



BRIEFING

Letters of Expectations for Research Science and Innovation Portfolio Crown Entities 2020/21

Date:	10 February 2020	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2135 19-20

Minister	Action sought	Deadline
Hon Dr Megan Woods Minister of Research, Science and Innovation	Sign the Letters of Expectations for 2020/21 for the Research, Science and Innovation Portfolio Crown Entities or indicate any changes that you would like made. Agree to forward a copy of this briefing to the office of the Hon Dr David Clark and Hon David Parker, Associate Ministers of Finance.	26 February 2020 14 February 2020
Hon Dr David Clark Associate Minister of Finance	Approve the draft Letters of Expectations for 2020/21 for six Crown Research Institutes or indicate any changes that you would like made.	19 February 2020
Hon David Parker Associate Minister of Finance	Approve the draft Letters of Expectations for 2020/21 for AgResearch and REANNZ or indicate any changes that you would like made.	19 February 2020

Contact for telephone discussion (if required)

Name	Position	Telephone		1st contact
Olivia Paterson	Manager Research, Science & Innovation, Entity Performance & Investment	s 9(2)(a)	s 9(2)(a)	✓
Kirk McDowall	Senior Advisor, Entity Performance & Investment	s 9(2)(a)	N/A	

The following departments/agencies have been consulted

The Treasury, Ministry for Primary Industries, the Prime Minister's Chief Science Advisor, AgResearch, ESR, GNS Science, Manaaki Whenua, NIWA, Plant & Food Research, Scion, Callaghan Innovation and REANNZ.

Minister's office to complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments



BRIEFING

Letters of Expectations for Research Science and Innovation Portfolio Crown Entities 2020/21

Date:	10 February 2020	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2135 19-20

Purpose

To provide the Letters of Expectations for 2020/21 for Crown entities in the Research, Science and Innovation Portfolio for your consideration and signature.

Recommended action

The Ministry of Business, Innovation and Employment recommends that:

The Minister of Research, Science and Innovation:

- a **Sign** the Letters of Expectations for 2020/21 for the seven Crown Research Institutes, Callaghan Innovation, and the Research and Education Advanced Network New Zealand Limited (contained in **Annexes One to Nine**).

Or

Indicate any changes that you would like made to the letters.

Agree / Disagree

Indicated

- b **Agree** that your office forward a copy of this briefing to the offices of Hon Dr David Clark and Hon David Parker, Associate Ministers of Finance.

Agree / Disagree

- c **Note** that we provided you with the draft key messages for the Letters of Expectations for 2020/21 in December 2019 (briefing 1808 19-20 refers) and sought feedback from the seven Crown Research Institutes, Callaghan Innovation, and the Research and Education Advanced Network New Zealand Limited to identify any matters of significance prior to being finalised.

Noted

The Associate Minister of Finance Hon Dr David Clark:

- a **Agree** to the Letters of Expectations for 2020/21 for six Crown Research Institutes (contained in **Annexes Two to Seven**).

Agree / Disagree

- b **Agree** that the Minister of Research, Science and Innovation will **sign** the Letters of Expectations for 2020/21 for all Crown Research Institutes on behalf of shareholding Ministers and forward the signed letters to each of the seven Crown Research Institute Board Chairs.

Agree / Disagree

Or

Indicate any changes that you would like to be made to the Crown Research Institute Letters of Expectations for 2020/21.

Indicated

The Associate Minister of Finance Hon David Parker:

- a **Agree** to the Letters of Expectations for 2020/21 for AgResearch and REANNZ (**Annex One** and **Annex Nine**).

Agree / Disagree

- b **Agree** that the Minister of Research, Science and Innovation will **sign** the Letters of Expectations for 2020/21 for all Crown Research Institutes and REANNZ on behalf of shareholding Ministers and forward the signed letters to each of the seven Crown Research Institute Board Chairs.

Agree / Disagree

Or

Indicate any changes that you would like to be made to the Letters of Expectations for 2020/21 for AgResearch or REANNZ.

Indicated

s 9(2)(a)

Olivia Paterson
**Manager Research, Science & Innovation,
Entity Performance & Investment, Labour,
Science & Enterprise, MBIE**

10 / 2 / 2020



Hon Dr Megan Woods
**Minister of Research, Science
and Innovation**

15 / 07 / 2020

Hon Dr David Clark
Associate Minister of Finance

..... / / 2020

Hon David Parker
Associate Minister of Finance

..... / / 2020

Background

1. Letters of Expectations provide responsible Ministers of Crown entities and Shareholding Ministers of Crown Research Institutes with the opportunity to have input into these entities' processes of setting strategic intentions and to influence their short to medium term performance expectations.
2. In December 2019, the Ministry of Business, Innovation and Employment (MBIE) provided you with the draft key messages to be included in the Letters of Expectations for the seven Crown Research Institutes (CRIs), Callaghan Innovation, and the Research and Education Advanced Network New Zealand Limited (REANNZ) (briefing 1808 19-20 refers).
3. The entity messages were developed through regular discussions with the Crown entities, performance outlined in the Annual Reports, your attendance at the Annual General Meetings, and conversations with key stakeholders.
4. Following external consultation, updated letters are attached as **Annex One** to **Annex Seven** for the CRIs, **Annex Eight** for Callaghan Innovation and **Annex Nine** for REANNZ, for your consideration and signature.
5. Hon Dr David Clark, Associate Minister of Finance, is a shareholding Minister for six CRIs, while Hon David Parker, Associate Minister of Finance, is a shareholding Minister for AgResearch and REANNZ.

The Letters of Expectations reflect current priorities

6. The Letters of Expectations for 2020/21 outline Government, portfolio and specific entity priorities. Boards of Research, Science and Innovation (RSI) Crown entities are then able to align their work programme for the year with your priorities.
7. Draft letters state an expectation that Crown entities will work to support the new Research, Science and Innovation Strategy, Kei Mua Te Ao, along with wider Government priorities and have a focus on fostering and supporting diversity within the organisation.
8. In relation to good governance and monitoring expectations, reference is made in the letters to the State Services Commission's updated Letter of Enduring Expectations, and an annex on general expectations is included.

Crown Research Institute specific messages

9. The letters reinforce the Collective CRI Review¹ that is currently underway and the work needed within the sector to implement any findings.
10. Promoting and supporting diversity, including at the Board and Senior Leadership level, are included as key messages. In relation to the Science Workforce, and Māori Partnerships and Co-Innovation reports you requested in 2018/19, the current Letters of Expectations ask CRIs to be aspirational on the implementation of the vision and actions in the report.
11. Up to four specific expectations for each entity are included in the letters.

Portfolio specific messages for Callaghan Innovation and REANNZ

12. The letters to Callaghan Innovation and REANNZ include reference to the RSI Strategy, fostering and supporting diversity, and other entity-specific messaging.
13. Up to four specific expectations for each entity are included in the letters.

¹ The Collective CRI Review, being undertaken by MBIE, has the purpose of identifying how well CRIs are collectively and respectively positioned to meet New Zealand's current and future needs, and will help realise the potential of the RSI system.

Consultation

14. MBIE has discussed and incorporated feedback on the Letters of Expectations from The Treasury, Ministry for the Environment, AgResearch, ESR, GNS Science, Manaaki Whenua, NIWA, Plant & Food Research, Scion, Callaghan Innovation and REANNZ.
15. Consultation has also been undertaken at the Chief Science Advisors' Forum and with the Prime Minister's Chief Science Advisor.

Changes to the Letters of Expectations

16. As a result of the consultation process, there have been minor additions to the Letters of Expectations and key messages for the entities.
17. Within the body of each letter, there is now a greater emphasis on diversity, including fostering and supporting diversity at the Senior Leadership level, and realising Vision Mātauranga. In addition, there is an added focus on government-wide initiatives and science strategies, and the importance of collaboration.
18. An annex has been added to each letter, which outlines general and good governance expectations for entities. This annex has been included in the letters to your other Economic and Regulatory Crown entities.
19. The following table outlines changes in italics to the key messages for the entities, as a result of the consultation process. There are no proposed changes for AgResearch, NIWA, Callaghan Innovation and REANNZ.

