delivery of training designed to build legislative drafting capability in those nations. In the case of the Cook Islands, this assistance includes a limited amount of legislative drafting. However, this commitment will not be allowed to compromise the PCO’s ability to deliver its priority outcome of meeting the legislative drafting needs of the Government.

Strategic Objective 2: Ready access to New Zealand legislation

The following section provides a summary of key achievements the PCO intends to accomplish over the next three years in the access to legislation output, along with information on the interventions that will be used and the desired impacts.

What are we seeking to achieve?

Achievements will include:

- providing free public access to a continually improved electronic database of legislation
- maintaining the electronic database of legislation in an up-to-date form
- providing the Office of the Clerk and the IRD with access to enhanced tools within the NZL system
- publishing legislation in printed and electronic forms within set time frames
- prompt response to enquiries received from the public
- publishing hard copy reprints of legislation within set time frames
- progress towards a fully officialised NZL website
- progress towards free public access to historical legislation
- technical simplification of the NZL system
- more efficient provision and use of shared services across the parliamentary campus

What will we do to achieve this?

Over the period of this SOI, the PCO will:

- work with Unisys to ensure a programme of work is carried out in a cost-effective and timely manner that provides a continually improved legislation website for the public, and legislative authoring, content management, and publication systems for PCO, Office of the Clerk, and IRD staff
- work with SecuraCopy to ensure systems and procedures are in place to enable efficient and reliable hard copy printing of legislation within set time frames

- ensure it has systems and procedures in place to enable efficient and reliable electronic publishing of legislation within set time frames
- ensure there are sufficient resources with the appropriate knowledge to respond in a timely manner to public enquiries
- continue to officialise the content of the NZL website
- survey users of reprints and prepare annual reprints programmes based on the published selection criteria
- work with government agencies to explore options to preserve New Zealand’s historical legislation and continue commercial arrangements with the Knowledge Basket to maintain access to historical legislation
- continue work on the technical simplification of the NZL system, particularly core components, and review business processes
- cooperate with other parliamentary agencies to streamline overall Information and Communication Technology (ICT) planning, management, and delivery, particularly to ensure appropriate disaster recovery, business continuity, and security.

How will we demonstrate success in achieving this?

Whether the PCO has succeeded will be measured as follows:

- there is reliable public access to a continually improved NZL website
- PCO, Office of the Clerk, and IRD staff are provided with tools within the NZL system that are cost effective and improve efficiency
- legislation is supplied to the House and made publicly available in both printed and electronic forms within set time frames. The timeliness standards are that:
 - within one working day:
 - all new Bills introduced into the House are available on the NZL website
 - after the printed version is made available to the House, all subsequent versions of Bills are available on the NZL website
 - after they have been circulated to Members of Parliament, all SOPs are available on the NZL website
 - after they are notified in the *New Zealand Gazette*, all Statutory Regulations are available on the NZL website
 - within five working days:
 - of introduction or release, all Government Bills and SOPs are published and provided for sale at designated bookshops and to subscribers
 - of assent, all Acts are available on the NZL website
 - of being made, all Statutory Regulations are published and provided for sale at designated bookshops and to subscribers

- within ten working days:
 - of assent, all Acts are published and provided for sale at designated bookshops and to subscribers
- within the first half of the following calendar year
 - all annual volumes of Acts and annual volumes of Statutory Regulations are published
- a response is provided to 80% of public enquiries within one working day
- a response is provided to 100% of public enquiries within five working days
- the published reprints programme is delivered
- the proportion of officialised legislation on the NZL website is increased
- whether free public access to historical legislation is available electronically
- a reduction in the NZL system maintenance costs, and improvements in its speed and usability as a result of technical simplification is achieved
- more efficient use is made of shared services and resources across the parliamentary campus, particularly in the areas of information management and ICT solutions, as a result of greater collaboration with other parliamentary agencies together with associated cost savings due to economies of scale in procurement.

