

Enhancing MBIE Property services

Final Change Decisions

6 November 2024

New Zealand Government

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Introduction by our Chief Executive Carolyn Tremain

Kia ora koutou.

As you know, over the past year, we have worked at pace to support our Ministers and the government deliver on its priorities. This work and associated decisions have resulted in some impacts to our work programmes, and I have been proud of our ability across MBIE to respond to these changes.

In parallel, the Senior Leadership Team and I have been working through what the Government's work programme and Budget 2024 decisions mean for us all at MBIE. It is time now to turn our attention to the medium and long-term opportunities within our organisation.

It remains a priority for MBIE and the public service to ensure we have a focus on responsible spending, achieving value for money and ensuring we are positioned to deliver key outcomes. Our responsibilities in our All-of-Government, and internal facing functions, are important areas where we can demonstrate this focus.

On 26 September 2024 I shared with you the Enhancing MBIE Property Services proposal outlining how we could organise our property functions to leverage and further build on the skills and capabilities across our internal function and government property responsibilities, improve functional alignment, and ensure we are well placed to scale up to deliver on increased responsibilities as a system leader for government office property.

Thank you for your participation during consultation and for your feedback. We received significant thoughtful and detailed feedback. All feedback was reviewed and considered, and while not all requests could be accommodated, I have made a number of changes in response to your input as part of these final decisions.

I can confirm that a combined property branch will proceed and will be called the Government Property Office. More detailed decisions are outlined in the sections that follow, alongside a summary of the feedback received. I believe the final structure positions us well for the future, enabling us to achieve MBIE's and the wider government's property objectives.

On 8 October I also released the Foundations for the Future change, which further simplifies our organisational structure into three key areas – core policy, operations and

delivery, and shared services. As part of this change, I indicated my intention to align the property function into Regional Development & Commercial Services. I can also confirm that the Government Property Office branch will be part of this Group, sitting alongside MBIE's other system lead function, NZ Government Procurement.

Enhancing MBIE Property Services, alongside Foundations for the Future, continues our efforts to build flexibility in our organisation through bringing together like functions and teams to reduce duplication of effort; focusing on better utilising the skills, experience, and capabilities of our people, and streamlining processes where possible to enable us to place greater focus on delivering for the people we serve.

The dynamic nature of MBIE and the work we have supported over the years means we are no strangers to change. I have seen our people respond and support each other through change on many occasions – with resilience, manaakitanga, and a focus on Pae Kahurangi | Building our Future.

I ask that during this period you prioritise caring for yourself, and your colleagues, and seek support from the options available to you at MBIE – including regular check-ins with your people leader.

I am and will remain grateful for the work which has been done by our MBIE people to deliver on government priorities and provide services for New Zealanders every day.

Ngā mihi nui

Carolyn Tremain

Secretary for Business, Innovation and Employment, and Chief Executive

Te Tumu Whakarae mō Hīkina Whakatutuki

Confirming the Case for change

MBIE as one of the larger government agencies has significant property responsibilities. We have a geographically distributed workforce and property footprint, as well as holding the role of government property system and functional lead.

The Government Property Group's expertise and oversight guides the management of government office accommodation, in collaboration with others. As the nature of work and workplaces is rapidly changing, GPG supports agencies to adapt to this dynamic landscape, while optimising the performance and public value of the government's office portfolio.

The Minister for the Public Service's interest in a more centralised approach to property portfolio planning and lease management requires us to also examine our capability and how we have prioritised this to date. A Target Operating Model has been developed to inform the changes and enable a further step-change of our system leadership role under the current mandate, and in preparation for an expanded mandate should that be approved.

As an agency responsible for about 10% of the government's property portfolio, the MBIE property team has delivery capability and experience across all aspects of property management. The team has already been focused on the consolidation of the MBIE property footprint - both onshore and offshore, implementing new ways of working, optimising the office space that MBIE occupy, and delivering cost savings and value to MBIE and ultimately, taxpayers.

As we position MBIE for the future, we have the opportunity to make sure we are in a strong position for the future, leveraging the breadth of skills and knowledge spread across our MBIE property teams by bringing together like functions into a centre of expertise, to create efficiencies and deliver better outcomes for government property management and for MBIE.

This will position MBIE well to provide greater value and higher levels of service for its own and system property needs, alongside greater impact for every dollar spent to achieve better public services.

As the System Lead for Government Property, some may perceive that there is a potential conflict in bringing MBIE's internal function closer to our all of government function. On the contrary, this is an opportunity to create a centre of expertise for the system, which can leverage the combined skill sets of each function and scale up for broader system work if the Cabinet paper is approved.

Objectives for this change are to ensure

- an operating model and organisational design that enables and supports the capability needed to meet our internal and external obligations,
- the system leadership role is enabled to engage effectively across government to deliver on the government's goals for system leadership now and into the future
- we effectively leverage existing specialist capability to deliver on our property responsibilities and requirements
- current functionality is well supported so that strong system leadership, integration and brokering capability can be retained and enhanced,
- the organisational design follows the operating model and promotes a planned and structured approach to resourcing work across our property functions.

Confirming the new operating model

Introduction

The target operating model, shown on the following page, depicts how the Property system leadership role interfaces with agencies' own property responsibilities through the core elements of property management, and how MBIE's own property needs are managed within the system.

The operating model shows the flow from strategy and standard setting, through to property delivery and maintenance and recognises the movement of responsibilities from the System Leader to agencies through this continuum.

At its core, the operating model has a highly collaborative connection between the system leadership function and agencies where optimal system and agency outcomes are agreed.

Delivery of MBIE's own property is incorporated in the new branch to leverage its planning, leasing and project capability as is depicted under "MBIE Capability". It is expected MBIE will be an exemplar for aligning system and agency specific outcomes.

There will be a voice for MBIE's property requirements that will sit independently in the Workplace Safety and Security branch. The Facilities Management Team will also remain in their current branch, delivering MBIE specific services.

Governance

The operating model incorporates a new system-level governance committee made up of senior agency representatives to support system leadership and agency collaboration. The Governance Committee is a critical component of the operating model ensuring that the system and agency outcomes are visible, agreed and achieved – including MBIE's. There will be capability to provide secretariat support for the Governance Committee in the new branch.

Governance is a key aspect of ensuring transparency and managing the perception of potential conflict of interest between system objectives and MBIE's own departmental

objectives. Internal procedures will also be developed to provide assurance that MBIE is operating with system requirements and guidelines.

Key Shifts

Portfolio Direction	Strategy and standards supporting government direction are developed through consultation with agencies and endorsed by the governance group.
Portfolio Planning	Portfolio and investment planning that depicts the intentions for system and agency outcomes is developed with agency inputs and endorsed by the governance group
Lease Management	Leasing management initially focused on MBIE property, but moving toward leasing and investment actions being led on behalf of agencies should a wider mandate be approved, using the purchasing leverage of the system, commercial capability and market knowledge.
Development	Under a wider mandate, system level projects supporting government property strategy are planned and commissioned from MBIE, supported by agency delivery teams.
System Performance	Information integrity supports valuable understanding of the current portfolio, effective planning and oversight of property delivery.

What you said about the Operating model and direction

There was broad support for the operating model although many said it was too high-level, and it was difficult to see how the new function and structure would really operate in practice. There were also many comments about specific capabilities that people believed need to be covered in the operating model and shown as either accountabilities or unique roles in the structure. One of the objectives of this proposal was for MBIE to have the capability to strengthen its engagement with agencies to address identified challenges. Some also noted that it moved further into centralised planning and leasing than was possible under the current mandate.

We acknowledge that the Target Operating model is described at a high level. Through the **Transition** phase, more detailed descriptions of the relationships and accountabilities, and detailed level process design will be developed through engagement with MBIE staff and agencies. We have also adjusted the description of the model to clarify that it is intended to work under the current system leadership mandate, particularly to enhance engagement with the system. However, the model also positions us well to scale up under a broader mandate should that be approved by cabinet.

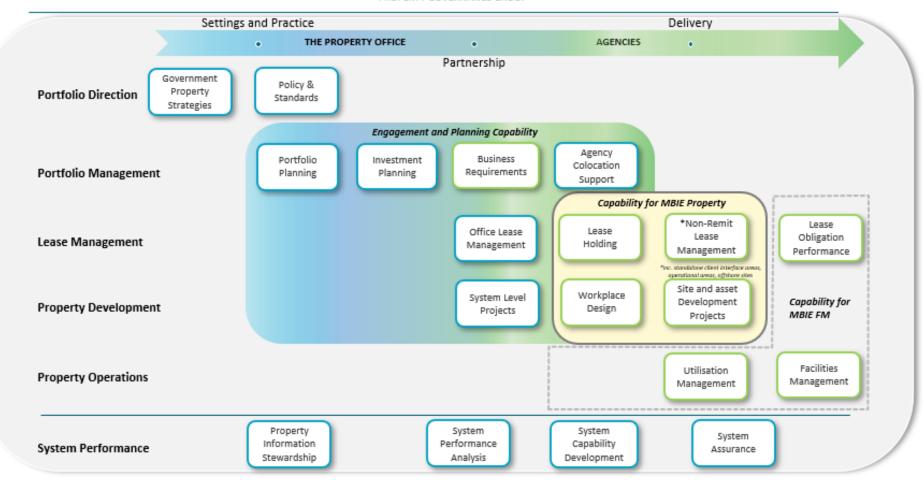
The top-level view of the target operating model is shown on the next page, noting that it also describes roles under an expanded mandate.

The shifts required to establish and embed the new operating model across the system will be reliant on detailed engagement with agencies on their current portfolios and future requirements. This is likely to need to be phased to ensure the integrity of the information transfer to support priority attention to opportunities and issues within portfolio planning. On this basis, a key priority is the Wellington Consolidation Project (WCP) which, while already underway, is set up in line with the TOM.

Target Operating Model

THE PROPERTY SYSTEM LEADER

PROPERTY GOVERNANCE GROUP



Your feedback on the Enhancing MBIE Property services change proposal

The new operating model will be supported by a new branch structure. As we move through transition to implementation we will continue to develop and detail processes, plans while maintaining the delivery momentum.

We received a wealth of balanced and useful feedback and there were many good suggestions and information for Carolyn and the Deputy Secretaries to read and consider in making the final decisions.

There was a total of 40 written submissions received, including three group submissions, alongside 141 comments in *What Say You*.

High-level summary of proposals that were consulted on

It was proposed to:

- Establish a new branch, Centre for Government Office Accommodation, creating one property function in MBIE with one operating model bringing together the work of the MBIE Property team and the Government Property Group.
- Establish a new operating model supported by four teams
 - Strategy and Advice
 - Engagement and Portfolio Management
 - Lease management
 - Project and programme management for MBIE and System property initiatives.
- Establish a Governance function and framework including external membership to provide advice and oversight on system leadership direction, delivery and results.