Table One: RSI Portfolio Crown entities 2020/21 specific expectations

Entity	Summary of priorities in Letters of Expectations
AgResearch	<ul style="list-style-type: none"> • Implementation of Science Plan: Implement the changes to AgResearch's research programmes arising from the new Science Plan and MBIE's Science Review, leveraging key science strengths to build competitive advantage and build effective partnerships to take advantage of new opportunities. • I support the move by AgResearch to increase the Strategic Science Investment Funding (SSIF) in ideas generation and development (also referred to as horizons two and three), whilst ensuring a strong pipeline of new ideas that can be developed into applied research. I encourage AgResearch to use SSIF flexibly and consider the information in the map of science capability developed by MBIE and AgResearch following the Science Review focus your science portfolio by investing SSIF in areas which are: <ul style="list-style-type: none"> ○ Critical for New Zealand – providing a government operational or regulatory function, or a public good impact. ○ Unique to AgResearch with a comparative advantage. ○ Maintaining momentum towards implementation of the RSI Strategy. • Lincoln facility: Progress AgResearch's Lincoln Facility and effectively engage with Lincoln University during the planning process to ensure that opportunities for collaboration are fully explored. • Invermay: Building on last year's Letter of Expectations, I require you to maintain human and physical capital at this site, and develop Invermay as a vibrant research centre within the four campus model.
ESR	<ul style="list-style-type: none"> • Transformation programme: Commit to its transformation programme and provide the organisation with a fit for purpose structure following a period of organisational change over the past few years. • Property redevelopment: Work with officials to progress ESR's property programme at Kenepuru.

	<ul style="list-style-type: none"> • Revenue: Achieve sustainable financial performance through effective negotiation of ESR's service contracts with the Police and the Ministry of Health and continue to seek new sources of commercial revenue. • Māori engagement: <i>Continue to progress meaningful engagement with Māori, and embed and grow impact with Mātauranga Māori.</i>
GNS Science	<ul style="list-style-type: none"> • Implement new science plan and science themes: Continue work of last year's strategic review by embedding the new structure, sciences themes and collaborative culture within the organisation. • Energy futures: Progressing development in 2020/21 under the energy futures theme to generate new energy revenue, and generate new revenue from the other new science themes. • Whakaari/ White Island: <i>Continue to work closely with relevant government agencies on matters resulting from the Whakaari/ White Island eruption, including any investigations underway, and in relation to the National Seismic Hazard Model.</i> • Finance systems: Completion of the finance system upgrade in 2020/21 to support provision of timely and accurate financial information, and identify long-term infrastructure requirements.
Manaaki Whenua	<ul style="list-style-type: none"> • Auckland redevelopment: Continue exploring the option for the Biosecurity Hub at Mt Albert, and explore options that support effective collaboration and partnerships. • Biosecurity: To be fully compliant with the requirements of the Hazardous Substances and New Organisms Act at its containment facilities. • Transparency and access to data: <i>Continue to provide transparency on availability and access to data for Manaaki Whenua's collections and databases.</i> • Connectedness: <i>Manaaki Whenua will support pan-sector initiatives (including from the Primary Sector Council and the Aotearoa Circle) as they coordinate collective action towards New Zealand's goals of sustainability and the regeneration of ecosystems.</i>
NIWA	<ul style="list-style-type: none"> • Property redevelopment: Submit an Implementation Business Case for the redevelopment of NIWA's Hamilton facilities and to work closely with MBIE officials on all aspects of NIWA's National Property Strategy. • Transparency and access to data: The importance of providing transparency on the terms of availability and access to this data, and NIWA to fully support the Commerce Commission investigation. • Employment relations: Conduct employment and workplace relations in a manner consistent with Government policy and which meets Good Employer obligations. • Strategic refresh: Articulate a clear strategy of how it will respond to changes in its operating environment to deliver on its Statement of Core Purpose.
Plant & Food Research	<ul style="list-style-type: none"> • Long Term capital plan: Progressing Plant & Food Research's property redevelopments, including opportunities for co-location and working with other CRIs and government agencies, such as at Mt Albert. . • International strategy: : Continue to grow Plant & Food Research's international presence, while balancing potential risks and opportunities. • Māori engagement: Continue building partnerships with Maori, and progressing the Māori Engagement and Business Strategy, Te Whakakitenga. • Connectedness: <i>Plant & Food Research will support relevant pan-sector initiatives as they coordinate collective action towards the goal of a sustainable and transformative Food and Beverage sector.</i>

Scion	<ul style="list-style-type: none"> • Science review: Continue to work with MBIE on the Science Review, and ensure Scion is in a position to continue to deliver on its strategy and contribute to government priorities in the long-term. • Māori engagement: Progressing meaningful engagement with Maori, and the development of Scion's Māori Forestry Roadmaps. • Board evaluation: Implementing improvements in the areas outlined in the Propero report, particularly with regard to strategic planning, performance risk and customer engagement. • Connectedness: <i>Scion will support relevant pan-sector initiatives and government-wide strategies, such as the Forestry Strategy and the Forestry Industry Transformation Plan, as they coordinate collective action towards the goal of a sustainable forestry sector.</i>
Callaghan Innovation	<ul style="list-style-type: none"> • R&D Tax Incentive: Implement the R&D Tax Incentive as part of the Core Team alongside Inland Revenue, and reprioritise your resources as required to deliver on the government's flagship R&D programme. • Research and Technical Services (RTS): Implement the new RTS Strategy and deliver a viable operating and financial model that provides better value within current funding. • Gracefield Innovation Quarter Redevelopment: Complete or be near to completion of emergency works by the end of 2020/21, with good progress on other tranches of the development.
REANNZ	<ul style="list-style-type: none"> • Stakeholder engagement: Continue to work with the Crown Research Institutes, Universities and officials to develop effective and collaborative relationships. • Develop a strategic direction that defines the core network services that deliver to system and user needs and informs REANNZ's future activities, including the planned network upgrade in 2023. • Work with MBIE and the sector to consider the future of eResearch support for New Zealand.

Next steps

20. Forward this briefing to Hon Dr David Clark and Hon David Parker, Associate Ministers of Finance, as shareholding Ministers.
21. Following any feedback from shareholding Ministers, consider and sign the Letters of Expectations for 2020/21 and send the letters to the Chairs of the Crown entities.
22. Boards will have until 20 March 2020 to respond to the letters and set out how they will respond to your priorities.
23. MBIE will meet with the seven CRIs, Callaghan Innovation and REANNZ over the next month to discuss their performance and priorities for 2020/21, and to support the development of CRIs' Statements of Corporate Intent and Crown entities' Statements of Intent and Statements of Performance Expectations.

Annexes

Annex One: AgResearch – Letter of Expectations for 2020/21

Annex Two: ESR – Letter of Expectations for 2020/21

Annex Three: GNS Science – Letter of Expectations for 2020/21

Annex Four: Manaaki Whenua – Letter of Expectations for 2020/21

Annex Five: NIWA – Letter of Expectations for 2020/21

Annex Six: Plant & Food Research – Letter of Expectations for 2020/21

Annex Seven: Scion – Letter of Expectations for 2020/21

Annex Eight: Callaghan Innovation – Letter of Expectations for 2020/21

Annex Nine: REANNZ – Letter of Expectations for 2020/21

Annex One: AgResearch – Letter of Expectations for 2020/21



MP for Wigram

Minister of Energy and Resources

Minister for Greater Christchurch Regeneration

Minister of Housing

Minister of Research, Science and Innovation

Dr Paul Reynolds
Chair
AgResearch Limited
Private Bag 4749
CHRISTCHURCH 8140

s 9(2)(a)

Dear Paul

ANNUAL LETTER OF EXPECTATIONS FOR 2020/21

I write to convey the Government's priorities, and my expectations for your role in achieving these, along with my strategic and performance expectations for AgResearch in relation to the 2020/21 financial year and beyond.

This Government is committed to an inclusive, sustainable, and productive New Zealand, and research, science and innovation (RSI) will play a crucial role in helping to deliver the Government's agenda. We need new ideas, innovation and new ways of looking at the world, as well as the ability to collaborate with the knowledge and ideas we already hold.