One of the performance measures in the 2009/10 Information Supporting the Estimates is that the Attorney-General is satisfied that the quality standard has been achieved. The quality standard is:

- Government Bills approved for introduction and SOPs approved for release are published in an accurate form
- accurate publication of Acts of Parliament
- accurate publication of Statutory Regulations
- the annual volumes of Acts for 2009 contain correct copies of the Acts of Parliament and the annual volumes of Statutory Regulations for 2009 contain correct copies of the Statutory Regulations
- reprints of Acts and Statutory Regulations correctly state the law enacted or made by the Acts and Statutory Regulations reprinted and by the amendments to that legislation
- the *Tables of New Zealand Acts and Ordinances and Statutory Regulations and Deemed Regulations in Force* are accurate
- the interim indexes of Statutory Regulations are accurate
- the electronic database of Acts (both as enacted and with their amendments incorporated), Statutory Regulations (both as made and with their amendments incorporated), Bills, and SOPs is up to date and accurate

- Bills, SOPs, Acts of Parliament, Statutory Regulations, the annual volumes, reprints, and the *Tables of New Zealand Acts and Ordinances and Statutory Regulations and Deemed Regulations in Force* are published in accordance with best industry practice.

The Attorney-General’s views on the achievement of this standard will be sought for the Statement of Service Performance in the PCO’s future annual reports.

The following section provides more detail on the strategic objective for the access to legislation output and what we are seeking to achieve.

The PCO ensures that New Zealand legislation (including Bills and SOPs) is readily accessible to the public in a timely manner and in an accurate and authoritative form. It is fundamental to the operation of the rule of law in a democracy that the people governed by the law have access to the rules by which they are governed. Continual maintenance and enhancement of the system that is used to draft and publish New Zealand legislation will ensure better access.

In early 2008 the PCO embarked on the officialisation project to verify that all principal Acts and Statutory Regulations on the NZL website are accurate and that any amendments made to them have been compiled accurately. The PCO is awaiting a technical change to be made to the NZL system by Unisys that will allow accurate reporting of the number of pages of legislation to be officialised. This change will be implemented by August 2009 at the latest. Once this information is available, the time frame, standards, and measures will be developed and included in the SOI for the 2010/11 financial year. Officialisation is discussed in more detail on page 21.

The Government in 2006 directed the Law Commission (working with the PCO) to investigate ways in which New Zealand statute law can be made more accessible. In December 2008, the Law Commission released its final report on the presentation of New Zealand statute law. This, together with the Law Commission’s review of the PCO’s underlying statute, is expected to generate further pressure to develop new and improved methods of accessing legislation and is discussed on page 21.

Developments in technology

The PCO has facilitated access to the NZL website, and will continue to explore opportunities with other agencies to foster greater access and use in order to obtain the best value from the NZL system and website.

The PCO will also work closely with the other agencies across the parliamentary campus to obtain the maximum benefit from the shared services provided by them. In particular, the PCO will ensure that its risk management process and business continuity plans are tailored to fit with and benefit from those of other parliamentary agencies.

The PCO will continue to work with the Office of the Clerk in relation to eCommittee, the electronic administration system designed to streamline the select committee process, by supplying Bills in electronic format rather than in hard copy.

Over the period of this SOI the PCO will concentrate its effort on the technical simplification of the NZL system. This is to ensure that it can evolve and be further developed, based on the adoption and use of industry standards, thus ensuring the longevity of the Government’s investment in this new asset. The PCO will also investigate whether certain aspects of the process of amending legislation can be better reflected in the operation of the NZL system.

When changes and enhancements are introduced into the system, and core components are upgraded, they will be evaluated to see how they fit with this key goal of simplification. The effort towards simplification will also be directed towards the business processes that the NZL system encapsulates to ensure more efficient use of PCO resources over the period of this SOI.

The PCO will use the findings of a usability review of the NZL website in order to better understand how information on the NZL website is used, and to ensure amendments to the website enhance easier access to New Zealand’s legislation.

The PCO is also committed to ensuring that it has access to efficient, reliable, and up-to-date processes for the hard copy printing of legislation and related documents and has contracted SecuraCopy to provide this service for the three-year period 2008–2011 in order to obtain the best value using the best technology over the duration of the contract.

The PCO intends that the legislation on the NZL website will become an authoritative and official source of New Zealand legislation in the future. In order to achieve this, a two-step project is underway. Firstly, the PCO is officialising the material, giving it semi-official status. This is expected to take until the end of December 2012. Secondly, the PCO then seeks to encourage the government to promote a Bill to make the NZL website an official source of legislation. The PCO will consult with the judiciary, legal fraternity, and others on this second step.

Further initiatives for improving access

We will continue to work with the Law Commission, law librarians, law practitioners, and others to maximise the potential of the NZL system and website to increase the accessibility of legislation to expert and non-expert users.

The PCO will carry out further research and work closely with the government agencies that are specifically responsible for the preservation of New Zealand’s heritage, in order to explore ways of preserving New Zealand’s historical Acts. Specifically, the PCO will identify the technical issues, costs, and benefits involved in the proposal to provide public access in electronic form to historical New Zealand legislation through, or separate from, the NZL website.

