



COVERSHEET

Minister	Hon Chris Hipkins	Portfolio	Minister of State Services
Title of Cabinet paper	Report Back: Mandate Changes for the Delivery of the Government Office Accommodation Programme	Date to be published	30 May 2019

List of documents that have been proactively released

Date	Title	Author
12 June 2018	Mandate Changes for the Delivery of the Government Office Accommodation Programme	Office of the Minister of State Services
4 December 2018	GOV-18-MIN-0091	Cabinet Government Administration and Expenditure Review Committee

Information redacted

YES / NO (please select)

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In Confidence

Office of the Minister of State Services

Chair, Cabinet Government Administration and Expenditure Review Committee

Report Back: Mandate changes for the delivery of the Government Office Accommodation Programme

Proposal

- 1 This paper recommends changes to the mandate of the Property Functional Lead to enable the development and delivery of a Government Office Accommodation Programme.

Executive Summary

- 2 The current mandate for Property Functional Leadership was issued by Cabinet on 4 April 2011 to manage Crown property interests as part of the State Services Commission's Better Public Services programme (CAB Min (11) 14/14 and CAB Min (12) 35/4B refer). The mandate includes all office accommodation and public interface accommodation, and excludes the operational areas of agencies.
- 3 The Property Functional Lead has been directed to develop a forward looking Government Office Accommodation Programme (the Programme) to meet the Government's expectations for the property portfolio. (GOV-18-MIN-0063 refers). This Programme will focus on the drive to regional growth, the future of work, and a standardised approach to fit out and design.
- 4 In order to support delivery of the Programme, I recommend that the Property Functional Leadership mandate be revised to authorise the Property Functional Lead to:
 - 4.1. enable and encourage a range of accommodation options and arrangements (e.g. individual, co-tenanted, co-located, and co-working space and workspaces as a service) within the Programme;
 - 4.2. to assess and approve all processes and transactions for office accommodation and public interface areas relating to the Programme in accordance with the Government's expectations for the property portfolio;
 - 4.3. to acquire, obtain and hold future Government office accommodation properties, either owned or on long term lease, on behalf of the Crown, as appropriate and subject to obtaining all necessary approvals and funding;
 - 4.4. allocate and direct office accommodation and public interface space to agencies within the Programme, as appropriate;
 - 4.5. convene a group of Chief Executives to govern the Programme; and

- 4.6. establish outcomes measures, and identify benefits and risks, for the Programme.
- 5 I also recommend that the existing mandate be revised to reflect the expectations for agencies. New expectations for agencies are as follows:
- 5.1. adopt an open, collaborative, and committed approach to the Programme and the Government's expectations for the property portfolio;
 - 5.2. identify and advise preferred functional or sectorial agencies or groups appropriate for co-location;
 - 5.3. identify and advise preferred metro and regional locations to support business needs and/or meet Government's expectations for the property portfolio;
 - 5.4. provide data on all office accommodation and public interface areas into the Government Property Portal, ensuring this information is complete, accurate and up to date;
 - 5.5. ensure that all plans and arrangements for the provision of office accommodation and public interface areas and needs are included within the Programme; and
 - 5.6. obtain the approval of the Property Functional Lead:
 - 5.7. before undertaking any process for office accommodation and public interface areas within and outside of the Programme; and
 - 5.8. before committing to any transaction for office accommodation and public interface areas within the Programme.

Background

- 6 On 4 September 2018, the Cabinet Government Administration and Expenditure Review Committee (GOV), agreed in principle to a portfolio approach for government office accommodation, to provide a whole-of-system view of consolidation initiatives (GOV-18-MIN-0063).
- 7 GOV agreed in principle that the government office accommodation portfolio would focus on meeting the Government's expectations with respect to:
- 7.1. a citizen/community focus;
 - 7.2. a drive to collaboration between agencies;
 - 7.3. provide workplaces that value people; and
 - 7.4. value for money for the taxpayer.
- 8 The Chief Executive of the Ministry of Business, Innovation and Employment as Property Functional Lead, was directed to develop a forward-looking Government

Office Accommodation Programme by March 2019 to implement the Government's expectations.