High-level summary of decisions

During the consultation phase of this change, Carolyn also announced the outcome of her **Foundations for the Future** change on 8 October 2024. It was announced that the new Property branch would be located in the Regional Development & Commercial Services Group. Further, it has been decided to:

- Establish a new branch called the Government Property Office which will deliver services for the property system leadership mandate as well as property for MBIE.
- Establish a new operating model supported by three teams encompassing capabilities such as:
 - strategy, standards, policy, system advice, information management and system assurance,
 - engagement and portfolio planning, leading out the system-level
 Property portfolio strategy with agencies,
 - delivery of leasing expertise including negotiations, renewals and issues support and specialised project and programme management for MBIE and System property initiatives.
- Establish a Governance function and framework as proposed

We have detailed the decisions and summarised your feedback according to the proposal it related to. Each section contains:

Proposal Summary – a precis of the purpose and rationale

Detailed list of what was proposed

A table summarising feedback themes for that proposal

Detailed list of confirmed changes

A confirmed organisational chart

Note that the descriptions of the proposals are a high-level summary and do not contain all of the detail that was in the consultation document. Please continue to refer to that document for that level of detail if you need it.

At the end of this Final Decisions document are lists of new, disestablished and changed positions. There is an A3 organisational chart of the entire new branch as Appendix 3.

Teams outside of the scope of these changes do not have structure charts apart from the Workplace, Safety and Security branch.

To avoid confusion, we will be referring to the new branch and positions by their new names throughout the remainder of the document, for example 'the Government Property Office'.

Summary of feedback

The following table summarises feedback we received about the overall proposal, as well as themes relating to multiple proposals and branches.

General Feedback the	nes	Response
Support for the proposal	 There was a general sense of support for the case for change proposal and many people agreed with the direction and approach to this change. Many made comments about agreeing in principle with the target operating model, the shift in focus and understanding the opportunity that bringing these areas together presents. 	Given a level of support we're proceeding close to as proposed, however there are some key changes based on your feedback. These are detailed in the following sections.
Cabinet paper and current System Leadership mandate	 The proposal appears focused on Lease Management and only Office Accommodation, rather than the Property system and its related elements. Agencies are currently seeking advice, services, guidance and functionality regarding Facilities, Sustainability, Asset Mgmt, Capital Works. As such in its current form, there does not seem to be scope for broadening the Systems reach/influence, which in turn could prove counterproductive/conflicting in the future given the interconnected nature of "Office Accommodation" and real-world realities regarding how an Agencies operates their connected spaces. Feedback raised concerns that without changes to the mandate, it is unclear how some of the current issues faced by GPG will be resolved and how the new structure can deliver on what is expected without this. 	 This change was primarily focussed on streamlining MBIE's dual property functions, creating functional alignment and optimising our capability. It is also about ensuring we are set up to deliver effectively on our existing system leadership mandate. Relatedly, work is underway to consider formally expanding MBIE's system leadership mandate and this change is part of ensuring we are ready to scale up to this challenge. The Minister is still considering whether a revision to the mandate is needed, and this does not alter any advice provided to the minister on the mandate. Regardless of potential changes being made to the mandate, MBIE needs to refine its operating model in order to deliver on government expectations and our current system leadership role. The structure has been designed to enable scale up, but until this is decided, our focus has to be on how our dual property functions can be optimised in the here and now.

General Feedback themes Response

- A range of comments were made about how the branch as proposed would be able to deliver on leasing and planning centralisation. There was an assumption that leasing and planning centralisation was happening now, and the branch structure was intended to deliver on it.
- Questions were asked as to why the proposal didn't carry forward some of the resourcing recommendations of the property system leadership project team who had worked up the advice to the minister about options to expand the system leadership mandate. Some of this feedback provided a detailed account of the difference between what was thought to be needed for an expanded mandate and the proposed structure.
- There were also suggestions to change elements of the proposed mandate change, including why we were not trying to bring more system property responsibilities within the mandate, such as that beyond office accommodation.
- Because this change is happening ahead of decisions on the mandate, some were concerned about the impact on staff of the need for subsequent change in the future.
- Many people were concerned about the number of disestablished positions and the potential for loss of IP, momentum and impacts on relationships in the system, MBIE and across the property sector.
- More specifically, there was concern at the level of disestablished positions within GPG and the loss of expertise as a result, particularly related to standing up an expanded mandate for system leadership. Some indicated that it conveyed a lack of confidence in the GPG branch.
- Many people commented that they thought there needed to be more resource to deliver all functions.

- The new operating model is recommending an approach for prioritising and engaging under the current mandate.
- Should the model be required to scale up, benefits would be gained by working closely with agencies leveraging the purchasing power and approach taken to planning and leasing across the system.
- These comments assume that the expanded system mandate to undertake centralised leasing and planning is already in place. As noted above, this is still awaiting a decision by the Minister for the Public Service and Cabinet. Comments also suggest that the change process was leading the policy thinking on system mandate changes. This is not the case.
- The final operating model and design will service the current system mandate and MBIE's property requirements.
- While the net position count is unchanged, we have disestablished and established positions to enable this step change and shift in operating model.
- The most significant shift required is in how MBIE conducts its government property system leadership mandate. While many GPG positions are disestablished, newly designed positions have been created to deliver on the change required. Through any change process it is important to distinguish between changes to positions and the impacts on individual incumbents. We anticipate that people in disestablished positions will be interested in the new positions and will participate in the EOI process.
- We do expect that further change or scaling up will be required in the
 future. MBIE, and the Public Service generally, are in a period of
 ongoing change and we need to continue to navigate changes in our
 environment. MBIE people are no strangers to change, and we
 consistently respond and support each other with resilience,
 manaakitanga, and a focus on Pae Kahurangi | Building our Future.

General Feedback the	nes	Response
Potential conflict of interest	 Feedback received noted the potential conflict of interest for the Chief Executive and sought clarity on how this will be managed. There is ongoing concern that we are creating a conflict of interest by bringing together MBIE's internal property work 	that suggested here at the CE level. The CE is the currently the system leader for both property and procurement and is both subject to regulation and the regulator in a number of situations, regardless of the organisational structures sitting below.
	and our system lead property responsibilities. The concern is that MBIE will be perceived as being able to put its property requirements ahead of overall system needs.	As part of this change there will be governance oversight of the functions performed by the new branch. This will provide the sector with transparency across all government office accommodation decisions, including those relating to MBIE. MBIE requirements will be considered alongside system needs, like any other department.
		 While we understand the concern, we disagree that managing a perceived conflict of interest is insurmountable.
		 We continue to see a combined function as an opportunity to create a centre of expertise for the system which can leverage the combined skill sets of each function and scale up for broader system work if the Cabinet paper is approved. MBIE has an opportunity to operate as an exemplar within the property system leadership mandate.
		 Operating procedures and processes, including managing the perception of a conflict of interest, will be a matter for the transition process to consider. This includes how to establish an effective governance function.
External Consultation	 There were questions asked about whether there had been external consultation, with agencies and particularly, with PSC. 	As this is an internal structural change and not about changing the system leadership mandate, there was no external consultation on our proposed internal organisational change
		 PSC were advised of the proposal, as was the Minister for the Public Service and MBIE's ownership minister. This is standard practice for any organisational change process (i.e. PSC, the ownership minister, and the relevant portfolio minister).
Recruitment to positions	 There was considerable feedback on the proposal to delay recruitment for a couple of the positions. People were of the view that all positions needed to be recruited as soon as 	The delay in recruiting was driven by a need to manage the affordability of the new branch, and phasing in roles as we embed the new operating model. Given the subsequent changes for the

General Feedback the	emes		Resp	ponse
		possible for the new branch to be stood up in February without a loss of momentum.		final decision, we have been able to reduce the number of roles for which we will need to delay recruitment.
	•	People were also keen that the General Manager and tier 4 leader positions be filled prior to Christmas and that these roles be involved in the recruitment and selection for the vacancies in the teams.	•	Hiring the GM and leadership positions will be a priority. Wherever possible we would intend for new managers to be involved in the recruitment/selection for their teams however, given the number of new roles this may not always be possible.
	•	There were also questions as to why some roles were to be recruited for externally	•	The decision to run the EOI process and external recruitment in parallel is twofold. The shift in focus for the new Leadership Team
	•	Feedback received noted that recruitment for the Manager Projects and Programmes should be recruited along with the rest of the Managers as it will set the culture for the team.		roles means there is a different level of capability and experience required that may not exist in MBIE already so we may need to resource these positions from the market. Alongside this, we are also conscious that the new branch needs to stand up in early 2025. However, affected people are able to express interest in these positions and will be considered first before other external applicants as per our change process (see page 44).
			•	This position is no longer part of the final structure
Leveraging skills	•	Responses noted that there seems to be a focus on internal property skills and not on leveraging the skills and capabilities of the government property team.	•	As part of the new operating model there is a shift in capability and approach, as described in the new operating model. The operating model and organisational structure is intended to be a consolidated and integrated function with most positions supporting delivery of both internal MBIE and system functions. The most significant shift required is in how MBIE conducts its government property system leadership mandate. While many GPG positions are to be disestablished, newly designed positions have been created to deliver on the change required.
Transition and implementation	•	We received many comments and questions related to governance and other matters that will need to be considered as part of the transition to stand up the new branch, such as membership of governance and how it will function, operating style of the new branch, funding arrangements, and how we engage with the system.	•	All feedback that is relevant to transition and stand up will be passed through to the transition team once it is in place and will be helpful in helping to shape the immediate work programme and future operations of the branch and governance.

General Feedback th	hemes	Response
GM position	There was a question about the differences between the new GM position, and the GPG GM, and the opportunity for reassignment.	The new GM role is significantly different to the existing GM GPG. The size of the branch and range of functions are much broader, encompassing both the existing GPG functions and accountability for MBIE property services which also have an international element to it. So, both an internal and external focus with double the number of FTE. There is also a significant uplift in accountability to drive a shift in property system leadership across the sector.
		 The new GM position requirements are set out in the confirmed position description and require a higher level of strategic focus. The role has been assessed as having a greater breadth of influence particularly with engaging the commercial sector and pushing toward an expanded mandate. This in turn means that the impact of decisions made would be wider reaching.
		 Job sizing against the standard job evaluation criteria meant that the position has been sized in a higher band – 23F. For reconfirmation to apply, the job has to be the same (or very similar) and the salary band has to be the same.
Change team	Feedback questioned whether there was an appropriate level of property knowledge and experience within the change team to review the feedback submitted before the final decision on 6th November? Tell prints the Feedback submitted before the final decision on 6th November?	This change is being led by the Chief Executive of MBIE. The change team are supporting both the Chief Executive and relevant Deputy Secretaries through the change process. Specialist property advice has been sought to provide input into the new operating model and organisational structure. Feedback provided has been considered by
	 Following the Foundations for the Future announcement, people also asked how the newly responsible Deputy Secretary would be involved. 	the Chief Executive prior to final decisions being made.
Change process	A number of people had questions and comments about the approach to change in terms of how reassignments would happen, and whether voluntarily ending employment would be an option. A number of people requested consideration of reassignment for their particular circumstances.	These matters will be addressed through implementation and the EOI process at an individual level. Refer also to the change section of this document on page 44. There will also be briefing sessions for impacted people.

