

Statement of Intent

*Parliamentary Counsel Office
Te Tari Tohutohu Pāremata*

*for the period 1 July 2013
to 30 June 2018*



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Presented to the House of Representatives under
section 39 of the Public Finance Act 1989



Published by the Parliamentary Counsel Office
PO Box 18 070 Wellington 6160
2013

ISSN 1176-3884 (Print)
ISSN 1177-7001 (Online)

Text printed on 100gsm 9lives Uncoated: 100% recycled chain of custody, totally chlorine free (TCF), pulp.

Cover printed on 250gsm Media Silk: Forest Stewardship Council mixed credit, elemental chlorine free.



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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

Over the course of the period covered by this Statement of Intent (SOI), the Parliamentary Counsel Office (PCO) will continue to deliver its two outputs of Law Drafting and Access to Legislation so that we are able to deliver the Government’s legislation programme and ensure that all current legislation is readily accessible to the public. The PCO delivers some core services to the Government, Parliament, and the public and as such we do not expect fundamental changes to what we deliver and the way we deliver these services. However, we are also looking for ways to enhance these services and contain our costs, with particular focus on the following areas.

Legislation Act 2012

The Legislation Act 2012 modernises and improves the law regarding the publication of legislation, and modernises the law relating to the PCO. The provisions of this Act that have not yet come into force will be implemented during the period of this SOI.

Statute law revision

The first three-yearly programme of statute law revision will be proposed in time for the next Parliament. See page 12.

Pacific Island support

With the assistance of funding from the Ministry of Foreign Affairs and Trade Aid Programme up to the end of the 2013/14 year, we have established a Pacific Island law drafting desk to provide drafting assistance, training, and mentoring to legislative drafting officials. The desk is initially focused on support to the Cook Islands, Tokelau, and Niue. The PCO will investigate the feasibility of continuing this activity beyond 2013/14. See page 13.

Publishing

The Statutory Regulations series will be phased out and replaced by a Legislative Instruments series. See page 7.

New Zealand Legislation website

Following completion of the officialisation project, the PCO will make the New Zealand Legislation (NZL) website¹ an official source of legislation. The PCO also intends to move to a print-on-demand model for printed legislation. See page 16.

¹ www.legislation.govt.nz.

NZL system

New arrangements will commence for the hosting, ongoing support, and development of the NZL system. See page 16.

Performance Improvement Framework

The PCO intends to undergo a formal Performance Improvement Framework (PIF) review in the 2013/14 year. See page 22.

Fiscal position

It is important that the PCO makes the most efficient and effective use of its resources and, where possible, identifies savings that can be reallocated to meet Government priorities.

Summary

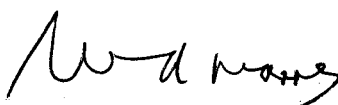
Delivering this programme of substantial work will no doubt present us with a significant challenge. I have every confidence that the drive, determination, and professionalism of the PCO's people will ensure that we will deliver these changes over the period of this SOI while continuing to produce well-drafted 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 (2013/14 Estimates) Bill, as presented to the House of Representatives in accordance with section 13 of the Public Finance Act 1989, and with existing appropriations and financial authorities.

Signed

Countersigned



W A Moore
Acting Chief Parliamentary Counsel

Noel Lee
Corporate Services Manager

NATURE AND SCOPE OF FUNCTIONS

The PCO is constituted as a separate statutory office by the Legislation Act 2012 (the 2012 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 2012 Act, the PCO is responsible for the drafting of Government Bills and Legislative Instruments (previously referred to as regulations). This includes drafting amendments to Bills required by select committees and by Ministers at the committee of the whole House stage. Bills, but not Legislative Instruments, administered by the Inland Revenue Department (IRD) are drafted by that department.

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. We are 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 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. We also examine and draft 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. We also compile reprints of Acts and Statutory Regulations with their amendments incorporated. Provisions in the 2012 Act that are not yet in force will replace the Acts and Regulations Publication Act 1989 but continue this function.