- 9 The agreement in principle to the portfolio approach and the Government's expectations is subject to the report back on any changes required to the mandate for the Property Functional Lead to deliver the Programme, including whether a holding agency or special purpose vehicle should be enabled to hold significant leases on behalf of the Crown.
- 10 This paper considers what mandate changes are required to give effect to the Programme.

Government Office Accommodation Programme

- 11 The Programme will operationally deliver the Government's expectations for office accommodation. This Programme will focus on the drive to regional growth, the future of work, and a standardised approach to fit out and design. The key elements of the Programme will be:
 - 11.1. A focus on sector alignment in regional centres, reducing the footprint in the Wellington and Auckland regions, and assisting agencies to move functions to regions where appropriate and practical;
 - 11.2. The establishment of non-agency specific workplace solutions, such as co-working spaces;
 - 11.3. New Zealand Government branded offices, with agency brands secondary; and
 - 11.4. A consistent approach to fit-out and design for agencies.
- 12 The development of the Programme will be based on Government's expectations for the property portfolio. This will be combined with the individual initiatives included within each agency's strategic property plans. This will allow accommodation projects to be considered across the entire portfolio, and be prioritised in terms of achieving the greatest benefit to government.
- 13 All office accommodation and public interface areas, and needs of those agencies within the current mandate will be within the scope of the Programme.
- 14 The opportunity with this approach is to drive the collective requirements of government in a clear and transparent manner. This will provide greater ability for the Property Functional Lead to encourage co-location and co-tenancy arrangements, and identify lead agencies to manage projects.
- 15 There is a need for the Property Functional Lead to lead the development of all of government sites. The Programme will include opportunities for leases and developments where individual agencies may not be able to accept the risks or liabilities for holding such leases for the wider interests of government. A centralised approach to acquiring and holding space for government accommodation will be required to take advantage of these opportunities.

Current mandate

- 16 The current mandate for Property Functional Leadership was issued by Cabinet on 4 April 2011 to manage Crown property interests as part of the State Services Commission's Better Public Services programme (CAB Min (11) 14/14 and CAB Min (12) 35/4B refer).
- 17 The mandate provides for leased or owned office accommodation and public interface areas, a common integrated workplace management system (the Government Property Portal), the development of standards and guidelines, a property advisory service, an all of government procurement function, and a performance reporting regime.

Mandate review

- 18 The purpose of this review is to ensure that the mandate allows for the development of a Programme to meet the Government's expectations for the property portfolio. There has also been a review of elements in the mandate that are no longer applicable and amendment of elements which are now out of date.
- 19 Following the feedback received from our consultation round, minimal changes are proposed to the following aspects of the mandate:
 - 19.1. Four enduring themes: Value for Money, Effectiveness, Flexibility and Adaptability, and Quality and Safety. These themes remain relevant to the role of Functional Leadership for Property, and they support the Government's expectations for the property portfolio. It is however, recommended that some emphasis is placed on maintenance of security and resilience. This is achieved by amending the fourth theme of safety, to *Security, Health and Safety, and Resilience*.
 - 19.2. Scope – property areas: The scope of the mandate covers all office accommodation and public interface areas. These are defined as:
 - 19.2.1. Office Accommodation – this is defined as premises used primarily for undertaking desk based activities and associated facilities, including meeting spaces, storage, kitchen staff facilities, amenity areas, circulation and reception facilities.
 - 19.2.2. Public Interface – these are areas primarily used for face to face interactions with clients and the public for the purposes of delivering government services.
 - 19.2.3. Operational areas excluded from mandate – areas used for activities not found in the private sector, not used for desk based activities or public interface areas. Areas specifically excluded from the mandate are prisons and correctional facilities, emergency services operational centres, courts of law, regional delivery centres, and technical operational centres.
 - 19.3. Scope – agencies: Within scope of the mandate are several classes of agency, currently comprising:

- 19.3.1. all public sector departments;
- 19.3.2. New Zealand Defence Force, New Zealand Police and the Parliamentary Counsel Office;
- 19.3.3. all Crown agents (except District Health Boards and the New Zealand Blood Service); and
- 19.3.4. the Office of the Clerk of the House of Representatives and the Parliamentary Service.