In response, I am developing the new RSI Strategy, Kei Mua Te Ao, which intends to guide the RSI system in New Zealand and Government's actions within that system.

Furthermore, the Collective Crown Research Institute (CRI) Review undertaken by the Ministry of Business, Innovation and Employment (MBIE) has the purpose of identifying how well CRIs are collectively and respectively positioned to meet New Zealand's current and future needs. This review will help us realise the potential of the RSI system.

I trust AgResearch will work in ways to contribute and help realise Kei Mua Te Ao and the findings from the CRI Review.

All Crown Research Institutes should foster and support diversity throughout the organisation and within the Board, and especially at the senior leadership level. This involves being aspirational on the implementation of the vision and actions of the Science Workforce and Māori Partnerships and Co-Innovation reports, such as having an embedded Māori culture and realising Vision Mātauranga, as well as contributing to the future science workforce, particularly through working with Universities to grow the pipeline of talent.

Specific priorities for AgResearch

I appreciate the achievements of AgResearch over the last year. AgResearch has a strong record in delivering its objectives while maintaining high standards of good governance, science and robust operating systems. I expect AgResearch to take into consideration and contribute to relevant government-wide initiatives and science strategies in your sector, in collaboration with appropriate organisations, iwi, agencies and departments.

I would like to thank AgResearch for using the Science Review conducted by MBIE this year as an opportunity to focus the AgResearch science portfolio and implement the new Science Plan. I acknowledge the difficulty in balancing the capability required for transitioning existing sectors with the capability required for new transformational initiatives.

During 2020/21, my specific expectations for AgResearch are:

- **Implementation of Science Plan:** Implement the changes to AgResearch's research programmes arising from the new Science Plan and MBIE's Science Review, leveraging key science strengths to build competitive advantage and build effective partnerships to take advantage of new opportunities.
- I support the move by AgResearch to increase the **Strategic Science Investment Funding** (SSIF) in ideas generation and development (also referred to as horizons two and three), whilst ensuring a strong pipeline of new ideas that can be developed into applied research. I encourage AgResearch to use SSIF flexibly and consider the information in the map of science capability developed by MBIE and AgResearch following the Science Review to focus your science portfolio by investing SSIF in areas which are:
 - Critical for New Zealand – providing a government operational or regulatory function, or a public good impact.
 - Unique to AgResearch with a comparative advantage.
 - Contributing to the goals of the RSI Strategy.
- **Lincoln Facility:** Progress AgResearch's Lincoln Facility and effectively engage with Lincoln University during the planning process to ensure that opportunities for collaboration are fully explored.
- **Invermay:** Building on last year's Letter of Expectations, I expect you to maintain human and physical capital at this site, and develop Invermay as a vibrant research centre within the four campus model.

I also expect you to follow the advice provided in the State Services Commission's updated Letter of Enduring Expectations, and the general and good governance expectations outlined in Annex One.

Response

Your advice by 20 March 2020 on how you propose to respond to the expectations set out in this letter would be appreciated.

I look forward to continuing our working relationship over the coming year.

Yours sincerely



Hon Dr Megan Woods

Minister of Research, Science and Innovation

Copy to: Tony Hickmott, Acting Chief Executive, AgResearch Limited

Annex One: General and good governance expectations

Effective boards

Ensuring the Board is, and remains, high-performing is essential. There are many tools to help boards self-assess and improve performance. I expect you to carry out an assessment, using a robust process. Please provide me and the Ministry of Business, Innovation and Employment (MBIE) with a summary of the results of your self-assessment, including the steps the Board is taking to respond to the results.

Your input into succession planning for the Board is also sought. I expect you to provide MBIE with your view of the competency mix you need to work well as a board, along with your thoughts on upcoming appointments and any candidate attributes to target.

Deliver responsible governance with a broader measure of success

I ask you to be part of a public sector that builds a New Zealand we can all be proud of; a public sector that recognises the value of every New Zealander and backs all our people. To do this I expect you to think holistically about the impact of your organisation's plans and programmes prioritising interventions that make the biggest difference to lifting the current and future wellbeing of New Zealanders. In particular, I ask you to strengthen your effort to partner with Māori organisations to improve services and outcomes for Māori.

I expect you to actively promote and develop the diversity of your workforce for the long term to encompass a broad spread of experience, culture, perspective and lifestyle of those who live in New Zealand.

Effective monitoring of entity performance by boards and relationship with MBIE

In addition to setting and driving a strategy that delivers on government priorities, your Board is the most important monitor of entity performance. I expect the Board to provide me with high quality information and analysis on entity performance against plan, implications for future performance, and risks and opportunities facing the entity.

I expect you to have a constructive working relationship with your monitor within MBIE. This relationship should include active participation and engagement with my officials in the process of setting your organisation's strategic direction and in any review of existing strategies, priorities and plans, and data systems.

I also expect you to work with and across government to integrate the work of your organisation with the role and work of other agencies, and to support the state sector stewardship of government departments.

No surprises

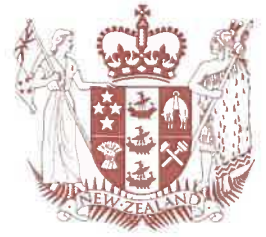
The Government has a 'no surprises' policy. No surprises means that the Government expects a board to:

- be aware of any possible implications of their decisions and actions for wider government policy issues
- advise the responsible Minister of issues that may be discussed in the public arena or that may require a ministerial response, preferably ahead of time or otherwise as soon as possible
- inform the Minister in advance of any major strategic initiatives.

I also ask you to avoid 'pre-judging' my potential responses to risks and opportunities. I expect to hear about emerging issues and what major actions the Board is considering. My reactions will be based on a range of factors, including the benefits of new initiatives and of taking different approaches to achieve our goals.

Annex Two: ESR – Letter of Expectations for 2020/21

Hon Dr Megan Woods



MP for Wigram

Minister of Energy and Resources

Minister for Greater Christchurch Regeneration

Minister of Housing

Minister of Research, Science and Innovation

Denise Church
Chair
Institute of Environmental Science and Research
PO Box 50348
PORIRUA 5240

s 9(2)(a)

Dear Denise

ANNUAL LETTER OF EXPECTATIONS FOR 2020/21

I write to convey the Government's priorities and my expectations for your role in achieving these, along with my strategic and performance expectations for the Institute of Environmental Science and Research (ESR) in relation to the 2020/21 financial year and beyond.

This Government is committed to an inclusive, sustainable, and productive New Zealand, and research, science and innovation (RSI) will play a crucial role to help deliver the Government's agenda. We need new ideas, innovation, and new ways of looking at the world, as well as the ability to collaborate with the knowledge and ideas we already hold.

In response, I am developing the new RSI Strategy, Kei Mua Te Ao, which intends to guide the RSI system in New Zealand and Government's actions within that system.

Furthermore, the Collective Crown Research Institute (CRI) Review undertaken by the Ministry of Business, Innovation and Employment (MBIE) has the purpose of identifying how well CRIs are collectively and respectively positioned to meet New Zealand's current and future needs. This review will help us realise the potential of the RSI system.

I trust ESR will work in ways to contribute and help realise Kei Mua Te Ao and the findings from the CRI Review.

All Crown Research Institutes should foster and support diversity throughout the organisation and within the Board, and especially at the senior leadership level. This involves being aspirational on the implementation of the vision and actions of the Science Workforce and Māori Partnerships and Co-Innovation reports, such as having an embedded Māori culture and realising Vision Mātauranga, as well as contributing to the future science workforce, particularly through working with Universities to grow the pipeline of talent.

Specific priorities for ESR

I appreciate the achievements of ESR over the last year. ESR has a strong record in delivering its objectives while maintaining high standards of good governance and robust operating systems. I expect ESR to take into consideration and contribute to relevant government-wide initiatives and science strategies in your sector, in collaboration with appropriate organisations, iwi, agencies and departments.