Once the 2012 Act is fully in force, it is intended that the Statutory Regulations series will be phased out and replaced by a Legislative Instruments series. This change will reflect terminological changes introduced by the 2012 Act, especially the introduction of the terms "disallowable instrument" and "legislative instrument" in place of the current term "regulations".

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, Legislative Instruments, Bills, and SOPs are available in up-to-date form free via the NZL website at www.legislation.govt.nz. The PCO will ensure that New Zealand legislation (including Bills and SOPs) continues to be readily accessible to the public in a timely manner and in an accurate and authoritative form. It is fundamental to the effective 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 development of the system that is used to draft and publish New Zealand legislation will ensure that better access is provided.

STRATEGIC DIRECTION

The PCO is a non-Public Service department dedicated to drafting and publishing legislation for the Government.

Our work programme is determined by the Government and the various government agencies that provide us with drafting instructions (instructing departments).

The PCO's goal is to contribute 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 by ensuring that:

- legislation that is necessary to change the law to implement Government policies is effective, clear, and consistent with other legislation, the general law, and international law
- legislation, including Bills and SOPs, is accessible to the public in both printed and electronic forms, and printed copies of Bills and SOPs are provided to the House
- Acts and Legislative Instruments are published with official, authoritative status.

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 are respect for and adherence to the rule of law in its widest sense. The drafting of New Zealand's laws and making those laws accessible to citizens contribute to that outcome.

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.

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.

The PCO's objectives over the short to medium term are to improve access to legislation by making the NZL website an official source of legislation and moving to a print-on-demand model for printed legislation.

The PCO also intends to enhance its drafting services by developing triennial programmes of statute law revision (a new requirement introduced by the 2012 Act), and through the provision of drafting support and training to Pacific Island nations. The PCO will continue to seek to

improve the quality of legislation and the efficiency of the drafting process by contributing to a programme of seminars for instructing departments, and through the existing performance measures for our peer review system and proofreading function.

These are more fully discussed under "Operating Intentions" below.

We are very aware of the economic environment we are currently operating within.

The successful achievement of these objectives within the period of this SOI is subject to fiscal constraints.

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 outputs:

- high-quality legislative drafting services; and
- ready access to New Zealand legislation.

From 1 July 2013, a multi-class output expense appropriation (MCOA) called Drafting and Access to Legislation is being established. This MCOA aggregates output classes Law Drafting Services and Access to Legislation that deliver different parts of the same service to the Government and Parliament and the wider New Zealand public. Both of the output classes use similar resources in working toward the same objective of ensuring delivery of drafted and published legislation to the Government, Parliament, and the public. The grouping of these output classes will recognise this alignment and allow for more flexibility in resourcing levels.

In more detail these outputs can be described as follows:

Law Drafting Services

This output class is limited to drafting legislation, examining and reporting on local Bills and private Bills and drafting amendments to them, providing advice on the drafting of disallowable instruments that are not drafted by the PCO, providing legislative drafting assistance to Pacific Island nations, undertaking a three-yearly programme of statute law revision, and administering the Legislation Act 2012 and any other legislation PCO is responsible for.

Access to Legislation

This output class is limited to supplying Government Bills and Supplementary Order Papers, publishing and distributing legislation, reprinting legislation with the amendments incorporated, publishing tables of legislation, and providing free public access to legislation via the internet.

Performance measures and standards for the achievement of these outputs in the 2013/14 financial year are set out in the *Information Supporting the Estimates*.

Strategic Objective 1—High-quality legislative drafting services

The goal of this strategic objective is to provide high-quality legislative drafting services and advice in a professional, impartial, and responsive manner in delivering the Government's legislation programme.

The PCO will seek to provide high-quality legislative drafting services by:

- delivering the Government’s legislation programme through the drafting of Government Bills, Legislative Instruments, and SOPs
- providing legislative drafting that is consistent, high quality, clear, and easy to understand, which will result in a better-quality end-product for all New Zealanders
- making efficient use of existing resources.