20 It was considered whether the coverage of agencies could be either reduced or extended. While the main departments and agencies with accommodation needs and public interface areas are included in the existing mandate, voluntary participation is available to all public sector organisations. It is noted that several agencies currently opt in to the Government Property Portal on a voluntary basis.

Changes to mandate

21 To ensure that the mandate supports the delivery of the Programme, I recommend that the following changes be made.

Services and Outputs

22 The mandate provisions for services and outputs are largely operational in nature. However, they provide a signal of the services that can be expected in delivering Property Functional Leadership. Minor adjustments are recommended to update the existing line items.

23 More substantively, new authorising provisions of the Property Functional Lead are recommended to be included in the mandate, as follows:

23.1. The Property Functional Lead is to:

23.1.1. Establish and drive the Programme, including:

23.1.1.1. enabling and encouraging a range of accommodation options and arrangements (e.g. individual, co-tenanted, co-located, and co-working space and workspaces as a service) within the Programme;

23.1.1.2. to assess and approve all processes and transactions for office accommodation and public interface areas relating to the Programme in accordance with the Government's expectations for the property portfolio;

23.1.1.3. to acquire, obtain and hold future Government accommodation properties, either owned or on long term lease, on behalf of the Crown, as appropriate and subject to obtaining all necessary approvals and funding;

- 23.1.1.4. allocating and directing office accommodation and public interface space to agencies within the Programme, as appropriate;
- 23.1.1.5. convening a group of Chief Executives to govern the Programme; and
- 23.1.1.6. establish outcomes measures, and identify benefits and risks, for the Programme;

Expectations of Agencies

- 24 The current mandate details specific obligations and expectations for agencies that are largely operational in nature. However, they provide a signal of the engagement required of agencies to enable the delivery of Property Functional Leadership. Minor adjustments are recommended to update the existing line items.
- 25 More substantively, I recommend new provisions to establish responsibilities for agencies to work with the Property Functional Lead in delivering the Government Office Accommodation Programme. The new requirements for agencies are as follows:
 - 25.1. To adopt an open, collaborative and committed approach to the Programme and the Government's expectations for the property portfolio;
 - 25.2. To identify and advise preferred functional or sectorial agencies or groups appropriate for co-location;
 - 25.3. To identify and advise preferred metro and regional locations to support business needs and/or meet Government's expectations for the property portfolio;
 - 25.4. To provide data on all office accommodation and public interface areas into the Government Property Portal, ensuring this information is complete, accurate and up to date;
 - 25.5. To ensure that all plans and arrangements for the provision of office accommodation and public interface areas and needs are included within the Programme; and
 - 25.6. To obtain the approval of the Property Functional Lead:
 - 25.6.1. before undertaking any process for office accommodation and public interface areas within and outside of the Programme;
 - 25.6.2. before committing to any transaction for office accommodation and public interface areas within the Programme.
- 26 A revised mandate document facilitating the development of a Programme, including the changes noted in this paper, is attached at Annex One.

- 27 A comparison between the existing mandate and the new mandate is attached in Annex Two.