It is expected that, as the public becomes accustomed to using the NZL website to access legislation in an electronic but printable form, they will increasingly request access to this historical legislation. The PCO will seek to ensure that the Crown has access to historical legislation so that, should the Government wish to widen the information range available through the NZL website in the future, this will be possible. To this end the PCO will continue its

commercial arrangement with the Knowledge Basket, which currently offers users of its website access to historical legislation through its proprietary database. We will also ensure through our contractual relationship with SecuraCopy that all data relating to historical legislation is archived appropriately and can be digitised, if necessary, in the future.

These initiatives may use the potential of the NZL system to deliver further improvements in the provision of public access to legislation. However, the need to retain the stability of the operating system, both within the PCO, the Office of the Clerk, and the IRD, and for public access from the website, will be the paramount consideration when developing new resources from the existing system.

The PCO will work with the Ministry of Justice and other departments in maintaining the list of deemed regulations on the PCO website² and in the *Tables of New Zealand Acts and Ordinances and Statutory Regulations and Deemed Regulations in Force*.

The next three years

The activities that the PCO will undertake to achieve its outcome over the next three years have been discussed in detail earlier in this section of the document. Specific performance measures and standards for the 2009/10 year are included in the Information Supporting the Estimates.

Performance measures will be developed for the following activities over the next three years:

- surveying stakeholders and members of the public on accessibility of legislation through the NZL website
- measuring against forecast the speed at which digitised legislation is officialised
- measuring timeliness against service levels in servicing Office of the Clerk and IRD requests
- measuring the responsiveness of our commercial partners to ensure that contractual commitments are met and value for money achieved.

Measuring cost effectiveness

The Public Finance Act 1989 requires the SOI to set out and explain the main measures and standards the PCO intends to use to assess and report on the cost effectiveness of the interventions that the PCO delivers.

It is proposed to measure cost effectiveness by reference to whether the PCO has practices, systems, and processes that provide a reasonable level of assurance that the PCO meets the quality standards set for delivery of its outputs at reasonable cost.

² www.pco.parliament.govt.nz/legislation/deemedregulations.shtml

This will require identifying the practices, systems, and processes used by the PCO in carrying out its functions of drafting and publishing. In relation to drafting legislation, for example, it will mean considering what is done to ensure the best and most efficient use of resources. Relevant considerations include how instructions are allocated, whether time frames are discussed and agreed with instructing departments, how progress with drafting jobs is monitored, and the practices, systems, and processes in place to ensure quality standards are achieved. In relation to publishing legislation, it will mean considering the actual processes followed in publishing legislation, including Bills and SOPs, and the basis on which reprints are compiled and published and the practices adopted in compiling and publishing them.

The PCO will continue to look for other methods that will allow it to measure its cost effectiveness during the coming three years. However, it is difficult to find meaningful measures of cost effectiveness. The PCO outputs are very largely demand driven and each year approximately 50-70 Bills are drafted along with 300-400 regulations. The PCO also publishes these both in hard copy and to the NZL website. It is difficult to get a meaningful comparison between years as Bills and regulations differ in complexity, making it unwise to simply compare, for instance, the number of pages of legislation produced each year, either in total or per drafter.

It is also important to measure whether direct input costs incurred in delivering outputs are reasonable. Personnel costs account for a significant proportion of the annual appropriation for Vote Parliamentary Counsel. Relevant considerations include whether staffing levels are appropriate to enable the PCO to deliver its outputs within the very tight time frames imposed on it. Operating cost considerations will include the remuneration levels for those staff and what the PCO does to ensure that it obtains goods and services at reasonable prices, for example, through tendering for contracts.

The simplification and enhancement programme for the NZL system should result in cost savings in the future. These cost savings would result from a reduction in maintenance costs as the technical architecture of the NZL system is simplified and also from enhancing the system so that it is faster and easier to use by PCO staff.

Once the officialisation project is complete and the legislation on the NZL website becomes an authoritative and official source of New Zealand legislation, there is potential for the Crown to obtain further economies from the hard copy printing of the statute book. The PCO intends to continue to produce hard copy printed legislation, if demand still requires it, but will investigate the feasibility of moving to a print on demand at cost model.