During 2020/21, my specific expectations for ESR are:

- **Transformation programme:** Commit to your transformation programme and provide ESR with a fit for purpose organisational structure following the period of change experienced over the past several years.
- **Property redevelopment:** Work with officials to progress your property programme at Kenepuru.
- **Revenue:** Achieve sustainable financial performance through effective negotiation of service contracts, including those with the Police and the Ministry of Health, and continue to seek new sources of government and commercial revenue.
- **Māori engagement:** Continue to progress meaningful engagement with Māori, and embed and grow impact with Mātauranga Māori.

I also expect you to follow the advice provided in the State Services Commission's updated Letter of Enduring Expectations, and the general and good governance expectations outlined in Annex One.

Response

Your advice by 20 March 2020 on how you propose to respond to the expectations set out in this letter would be appreciated.

I look forward to continuing our working relationship over the coming year.

Yours sincerely



Hon Dr Megan Woods

Minister of Research, Science and Innovation

Copy to: Dr Keith McLea, Chief Executive, Institute of Environmental Science and Research

Annex One: General and good governance expectations

Effective boards

Ensuring the Board is, and remains, high-performing is essential. There are many tools to help boards self-assess and improve performance. I expect you to carry out an assessment, using a robust process. Please provide me and the Ministry of Business, Innovation and Employment (MBIE) with a summary of the results of your self-assessment, including the steps the Board is taking to respond to the results.

Your input into succession planning for the Board is also sought. I expect you to provide MBIE with your view of the competency mix you need to work well as a board, along with your thoughts on upcoming appointments and any candidate attributes to target.

Deliver responsible governance with a broader measure of success

I ask you to be part of a public sector that builds a New Zealand we can all be proud of; a public sector that recognises the value of every New Zealander and backs all our people. To do this I expect you to think holistically about the impact of your organisation's plans and programmes prioritising interventions that make the biggest difference to lifting the current and future wellbeing of New Zealanders. In particular, I ask you to strengthen your effort to partner with Māori organisations to improve services and outcomes for Māori.

I expect you to actively promote and develop the diversity of your workforce for the long term to encompass a broad spread of experience, culture, perspective and lifestyle of those who live in New Zealand.

Effective monitoring of entity performance by boards and relationship with MBIE

In addition to setting and driving a strategy that delivers on government priorities, your Board is the most important monitor of entity performance. I expect the Board to provide me with high quality information and analysis on entity performance against plan, implications for future performance, and risks and opportunities facing the entity.

I expect you to have a constructive working relationship with your monitor within MBIE. This relationship should include active participation and engagement with my officials in the process of setting your organisation's strategic direction and in any review of existing strategies, priorities and plans, and data systems.

I also expect you to work with and across government to integrate the work of your organisation with the role and work of other agencies, and to support the state sector stewardship of government departments.

No surprises

The Government has a 'no surprises' policy. No surprises means that the Government expects a board to:

- be aware of any possible implications of their decisions and actions for wider government policy issues
- advise the responsible Minister of issues that may be discussed in the public arena or that may require a ministerial response, preferably ahead of time or otherwise as soon as possible
- inform the Minister in advance of any major strategic initiatives.

I also ask you to avoid 'pre-judging' my potential responses to risks and opportunities. I expect to hear about emerging issues and what major actions the Board is considering. My reactions will be based on a range of factors, including the benefits of new initiatives and of taking different approaches to achieve our goals.

Annex Three: GNS Science – Letter of Expectations for 2020/21

Hon Dr Megan Woods



MP for Wigram

Minister of Energy and Resources

Minister for Greater Christchurch Regeneration

Minister of Housing

Minister of Research, Science and Innovation

Dr Nicki Crauford
Chair
GNS Science
PO Box 30-368
LOWER HUTT 5040
s 9(2)(a)

Dear Nicki

ANNUAL LETTER OF EXPECTATIONS FOR 2020/21

I write to convey the Government's priorities and my expectations for your role in achieving these, along with my strategic and performance expectations for GNS Science in relation to the 2020/21 financial year and beyond.

This Government is committed to an inclusive, sustainable, and productive New Zealand, and research, science and innovation (RSI) will play a crucial role to help deliver the Government's agenda. We need new ideas, innovation, and new ways of looking at the world, as well as the ability to collaborate with the knowledge and ideas we already hold.

In response, I am developing the new RSI Strategy, Kei Mua Te Ao, which intends to guide the RSI system in New Zealand and Government's actions within that system.

Furthermore, the Collective Crown Research Institute (CRI) Review undertaken by the Ministry of Business, Innovation and Employment (MBIE) has the purpose of identifying how well CRIs are collectively and respectively positioned to meet New Zealand's current and future needs. This review will help us realise the potential of the RSI system.

I trust GNS Science will work in ways to contribute and help realise Kei Mua Te Ao and the findings from the CRI Review.

All Crown Research Institutes should foster and support diversity throughout the organisation and within the Board, and especially at the senior leadership level. This involves being aspirational on the implementation of the vision and actions of the Science Workforce and Māori Partnerships and Co-Innovation reports, such as having an embedded Māori culture and realising Vision Mātauranga, as well as contributing to the future science workforce, particularly through working with Universities to grow the pipeline of talent.

Specific priorities for GNS Science

I appreciate the achievements of GNS Science over the last year. GNS Science has a strong record in delivering its objectives while maintaining high standards of good governance and robust operating systems. I expect GNS Science to take into consideration and contribute to relevant government-wide initiatives and science strategies in your sector, in collaboration with appropriate organisations, iwi, agencies and departments.

During 2020/21, my specific expectations for GNS Science are:

- **Implement new science plan and science themes:** Continue the work of last year's strategic review by embedding the new structure, science themes and collaborative culture within the organisation.
- **Energy futures:** Progressing development in 2020/21 under the energy futures theme to generate new energy revenue, and generate new revenue from the other new science themes.
- **Whakaari/ White Island:** Continue to work closely with relevant government agencies on matters resulting from the Whakaari/ White Island eruption, including any investigations underway, and in relation to the National Seismic Hazard Model.
- **Finance systems and infrastructure:** Completion of the finance system upgrade in 2020/21 to support provision of timely and accurate financial information, and identify long-term infrastructure requirements.

I also expect you to follow the advice provided in the State Services Commission's updated Letter of Enduring Expectations, and the general and good governance expectations outlined in Annex One.

Response

Your advice by 20 March 2020 on how you propose to respond to the expectations set out in this letter would be appreciated.

I look forward to continuing our working relationship over the coming year.

Yours sincerely



Hon Dr Megan Woods

Minister of Research, Science and Innovation

Copy to: Ian Simpson, Chief Executive, GNS Science

Annex One: General and good governance expectations

Effective boards

Ensuring the Board is, and remains, high-performing is essential. There are many tools to help boards self-assess and improve performance. I expect you to carry out an assessment, using a robust process. Please provide me and the Ministry of Business, Innovation and Employment (MBIE) with a summary of the results of your self-assessment, including the steps the Board is taking to respond to the results.

Your input into succession planning for the Board is also sought. I expect you to provide MBIE with your view of the competency mix you need to work well as a board, along with your thoughts on upcoming appointments and any candidate attributes to target.

Deliver responsible governance with a broader measure of success

I ask you to be part of a public sector that builds a New Zealand we can all be proud of; a public sector that recognises the value of every New Zealander and backs all our people. To do this I expect you to think holistically about the impact of your organisation's plans and programmes prioritising interventions that make the biggest difference to lifting the current and future wellbeing of New Zealanders. In particular, I ask you to strengthen your effort to partner with Māori organisations to improve services and outcomes for Māori.

I expect you to actively promote and develop the diversity of your workforce for the long term to encompass a broad spread of experience, culture, perspective and lifestyle of those who live in New Zealand.

Effective monitoring of entity performance by boards and relationship with MBIE

In addition to setting and driving a strategy that delivers on government priorities, your Board is the most important monitor of entity performance. I expect the Board to provide me with high quality information and analysis on entity performance against plan, implications for future performance, and risks and opportunities facing the entity.

I expect you to have a constructive working relationship with your monitor within MBIE. This relationship should include active participation and engagement with my officials in the process of setting your organisation's strategic direction and in any review of existing strategies, priorities and plans, and data systems.

I also expect you to work with and across government to integrate the work of your organisation with the role and work of other agencies, and to support the state sector stewardship of government departments.