Centralised Holding Agency/Special Purpose Vehicle

A centralised holding agency is recommended

- 28 In reviewing the mandate, it has been considered whether a centralised holding agency or special purpose vehicle to hold future Government accommodation properties, either owned or on long term lease, is needed to reduce risk and liability for individual agencies and to ensure the Government's expectations for the property portfolio are met.
- 29 I recommend that provisions be made in the mandate for the Property Functional Lead, through the Government Property Group, to acquire, obtain and hold future Government accommodation properties. This centralised function will be in addition to property projects undertaken by individual agencies or lead agencies under the Programme.
- 30 The current practice within the existing mandate does not enable the Government Property Group or the Property Functional Lead to hold property, direct agencies, or compel them, to occupy space. Agencies hold separate budgets and generally negotiate leases individually. While agencies must submit biennial property plans, there is little opportunity to take a whole of system view to planning and procuring property.
- 31 Exceptions to this approach have occurred in response to the Canterbury earthquakes, with the Christchurch Integrated Government Accommodation projects, and in Wellington with the Wellington Accommodation projects. While these projects have been successful in many respects, they have highlighted the difficulty agencies have in accepting property risk and fiscal liability beyond their core business, for the whole of government.
- 32 There are three main scenarios where such an arrangement will be of value. Firstly in an area such as Wellington, with a long term need for office accommodation, the acquisition of single large premises will enable consistency of standard for the building. This will provide certainty for longer than the immediate need of an individual agency. This will also allow such buildings to be developed, with government occupancy guaranteed beyond the immediate term.
- 33 This approach is also required in regional locations where there is a desire to provide a coordinated government approach with the local communities, ensuring agencies are co-located in a single premise. As the needs of individual agencies scale up and down over time, the presence of government will need to be maintained. The facility again will be of a consistent standard with a common front of house, and joined up back office services.
- 34 A further scenario is in the development of co-working spaces. Co-working spaces are commercially provided workspaces, where occupancy is undertaken on a short

term basis. This allows for staff and project teams to operate immediately in generic space, with access to meeting spaces and usual amenities. This will require a commercial relationship to be developed with a space provider to specify the nature of the services to be provided, both front and back office, and establish a standardised fit-out design. Once established, individual agencies can access the space directly for short term need or project space. Payment for the workspaces will be established directly with the provider.

- 35 The benefit of a centralised approach is in the ability to take on longer term leases, providing more certainty for landlords, and translating those benefits into reduced lease costs. Individual agencies will receive the benefit of those reduced costs, and will have the flexibility to expand or contract within the space as their requirements change, ensuring that they only pay for the space that they occupy. This approach may also require a sharing of other costs incurred by the centre on the project or initiative with individual agencies.
- 36 The main risk for the holding agency is occupancy risk, where if agencies reduce their space requirements, the central agency is left with unoccupied space. In order to mitigate that risk, the holding agency will need to be able to allocate and direct that space to other agencies for occupancy. The final mitigation measure will be to commercialise the space and make it available to partners of Government from the wider public sector.

A special purpose vehicle is not required

- 37 A special purpose vehicle can be used to distinguish the operations of a particular programme of work from the operations of an agency. A special purpose vehicle is applicable when specific capability or separate reporting lines are required, or a specific objective is sought that is separate to the Government's broader goals.
- 38 In considering a special purpose vehicle, it is noted that:
- 38.1. The Programme will align with the Government's expectations for the property portfolio.
- 38.2. Agencies involved in providing office accommodation and public interface areas under the Programme currently have property management capabilities, and there is significant expertise within both the Government and private sector to undertake the necessary commercial property tasks.
- 38.3. A reinforced and enhanced mandate that provides for the Property Functional Lead, through the Government Property Group, to acquire, obtain and hold future Government accommodation properties as a centralised holding agency will assist in ensuring the Programme can be delivered.
- 39 On this basis, further development of a separate special purpose vehicle is not required to deliver the Programme.

Consultation

- 40 This paper has been developed by MBIE with input from Ministry of Social Development, Ministry of Education, Ministry of Justice, Department of Internal

Affairs, State Services Commission and the Treasury. The paper has been consulted with members of the Government Property Forum, including Inland Revenue, Customs, Ministry for Primary Industries, Department of Conservation, Housing New Zealand Corporation, Land Information New Zealand, New Zealand Police, New Zealand Defence Force, and Accident Compensation Corporation.

- 41 A significant component of the responses have related to the actual Government Office Accommodation Programme. Work on the detail has yet to progress, and is scheduled to be developed by March 2019.
- 42 A draft of this paper has been forwarded to each agency included in the existing mandate.