MANAGING IN A CHANGEABLE OPERATING ENVIRONMENT

Risk management

A risk management framework and methodology have been developed and adopted by the PCO for use in the appropriate identification and management of risks. From internal workshops the PCO has identified eight major risks that need to be managed over the coming years.

Work will continue over the period of this SOI on processes to manage and mitigate these risks.

Business continuity

A high-level parliamentary complex contingency plan is currently being developed. In addition, the PCO is undertaking a more detailed assessment of its risks and mitigation strategies, which will form the basis of a PCO-specific plan. Once completed, this plan will be reviewed regularly.

Business continuity and disaster recovery plans will be completed in the 2009/10 financial year and managers will be responsible for ensuring that the various plans are implemented across the PCO so that, in the event of a minor or major disaster or the unavailability of a core system such as the NZL system, PCO will be in position to continue working in an effective manner.

Security

The Security Framework for the Parliamentary Precincts, to be formally accepted by the Chief Executives of the parliamentary agencies, describes the overarching framework to facilitate security cooperation and mitigate threats within the precinct. Once that document has been approved the parliamentary agencies, including the PCO, will develop common security policies and procedures to ensure a consistent approach to security. A revised security awareness and training programme will be provided which will also cover the handling and storage procedures for classified information.

Resourcing

Staffing levels are kept under regular review to ensure that the PCO has an appropriate level of resourcing that enables it to discharge its functions. The PCO has carried out reviews in its support services to determine the appropriate level of resourcing to ensure that the office runs efficiently and effectively. When a vacancy occurs, an analysis is undertaken to assess whether the position should be replaced or whether the available resource is better placed elsewhere in the office or disestablished.

Legislative compliance

A review of the PCO's legislative compliance was completed in 2005, and is now updated and reviewed on an annual basis to provide assurance that development of the PCO's policies,

guidelines, and practices is comprehensive, appropriate to PCO requirements, and complies with current legislation.

Audit and risk committee

The PCO has established an audit and risk committee which had its first meeting in May 2009. The committee consists of two external independent members (including the chair) and one internal member. In the 2009/10 year, the committee will establish the best methods and processes for it to undertake its role under its charter while taking an oversight of audit and risk within the PCO. The role of the committee is to provide independent assurance to the Chief Parliamentary Counsel, as chief executive, on PCO risk, control, and compliance frameworks.

ASSESSING ORGANISATIONAL HEALTH AND CAPABILITY

The PCO will continue to ensure that, over the course of the SOI period, accountability for delivery in each of the two output classes (law drafting services and access to legislation) is appropriately delegated through the organisation.

The main activities and responsibilities of the PCO (law drafting and access to legislation with information services) are each the responsibility of separate members of the senior management team. The team also includes a position responsible for all corporate services activities including the development of the shared services the PCO obtains from the Parliamentary Service.

The first of the PCO's Gallup Q12 staff engagement surveys was undertaken in April 2008 and provides baseline engagement information. The next Gallup Q12 staff engagement survey will take place in December 2009 and will assist with identifying the engagement of staff throughout an evolving change of workplace culture. The PCO senior management team has established a PCO Strategic Plan and revised the Human Resources (HR) Strategic Plan in line with it to assist with strengthening organisational health and capability. Over the period of the SOI, the focus of the HR Strategic Plan is to:

- ensure appropriate HR tools are in place to assist the PCO to meet its objectives and assist managers with the management of their staff
- review and enhance current HR policies, information, and systems.

Any changes or enhancements made will be undertaken in a consultative manner with a high level of communication with, and participation by, staff.