We will deliver high-quality legislative drafting services through the following activities:

Peer review

The PCO’s formal peer review system requires all counsel to have their drafts reviewed by another counsel in order to assist in producing a high-quality draft. Peer review occurs in relation to almost all legislation drafted by the PCO and can occur at different stages during the legislative process. While the focus of peer review is primarily directed at assessing the legal effectiveness and workability of a draft, a peer reviewer may also comment on the structure and overall readability of the draft, whether the draft complies with the guidance set out in the PCO drafting manual and style manual and the guidance set out in the Legislation Advisory Committee Guidelines, and whether the draft conforms with the rules set out in the Standing Orders of the House of Representatives.

Proofreading

The PCO’s Editorial Services is a team of trained editors whose main role is to proofread all types of draft legislation for consistency with current PCO drafting style. The team checks for general format and sense, and to ensure that all cross-references are correct and the legislation is free of errors to the extent that is possible. The performance measure and standard for proofreading legislation quantify the extent to which this quality assurance process is being carried out.

Seminar programme

The PCO looks to improve the quality of legislation and to make the drafting process more efficient by contributing to a seminar programme for instructing departments and agencies. We expect the seminar programme to result in improved capability within those departments and agencies. We will investigate ways to assess the impact of the seminar programme if it becomes a major activity over the period of this SOI.

Statute law revision

The last comprehensive revision of the statute book took place in 1908.

The 2012 Act requires the PCO to improve access to old, archaically expressed, and much-amended laws through the establishment of a three-yearly programme of statute revision.

We will propose the first three-yearly programme of statute law revision to the Attorney-General and relevant government agencies in time for the next Parliament.

The draft revision programme will set out the proposed revision projects and those Bills expected to be enacted during that three-year period.

The amount of revision undertaken will depend on the availability of funding to the PCO and administering departments. Prior to the commencement of the first programme, specific performance measures will be established.

Pacific Island support

With the assistance of funding from the Ministry of Foreign Affairs and Trade Aid Programme for the three years from 2011/12 to 2013/14, the Pacific Island desk is providing legislative drafting assistance, training, and mentoring to officials responsible for drafting legislation in Pacific Island nations. The assistance is focused on the Cook Islands, Niue, and Tokelau, but may be extended to include other Pacific Island nations as resources permit. The PCO will investigate the feasibility of continuing this activity beyond 2013/14, either with the assistance of funding from the Ministry of Foreign Affairs and Trade Aid Programme or from the PCO's existing appropriation.

Measurement

To determine whether we have achieved our objectives, we will:

- ensure that at least 80% of the Bills that are introduced and Legislative Instruments that are drafted by the PCO and submitted to Cabinet are peer reviewed (unless peer review is expressly not required in accordance with the PCO standard). Peer review involves a review of the draft legislation's legal effectiveness, workability, compliance, structure, and readability
- ensure that at least 97% of legislation we draft is proofread by Editorial Services
- survey instructing departments and agencies on whether they are satisfied with the quality and timeliness of the legislation produced by the PCO. The target will be that at least 90% of the instructing departments and agencies that respond to our survey rate the quality and timeliness standards as 4 or better on a scale of 1 to 5, with 1 being very dissatisfied and 5 being very satisfied. Up to and including the 2011/12 year, the PCO used a straight percentage figure to demonstrate the standard attained, and we expect this change will provide the reader with a clearer picture of the PCO's performance in this area
- survey the Attorney-General and relevant instructing departments on whether they are satisfied that the quality and timeliness standards of statute law revision have been achieved. The proposed timeliness performance measure will be that legislation, as

outlined in the agreed statute law revision programme, is drafted within agreed time frames. The target for timeliness would be 100%. The quality performance measure is yet to be determined but is likely to include legal effectiveness

- survey select committees on whether they are satisfied that the quality and timeliness standards relating to advice given and revision-tracked documents have been achieved
- survey Pacific Island instructors on whether they are satisfied with the quality of advice provided and the timeliness of legislation provided.