Financial Implications

- 43 This paper has implications for the Ministry for Business, Innovation and Employment in the establishment and ongoing management of the Programme. This will be addressed in Budget 2019.
- 44 Treasury have advised that a separate appropriation for 'Property Management Services, including property development and leasing services, within the State Sector' would be the appropriate method for managing risks associated with the role as a central holding agency. This will avoid the potential for risks to transfer into reduced output for other appropriations within MBIE.
- 45 Such an appropriation will be sought, in conjunction with Treasury, once a business case is developed through the Programme that identifies a centrally held lease as a preferred option.

Legislative Implications

- 46 A review and revision of the current whole of government direction for property under the Crown Entities Act 2004 may be required to give effect to mandate changes as they relate to Crown agents. In changing the mandate, I will look at the consequential changes that may be required to the whole of government direction for property under the Crown Entities Act 2004 to ensure consistency of approach.

Impact Analysis

- 47 None

Human Rights

- 48 None

Gender Implications

- 49 None

Disability Perspective

- 50 None

Publicity

- 51 The Minister of State Services will develop a communication strategy in conjunction with the release of the next Crown Office Estate Report, in December 2018.

Proactive Release

- 52 A copy of the reviewed mandate is to be provided to all agencies involved, after approval and before the release by the Minister of State Services.

Recommendations

The Minister of State Services recommends that the Committee:

- 1 **Note** that the mandate changes to support the delivery of the Government Office Accommodation Programme are to authorise the Property Functional Lead to:
 - 1.1. enable and encourage a range of accommodation options and arrangements (e.g. individual, co-tenanted, co-located, and co-working space and workspaces as a service) within the Programme;
 - 1.2. to assess and approve all processes and transactions for office accommodation and public interface areas relating to the Programme in accordance with the Government's expectations for the property portfolio;
 - 1.3. to acquire, obtain and hold future Government accommodation properties, either owned or on long term lease, on behalf of the Crown, as appropriate and subject to obtaining all necessary approvals and funding;
 - 1.4. allocate and direct office accommodation and public interface space to agencies within the Programme, as appropriate;
 - 1.5. convene a group of Chief Executives to govern the Programme; and
 - 1.6. establish outcomes measures, and identify benefits and risks, for the Programme.
- 2 **Note** that mandate changes that reflect the new expectations for agencies to:
 - 2.1. adopt an open, collaborative, and committed approach to the Programme and the Government's expectations for the property portfolio;
 - 2.2. identify and advise preferred functional or sectorial agencies or groups appropriate for co-location;
 - 2.3. identify and advise preferred metro and regional locations to support business needs and/or meet Government's expectations for the property portfolio;
 - 2.4. provide data on all office accommodation and public interface areas into the Government Property Portal, ensuring this information is complete, accurate and up to date;

- 2.5. ensure that all plans and arrangements for the provision of office accommodation and public interface areas and needs are included within the Programme; and
- 2.6. obtain the approval of the Property Functional Lead:
 - 2.6.1. before undertaking any process for office accommodation and public interface areas within and outside the Programme; and
 - 2.6.2. before committing to any transaction for office accommodation and public interface areas within the Programme.
- 3 **Note** that minor editorial changes have been incorporated in the new mandate to reflect changes in agencies since the original mandate was formulated;
- 4 **Approve** the revised Property Functional Leadership Mandate attached at Annex One;
- 5 **Agree** that the Property Functional Lead, through the Government Property Group, is to acquire and hold future Government accommodation properties, as a central holding agency;
- 6 **Invite** the Minister for State Services to communicate the Government's expectations for the property portfolio to Chief Executives and agencies in December 2018.