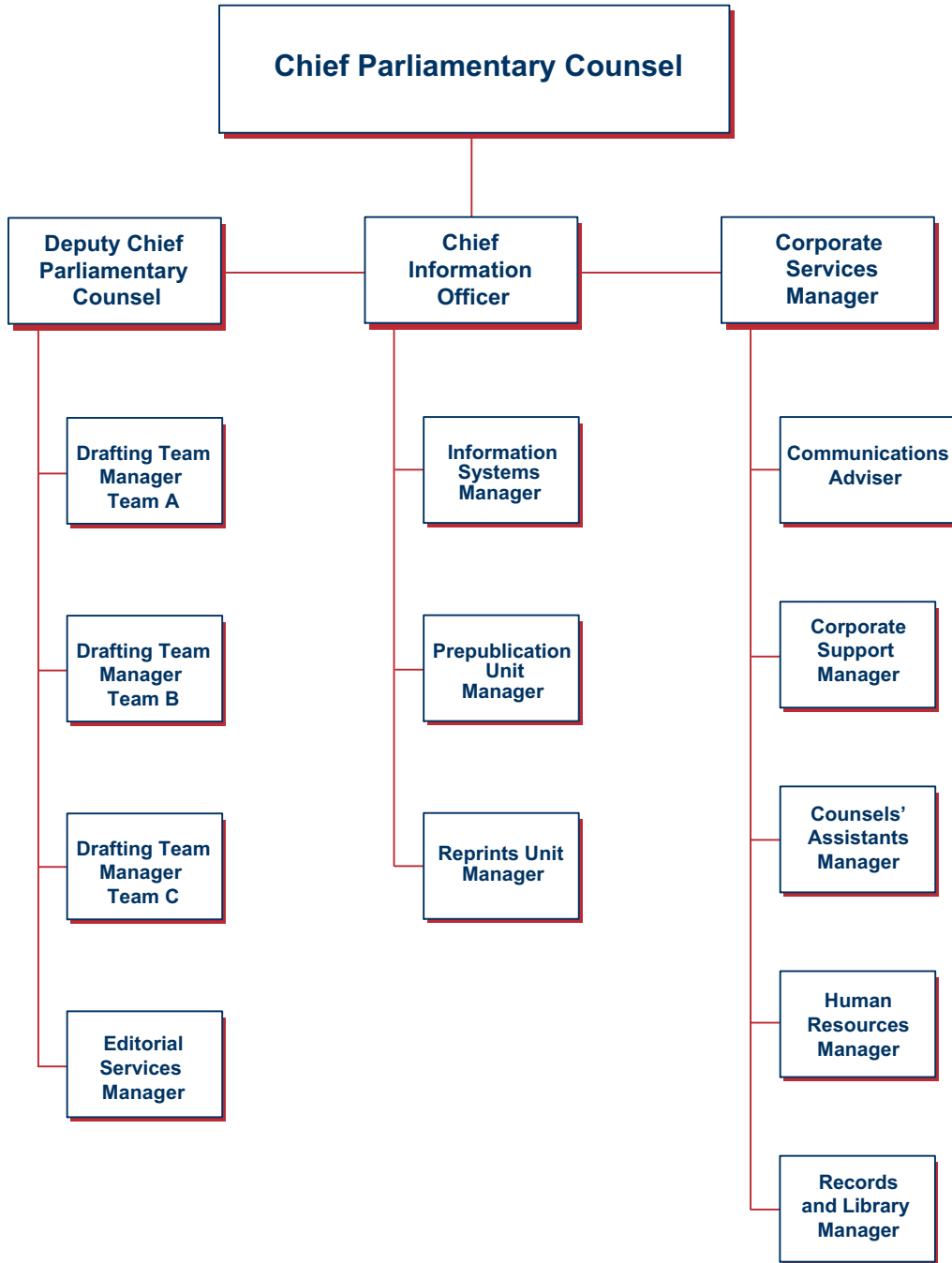
Key deliverables over the period of the SOI are the following:

- Recruitment and retention: review and evaluation of methods to ensure continued fair and transparent recruitment practices. This will include providing up-to-date job descriptions and person specifications that contain competencies required for the position so that the appropriate personnel are recruited to meet the current and future needs of the PCO, particularly as technology changes. The PCO targets for staff retention in the 2009/10 financial year will be based on the following maximum turnover rates:
 - 7% of Parliamentary Counsel and Assistant Parliamentary Counsel
 - 12% of technical staff
 - 10% of all other staff.
- Training: ensuring there is trained leadership that can identify, in consultation with staff, training and development needs and requirements to meet current and ongoing organisational objectives. The introduction of a competency-based framework will provide measures to identify training and development needs. Subject to financial constraints, the

competency-based framework will be introduced to specific business units by 30 June 2010 and full implementation across the PCO will take place by 30 June 2011.