No surprises

The Government has a 'no surprises' policy. No surprises means that the Government expects a board to:

- be aware of any possible implications of their decisions and actions for wider government policy issues
- advise the responsible Minister of issues that may be discussed in the public arena or that may require a ministerial response, preferably ahead of time or otherwise as soon as possible
- inform the Minister in advance of any major strategic initiatives.

I also ask you to avoid 'pre-judging' my potential responses to risks and opportunities. I expect to hear about emerging issues and what major actions the Board is considering. My reactions will be based on a range of factors, including the benefits of new initiatives and of taking different approaches to achieve our goals.

Annex Four: Manaaki Whenua – Letter of Expectations for 2020/21

Hon Dr Megan Woods



MP for Wigram

Minister of Energy and Resources

Minister for Greater Christchurch Regeneration

Minister of Housing

Minister of Research, Science and Innovation

Jane Taylor
Chair
Manaaki Whenua – Landcare Research
P.O. Box 69040
LINCOLN 7640
s 9(2)(a)

Dear Jane

ANNUAL LETTER OF EXPECTATIONS FOR 2020/21

I write to convey the Government's priorities and my expectations for your role in achieving these, along with my strategic and performance expectations for Manaaki Whenua – Landcare Research (Manaaki Whenua) in relation to the 2020/21 financial year and beyond.

This Government is committed to an inclusive, sustainable, and productive New Zealand, and research, science and innovation (RSI) will play a crucial role to help deliver the Government's agenda. We need new ideas, innovation, and new ways of looking at the world, as well as the ability to collaborate with the knowledge and ideas we already hold.

In response, I am developing the new RSI Strategy, Kei Mua Te Ao, which intends to guide the RSI system in New Zealand and Government's actions within that system.

Furthermore, the Collective Crown Research Institute (CRI) Review undertaken by the Ministry of Business, Innovation and Employment (MBIE) has the purpose of identifying how well CRIs are collectively and respectively positioned to meet New Zealand's current and future needs. This review will help us realise the potential of the RSI system.

I trust Manaaki Whenua will work in ways to contribute and help realise Kei Mua Te Ao and the findings from the CRI Review.

All Crown Research Institutes should foster and support diversity throughout the organisation and within the Board, and especially at the senior leadership level. This involves being aspirational on the implementation of the vision and actions of the Science Workforce and Māori Partnerships and Co-Innovation reports, such as having an embedded Māori culture and realising Vision Mātauranga, as well as contributing to the future science workforce, particularly through working with Universities to grow the pipeline of talent.

Specific priorities for Manaaki Whenua

I appreciate the achievements of Manaaki Whenua over the last year. Manaaki Whenua has a strong record in delivering its objectives while maintaining high standards of good governance and robust operating systems. I expect Manaaki Whenua to take into consideration and contribute to relevant government-wide initiatives and science strategies in your sector, in collaboration with appropriate organisations, iwi, agencies and departments.

During 2020/21, my specific expectations for Manaaki Whenua are:

- **Auckland redevelopment:** Continue exploring the option for the Biosecurity Hub at Mt Albert, and explore options with relevant CRIs and government departments that support effective collaboration and partnerships.
- **Biosecurity:** To be fully compliant with the requirements of the Hazardous Substances and New Organisms Act at its containment facilities.
- **Transparency and access to data:** Continue to provide transparency on availability and access to data for Manaaki Whenua's collections and databases.
- **Connectedness:** Manaaki Whenua will support pan-sector initiatives (including from the Primary Sector Council and the Aotearoa Circle) as they coordinate collective action towards New Zealand's goals of sustainability and the regeneration of ecosystems.

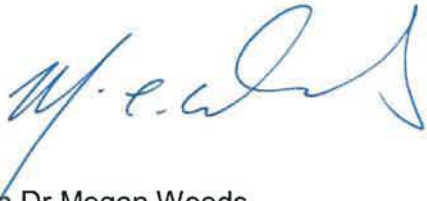
I also expect you to follow the advice provided in the State Services Commission's updated Letter of Enduring Expectations, and the general and good governance expectations outlined in Annex One.

Response

Your advice by 20 March 2020 on how you propose to respond to the expectations set out in this letter would be appreciated.

I look forward to continuing our working relationship over the coming year.

Yours sincerely



Hon Dr Megan Woods

Minister of Research, Science and Innovation

Copy to: Richard Gordon, Chief Executive, Manaaki Whenua – Landcare Research

Annex One: General and good governance expectations

Effective boards

Ensuring the Board is, and remains, high-performing is essential. There are many tools to help boards self-assess and improve performance. I expect you to carry out an assessment, using a robust process. Please provide me and the Ministry of Business, Innovation and Employment (MBIE) with a summary of the results of your self-assessment, including the steps the Board is taking to respond to the results.

Your input into succession planning for the Board is also sought. I expect you to provide MBIE with your view of the competency mix you need to work well as a board, along with your thoughts on upcoming appointments and any candidate attributes to target.

Deliver responsible governance with a broader measure of success

I ask you to be part of a public sector that builds a New Zealand we can all be proud of; a public sector that recognises the value of every New Zealander and backs all our people. To do this I expect you to think holistically about the impact of your organisation's plans and programmes prioritising interventions that make the biggest difference to lifting the current and future wellbeing of New Zealanders. In particular, I ask you to strengthen your effort to partner with Māori organisations to improve services and outcomes for Māori.

I expect you to actively promote and develop the diversity of your workforce for the long term to encompass a broad spread of experience, culture, perspective and lifestyle of those who live in New Zealand.

Effective monitoring of entity performance by boards and relationship with MBIE

In addition to setting and driving a strategy that delivers on government priorities, your Board is the most important monitor of entity performance. I expect the Board to provide me with high quality information and analysis on entity performance against plan, implications for future performance, and risks and opportunities facing the entity.

I expect you to have a constructive working relationship with your monitor within MBIE. This relationship should include active participation and engagement with my officials in the process of setting your organisation's strategic direction and in any review of existing strategies, priorities and plans, and data systems.

I also expect you to work with and across government to integrate the work of your organisation with the role and work of other agencies, and to support the state sector stewardship of government departments.

No surprises

The Government has a 'no surprises' policy. No surprises means that the Government expects a board to:

- be aware of any possible implications of their decisions and actions for wider government policy issues
- advise the responsible Minister of issues that may be discussed in the public arena or that may require a ministerial response, preferably ahead of time or otherwise as soon as possible
- inform the Minister in advance of any major strategic initiatives.

I also ask you to avoid 'pre-judging' my potential responses to risks and opportunities. I expect to hear about emerging issues and what major actions the Board is considering. My reactions will be based on a range of factors, including the benefits of new initiatives and of taking different approaches to achieve our goals.

Annex Five: NIWA – Letter of Expectations for 2020/21

Hon Dr Megan Woods



MP for Wigram

Minister of Energy and Resources

Minister for Greater Christchurch Regeneration

Minister of Housing

Minister of Research, Science and Innovation

Barry Harris
Chair
National Institute of Water & Atmospheric Research Limited
Private Bag 99940
AUCKLAND 1149
s 9(2)(a)

Dear Barry

ANNUAL LETTER OF EXPECTATIONS FOR 2020/21

I write to convey the Government's priorities and my expectations for your role in achieving these, along with my strategic and performance expectations for the National Institute of Water & Atmospheric Research Limited (NIWA) in relation to the 2020/21 financial year and beyond.

This Government is committed to an inclusive, sustainable, and productive New Zealand, and research, science and innovation (RSI) will play a crucial role to help deliver the Government's agenda. We need new ideas, innovation, and new ways of looking at the world, as well as the ability to collaborate with the knowledge and ideas we already hold.

In response, I am developing the new RSI Strategy, Kei Mua Te Ao, which intends to guide the RSI system in New Zealand and Government's actions within that system.

Furthermore, the Collective Crown Research Institute (CRI) Review undertaken by the Ministry of Business, Innovation and Employment (MBIE) has the purpose of identifying how well CRIs are collectively and respectively positioned to meet New Zealand's current and future needs. This review will help us realise the potential of the RSI system.