Authorised for lodgement
Hon Chris Hipkins
Minister of State Services

Annex One: Property Functional Leadership Mandate 2018

REVIEWED MANDATE 2018	
Government Expectations	
<i>Citizen Community Focus</i>	
<i>Working Together</i>	
<i>Value People</i>	
<i>Value for Money</i>	
Enduring Themes	
1.	Value for Money
2.	Effectiveness
3.	Flexibility and Adaptability
4.	Quality
5.	Security, Health and Safety, and Resilience
Scope	
1.	All departments, including NZ Defence Force, NZ Police and the Parliamentary Counsel Office
2.	Office of the Clerk of the House of Representatives and Parliamentary Service
3.	Each Crown Agent (except District Health Boards and New Zealand Blood Service) expected to comply
4.	Includes all Office Accommodation and Public interface areas, excluding operational areas
5.	Invitation to add agencies on a voluntary basis
Services and Outputs	
Property Functional Lead to:	
1.	Deliver a Government Office Accommodation Programme in line with the Government expectations for the property portfolio
2.	Convene a group of Chief Executives to govern the Programme
3.	Establish outcomes measures, and identify benefits and risks for the Programme
4.	Enable and encourage a range of accommodation options and arrangements (e.g. individual, co-tenanted, co-located, and co-working space and workspaces as a service) within the Programme
5.	Assess and approve all processes and transactions for office accommodation and public interface areas relating to the Programme in accordance with the Government's expectations for the property portfolio
6.	Acquire, obtain and hold future Government accommodation properties, either owned or on long term lease, on behalf of the Crown, as appropriate and subject to obtaining all necessary approvals and funding
7.	Allocate and direct office accommodation and public interface space to agencies within the Programme, as appropriate
8.	Work with agencies to identify and promote opportunities to drive efficiency and effectiveness gains in property management
9.	Provide guidance and support by documenting and publishing best practice and working with agencies to move toward best practice

10.	Monitor performance by collecting and collating office property metrics and information, and publishing an annual report on property
11.	Provide a brokerage service to match crown agencies seeking space with those who have surplus space, investigate the shared contracting of property related supplies and facilities management and support the colocation of agencies
12.	Issue Property Management Guidelines Issue Property Management Guidelines and approved government model property templates
13.	Develop property management strategies, principles, standards, tools and processes that will prescribe how agencies will develop and manage their individual property strategies
14.	Undertake all of Government procurement function for all office accommodation and public interface property related goods and services, not covered by AOG or common capability contracts
15.	Develop operating procedures for interaction between agencies in property matters
16.	Establish a Governance Group of Chief Executives, and provide regular updates to the Chief Executives forum
17.	Report to the Minister of State Services and Minister of Finance through an annual operational plan and end of year report for each fiscal year.
18.	Provide a quarterly progress report tracking benefits realisation to the Governance Group of Chief Executives

Expectations for Agencies

1.	To adopt an open, collaborative, and committed approach to the Programme and the Government's expectations for the property portfolio
2.	To provide data of all office accommodation and public interface areas into the Government Property Portal as required, and to ensure that this information is kept up to date
3.	To identify and advise preferred functional or sectorial agencies or groups appropriate for co-location
4.	To identify and advise preferred metro and regional locations to support business needs and/or meet Government's expectations for the property portfolio
5.	To ensure that all plans and arrangements for the provision of office accommodation and public interface areas and needs are included within the Programme
6.	To ensure that any requirement for office accommodation and public interface areas outside the Programme are referred to the Property Functional Lead for approval
7.	To have a national property plans, included within the four year plan
8.	To achieve productive, flexible, cost effective work spaces
9.	To adopt cost effective options to manage energy consumptions and emissions
10.	To provide data on all office accommodation and public interface areas into the Government Property Portal, ensuring this information is complete, accurate and up to date
11.	To reduce the total life cycle cost of occupancy, including working towards an office space occupancy density goal of between 12-16m ² per full time equivalent by 2022
12.	To behave and negotiate with due regard to impacts on, or opportunities with, other agencies operating in the same market
13.	To take a whole of government perspective when considering lease options, including as a priority considering surplus space available from other government agencies and colocation opportunities

14.	All agencies with national office space of greater than 1000m ² to submit information on their property usage and costs in the format and timeframes requested
15.	To obtain the approval of the Property Functional Lead: <ol style="list-style-type: none"> a. before undertaking any process for office accommodation and public interface areas within and outside the Programme; b. before committing to any transaction for office accommodation and public interface areas within the Programme
16.	To comply with the detailed standards, tools and processes for property related products and services, including the use of Approved Government Model Property templates, as issued by the Property Functional Leader from time to time
17.	To seek approval of the Property Functional Lead for any decisions on acquisition, disposal or procurement of any property related goods and services not covered by an existing AOG or common capability contract
18.	To continue to manage properties within the Property Functional Lead established principles, guidelines, standards and their four year plan
19.	Adopt the integrated workplace management system Archibus (Government Property Portal), on a cost recovery basis *(Delete on basis funding is centralised and provided for in Budget 2019)
20.	Take up all of government contracts for property related goods and services, as existing contractual commitments allow