- Professional development: for the PCO this means the application of a “pathway map” for career development, secondment opportunities, and mentoring. The PCO will produce a leadership development programme tailored to the particular needs of a law drafting and publishing office in the 21st century. Subject to financial constraints, 50% of staff in identified leadership roles will have commenced a programme of ongoing leadership development by 30 June 2010 and 100% by 30 June 2011.
- Performance: following a review of a pilot system, the implementation of a sound and accepted appraisal system to meet PCO needs. This also includes leadership addressing poor performance if necessary. The PCO expects all staff will be operating under the new appraisal system by 30 June 2010.
- Remuneration: work is continuing on a review of the existing system and builds on the other organisational capability projects, particularly the performance appraisal system. The PCO will adopt a methodology that delivers a transparent and fair remuneration system based on affordability and with a reward component to recognise high performance.
- Supportive operational HR processes and HR administrative systems: this means having and maintaining comprehensive and up-to-date HR electronic and hard copy systems. Areas for development include a comprehensive HR information database for HR information on individuals and information that the PCO can use to provide statistics and reports. The PCO will work with the Parliamentary Service, which provides the PCO with some HR services, in developing the reporting systems.
- Engagement survey: in the 2009/10 financial year, the PCO will conduct a second Gallup Q12 staff engagement survey, and will assess the results within the framework of the development work being delivered under the HR Strategic Plan. The PCO is undergoing a period of change in terms of its culture, management practices, and accountabilities and, as a result, is targeting the same level of total engagement, the 45th percentile in Gallup’s worldwide database, as was achieved in 2008. The PCO’s grand mean of 3.83 in 2008 was above the 50th percentile of the New Zealand State Sector benchmark.
- Equal employment opportunities: in 2009/10, the PCO will continue to implement changes identified as part of the 2008 Pay and Employment Equity Review that are considered necessary to improve our practices and procedures.

Organisational chart



DEPARTMENTAL CAPITAL AND ASSET MANAGEMENT INTENTIONS

The PCO's forecast capital expenditure for the full period covered by this SOI is shown in the following table. The majority of the expenditure relates to a programme of enhancements in the NZL system. The theme of the enhancements will be simplification, both of technical aspects and of business processes, where appropriate. The enhancements will ensure that major components of this key asset are kept up to date and will include investing in minor capability enhancements to reflect PCO business needs.

Asset type	2009/10 \$000	2010/11 \$000	2011/12 \$000
Computer equipment (hardware)	250	250	250
New Zealand Legislation system	3,560	3,040	2,798
Furniture	20	20	20
Motor vehicles	35	0	0
Leasehold improvements	200	50	50
Office equipment	18	18	18
Total	4,083	3,378	3,136

GLOSSARY

Act

A law passed by Parliament. Acts are also called statutes. There are three main types of Acts: public Acts, private Acts, and local Acts.

Bill

A proposed Act.

common law

A system of law that is derived from judges' decisions (which arise from the judicial branch of government), rather than statutes or constitutions (which are derived from the legislative branch of government).

deemed regulations

Instruments that are required to be treated as regulations for the purposes of the Regulations (Disallowance) Act 1989, but are not published in the Statutory Regulations series because the authorising legislation excludes the application of the Acts and Regulations Publication Act 1989. Deemed regulations can include rules, guidelines, standards, and codes.

delegated legislation

Laws made by the Governor-General, Ministers of the Crown, and certain other individuals and bodies under powers conferred by an Act of Parliament. Statutory Regulations and deemed regulations are both types of delegated legislation.

digitisation

The process of converting a physical document, such as a printed item of legislation, into a computer file.

Government Bill

A Bill introduced to the House by a Minister of the Crown.

interventions

A range of actions that, in the context of this document, the PCO will undertake in order to deliver positive change for New Zealanders.

Member's Bill

A Bill introduced to the House by a Member of Parliament, but not as a Minister of the Crown. Members' Bills are also known as Private Members' Bills.

New Zealand Legislation (NZL) system

The PCO's integrated drafting and publishing system for New Zealand legislation.

officialisation

The steps necessary to make each principal enactment in the database of legislation on the NZL website an accurate and authoritative version of compiled legislation.

outcome

A state or condition of society, the economy, or the environment, and a change in that state or condition.

outputs

Goods or services that, in the context of this document, are supplied by the PCO.

PCO

The Parliamentary Counsel Office.

reprint

Principal Acts and Statutory Regulations incorporating subsequent amendments are compiled and published by the PCO. These are known as reprints.

Statutory Regulations

Laws made under statutory authority that are required to be published in the Statutory Regulations series in accordance with the Acts and Regulations Publication Act 1989. These include regulations made by the Governor-General by Order in Council or rules made by Ministers or agencies whose rules are required to be treated as regulations for publication purposes. They also include certain instruments that affect the status of Acts of Parliament, such as an Order in Council that brings an Act into force or that extends the scope of an Act. Regulations generally deal with matters of detail or administration, or matters that are subject to frequent change.

Supplementary Order Paper (SOP)

A document that sets out proposed amendments to a Bill at the committee of the whole House stage.

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