Proposal 1 – New branch and Leadership Team

Proposal summary

Government's expectations about property and property performance are changing with a move toward consolidation, and consistency for efficiency and fiscal sustainability so a long-term investment approach is needed. This is particularly the case for office accommodation, which is a priority for a more consolidated approach, as evidenced through the Wellington Consolidation Project.

As system leader we need to drive the achievement of better outcomes for the government's investment in office accommodation across the national property portfolio meeting both system **and** individual agency needs. To do this, we need to steer the direction for government property and standards, enabled by high quality engagement, strong and effective partnerships with agencies, underpinned by credible, relevant data and information.

The proposal intended to bring together some of the existing functions of the current Government Property Group (GPG) and MBIE Property, and a position from NZ Government Procurement to create a new branch to leverage the internal capability we already have and lift that in the system leadership space. This will also position us well for any potential scale up if our system leadership role is expanded and we need to do more heavy lifting in the planning and leasing space.

As noted in the Operating Model section of this document, the model is at a high level and the detail of work, processes and how work is allocated would need to be worked through as part of Transition and as the new branch stands up.

The team structure for the new branch aligns with the operating model design in that there are new teams for each of the new functions, led by a 'Head of' position.

The following proposals were made:

• Establish a new branch - Centre for Government Office Accommodation

- Establish a new General Manager position
- Change reporting line for the Executive Assistant from the Government Property Group
- Change reporting line for 1x PA/TA position from MBIE Property
- Establish a Manager Strategy and Advice and team (detail in Proposal 2)
- Establish a Manager Engagement and Portfolio Planning and team (detail in Proposal 3)
- Establish a Manager Leasing and team (detail in Proposal 4)
- Establish a Manager Projects and Programmes and team (detail in Proposal 5)
- Change the reporting line for the National Manager Facilities and Workplace (MBIE Property) to report to the General Manager Workplace, Safety and Security (there would be no other impacts for this position or for the remainder of the branch)
- Change the reporting line for the Director Partnerships & Engagement (MBIE Property) to the General Manager Workplace, Safety and Security. Note the position of Senior Advisor Workplace Environments (MBIE Property) which reports to the Director will continue to report to that position
- Change the reporting line and scope for the Project Delivery Analyst (MBIE Property) to the Programme Director in the new Projects and Programmes team
- Change the reporting line for the Senior Product Manager Property (NZ Government Procurement) to the new Lead Advisor Property Information and Performance
- Change in reporting, title and scope for the Manager Project Delivery (GPG)

- Disestablish the GM of the Government Property Group.
- Disestablish the Chief Advisor Property (GPG)
- Disestablish the Policy Director (GPG)
- Disestablish the Manager Property Planning and Advisory (GPG)
- Disestablish the Manager Property Assurance (GPG)
- Disestablish the Senior Property Portfolio Specialist x4 (GPG)
- Disestablish the Property Workplace Design and Change Specialist x2 (GPG)

- Disestablish the fixed term positions of Director Government Property Initiatives and Director Government Property Operations, both in GPG
- Close the position of Project Director WCP (GPG) which is currently vacant
- Disestablish the Head of Property (MBIE Property)
- Disestablish the National Manager Leasing (MBIE Property)
- Disestablish the Senior Advisor Property and Projects (MBIE Property)

Your feedback on Proposal 1

Feedback themes			Response
Name of branch	A number of alternative sugges name of the branch: The Crown Estate Crown Office Crown Office Crown Office hub Crown Property Management New Zealand Property Hub Some were also concerned that accommodation' in the title wa property requirements were m	NZ Property office The Property Office Government Property Agency Centre for GovOffice Accommodation Public Sector Office Accommodation Central Government Property and Accommodation Centre for Government Property and Accommodation t referring to 'office s limiting given MBIE's own	

Feedback themes

Resourcing, reporting lines, and position titles

- A number of comments expressed concern about the resourcing levels being too light, particularly in light of the expectations of an expanded system leadership mandate.
- Some also commented on the position titles used for a range of
 positions, but particularly the leadership team who will report
 to the GM. Other comments related to the mix of principal and
 senior positions, whether we had the titles and sizing right for
 the roles they will need to play in the system and whether we
 had the resource balance right between those levels.
- In addition, others called for a number of positions currently reporting to managers to be realigned to report to the GM.
- Comments about elevating reporting lines or position titles
 were based on a view that it would be required to gain traction
 and respect when working with the system and commercial
 property entities. There is a concern that without this we will
 not be able to achieve the system influence we seek,
 particularly with an expanded mandate.
- Some comments specifically called for the retention of the Senior Advisor Property and Projects and realigning the position to report to the GM in the new structure. This was a reflection of the critical work currently carried out by the position in the current MBIE property branch.
- There was also feedback that a workplace design focused role
 with the expertise to advise on building standards including
 accessibility, room specifications etc should be retained in the
 structure. These standards are typically written by MBIE and so
 having someone within this team to ensure we are compliant
 with our own standards is crucial.
- Some fixed term positions are due to finish in December 2024.
 Some concern was expressed that without extensions to these positions MBIE may be exposed to risk of non-delivery during the transition phase.

Response

- There was sound consideration of the relative benefits of the job title options suggested and we can confirm that the roles directly reporting to the General Manager will be called 'Heads of" instead of Manager or Director.
- The operating model and organisational structure is a consolidated and integrated function with most positions supporting delivery of both internal MBIE and system functions. It will enable a further step-change in our operating model, moving more deliberately into the portfolio planning and leasing spaces of our system leadership role, under either the current or a revised system leadership mandate.
- It responds to a desire to leverage our skills and capabilities across our
 internal function and our government property responsibilities to enhance
 our capability across our property functions, improve functional alignment,
 and ensure we are well placed to scale up to deliver on the potential
 increased responsibilities as a system leader for government office
 property.
- We consider that the reporting lines are fit for purpose and will enable people to have the right influence at the right levels whether within the branch, within MBIE or across external stakeholders. MBIE people routinely engage with external entities at all levels, including relatively junior roles interacting at the most senior levels externally. Effective engagement rests more on our approach to relationship management and reliably delivering against our responsibilities. However, as noted above we have made a change to tier four position titles in response to the feedback and to ensure a consistent approach with MBIE's other system leadership role and market expectations.
- The feedback on the Senior Advisor Property and Projects has been noted however we have decided to proceed with the disestablishment of this role as the new Senior Advisor role within Strategy, Operations and Standards will undertake some of these functions in addition to other work.
- Feedback on the Workplace Design roles was also noted, and we will retain one role to support this function within the Strategy and Standards unit.

Feedback themes		Response
	There was some concern that administrative support was inadequate and the distinction between an EA and PA/TA unclear.	 We consider administration support to be at an appropriate level at the current time. In time, there may be opportunity to share administration support across the new business group.
Shared services	 There were a number of comments that the new structure did not provide any resource for branch support and operations, for example business planning, coordination, and ministerial services A range of people asked about where shared services fit within the branch, particularly noting the need for dedicated communications and legal support and scaled up legal support related to an increase in leasing activity that would come with an expanded mandate. 	 The Kānoa Group, which will be renamed Regional Development & Commercial Services currently has a centralised model for ministerial services and business management. We anticipate that this centralised approach will be adopted by the incoming property branch, and support extended to them. However, there also remains branch support services in NZGP which GPG currently shares and can continue to do so in the near term. We expect that final arrangements will be worked through with the Deputy Secretary during transition. We expect that MBIE's standard centralised approach to Communications and Legal support will continue. We do not see a need to depart from this model and embed this capability in the branch. Further, it is important for legal advice to be developed and provided within the bounds legal practice set and overseen by MBIE's Chief Legal Officer, including when it is externally engaged.
External engagement and Director Partnerships and Engagement position	 There was mixed feedback about the best placement for the Director Partnerships and Engagement role. Feedback was received that this role should sit in the Projects and Programmes team noting it is critical for engagement with stakeholders while ensuring that the appropriate level of partnership with Māori relationships and outcomes is undertaken. Alternatively, there were views that the position should report to the GM and also support for the role to sit in the Workplace, Safety and Security team. There was a suggestion that the Director Partnerships and Engagement position move into the Engagement & Portfolio Planning team rather than Workplace, Safety and Security branch given its focus on Māori crown and iwi engagement and that it has been integral. There was also feedback that there could be a disconnect if this role was to stay in the Workplace Safety and Security Team. 	 This feedback was considered at length as the position could sit in several places. Given the design approach that this role would function in the same way that other government agencies might operate, with designated point of contact with the GPO, we think it is best placed in the Workplace, Safety and Security branch. At this time, we consider that the Director Partnerships and Engagement and its direct reports are best left in the Workplace, Safety and Security branch, however we expect that the position will interface across this and the property branch and bring their expertise to bear on both fronts. This position has extensive lwi engagement experience and can continue to assist in key relationships across MBIE. We are also revising PDs at the tier 3 and 4 levels to build in this specific function and capability requirement.

Feedback themes	Response
	 Another comment noted the consultation document suggests that 'this role, which has first and foremost the interests of MBIE property at heart, would sit on the business side of the engagement as would its direct report' and suggested that in this context and noting the key functions, the role and its direct report be disestablished, and additional resources be put into the Engagement & Portfolio Planning team. Additionally, there was feedback that a different position should be dedicated to internal MBIE engagement considering MBIEs size. PDs at other levels will be adjusted noting the desirability of this capability and broad functional requirements, consistent with general public sector expectations.
	• It was recommended that we bolster the engagement and planning area so that we have sufficient resources to begin working on the shift needed in how we deliver system leadership under the current mandate. Relatedly, some felt that it was unnecessary to have an engagement position retained in the WSS branch to engage on behalf of MBIE, and that this expertise would be better retained in the property branch.
	There were also concerns that we hadn't adequately factored in the need for, and expertise required to engage with iwi. This was also a reason to retain the Director Partnerships and Engagement position and its direct reports in the property branch, though the need was wider than this position.