By way of background information for the reader, the targets and historical results for the Law Drafting Services objectives are provided in the following table:

Objective	2013/14 target	2012/13 target	2011/12 actual	2010/11 actual	2009/10 actual	2008/09 actual
Peer reviewing of Bills	80%	80%	80%	Not previously measured	Not previously measured	Not previously measured
Peer reviewing of Legislative Instruments	80%	80%	93%	Not previously measured	Not previously measured	Not previously measured
Bills proofread	97%	97%	65%	Not previously measured	Not previously measured	Not previously measured
Legislative Instruments proofread	97%	97%	100%	Not previously measured	Not previously measured	Not previously measured
Satisfaction of instructing departments and agencies	90%	90%	90%	90%	88%	92%
Satisfaction of Attorney-General (A-G)	The A-G is satisfied	The A-G is satisfied	The A-G was satisfied	The A-G was satisfied	The A-G was satisfied	The A-G was satisfied
Satisfaction of select committees	Select committees are satisfied	Select committees are satisfied	Select committees were satisfied	Not measured	Select committees were satisfied	Not previously measured
Satisfaction of Pacific Island instructors	Pacific Island instructors are satisfied	Pacific Island instructors are satisfied	Pacific Island instructors were satisfied	Not previously measured	Not previously measured	Not previously measured

Strategic Objective 2—Ready access to New Zealand legislation

The goal of this strategic objective is to ensure that New Zealand legislation is readily accessible to the public in a timely manner and in an accurate and authoritative form.

The PCO will seek to provide ready access to legislation through:

- free public access to a website that displays all current New Zealand Acts, Legislative Instruments, Bills, and SOPs
- making legislation on the NZL website official.

We will provide improved access to legislation through the following activities:

NZL website

Following completion of the officialisation² project, the PCO will make the NZL website an official source of legislation, as provided for in the Legislation Act 2012.

The PCO will begin moving to a print-on-demand, full-cost recovery model for printed legislation. The existing model varies significantly from the on-demand model in that additional copies of legislation are currently printed to ensure adequate stocks of legislation are available for supply to users because, at present, the hard-copy printed version is the only official version of the legislation. The new model of print on demand will mean that legislation will only be printed as required. The PCO intends to move to this on-demand model for printing after the NZL website is declared an official source of legislation under the Legislation Act 2012. All legislation on the NZL website is already publicly available and free to access in a reusable format, and the public will be able to download official versions of that legislation when the NZL website is declared an official source under that Act.

In accordance with the Declaration on Open and Transparent Government, the PCO continues to actively release data publicly. In addition to publishing on the NZL website, legislative data is made available through data.govt.nz as reusable XML. Non-legislative data is also released in reusable form.

To determine whether we have achieved our objectives, we will seek to make the NZL website an official source of legislation by 1 July 2014.

NZL system

A tender process to select external providers for the hosting, ongoing support, and development of the NZL system was completed in 2013 and the new arrangements will commence in the 2013/14 year. See the section under Information technology systems on

² "Officialisation" refers to 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.

page 23 for more detail on the new operating arrangements. The PCO will consider what enduring performance measures, rather than activity-based measures, could be developed for the new operating model so that progress can be measured over time.

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.

We propose to measure cost effectiveness by reference to whether we have practices, systems, and processes that provide a reasonable level of assurance that we meet the quality standards set for delivery of our outputs at reasonable cost.

This will require identifying the practices, systems, and processes we use in carrying out our 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 we follow 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 existing performance measures and standards, as set out in the *Information Supporting the Estimates*, and those yet to be introduced will contribute to providing an assurance that the PCO is delivering its outputs in a cost effective manner.

The PCO will continue to look for other methods that will allow us to measure our cost effectiveness during the coming years. However, it is difficult to find meaningful measures of cost effectiveness. Our outputs are very largely demand-driven and each year approximately 50-70 Bills are drafted along with 300-400 Legislative Instruments.³

We also publish these both in hard copy and to the NZL website. It is difficult to get a meaningful comparison between years as Bills and Legislative Instruments 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 counsel.

³ In the 2012 calendar year, the PCO drafted 51 Bills and 414 regulations.

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 us to deliver our outputs within the very tight time frames imposed. Operating cost considerations will include the remuneration levels for those staff and what we do to ensure that we obtain goods and services at reasonable prices, for example, through using all-of-government contracts and tendering for contracts.