I trust NIWA will work in ways to contribute and help realise Kei Mua Te Ao and the findings from the CRI Review.

All Crown Research Institutes should foster and support diversity throughout the organisation and within the Board, and especially at the senior leadership level. This involves being aspirational on the implementation of the vision and actions of the Science Workforce and Māori Partnerships and Co-Innovation reports, such as having an embedded Māori culture and realising Vision Mātauranga, as well as contributing to the future science workforce, particularly through working with Universities to grow the pipeline of talent.

Specific priorities for NIWA

I appreciate the achievements of NIWA over the last year. NIWA has a strong record in delivering its objectives while maintaining high standards of good governance and robust operating systems. I expect NIWA to take into consideration and contribute to relevant government-wide initiatives and science strategies in your sector, in collaboration with appropriate organisations, iwi, agencies and departments.

During 2020/21, my specific expectations for NIWA are:

- **Property redevelopment:** Submit an Implementation Business Case for the redevelopment of NIWA's Hamilton facilities and work closely with MBIE officials on all aspects of NIWA's National Property Strategy.
- **Transparency and access to data:** Provide transparency on the terms of availability and access to NIWA's weather data, fully support the Commerce Commission investigation and embrace the connectiveness pillar of the upcoming RSI Strategy.
- **Employment relations:** Conduct employment and workplace relations in a manner consistent with Government policy and which meets Good Employer obligations.
- **Strategic refresh:** Articulate a clear plan on how NIWA will respond to changes in its operating environment to deliver on its Statement of Core Purpose.

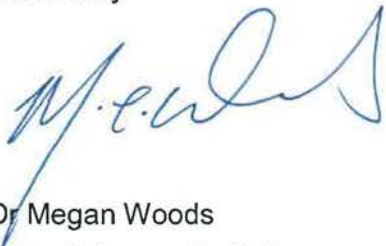
I also expect you to follow the advice provided in the State Services Commission's updated Letter of Enduring Expectations, and the general and good governance expectations outlined in Annex One.

Response

Your advice by 20 March 2020 on how you propose to respond to the expectations set out in this letter would be appreciated.

I look forward to continuing our working relationship over the coming year.

Yours sincerely



Hon Dr Megan Woods

Minister of Research, Science and Innovation

Copy to: John Morgan, Chief Executive, National Institute of Water & Atmospheric Research Limited

Annex One: General and good governance expectations

Effective boards

Ensuring the Board is, and remains, high-performing is essential. There are many tools to help boards self-assess and improve performance. I expect you to carry out an assessment, using a robust process. Please provide me and the Ministry of Business, Innovation and Employment (MBIE) with a summary of the results of your self-assessment, including the steps the Board is taking to respond to the results.

Your input into succession planning for the Board is also sought. I expect you to provide MBIE with your view of the competency mix you need to work well as a board, along with your thoughts on upcoming appointments and any candidate attributes to target.

Deliver responsible governance with a broader measure of success

I ask you to be part of a public sector that builds a New Zealand we can all be proud of; a public sector that recognises the value of every New Zealander and backs all our people. To do this I expect you to think holistically about the impact of your organisation's plans and programmes prioritising interventions that make the biggest difference to lifting the current and future wellbeing of New Zealanders. In particular, I ask you to strengthen your effort to partner with Māori organisations to improve services and outcomes for Māori.

I expect you to actively promote and develop the diversity of your workforce for the long term to encompass a broad spread of experience, culture, perspective and lifestyle of those who live in New Zealand.

Effective monitoring of entity performance by boards and relationship with MBIE

In addition to setting and driving a strategy that delivers on government priorities, your Board is the most important monitor of entity performance. I expect the Board to provide me with high quality information and analysis on entity performance against plan, implications for future performance, and risks and opportunities facing the entity.

I expect you to have a constructive working relationship with your monitor within MBIE. This relationship should include active participation and engagement with my officials in the process of setting your organisation's strategic direction and in any review of existing strategies, priorities and plans, and data systems.

I also expect you to work with and across government to integrate the work of your organisation with the role and work of other agencies, and to support the state sector stewardship of government departments.

No surprises

The Government has a 'no surprises' policy. No surprises means that the Government expects a board to:

- be aware of any possible implications of their decisions and actions for wider government policy issues
- advise the responsible Minister of issues that may be discussed in the public arena or that may require a ministerial response, preferably ahead of time or otherwise as soon as possible
- inform the Minister in advance of any major strategic initiatives.

I also ask you to avoid 'pre-judging' my potential responses to risks and opportunities. I expect to hear about emerging issues and what major actions the Board is considering. My reactions will be based on a range of factors, including the benefits of new initiatives and of taking different approaches to achieve our goals.

Annex Six: Plant & Food Research – Letter of Expectations for 2020/21



MP for Wigram

Minister of Energy and Resources

Minister for Greater Christchurch Regeneration

Minister of Housing

Minister of Research, Science and Innovation

Nicola Shadbolt
Chair
Plant & Food Research
Private Bag 92169
AUCKLAND 1142

s 9(2)(a)

Dear Nicola

ANNUAL LETTER OF EXPECTATIONS FOR 2020/21

I write to convey the Government's priorities and my expectations for your role in achieving these, along with my strategic and performance expectations for Plant & Food Research in relation to the 2020/21 financial year and beyond.

This Government is committed to an inclusive, sustainable, and productive New Zealand, and research, science and innovation (RSI) will play a crucial role to help deliver the Government's agenda. We need new ideas, innovation, and new ways of looking at the world, as well as the ability to collaborate with the knowledge and ideas we already hold.

In response, I am developing the new RSI Strategy, Kei Mua Te Ao, which intends to guide the RSI system in New Zealand and Government's actions within that system.

Furthermore, the Collective Crown Research Institute (CRI) Review undertaken by the Ministry of Business, Innovation and Employment (MBIE) has the purpose of identifying how well CRIs are collectively and respectively positioned to meet New Zealand's current and future needs. This review will help us realise the potential of the RSI system.

I trust Plant & Food Research will work in ways to contribute and help realise Kei Mua Te Ao and the findings from the CRI Review.

All Crown Research Institutes should foster and support diversity throughout the organisation and within the Board, and especially at the senior leadership level. This involves being aspirational on the implementation of the vision and actions of the Science Workforce and Māori Partnerships and Co-Innovation reports, such as having an embedded Māori culture and realising Vision Mātauranga, as well as contributing to the future science workforce, particularly through working with Universities to grow the pipeline of talent.

Specific priorities for Plant & Food Research

I appreciate the achievements of Plant & Food Research over the last year. Plant & Food Research has a strong record in delivering its objectives while maintaining high standards of good governance and robust operating systems. I expect Plant & Food Research to take into consideration and contribute to relevant government-wide initiatives and science strategies in your sector, in collaboration with appropriate organisations, iwi, agencies and departments.

During 2020/21, my specific expectations for Plant & Food Research are:

- **Long term capital plan:** Progressing Plant & Food Research's property redevelopments, including opportunities for co-location and working with other CRIs and government agencies, such as at Mt Albert.
- **International strategy:** Continue to grow Plant & Food Research's international presence, while balancing potential risks and opportunities.
- **Māori engagement:** Continue building partnerships with Māori, and progressing the Māori Engagement and Business Strategy, Te Whakakitenga.
- **Connectedness:** Plant & Food Research will support relevant pan-sector initiatives as they coordinate collective action towards the goal of a sustainable and transformative Food and Beverage sector.

I also expect you to follow the advice provided in the State Services Commission's updated Letter of Enduring Expectations, and the general and good governance expectations outlined in Annex One.

Response

Your advice by 20 March 2020 on how you propose to respond to the expectations set out in this letter would be appreciated.

I look forward to continuing our working relationship over the coming year.

Yours sincerely



Hon/Dr Megan Woods

Minister of Research, Science and Innovation

Copy to: David Hughes, Chief Executive, Plant & Food Research

Annex One: General and good governance expectations

Effective boards

Ensuring the Board is, and remains, high-performing is essential. There are many tools to help boards self-assess and improve performance. I expect you to carry out an assessment, using a robust process. Please provide me and the Ministry of Business, Innovation and Employment (MBIE) with a summary of the results of your self-assessment, including the steps the Board is taking to respond to the results.