Confirmed changes

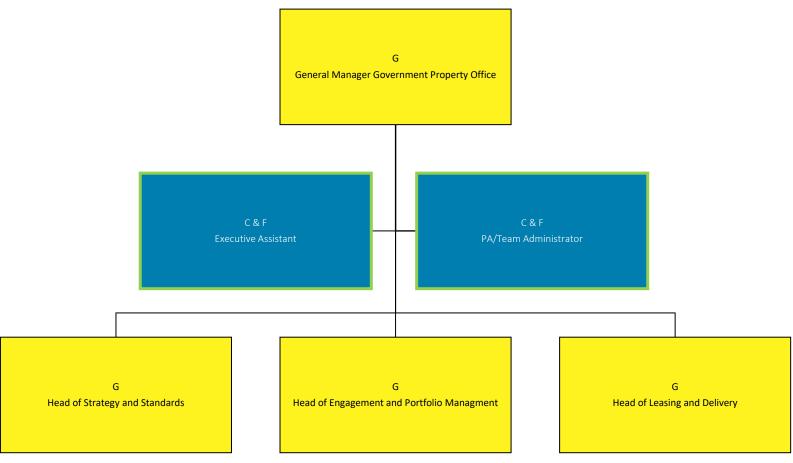
- Establish a new branch Government Property Office
- Establish a new General Manager position
- Change reporting line for the Executive Assistant from Government Property Group to the new GM
- Change reporting line for 1x PA/TA position from MBIE Property to the GM
- Establish a Head of Strategy and Standards and team (detail in Proposal 2)

- Establish a Head of Engagement and Portfolio Management and team (detail in Proposal 3)
- Establish a Head of Leasing and Delivery and team (detail in Proposal 4/5)
- No longer establish a Head of Projects and Programmes and team
- Change the reporting line for the National Manager Facilities and Workplace (MBIE Property) to report to the General Manager Workplace, Safety and Security

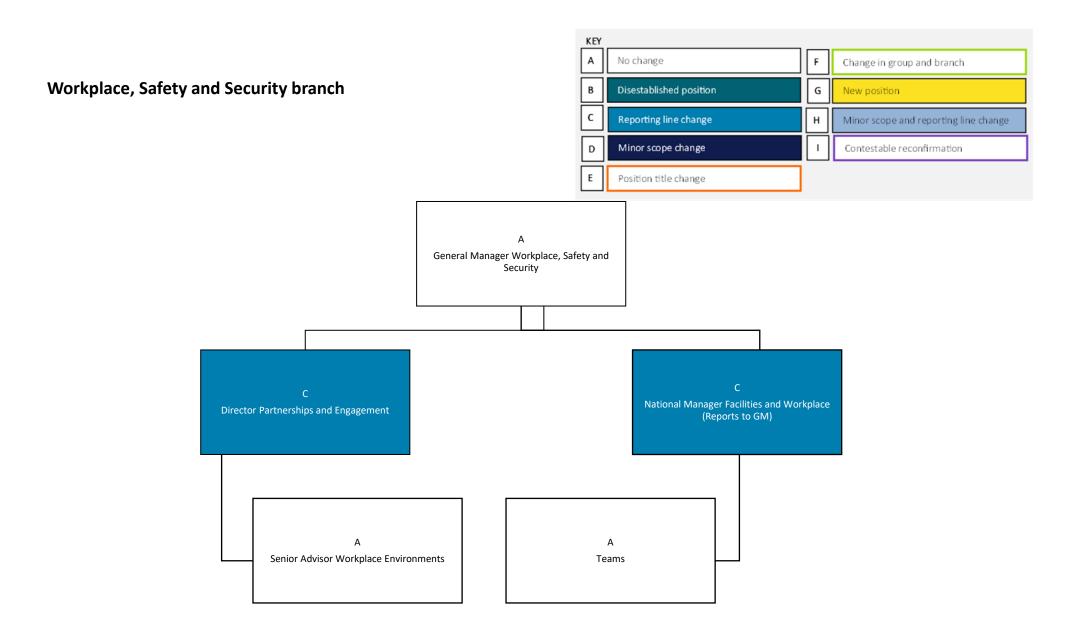
- Change the reporting line for the Director Partnerships & Engagement (MBIE Property) to the General Manager Workplace, Safety and Security. Note the position of Senior Advisor Workplace Environments (MBIE Property) which reports to the Director will continue to report to that position
- Change the reporting line and scope for the Project Delivery Analyst (MBIE Property) to the Programme Director in the Leasing and Delivery
- Change the reporting line for the Senior Product Manager Property (NZ Government Procurement) to the new Lead Advisor Property Information and Performance
- Change in reporting, title and scope for the Manager Project Delivery (GPG)
- Disestablish the GM of the Government Property Group
- Disestablish the Chief Advisor Property (GPG)
- Disestablish the Policy Director (GPG)
- Disestablish the Manager Property Planning and Advisory (GPG)
- Disestablish the Manager Property Assurance (GPG)
- Disestablish the Senior Property Portfolio Specialist x4 (GPG)
- Reduce the number of Property Workplace Design and Change Specialist
 positions from two to one through a contestable reconfirmation process
 (GPG) with a minor change in scope
- Disestablish the fixed term positions of Director Government Property Initiatives and Director Government Property Operations, both in GPG
- Close the position of Project Director WCP (GPG) which is currently vacant
- Disestablish the Head of Property (MBIE Property)
- Disestablish the National Manager Leasing (MBIE Property)
- Disestablish the Senior Advisor Property and Projects (MBIE Property)

Confirmed structure – Government Property Office Leadership Team





Enhancing MBIE Property services 20



Enhancing MBIE Property services 21

Proposal 2 – Strategy and Standards

Proposal summary

Internally and ministerial facing in the main, it was intended that this team leads the development of the Investment Strategy for Government Property ensuring support for the achievement of portfolio planning and leasing strategies, plans and outcomes, aligned to the achievement of government objectives, KPIs and overall property system uplift.

The team provides critical specialist advisory expertise and services, including:

- systems, data capture and analytics to support planning, engagement, decision making and performance monitoring and reporting,
- the development and implementation of key business and operational strategies, processes and policies,
- the production of quality cabinet papers, ministerial briefings, business cases etc,
- financial oversight of system investment, costs and benefits,
- governance support.

This is the engine room for providing the foundational business processes, policies, standards and reporting for the system while also leading on risk management processes, quality delivery of cabinet papers, business cases, ministerial briefings, OIA responses, sector communications, performance reports.

A key aspect of system performance is ensuring benefits realisation: that the system is achieving what it needs to achieve for Government through sound assessment of cost effectiveness and cost benefit.

Strategy and Standards is also the home of the Assurance function. With the shift to a stronger focus on driving efficiencies and better outcomes for the portfolio, a shift is also required in the Assurance focus. The emphasis will be more on the achievement of a Property strategy rather than assuring individual property

projects. There would still be a need for some level of oversight for high cost/risk initiatives in addition to any in-built IQA capability in those projects.

The following proposals were made:

- Establish a new position of Lead Advisor Strategy, Operations and Standards
- Establish a new position of Systems Assurance Manager
- Change the reporting line and scope for the Principal Advisor Property (MBIE Property) to the Lead Advisor Strategy, Operations and Standards
- Establish a new position of Senior Advisor x2 reporting to the Lead Advisor Strategy, Operations and Standards
- Establish a new position of Lead Advisor Property Information and Performance
- Change the reporting line for the Senior Product Manager Property (NZ Government Procurement) to the Lead Advisor Property Information and Performance
- Change the reporting line and scope for the Property Performance Analyst (MBIE Property) to the Lead Advisor Property Information and Performance
- Establish a new position of Senior Systems Administrator reporting to the Lead Advisor Property Information and Performance
- Establish a new position of Senior Data and Insights Analyst reporting to the Lead Advisor Property Information and Performance

Your feedback on Proposal 2

Feedback themes		Response
Focus of the team	Feedback received on the focus of the team questioned the shift for the advice function from an external function to mainly internal and whether this would still be responsible for setting standards and guidelines?	This team will be responsible for the provision of specialist advisory expertise, standards and services, to the branch and to the system, which would be embedded into practice via the Engagement and Portfolio Management team
	Several submissions raised concern that the collateral developed by GPG would not be maintained. Much of this remains current and capability is required in this unit to maintain these going forward and build on guidelines for agencies.	This will be covered in the transition phase when more detailed descriptions of the relationships and accountabilities, and detailed level process design will be developed through engagement with MBIE staff and agencies.
Investment Advice and oversight	Clarity was sought on the strategic financial investment of the government office accommodation portfolio' and the 'financial advice and cost benefit analysis of the investment options' within this unit.	Investment advice and oversight for the system is something that can occur without control of specific funding streams. The branch would need to have a view across the government portfolio in order to provide specialist advisory expertise and services. Financial and Investment capability will be a requirement in the tier 4 roles of the branch.
Structure/titles	There were a number of submissions providing alternate names and structures for the proposed Strategy and Advice unit. These included a revised split of the planning and engagement functions	Alternate options have been considered and the decision is to change the unit name to Strategy and Standards to better describe the key functions within this unit.
	 from the proposed Engagement and Portfolio Planning unit. There was concern raised at the banding for the Lead Advisor roles and that these roles should be managers 	The banding for these Lead Advisor roles takes into account that these roles are more team leader in nature, so will also be involved in the doing of the work rather than only managing or leading it.
Strategy Operations and Standards	Concern was raised that the proposed level and seniority of resources are insufficient for success. There needs to be more senior roles with the capability and expertise to deliver Ministerial papers and system wide guidelines.	We are comfortable with the level of seniority within this team to achieve the work programme including the maintenance and development of guidelines. Support for Ministerial papers will be provided through the centralised group services within Regional Development & Commercial Services.
	Feedback also raised concern that the roles in this team are generalist and there may be a loss of specialist knowledge particularly in workplace design. There were comments that having 'in-house' capability to undertake effective workplace design early in the planning phase will be essential.	Some of the roles within this team are generalist in nature and are designed to cover a range of work across the branch. We have noted the feedback about the need for specialist knowledge in the area of workplace design and have included a role in this team to provide this expertise.