MANAGING IN A CHANGEABLE OPERATING ENVIRONMENT

The PCO has an independently chaired Audit and Risk Committee, which establishes a work programme each year covering all major aspects of the business. The committee consists of the chair, one other external independent member, and two internal members. The role of the committee is to provide independent advice and assurance to the Chief Parliamentary Counsel, as chief executive, on PCO risk, control, and compliance frameworks.

A risk management framework and methodology operates in the PCO. Quarterly updates and reporting are carried out throughout the organisation. This process is an important part of managing the risks that could impede or prevent achievement of our objectives. The major risks, and our response to them, are identified below.

Reliance on the New Zealand Legislation (NZL) system

The programme of improvements for the NZL system will continue during the 2013/14 financial year and the out years. This programme of work will be designed to achieve the objectives of the new Information Systems Strategic Plan and provide additional value to internal and public users of the system.

Development of the Information Systems Strategic Plan (ISSP)

A key task is the development of the ISSP. This plan will set objectives for development of the PCO's systems over the next five years, including the NZL system.

Meeting tight deadlines

The PCO must be able to respond to a request from the Government for urgent draft legislation, even when resources are scarce or time is at a premium.⁴ Regular planning and monitoring of workloads and resources are in place within the PCO to ensure that draft legislation can be delivered when required.

Business continuity and disaster recovery planning

The PCO has a business continuity plan and system in operation throughout the organisation. This plan is designed to take account of a wide spectrum of events, from a situation that denies the PCO access to our offices in the Reserve Bank Building through to a disaster that affects the whole of the Wellington region. Testing and updating of the plans takes place on an ongoing basis. We are in the final stages of implementing a disaster recovery plan for the PCO's information systems, which will be fully operational in the 2013/14 year. Disaster recovery capability is provided as part of the PCO's arrangements with an all-of-government Infrastructure as a Service provider. The PCO is also contributing to the development of a parliamentary complex-wide contingency plan, which will include the provision of an

⁴ For example, Canterbury earthquake legislation.

alternative site for the Government in the event that there is a major disaster in Wellington that renders the parliamentary complex unsuitable.

Succession planning

Staff identified as being suitable for succession through the PCO’s performance management policy will continue to be given training and development opportunities at both management and professional levels.

Staffing levels

The PCO continues to keep staffing levels under regular review to ensure we have an appropriate level of resourcing to enable us to discharge our functions. When a vacancy occurs, we assess the position to determine whether it should be refilled, restructured, or disestablished. Roles and staffing levels will be reviewed and adjusted if necessary to ensure the functions outlined in the 2012 Act are delivered. Staffing levels will be maintained to ensure that, when skilled senior drafters retire, the PCO will continue to provide a timely and efficient drafting service.

Maintaining the PCO’s integrity and reputation

Under the PCO Conflicts of Interest policy, staff declare any potential conflicts of interest. Staff also comply with the *Standards of Integrity and Conduct—A code of conduct for the State Services*. These documents, which relate to the setting and enforcement of desired standards of behaviour, ensure the PCO’s integrity and reputation are maintained.

Receiving inadequate, inaccurate, or incomplete instructions from instructing departments

Work continues on training and seminar programmes designed to enhance the relationship between the PCO and instructing departments, so that each party has a clear understanding of what is required before drafting of legislation begins. A series of secondments to instructing departments has also given PCO drafters a better appreciation of departments’ requirements. These initiatives will contribute to the efficiency of the drafting process.

Additional area of emphasis

Legislative compliance

A review of the PCO’s legislative compliance is completed on an annual basis to provide assurance that development of our policies, guidelines, and practices is comprehensive, appropriate to our requirements, and complies with current legislation.

ASSESSING ORGANISATIONAL HEALTH AND CAPABILITY

The PCO has two major assets: its people and its information technology systems.

People

In late 2012, the PCO completed a Kenexa staff engagement survey, which has shown pleasing results. The PCO will continue to survey staff and act on the results to continuously improve staff management and communication.

Over the period of the SOI, the human resources (HR) components of the PCO Strategic Plan will focus on the following areas:

Recruitment and retention of skilled and experienced staff

We will continue to focus our efforts on recruiting and retaining highly qualified and specialised staff. The PCO has a new Flexible Work policy, which will provide staff with opportunities including work/life balance, hours to suit family responsibilities, and staged retirement. The PCO will accommodate staff requests where operationally possible.