Your input into succession planning for the Board is also sought. I expect you to provide MBIE with your view of the competency mix you need to work well as a board, along with your thoughts on upcoming appointments and any candidate attributes to target.

Deliver responsible governance with a broader measure of success

I ask you to be part of a public sector that builds a New Zealand we can all be proud of; a public sector that recognises the value of every New Zealander and backs all our people. To do this I expect you to think holistically about the impact of your organisation's plans and programmes prioritising interventions that make the biggest difference to lifting the current and future wellbeing of New Zealanders. In particular, I ask you to strengthen your effort to partner with Māori organisations to improve services and outcomes for Māori.

I expect you to actively promote and develop the diversity of your workforce for the long term to encompass a broad spread of experience, culture, perspective and lifestyle of those who live in New Zealand.

Effective monitoring of entity performance by boards and relationship with MBIE

In addition to setting and driving a strategy that delivers on government priorities, your Board is the most important monitor of entity performance. I expect the Board to provide me with high quality information and analysis on entity performance against plan, implications for future performance, and risks and opportunities facing the entity.

I expect you to have a constructive working relationship with your monitor within MBIE. This relationship should include active participation and engagement with my officials in the process of setting your organisation's strategic direction and in any review of existing strategies, priorities and plans, and data systems.

I also expect you to work with and across government to integrate the work of your organisation with the role and work of other agencies, and to support the state sector stewardship of government departments.

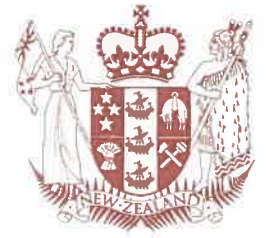
No surprises

The Government has a 'no surprises' policy. No surprises means that the Government expects a board to:

- be aware of any possible implications of their decisions and actions for wider government policy issues
- advise the responsible Minister of issues that may be discussed in the public arena or that may require a ministerial response, preferably ahead of time or otherwise as soon as possible
- inform the Minister in advance of any major strategic initiatives.

I also ask you to avoid 'pre-judging' my potential responses to risks and opportunities. I expect to hear about emerging issues and what major actions the Board is considering. My reactions will be based on a range of factors, including the benefits of new initiatives and of taking different approaches to achieve our goals.

Annex Seven: Scion – Letter of Expectations for 2020/21



MP for Wigram

Minister of Energy and Resources

Minister for Greater Christchurch Regeneration

Minister of Housing

Minister of Research, Science and Innovation

Dr Helen Anderson
Chair
The New Zealand Forest Research Institute Limited
Private Bag 3020
ROTORUA 3046
s 9(2)(a)

Dear Helen

ANNUAL LETTER OF EXPECTATIONS FOR 2020/21

I write to convey the Government's priorities and my expectations for your role in achieving these, along with my strategic and performance expectations for the New Zealand Forest Research Institute Limited (Scion) in relation to the 2020/21 financial year and beyond.

This Government is committed to an inclusive, sustainable, and productive New Zealand, and research, science and innovation (RSI) will play a crucial role to help deliver the Government's agenda. We need new ideas, innovation, and new ways of looking at the world, as well as the ability to collaborate with the knowledge and ideas we already hold.

In response, I am developing the new RSI Strategy, Kei Mua Te Ao, which intends to guide the RSI system in New Zealand and Government's actions within that system.

Furthermore, the Collective Crown Research Institute (CRI) Review undertaken by the Ministry of Business, Innovation and Employment (MBIE) has the purpose of identifying how well CRIs are collectively and respectively positioned to meet New Zealand's current and future needs. This review will help us realise the potential of the RSI system.

I trust Scion will work in ways to contribute and help realise Kei Mua Te Ao and the findings from the CRI Review.

All Crown Research Institutes should foster and support diversity throughout the organisation and within the Board, and especially at the senior leadership level. This involves being aspirational on the implementation of the vision and actions of the Science Workforce and Māori Partnerships and Co-Innovation reports, such as having an embedded Māori culture and realising Vision Mātauranga, as well as contributing to the future science workforce, particularly through working with Universities to grow the pipeline of talent.

Specific priorities for Scion

I appreciate the achievements of Scion over the last year. Scion has done well to deliver its objectives while maintaining good governance and operating systems. I expect Scion to take into consideration and contribute to relevant government-wide initiatives and science strategies in your sector, in collaboration with appropriate organisations, iwi, agencies and departments.

During 2020/21, my specific expectations for Scion are:

- **Science review:** Continue to work with MBIE on the Science Review, and ensure Scion is in a position to continue to deliver on its strategy and contribute to government priorities in the long-term.
- **Māori engagement:** Progressing meaningful engagement with Māori, and the development of Scion's Māori Forestry Roadmaps.
- **Board evaluation:** Implementing improvements in the areas outlined in the Propero report, particularly with regard to strategic planning, performance risk and customer engagement.
- **Connectedness:** Scion will support relevant pan-sector initiatives and government-wide strategies, such as the Forestry Strategy and the Forestry Industry Transformation Plan, as they coordinate collective action towards the goal of a sustainable forestry sector.


I also expect you to follow the advice provided in the State Services Commission's updated Letter of Enduring Expectations, and the general and good governance expectations outlined in Annex One.

Response

Your advice by 20 March 2020 on how you propose to respond to the expectations set out in this letter would be appreciated.

I look forward to continuing our working relationship over the coming year.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'M. Woods', written over a light blue horizontal line.

Hon Dr Megan Woods

Minister of Research, Science and Innovation

Copy to: Julian Elder, Chief Executive, New Zealand Forest Research Institute Limited

Annex One: General and good governance expectations

Effective boards

Ensuring the Board is, and remains, high-performing is essential. There are many tools to help boards self-assess and improve performance. I expect you to carry out an assessment, using a robust process. Please provide me and the Ministry of Business, Innovation and Employment (MBIE) with a summary of the results of your self-assessment, including the steps the Board is taking to respond to the results.

Your input into succession planning for the Board is also sought. I expect you to provide MBIE with your view of the competency mix you need to work well as a board, along with your thoughts on upcoming appointments and any candidate attributes to target.

Deliver responsible governance with a broader measure of success

I ask you to be part of a public sector that builds a New Zealand we can all be proud of; a public sector that recognises the value of every New Zealander and backs all our people. To do this I expect you to think holistically about the impact of your organisation's plans and programmes prioritising interventions that make the biggest difference to lifting the current and future wellbeing of New Zealanders. In particular, I ask you to strengthen your effort to partner with Māori organisations to improve services and outcomes for Māori.

I expect you to actively promote and develop the diversity of your workforce for the long term to encompass a broad spread of experience, culture, perspective and lifestyle of those who live in New Zealand.

Effective monitoring of entity performance by boards and relationship with MBIE

In addition to setting and driving a strategy that delivers on government priorities, your Board is the most important monitor of entity performance. I expect the Board to provide me with high quality information and analysis on entity performance against plan, implications for future performance, and risks and opportunities facing the entity.

I expect you to have a constructive working relationship with your monitor within MBIE. This relationship should include active participation and engagement with my officials in the process of setting your organisation's strategic direction and in any review of existing strategies, priorities and plans, and data systems.

I also expect you to work with and across government to integrate the work of your organisation with the role and work of other agencies, and to support the state sector stewardship of government departments.

No surprises

The Government has a 'no surprises' policy. No surprises means that the Government expects a board to:

- be aware of any possible implications of their decisions and actions for wider government policy issues
- advise the responsible Minister of issues that may be discussed in the public arena or that may require a ministerial response, preferably ahead of time or otherwise as soon as possible
- inform the Minister in advance of any major strategic initiatives.

I also ask you to avoid 'pre-judging' my potential responses to risks and opportunities. I expect to hear about emerging issues and what major actions the Board is considering. My reactions will be based on a range of factors, including the benefits of new initiatives and of taking different approaches to achieve our goals.