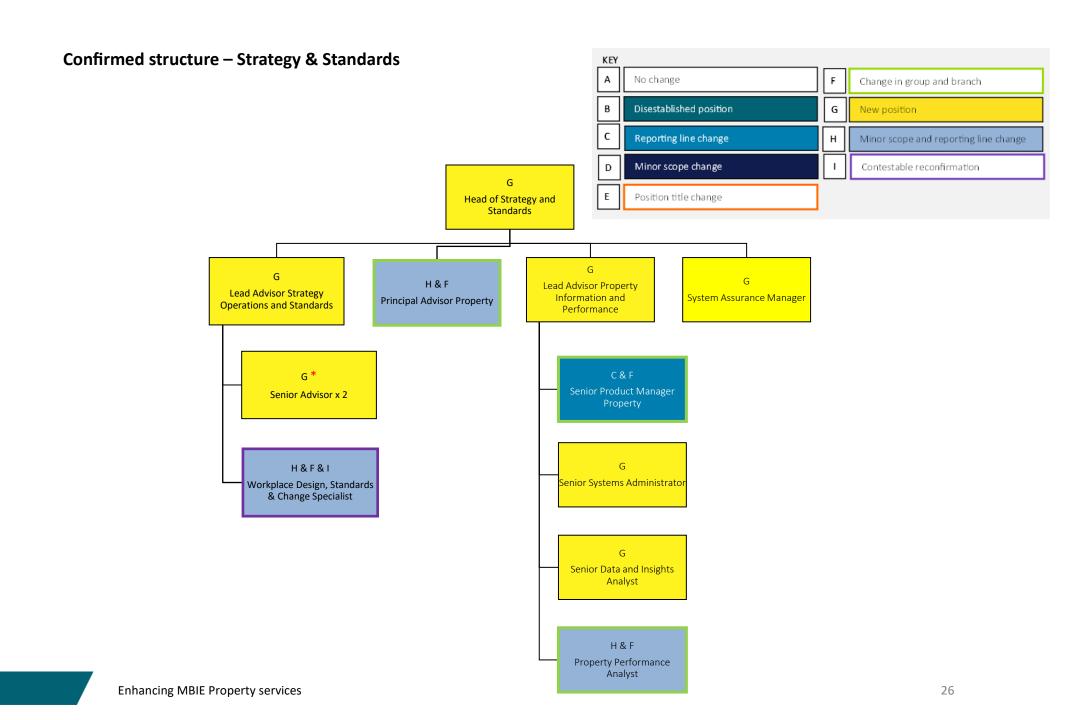
Feedback themes		Response
	Some feedback also suggested a workplace design role could be located in the Engagement and Portfolio Planning unit as this work links closely with the planning function.	We acknowledge that the new workplace design role will need to work closely with the roles in the Engagement and Portfolio Management unit however we consider placement in the Strategy, Operations and Standards team will provide greater consistency with guidance for the broader branch and system.
Property Information and Performance	 Feedback received indicated support for the resourcing of the data and systems functions but also noted that transition planning will need to consider the future of other GPG systems currently supported by NZGP shared services, e.g. CRM. There was concern that a focus on office accommodation only could impact on the work of this team and the effective support to agencies that use the Portal. 	 This is noted and will be considered as part of the transition phase. The Government Property Portal will continue to be available to agencies for property related information. It will not be focussed solely on office accommodation.
System Assurance	 There were a number of submissions in relation to this role. Feedback included title options and also proposed additional roles to support the assurance functions for the branch. There was concern about the independence of this function and whether there should be a dotted reporting line to the governance board or project sponsors. Feedback also noted the need to be sufficiently arms' length from other functions of the CGOA to maintain some independence. There was also feedback that the work of this role in managing organisational risk management systems could impact on MBIE's 	 The title and reporting line options have been noted however we are confirming this role as System Assurance Manager reporting to the Head of Strategy and Standards. This role will have responsibility for the assurance to the leadership team of the branch, and the Minister, that a robust assurance framework is in place. This role focuses on the property governance framework and assurance processes for property system outcomes rather than the internal focus of
	 Risk team. Feedback was also received on the shift from assurance on individual property projects to focus on the achievement of the property strategy while continuing to provide a level of oversight for high risk/cost initiatives. 	 the MBIE Risk team. There will continue to be a requirement for assurance on individual property projects which will be included in the overall assurance framework.
Recruitment delays	Clarity was sought on the rationale for delaying recruitment for the senior advisor roles given the volume of work within this team for the establishment of the new branch.	There will be a phasing of recruitment based on several factors, including assessing the overall impact on affected staff, work programme requirements, government priorities, and affordability.

Feedback themes		Response
Principal Advisor Property	 Feedback was received proposing the reporting line change to either the General Manager or to the Head of Strategy and Standards role to provide critical analysis, recommendations and support key business decisions relating to strategic direction, asset management and investment management of the branch. Clarity was also sought on the scope change for this role and whether the PD needs to be updated. The current role has a more operational and delivery focus rather than looking at the long-term strategic direction and system outcomes. 	 This feedback has been noted and we agree with the option to have this role report to the Head of Strategy and Standards. The positions description will be updated as part of the final decisions to reflect the increased scope of the role. The operational and delivery focus will remain with some minor scope change.
Senior Product Manager – Property	There was some feedback on the reporting line for this role and proposing this report to the Head of Strategy and Standards.	This feedback has been noted but we have decided to retain this role within the Property Information and Performance team as it will work closely with the team on systems and reporting.

Confirmed changes

- The team will be called Strategy and Standards
- Establish a new position of Lead Advisor Strategy, Operations and Standards
- Establish a new position of Systems Assurance Manager
- Change the reporting line and scope for the Principal Advisor Property (MBIE Property) to the Head of Strategy and Standards
- Establish a new position of Senior Advisor x2 reporting to the Lead Advisor Strategy, Operations and Standards. Note that one of the Senior Advisor positions would be recruited for Stand up and the other from 1 July 2025.
- Retain one the two Workplace Design, Standards and Change Specialists
 position and fill through a contestable reconfirmation process. Note there are
 minor changes to the scope of this position

- Establish a new position of Lead Advisor Property Information and Performance
- Change the reporting line for the Senior Product Manager Property (NZ Government Procurement) to the Lead Advisor Property Information and Performance
- Change the reporting line and scope for the Property Performance Analyst (MBIE Property) to the Lead Advisor Property Information and Performance
- Establish a new position of Senior Systems Administrator reporting to the Lead Advisor Property Information and Performance
- Establish a new position of Senior Data and Insights Analyst reporting to the Lead Advisor Property Information and Performance



Proposal 3 – Engagement and Portfolio Management

Proposal summary

The current trajectory of Government's office accommodation portfolio costs is upward and there is a recognised lack of a portfolio approach to management of office accommodation, with weak incentives on agencies to take a portfolio view. This requires a different focus and it is recognised that GPG has not been configured to optimise property outcomes.

This function would provide strategic property portfolio planning alongside plan implementation expertise, working closely with, and leading, MBIE and agencies to ensure their needs are met within the broader mandate to deliver on system-based outcomes (e.g. efficiencies, savings, cost avoidance, trade-offs, public sector ways of working etc).

Another intention of this function that would be a material difference for the "all-of-government context" is that transparency of the planning is paramount, with a view that information would be readily shared with agencies so that we are all on the same page.

There are some key uplift capabilities that Engagement and Portfolio Planning would encompass:

- Actively engaging with agencies to develop a portfolio plan that achieves system and agency outcomes, under the current mandate or an expanded one.
- Having an engagement model that recognises size, complexity and capability to connect with and build a credible understanding of agency needs, and a commitment to support these within the context of system outcomes.
- Taking a multi-year view focus on medium and long-term planning in an environment that often requires long lead time, while ensuring improved

- portfolio and market understanding supports agility and responsiveness within the system.
- Brokering opportunities and supporting agencies for optimal co-location outcomes.

For MBIE this means that we would envisage that the current Director MBIE Partnerships and Engagement will shift outside the Property branch to be a key role for "engagement with". This role, which has first and foremost the interests of MBIE property at heart, will sit on the business side of the engagement as would its direct report.

The following proposals were made:

- Establish a new position of Principal Portfolio Manager x3
- Establish a new position of Senior Portfolio Manager x3 (One of the Principal Portfolio Manager positions would be recruited for Stand up and the other two from 1 July 2025).

Your feedback on Proposal 3

Feedback themes		Response
Engagement elements	 Feedback received raised the question of whether the 'engagement' element of this team includes oversight of corporate communications channels such as the GPG website. It was suggested further consideration be given to whether they are carried over into the new model and if so, how they will be maintained given that the resources in this team are aligned more to 'portfolio planning'. There was also the comment that there was no design function in the proposed function, and that there should be a design function in this workstream as design is understood during the engagement and planning phase. There was some general feedback that a shift towards better portfolio planning is a positive step forward. 	 All web channels within MBIE are currently managed by TWSD and we anticipate that the website for property system leadership should also be managed by this team. That said, responsibility for content will remain within the property branch, and be led by the Strategy and Standards team. Through the transition phase, more detailed level process design will be developed through engagement with MBIE staff and agencies. This will include the more intricate level detail such as how the design work is managed across various work streams within the new branch. We agree with the comment that a specialised workplace design capability is needed and with the reduction in a position elsewhere we have included a role in the Strategy, Operations and Standards team to provide this expertise.
Māori crown and iwi engagement	Feedback stated there appears to be a gap around Māori crown and iwi engagement within the proposed structure. Feedback also noted the Director Partnerships and Engagement position description has a strong emphasis in this area.	Māori crown capability and iwi engagement will be a key requirement in the position descriptions of General Manager, and all tier 4 management positions within the new structure.
Senior and Principal positions	 It was noted that the consultation document referred to: Principal Portfolio Manager and Senior Portfolio Manager however the position descriptions referred to Principal Planning & Engagement Manager and Senior Planning & Engagement Manager. Feedback was received that the position description of the Principal Portfolio Manager (band 20F) and the Senior Portfolio Manager (band V) should be reviewed as they are very similar in terms of deliverables however, they are banded quite differently. Concerns were raised around the new Principal Portfolio Managers being pivotal in addressing conflicting and competing agency preferences and negotiating resolutions. Feedback discussed that previously this was particularly complex and had to be managed at a higher level such as GM or DCE. 	 The correct titles are Principal Portfolio Manager and Senior Portfolio Manager. The position descriptions have since been updated. The position descriptions of Principal Portfolio Manager (band 20F) and the Senior Portfolio Manager (band V) have been through MBIE's formal job sizing process. The expectation is that the principal position is required to operate at a more senior level, thinking and influencing strategically, providing guidance to the Senior Portfolio Manager, and have significantly more experience managing an extensive property portfolio. There are some key differences between the position descriptions for the two roles. The Principal Portfolio Managers are expected to have a higher level of capability in order to successfully influence and negotiate resolutions

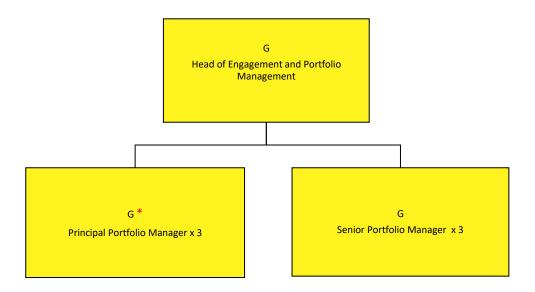
Feedback themes		Response
	 A question was asked about why the Senior Property Portfolio Specialists have not been reassigned to the Senior Portfolio Manager positions. Feedback discussed a similarity between the position descriptions, although noted that the band for the Senior Portfolio Manager positions was higher, band V, whereas current Senior Property Portfolio Specialists are band R. 	 with agencies. The higher banding of the position reflects the higher level of capability required. A direct reassignment has particular requirements (see page 44). While these roles will not be directly reassigned, affected people will be able to apply via an EOI process. There will be information available to affected employees about this process.
Recruitment clarification	 People queried why all of the critical roles of Principal Portfolio Manager would not be recruited before July 2025. It was commented that these roles are required to realise the benefits of system wide portfolio planning and to also ensure delivery of the Wellington Consolidation project and any other consolidation activity across the balance of the portfolio. It was suggested that the Principal Portfolio Managers are recruited for immediately but there could be a delay in engagement of the Senior Portfolio Manager roles until July 2025 (if required). 	 Confirming that one of the Principal Portfolio Manager positions would be recruited for stand up and the other two from 1 July 2025. There will be a phasing of recruitment based on several factors, including assessing the overall impact on affected staff, work programme requirements, government priorities, and affordability.

Confirmed changes

- Team will now be called Engagement and Portfolio Management
- Establish a new position of Principal Portfolio Manager x3
- Establish a new position of Senior Portfolio Manager x3. (One of the Principal Portfolio Manager positions would be recruited for Stand up and the other two from 1 July 2025).

Confirmed structure – Engagement & Portfolio Management





Proposals 4 and 5 – Leasing & Delivery

Proposal 4 summary for Leasing

This is intended to be established as leasing centre of excellence initially focusing on MBIE's extensive leasing requirements but positioned to scale up should we move to having a centralised leasing function. In that situation, we would be well-placed to leverage the government's investment, enable long term efficiencies, and minimise government's risk.