The targets and historical results for staff turnover are provided in the following table:

Objective	2013/14 maximum target turnover	2012/13 maximum target turnover	2011/12 actual	2010/11 actual	2009/10 actual	2008/09 actual
Parliamentary Counsel and Associate Parliamentary Counsel	7%	7%	6%	0%	0%	3%
Technical staff	12%	12%	3%	0%	10%	14%
Corporate staff	10%	10%	12%	17%	10%	5%

Training

The PCO will ensure there is trained leadership that can identify, in consultation with staff through the Performance Management policy, training and development needs and requirements to meet current and future organisational objectives. A skills-based framework assists to identify those needs.

Professional development

For the PCO, professional development means providing opportunities to staff for career development, secondments, and mentoring. We will continue with a leadership development programme that has been tailored to the particular needs of a law-drafting and publishing office in the 21st century. Senior PCO managers have been attending suitable leadership courses and this process will continue over the coming years to ensure that managers have the skills to manage and lead staff to ensure that PCO and Government objectives are being met.

Staff are encouraged as part of our performance management system to undertake professional and technical training to ensure that they keep up with current trends in their fields of expertise, and also to enhance and develop their skills.

Performance Management System

The Performance Management System introduced in the 2010/11 year is now working successfully across the PCO. We continue to monitor and refine its use and in the 2013/14 year will be concentrating on identifying training needs of staff.

Supportive operational HR processes and HR administrative systems

This means having and maintaining comprehensive and up-to-date electronic and hard-copy HR systems, policies, and information. HR policies have been updated and electronic enhancements are being implemented.

Equal employment opportunities (EEO)

EEO has now been incorporated into a number of policies and processes to ensure consistency and to ensure that EEO is integrated into everyday business. We will continue to meet our responsibilities as an equal employment opportunity employer.

Performance Improvement Framework

The PCO intends to undergo a formal Performance Improvement Framework (PIF) review in the 2013/14 year. PIF is a term used to refer to a review, as well as an organisational improvement model. The formal review will be conducted by independent reviewers. It will review the PCO's capability, performance, and ability to deliver on Government priorities, its core business, and a range of organisational management elements. The review will assess what the PCO does well and what issues it will need to work on to become more effective in the future. Once the review has been completed, the PCO will develop a response to address any matters raised and to indicate what it will do to make itself fit-for-purpose and fit-for-the-future.

Information technology systems

We will continue to improve our governance and management systems with a particular emphasis on the NZL system.

We use the NZL system for the drafting and publishing of legislation and as such it is our most important capital asset.

Previously, there was one contract for the development, hosting, and operating services of the NZL system. A Request for Proposal (RFP) process to select external providers for the provision of those services was carried out in the 2012/13 year. As a result of that RFP, separate contracts were established and now form the PCO’s new operating model. Bedding in the new arrangements will be a focus of the 2013/14 year.

Work will continue to ensure that other key information and technology infrastructure and systems are also well maintained and up to date.

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 improvements for the NZL system. This will focus on achieving the objectives of the new Information Systems Strategic Plan to ensure that major components of this key asset are kept up to date.

Asset type	2013/14 \$000	2014/15 \$000	2015/16 \$000	2016/17 \$000	2017/18 \$000
Computer equipment (hardware)	250	250	250	250	250
NZL system	2,500	2,500	2,500	2,500	2,500
Furniture	10	10	10	10	10
Leasehold improvements	50	50	50	50	50
Office equipment	20	20	20	60	20
Total	2,830	2,830	2,830	2,870	2,830

Value of material and critical assets

The PCO's critical asset is the NZL system for which the PCO intends to invest \$2.5 million per annum. The current and forecast book value for the NZL system is set out in the following table.

As at 30 June 2013	Forecast position as at 30 June 2014		
Estimated book value \$000	Cost \$000	Accumulated depreciation \$000	Net book value \$000
7,263	24,562	18,330	6,232

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