Annex Eight: Callaghan Innovation – Letter of Expectations for 2020/21



MP for Wigram

Minister of Energy and Resources

Minister for Greater Christchurch Regeneration

Minister of Housing

Minister of Research, Science and Innovation

Hon Pete Hodgson
Chair
Callaghan Innovation
PO Box 11529
WELLINGTON 6142
s 9(2)(a)

Dear Pete

ANNUAL LETTER OF EXPECTATIONS FOR 2020/21

I write to convey the Government's priorities and my expectations for your role in achieving these, along with my strategic and performance expectations for Callaghan Innovation in relation to the 2020/21 financial year and beyond.

This Government is committed to an inclusive, sustainable and productive New Zealand, and research, science and innovation (RSI) will play a crucial role in helping to deliver Government's agenda. We need new ideas, innovation and new ways of looking at the world, as well as the ability to collaborate with the knowledge and ideas we already hold.

In response, I have developed the new RSI Strategy, Kei Mua Te Ao, which is intended to guide the RSI system in New Zealand and Government's actions within that system. I expect Callaghan Innovation will work in ways to contribute and help realise Kei Mua Te Ao.

I expect all RSI Crown entities to foster and support diversity throughout the organisation and within the Board, and especially at the senior leadership level. This includes having an embedded Māori culture and contributing to the future science workforce.

Specific priorities for Callaghan Innovation

I appreciate the achievements of Callaghan Innovation over the last year. Callaghan Innovation has done well to deliver its objectives while maintaining good governance and operating systems.

During 2020/21, my specific expectations for Callaghan Innovation are:

- **R&D Tax Incentive:** Implement the R&D Tax Incentive as part of the core team alongside Inland Revenue, and reprioritise your resources as required to deliver on the government's flagship R&D programme.
- **Research and Technical Services (RTS):** Implement the new RTS Strategy and deliver a viable operating and financial model that provides better value within current funding.
- **Gracefield Innovation Quarter Redevelopment:** Complete or be near to completion of emergency works by the end of 2020/21, with good progress on other tranches of the development.

I also expect you to follow the advice provided in the State Services Commission's updated Letter of Enduring Expectations, and the general and good governance expectations outlined in Annex One.

Response

Your advice by 20 March 2020 on how you propose to respond to the expectations set out in this letter would be appreciated.

I look forward to continuing our working relationship over the coming year.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'M. Woods', with a stylized flourish at the end.

Hon Dr Megan Woods

Minister of Research, Science and Innovation

Copy to: Vic Crone, Chief Executive, Callaghan Innovation

Annex One: General and good governance expectations

Effective boards

Ensuring the Board is, and remains, high-performing is essential. There are many tools to help boards self-assess and improve performance. I expect you to carry out an assessment, using a robust process. Please provide me and the Ministry of Business, Innovation and Employment (MBIE) with a summary of the results of your self-assessment, including the steps the Board is taking to respond to the results.

Your input into succession planning for the Board is also sought. I expect you to provide MBIE with your view of the competency mix you need to work well as a board, along with your thoughts on upcoming appointments and any candidate attributes to target.

Deliver responsible governance with a broader measure of success

I ask you to be part of a public sector that builds a New Zealand we can all be proud of; a public sector that recognises the value of every New Zealander and backs all our people. To do this I expect you to think holistically about the impact of your organisation's plans and programmes prioritising interventions that make the biggest difference to lifting the current and future wellbeing of New Zealanders. In particular, I ask you to strengthen your effort to partner with Māori organisations to improve services and outcomes for Māori.

I expect you to actively promote and develop the diversity of your workforce for the long term to encompass a broad spread of experience, culture, perspective and lifestyle of those who live in New Zealand.

Effective monitoring of entity performance by boards and relationship with MBIE

In addition to setting and driving a strategy that delivers on government priorities, your Board is the most important monitor of entity performance. I expect the Board to provide me with high quality information and analysis on entity performance against plan, implications for future performance, and risks and opportunities facing the entity.

I expect you to have a constructive working relationship with your monitor within MBIE. This relationship should include active participation and engagement with my officials in the process of setting your organisation's strategic direction and in any review of existing strategies, priorities and plans, and data systems.

I also expect you to work with and across government to integrate the work of your organisation with the role and work of other agencies, and to support the state sector stewardship of government departments.

No surprises

The Government has a 'no surprises' policy. No surprises means that the Government expects a board to:

- be aware of any possible implications of their decisions and actions for wider government policy issues
- advise the responsible Minister of issues that may be discussed in the public arena or that may require a ministerial response, preferably ahead of time or otherwise as soon as possible
- inform the Minister in advance of any major strategic initiatives.

I also ask you to avoid 'pre-judging' my potential responses to risks and opportunities. I expect to hear about emerging issues and what major actions the Board is considering. My reactions will be based on a range of factors, including the benefits of new initiatives and of taking different approaches to achieve our goals.

Annex Nine: REANNZ - Letter of Expectations for 2020/21



MP for Wigram

Minister of Energy and Resources

Minister for Greater Christchurch Regeneration

Minister of Housing

Minister of Research, Science and Innovation

Janine Smith
Chair
Research and Education Advanced Network New Zealand
PO Box 3325
WELLINGTON 6140
s 9(2)(a)

Dear Janine

ANNUAL LETTER OF EXPECTATIONS FOR 2020/21

I write to convey the Government's priorities and my expectations for your role in achieving these, along with my strategic and performance expectations for the Research and Education Advanced Network New Zealand (REANNZ) in relation to the 2020/21 financial year and beyond.

This Government is committed to an inclusive, sustainable and productive New Zealand, and research, science and innovation (RSI) will play a crucial role in helping to deliver Government's agenda. We need new ideas, innovation and new ways of looking at the world, as well as the ability to collaborate with the knowledge and ideas we already hold.

In response, I have developed the new RSI Strategy, Kei Mua Te Ao, which is intended to guide the RSI system in New Zealand and Government's actions within that system. I expect REANNZ will work in ways to contribute and help realise Kei Mua Te Ao.

Specific priorities for REANNZ

I appreciate the achievements of REANNZ over the last year. REANNZ has a strong record in delivering its objectives while maintaining high standards of good governance and robust operating systems.

During 2020/21, my specific expectations for REANNZ are:

- **Stakeholder engagement:** Continue to work with the Crown Research Institutes, Universities and officials to develop effective and collaborative relationships.
- **Develop** a strategic direction that defines the core network services that are delivered against system and user needs and informs REANNZ's future activities, including the planned network upgrade in 2023.
- **Work** with MBIE and the sector to consider the future of eResearch support for New Zealand.

I also expect you to follow the advice provided in the State Services Commission's updated Letter of Enduring Expectations, and the general and good governance expectations outlined in Annex One.

Response

Your advice by 20 March 2020 on how you propose to respond to the expectations set out in this letter would be appreciated.

I look forward to continuing our working relationship over the coming year.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'M. Woods', written in a cursive style.

Hon Dr Megan Woods

Minister of Research, Science and Innovation

Copy to: Dianna Taylor, Chief Executive, Research and Education Advanced Network New Zealand

Annex One: General and good governance expectations

Effective boards

Ensuring the Board is, and remains, high-performing is essential. There are many tools to help boards self-assess and improve performance. I expect you to carry out an assessment, using a robust process. Please provide me and the Ministry of Business, Innovation and Employment (MBIE) with a summary of the results of your self-assessment, including the steps the Board is taking to respond to the results.

Your input into succession planning for the Board is also sought. I expect you to provide MBIE with your view of the competency mix you need to work well as a board, along with your thoughts on upcoming appointments and any candidate attributes to target.

Deliver responsible governance with a broader measure of success

I ask you to be part of a public sector that builds a New Zealand we can all be proud of; a public sector that recognises the value of every New Zealander and backs all our people. To do this I expect you to think holistically about the impact of your organisation's plans and programmes prioritising interventions that make the biggest difference to lifting the current and future wellbeing of New Zealanders. In particular, I ask you to strengthen your effort to partner with Māori organisations to improve services and outcomes for Māori.

I expect you to actively promote and develop the diversity of your workforce for the long term to encompass a broad spread of experience, culture, perspective and lifestyle of those who live in New Zealand.

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- inform the Minister in advance of any major strategic initiatives.

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