In the new structure there will be a team of specialists who would provide specialised commercial lease negotiation capability for MBIE's needs, while also being set up to provide informal advice and guidance to the system through the strategy and engagement teams.

Should the mandate be expanded, core work for this area could encompass the development and implementation of a government property leasing strategy and development of the framework for lease management both on behalf of, and in partnership, with agencies. The key intent for this team would be to work with portfolio planning and engagement to foster cooperation and commitment across the system to delivering on Government's expectation of an efficient and effective Property system.

As the demand picture evolves through portfolio planning and direction from government, the team will look to scale resourcing and capability to meet the needs of a wider mandate.

The following proposals were made:

- Establish a new position of Portfolio Leasing Manager
- Establish a new position of Senior Leasing Specialist
- Change the reporting line and scope for the Leasing Specialists x2 (MBIE Property) to report to the Manager Leasing

 Change the reporting line, title and scope for the Leasing Coordinator x2 (MBIE Property) to report to the Manager Leasing

Proposal 5 summary for Projects & Programmes

This focused on creating a dedicated team to provide the project and programme management expertise to drive the delivery of the programme of work for the Government Property Office. It was intended to be responsible for establishing and managing the development framework and capability and overseeing the programmes and projects that deliver specific property system leadership outcomes where appropriate, and the programme of works for MBIE's property project portfolio.

There are several projects/programmes in flight and the intent is not to disrupt delivery of these. Currently there are teams in both MBIE Property and GPG who are responsible for delivering complex projects to consolidate MBIE and Wellington government office accommodation into several anchor buildings and to achieve savings for the Crown. This work is fundamental to delivering on the operating model and as these projects/programmes continue they can inform further any refinements needed for this team structure.

The capacity of this team will be dynamic as it grows and contracts depending on project/programme demand. The intention is that the current level of project/programme capability will lift and shift into the new branch, with minimal reporting line changes, and fixed-term roles closing during the first half of 2025 as per existing project/programme timelines.

The following proposals were made:

- Change the scope and reporting line for the Manager Project Delivery (GPG) and rename Programme Director. This position would lead the Bowen House and Wellington Consolidation Programme (WCP) initially.
- Change the branch and group for the Principal Project Manager and the Project Coordinator and the fixed term Change and Engagement Lead (Bowen)

- who would report to the Programme Director leading the Bowen House programme
- Change reporting line for the fixed term positions of Commercial Leasing Specialist, the Change and Engagement lead (WCP), the Engagement and Planning Specialist, Data Analyst and Principal Operations Advisor who would report to the Programme Director leading the WCP programme
- Change the scope and reporting line for the National Manager Projects and Programmes (MBIE) and rename Programme Director. This position would lead the MBIE property work programme initially.
- Change the branch and group for the Programme Manager and Programme Manager Security (MBIE)
- Change the branch and group for the Project Manager x3 (one of which is fixed term) and the Senior Projects Manager x2
- Change the reporting line for the Senior Programme Manager Wellington Environments Programme and its direct report, Principal Change and Engagement Advisor (Contractor position), to report to the Programme Director leading the MBIE property work programme initially.
- Change the reporting line for the Property Delivery Analyst position to the Programme Director leading the MBIE property work programme initially.

Your feedback on Proposals 4 and 5

Feedback themes		Response
Leasing function	 There was feedback that all leasing for government office accommodation should be led by the Government Property Office and agencies only retain leasing capability for their operational sites. It was noted that if staff are only actively managing leases for small agencies this will impact on the ability to recruit skilled commercial leasing expertise and in turn reduce engagement and influence with agencies with leasing capability expertise. Feedback also commented that if the work was restricted to office accommodation only, that leaves a question of who has responsibility of lease agreements outside this, for example, storage facilities, offshore premises and residential properties in MBIE that are currently managed by Leasing. 	 The new structure is intended to work within the current mandate. Decisions about the expanded mandate are not part of this change process. The change is responding to a desire to leverage our skills and capabilities across our internal function and our government property responsibilities to enhance our capability across our property functions, improve functional alignment, and ensure we are well placed to scale up to deliver on the potential increased responsibilities as a system leader for government office property. As per page 14 of the consultation document, the (newly titled) Head of Leasing and Delivery position has responsibility for MBIE's other non-office property leasing.
Resourcing balance	 There was mixed feedback about the level of resourcing needed for the team. Some commented the proposed level of resourcing and rescope of roles within the team will ensure skills, relationships and experience are retained, while also increasing the effectiveness and efficiency of this function. Others suggested the proposal is weighted to too high towards administrative focus roles. It was suggested the Leasing Specialists and Leasing Coordinators could reduce to one role each and that there would be benefit in increasing the level of Portfolio Leasing Managers and Senior Leasing Specialists noting the number and complexity of leases for potential management by the Centre. Specific feedback stated that establishing one additional Portfolio Leasing Manager is required to provide the capacity to create the leasing expertise for engaging with agencies on achieving better commercial outcomes. It was noted that having only one Portfolio Leasing Manager (as part of cost containment) puts at risk the stepchange needed to commercial outcomes. 	 Subsequent to feedback, the structure of this team has been amended as per organisation chart on page 48. The direct reports to the Head of Leasing and Delivery will now be the Manager Portfolio Leasing, and the two Programme Directors which were previously proposed to sit under the Manager Projects and Programmes (this role has been removed from the final structure). It is acknowledged there will be detail to work through regarding the division of responsibilities and duties as well as the importance of a supported transition. For the transition and embedding of the new structure to be successful, it is imperative this is worked through with kaimahi so that roles and new ways of working are clearly understood. The number of Leasing Specialists and Leasing Coordinators has been considered and will be maintained as proposed. We consider there will be ample work required at this level which will ensure the other roles in the team are freed up to focus on the more strategic deliverables.

Feedback themes		Response
Managing potential growth	Feedback included questions and comments around scale resourcing as required, particularly noting it is unclear in the current tight fiscal environment how this would be funded and work in practice.	The structure is designed to scale up should that be needed with a revised mandate. Funding for this will be a matter for the future branch GM and Deputy Secretary in discussion with Ministers.
Programme Directors	 Some people raised questions about the reporting lines and function of the Programme Directors including: System led projects are likely to be generated from Portfolio Planning and will have an external focus that requires influencing and engagement skill sets. To improve synergy and alignment across the portfolio, it was suggested that the Programme Director reports directly to the Head of Engagement and Portfolio Management Operational delivery projects for MBIE sites will have an internal focus and should be aligned with the leasing intentions. To support this, it was suggested that the Programme Director to report to the Head of Leasing instead of as a stand-alone team. There was also a suggestion that the WEP Programme report into the other Programme Director so that all fixed term programmes of work are within the one stream and can be resourced by fixed term positions noting this would support a more streamlined approach to the resource allocation of capital programme works. 	 This feedback was noted as part of our consideration of an alternative to separate Leasing and Projects and Programmes teams. The two Programme Directors will report to the Head of Leasing and Delivery. This will ensure a consistent flow and streamlined approach between Lease management and Operational Delivery for projects. Feedback has been considered for the Programme Director (WEP) however there are factors to consider such as span of control, clarify of responsibilities and accountabilities of delivery.

Confirmed changes

The Operating Model and proposed structure were based on the assumption that the Minister for the Public Service would support a revision to the Property System Leadership mandate to centralise responsibilities further.

With no indication as to when (or if) further direction on mandate changes Cabinet Paper may come, a late amendment was made to the proposal to focus the Leasing Team on "lease leadership", with the ability to scale up if more responsibility for leasing was approved.

On further consideration, a tighter leadership model is feasible. Under a standard "plan, develop, maintain" operating model – leasing and site development or change can be often interdependent. This includes the commercial engagement with landlords and industry professionals.

Another key aspect will be the need to build strong relationships at senior executive level across government to facilitate agency cooperation with planning and lease negotiation activities required for consolidation of the Wellington portfolio.

The decision is to remove the proposed Manager Projects and Programmes position and move the two Programme Director roles as direct reports under the Manager Leasing – to be retitled Head of Leasing and Delivery. This will bring together the strengths of the proposed Leasing and proposed Projects and Programmes team to be the *Delivery* engine for the branch.

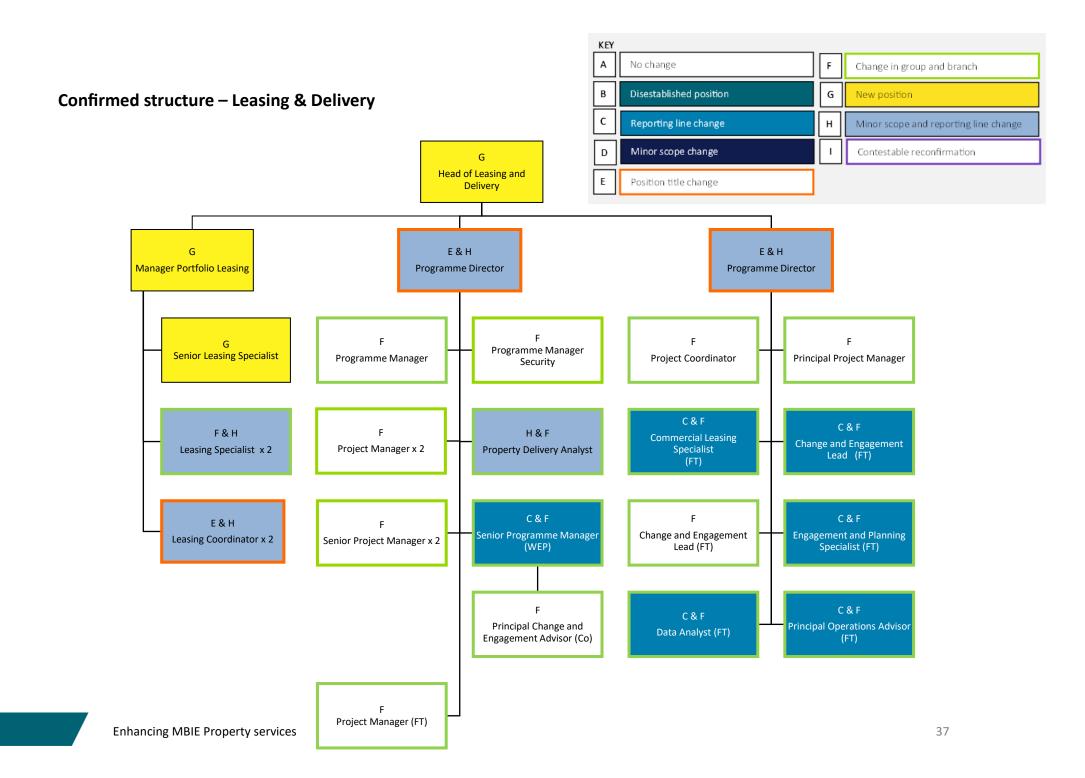
The establishment of a Head of Leasing and Delivery is consistent with the operating model and provides differentiated key focus for the management positions:

- Strategy and Standards: Ministerial, System Leadership and Governance Focus
- Engagement and Portfolio Management: Agency Focus
- Leasing and Delivery: Commercial Focus

As such, the job sizing for the Head of Leasing and Delivery does not move materially.

- Team is now called Leasing and Delivery
- Establish a new position of Manager Portfolio Leasing
- Establish a new position of Senior Leasing Specialist
- Change the reporting line and scope for the Leasing Specialists x2 (MBIE Property) to report to the Manager Portfolio Leasing
- Change the reporting line, title and scope for the Leasing Coordinator x2 (MBIE Property) to report to the Manager Portfolio Leasing
- Change the scope and reporting line for the Manager Project Delivery (GPG)
 and rename Programme Director. This position would lead the Bowen House
 and Wellington Consolidation Programme (WCP) initially.
- Change the branch and group for the Principal Project Manager and the Project Coordinator and the fixed term Change and Engagement Lead (Bowen) who would report to the Programme Director leading the Bowen House programme
- Change reporting line for the fixed term positions of Commercial Leasing Specialist, the Change and Engagement lead (WCP), the Engagement and Planning Specialist, Data Analyst and Principal Operations Advisor who would report to the Programme Director leading the WCP programme
- Change the scope and reporting line for the National Manager Projects and Programmes (MBIE) and rename Programme Director. This position would lead the MBIE property work programme initially.
- Change the branch and group for the Programme Manager and Programme Manager Security (MBIE)
- Change the branch and group for the Project Manager x3 (one of which is fixed term) and the Senior Projects Manager x2

- Change the reporting line for the Senior Programme Manager Wellington Environments Programme and its direct report, Principal Change and Engagement Advisor (Contractor position), to report to the Programme Director leading the MBIE property work programme initially.
- Change the reporting line for the Property Delivery Analyst position to the Programme Director leading the MBIE property work programme initially.



Implementation and embedding change

Transition, implementation, and embedding are phases which happen after a final decision is made. These phases focus on the critical things we need to do to bring our new organisational structure and ways of working to life.

Understanding change to your position

You can see the confirmed changes to your position by reading through the proposals and looking at the new organisational charts. At the end of each chapter there is more detail about the confirmed changes to individual positions and new positions.

How does this affect you?

If the change directly impacts your position, you will also receive a letter confirming how you are impacted by the final decision and what the next steps are.

Change process

If the final decision confirms that your position is disestablished, you can find out more about MBIE's change process from page 44. This includes the Expression of Interest (EOI) and selection process for affected people through this change.

Let us know

If you notice any inconsistencies in the organisational structure represented, please advise your people leader or email PropertyChange2@MBIE.govt.nz. These decisions have been shared with the Public Service Association (PSA).

Implementation

Over December and January, we will be working on the set up of the new branch, building the new structure in MBIE's finance and HR systems and getting details ready for Day 1.

We will also be standing up a Transition team, who will work with the Deputy Secretary (Regional Development & Commercial Services) and the incoming Property Office Leadership Team, to support the implementation of the new operating model and branch covering the following:

- Branch set up activities (e.g. planning and reporting processes)
- Operating model practices and processes including starting to develop the information management framework
- Stocktake of work programme, support any handovers ad transitioning of projects, establish external communications approach
- Set up the required Governance forum for system leadership

There may be other activities which will need to be undertaken by the Transition team, so this is not an exhaustive list.

Implementation timeline

Activity	Indicative Timeframes
Final decision released	6 November
Expressions of interest (EOI) and selection process	8 November to 6 December
Vacant positions advertised	From 8 November
GPG and MBIE Property move to Regional Development & Commercial Services group	5 December
Stand up Transition team	During December
'Go-live' of new structure	3 February 2025

Summary of changes

Overall confirmed changes

	MBIE Property	GPG	NZGP
Current number of permanent positions in scope of change (excl. GM & Facilities Management)	22	15	1
Current number of fixed term positions	2	9	
Current total number of positions in scope of change (n=49)	24	24	1
Number of permanent positions to be disestablished	3	10	
Number of fixed term positions to be disestablished		2	
Number of vacancies to be removed		1	
Number of fixed term/contractor positions to move but will end before 30 June 2025	2	6	
Number of positions remaining in Workplace, Safety & Security Branch (excl. Facilities Management)	2		
Number of positions to move with minor changes such as scope, reporting line, etc including fixed term (n=30)	18	11	1
Number of new positions	19		
Number of positions in the new branch (positions to move plus new positions)	49		
Overall change in FTE positions	No change		

New positions

Proposal #	Position title	Reporting line	Band
1	General Manager, Government Property Office	Deputy Secretary (TBC)	23F
1	Head of Strategy and Standards	General Manager Government Property Office	21F
1	Head of Engagement and Portfolio Management	General Manager Government Property Office	21F
1	Head of Leasing and Delivery	General Manager Government Property Office	21F
2	Lead Advisor Strategy, Operations and Standards	Head of Strategy and Standards	Х
2	Lead Advisor Property Information and Performance	Head of Strategy and Standards	Х
2	System Assurance Manager	Head of Strategy and Standards	X
2	Senior Systems Administrator	Lead Advisor Property Information and Performance	G
2	Senior Data and Insights Analyst	Lead Advisor Property Information and Performance	R
2	Senior Advisor	Lead Advisor Strategy Operations and Standards	R
2	Senior Advisor	Lead Advisor Strategy Operations and Standards	R
3	Principal Portfolio Manager x3	Head of Engagement and Portfolio Management	20F
3	Senior Portfolio Manager x3	Head of Engagement and Portfolio Management	V
4	Manager Portfolio Leasing	Head of Leasing and Delivery	20F
4	Senior Leasing Specialist	Head of Leasing and Delivery	V

Disestablished positions and vacancies to be removed

	Position title	Reporting line	Current Branch
Disestablished	General Manager Government Property	Deputy Secretary Building, Resources and Markets	Government Property
Disestablished	Chief Advisor Property	General Manager Government Property	Government Property
Disestablished	Policy Director	General Manager Government Property	Government Property
Disestablished	Director Government Property Initiatives (FT)	General Manager Government Property	Government Property
Disestablished	Director Government Property Operations (FT)	General Manager Government Property	Government Property
Disestablished	Manager Property Assurance	General Manager Government Property	Government Property
Disestablished	Manager Property Planning and Advisory	General Manager Government Property	Government Property
Disestablished	Senior Property Portfolio Specialist x4	Manager Property Planning and Advisory	Government Property
Disestablished	Head of Property	General Manager Workplace, Safety & Security	Workplace, Safety & Security
Disestablished	National Manager Leasing	Head of Property	Workplace, Safety & Security
Disestablished	Senior Advisor – Property and Projects	Head of Property	Workplace, Safety & Security
Remove vacancy	Project Director	General Manager Government Property	Government Property

Positions reducing via contestable reconfirmation

Position title	Reporting line	Current Branch	Decision
Property Workplace Design & Change Specialist	Manager Property Planning	Government Property	Retain one of two existing positions and reconfirm
	and Advisory		incumbent via contestable reconfirmation process

Reconfirmed with minor change

Position title	Current reporting line	Current Branch	Confirmed
Change & Engagement Lead	Director Government Property Initiatives	Government Property	Change of Branch

Position title	Current reporting line	Current Branch	Confirmed
Change & Engagement Lead	Director Government Property Initiatives	Government Property	Change of Branch and Reporting Line
Data Analyst	Director Government Property Initiatives	Government Property	Change of Branch and Reporting Line
Principal Operations Advisor	Director Government Property Initiatives	Government Property	Change of Branch and Reporting Line
Executive Assistant	General Manager Government Property	Government Property	Change of Branch and Reporting Line
Manager Project Delivery	General Manager Government Property	Government Property	Minor scope change, change in Reporting Line, Position title and Branch
Principal Project Manager	Manager Project Delivery	Government Property	Change of Branch
Project Coordinator GPG	Manager Project Delivery	Government Property	Change of Branch
Commercial Leasing Specialist	Project Director	Government Property	Change of Branch and Reporting Line
Engagement and Planning Specialist	Project Director	Government Property	Change of Branch and Reporting Line
Senior Product Manager Property	Manager Business Systems	New Zealand Government Procurement	Change of Branch and Reporting Line
Property Delivery Analyst	Director Partnerships & Engagement	Workplace, Safety & Security	Minor scope change, change in reporting line and change in branch
Director Partnerships & Engagement	Head of Property	Workplace, Safety & Security	Change of reporting line
National Manager Facilities and Workplace	Head of Property	Workplace, Safety & Security	Change of reporting line
National Manager Projects & Programmes	Head of Property	Workplace, Safety & Security	Minor scope change, change in Reporting Line, Position title and Branch
PA/Team Administrator	Head of Property	Workplace, Safety & Security	Change of Branch and Reporting Line
Principal Advisor Property	Head of Property	Workplace, Safety & Security	Minor scope change, change in reporting line and change in branch
Senior Programme Manager WEP	Head of Property	Workplace, Safety & Security	Change of reporting line
Leasing Specialist x2	National Manager Leasing	Workplace, Safety & Security	Minor scope change, change in reporting line and change in branch
Property Coordinator x2	National Manager Leasing	Workplace, Safety & Security	Minor scope change, change in Reporting Line, Position title and Branch
Programme Manager	National Manager Projects & Programmes	Workplace, Safety & Security	Change of Branch
Programme Manager Security	National Manager Projects & Programmes	Workplace, Safety & Security	Change of Branch

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Position title	Current reporting line	Current Branch	Confirmed
Project Manager x3 (includes 1 FT)	National Manager Projects & Programmes	Workplace, Safety & Security	Change of Branch
Senior Project Manager x2	National Manager Projects & Programmes	Workplace, Safety & Security	Change of Branch
Property Performance Analyst	Principal Advisor Property	Workplace, Safety & Security	Minor scope change, change in reporting line and change in branch
Principal Change and Engagement Advisor (Co)	Senior Programme Manager WEP	Workplace, Safety & Security	Change of Branch

Appendix 1: Confirmed change process

Consistent with MBIE's employment agreements and recruitment policy, the following information summarises the standard change processes which will apply to any changes confirmed as part of the final decisions.

This includes reconfirmation, reassignment, selection, and redeployment.

Reconfirmation

This is where your substantive position is "reconfirmed" because your current substantive position remains substantially the same and you are the only person able to be reconfirmed to the role. Examples include - change in business group, reporting line, job title, a minor change in work content.

For reconfirmation to apply:

- The position description you are being reconfirmed into is the same (or substantially the same) as what you currently do, and
- Salary and other terms and conditions for the position are no less favourable, and
- Location of the position is in the same local area (note: this need not necessarily mean the same building and/or the same street).

If your substantive position has been reconfirmed as part of the final structure, you will not need to take any action as you will automatically be reconfirmed into the position.

Where there are more affected employees who will be considered for reconfirmation than the number of positions available in the new structure (i.e., where we are reducing the number of existing positions), then we will use a "contestable reconfirmation" process via an Expression of Interest (EOI) process. In this situation we will use a contestable selection process to determine who is the best fit for the position.

Reassignment

As part of the consultation process if you were proposed to be "directly reassigned" into a different but comparatively similar position, this decision will be communicated as part of final decisions, and you will not need to take any action.

For direct reassignment to apply:

- The new or revised position description has been assessed as comparable to your current position and any change of duties are not so significant as to be unreasonable taking account of your skills, abilities and potential to be retrained; and
- You have the required skills, knowledge, experience, and abilities to undertake the position, as well as the potential for retraining on any new or unfamiliar aspects of the position; and
- The salary and other terms and conditions for the position are no less favourable;
 and
- Location of the position is in the same local area (note: this need not necessarily mean the same building and/or the same street).

Where there are more affected employees who are a direct match or currently perform a comparable role than the number of positions available in the new structure (i.e., where we are reducing the number of existing positions), then we will use a "contestable reassignment" process via an Expression of Interest (EOI) process. In this situation we will use a contestable selection process to determine who is the best fit for the role.

New positions

All new positions that are not filled via reconfirmation or direct reassignment, will be advertised internally first to employees affected by the change via an EOI process.

Where the specialised nature of a role requires it to be advertised externally in parallel, this is specified as part of the decision pack along with the supporting rationale. First consideration will always be given to affected employees over other applicants subject to them meeting the suitability requirements of the position.

Selection and Expression of Interest (EOI) process

If you are confirmed as being significantly affected by any of the confirmed changes you will have the following available options and responsibilities:

- Express an interest in available positions within the confirmed structure that you
 are suitably qualified for by submitting an EOI form, and/or
- Apply for any other existing MBIE vacancies that you are suitably qualified/experienced for. This can be done via the MBIE website.
- Express an interest in voluntarily ending your employment without actively seeking
 reassignment opportunities within MBIE. MBIE may decline any expression of
 interest on the grounds that you have skills and experience that need to be
 retained and a reassignment option is available.

You are considered an affected employee if you are permanently employed in a position that is:

- To be disestablished
- To be changed to the extent that it cannot reasonably be considered to be the same position or a comparable position; or
- Subject to a significant location change outside of the current local area.

Please note you are not considered affected if your substantive position is confirmed as having a change in business group, reporting line, job title or work location (where work location is within the "same local area" or region).

To participate in an EOI process you will need to submit an EOI form which will allow you to express interest in up to 3 available position/s for which you are suitably qualified. All applicants will be formally interviewed for the position/s they have expressed interest in. The selection criteria are in the final position descriptions. For people leader roles selection criteria may also include the Leadership Success Profile. A CV will also be required as part of any EOI. You may also provide additional supporting information as part of your EOI, whether this be a covering letter, or other additional information such as location preference. However, please note that this is not mandatory.

Once the EOI and/or advertisement period closes, all submissions will be shortlisted against the position criteria (such as the knowledge, skills, experience, and behavioural competencies required).

The panel interview will be used as a contributing selection tool to assess the demonstrated skills, experience and qualifications against the selection criteria as outlined in the position description. Action will be taken to minimise the number of interviews that any affected employee will be asked to attend, i.e. combining panels where appropriate for employees who have an EOI for multiple vacant roles. There may also be instances where an assessment and decision can be made based on the information provided in an applicant's CV and no additional information or interview will be required.

For some positions, additional selection tools may be appropriate, including:

- Demonstrated skill and experience level against the key accountabilities and deliverables as outlined in the position description.
- Consideration of skills, experience and qualifications against the person specifications as outlined in the position description.
- Consideration of skills and experience against the Leadership Success Profile.
- Presentation and/ or role specific testing.

All applicants will be advised if additional selection tools are required.

Selection and Recruitment Timeline

Timeframes will be designed to enable recruiting People Leaders (existing and new where applicable) to lead the shortlisting and selection processes for their teams.

Timelines for each phase of recruitment will be set out in advance and recruiting People Leaders will be expected to treat this as a priority. The purpose of this is to ensure that processes are coordinated where they need to be and completed in a timely way.

Redeployment

If you wish to apply for any other existing MBIE vacancies (i.e. vacancies that are being advertised separately to the change processes), this can be done via the MBIE careers site at any stage of the process.

If you are considered an affected employee, this will need to be indicated as part of your application as first consideration will always be given to affected employees over other applicants subject to them meeting the suitability requirements of the position. Where applicable, a panel interview will be used as a contributing selection tool to assess the demonstrated skills, experience and qualifications against the key accountabilities and person specifications as outlined in the position description.

Review process

If you disagree with the application of this process, including for example your reconfirmation or direct reassignment into a position as part of the final structure, you have the right of review. This process is set out in your employment agreement. You are encouraged to raise any concerns with your People Leader at the earliest opportunity so these can be worked through with you on a case-by-case basis.

Secondments and acting arrangements

If you are currently on secondment or acting in a different position, there may be decisions confirmed for that position as well as your permanent substantive position. However, you will only be considered an affected employee if your permanent substantive position is significantly impacted.

People will continue in their temporary position until the end of the term currently in place unless otherwise advised.

Process for fixed term employees

Fixed term employees, by the nature of their employment agreements, will not have access to the change processes set out above.

Upon completion of the change management process for affected permanent employees, any remaining vacant positions in the new structure would be openly advertised through standard recruitment and selection processes and any fixed term employees would then be able to apply.

Appendix 2: Support through change

Work is a big part of your life. During organisational change, it's normal to have feelings of uncertainty, shock, anger, frustration, confusion, scepticism, and impatience. Please ask for support when you need it and remember to be understanding towards your colleagues who may be feeling anxious or distracted. Consider the people you feel most comfortable to reach out to for support as you navigate change, including your whānau – family, friends, kaimahi – colleagues, community and networks.

Wellbeing support and resources

As you navigate and support others through change, remember that you can access the Employee Assistance Programme (EAP) which offers you and your whānau free, confidential counselling services.

Employee assistance programme

In addition to EAP, there are a range of people and resources to support you at MBIE:

- Talk to your People Leader
- Contact your union delegate or representative (PSA) / (NUPE)
- Reach out to the <u>Wellbeing</u>, <u>Health and Safety Team</u> who can provide a confidential conversation and access to specialised advice.
- Connect with our <u>Employee-led Networks</u> which help MBIE people connect, engage and learn, and can advocate for the needs of their network members.
- Consider our <u>hauora wellbeing allowance</u> which enables you to claim a contribution towards the cost of health and wellbeing services.
- Call or text <u>1737</u> to access free counselling services.

Learning support options

Focusing on your personal growth and development is a helpful way to direct your attention during times of change and uncertainty – to reinforce your skills and explore career interests.

There are plenty of resources and directories to explore within MBIE, including:

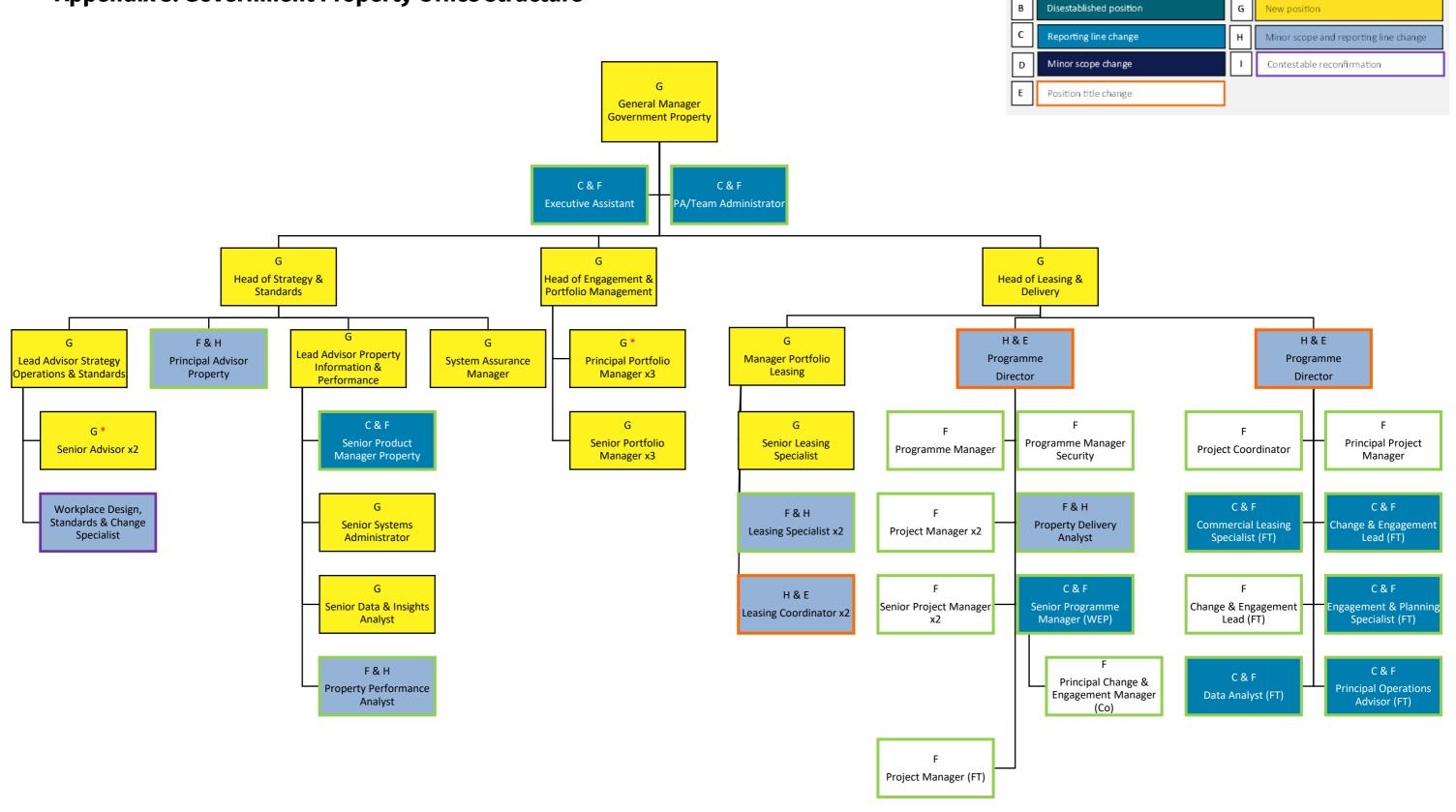
- <u>Learn@MBIE</u> our central learning platform that holds many free e-learning courses, including a series of e-learning modules focused on <u>change</u>, suitable for all staff.
- <u>Percipio</u> the world's largest online learning library. To access Percipio, select 'team/enterprise subscription' and then enter 'MBIE' in the site name field.
- MBIE's library a large catalogue of books and scholarly works focused on subject expertise as well as broader skillsets like leadership capability.
- Or reach out to People and Culture to discuss your development interests.

Career development support

Our Employee Assistance Programme can assist with general career advice and is available for self-referral. This also includes budgeting and financial advice, personal development and coaching and personal legal advice.

- Learn more about EAP services: <u>Access support through EAP</u>
- Learn strategies for <u>navigating major life choices and transitions</u>

Appendix 3: Government Property Office structure



Α

No change

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Change in group and branch

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^{*}One senior advisor and two principal portfolio managers will be recruited from 1 July 2025.