PROACTIVELY RELEASED

Annex Two: Existing mandate compared with new mandate

Existing Mandate		New Mandate	
			Government Expectations
	New		Citizen Community Focus
	New		Working Together
	New		Value People
	New		Value for Money
Enduring Themes		Enduring Themes	
Value for Money	Retain		Value for Money
Effectiveness	Retain		Effectiveness
Flexibility and Adaptability	Retain		Flexibility and Adaptability
Quality	Retain		Quality
Safety	Amend		Security, Health and Safety, and Resilience
Scope		Scope	
All departments, including NZ Defence Force, NZ Police, NZ Security Intelligence Service, and the Parliamentary Counsel Office	Retain		All departments, including New Zealand Defence Force, New Zealand Police, New Zealand Security Intelligence Service, and the Parliamentary Counsel Office
Parliamentary Services	Retain		Parliamentary Services
Each Crown Agent (except District Health Boards) expected to comply	Retain		Each Crown Agent (except District Health Boards) expected to comply
Includes all Office Accommodation and Public interface areas, excluding operational areas	Retain		Includes all Office Accommodation and Public interface areas, excluding operational areas
	New		Invitation to add agencies on a voluntary basis
Services and Outputs		Services and Outputs	
			Property Functional Lead is to:
	New		Deliver a centre-led Government Office Accommodation Programme in line with the Government expectations for the property portfolio
	New		Convene a group of Chief Executives to govern the Programme
	New		Establish outcomes measures, and identify benefits and risks for the Programme
	New		Enable and encourage a range of accommodation options and arrangements (e.g. individual, co-tenanted, co-located, and co-working space and workspaces as a service) within the Programme
	New		assess and approve all processes and transactions for office accommodation and public interface areas relating to the Programme in accordance with the Government's expectations for the property portfolio
	New		acquire, obtain and hold future Government accommodation properties, either owned or on long term lease, on behalf of the Crown, as appropriate and subject to obtaining all necessary approvals and funding
	New		Allocate and direct office accommodation and public interface space to agencies within the Programme, as appropriate
CE MSD sign off on all departmental property decisions in CHCH	Delete		
Work with agencies to identify and promote opportunities to drive efficiency and effectiveness gains in property management	Retain		Work with agencies to identify and promote opportunities to drive efficiency and effectiveness gains in property management

Provide guidance and support by documenting and publishing best practice and working with agencies to move toward best practice	Retain	Provide guidance and support by documenting and publishing best practice and working with agencies to move toward best practice
Monitor performance by collecting and collating office property metrics and information, and publishing an annual report on property	Retain	Monitor performance by collecting and collating office property metrics and information, and publishing an annual report on property
Provide a brokerage service to match crown agencies seeking space with those who have surplus space, investigate the shared contracting of property related supplies and facilities management and support the colocation of agencies	Retain	Provide a brokerage service to match crown agencies seeking space with those who have surplus space, investigate the shared contracting of property related supplies and facilities management and support the colocation of agencies
Issue Property Management Guidelines	Amend	Issue Property Management Guidelines and approved government model property templates
Develop property management strategies, principles, standards, tools and processes that will prescribe how agencies will develop and manage their individual property strategies	Retain	Develop property management strategies, principles, standards, tools and processes that will prescribe how agencies will develop and manage their individual property strategies
Undertake all of Government procurement function for all office accommodation and public interface property related goods and services	Retain	Undertake all of Government procurement function for all office accommodation and public interface property related goods and services, not covered by AOG or common capability contracts
Develop operating procedures for the interaction between agencies and the PMCOE	Amend	Develop operating procedures for interaction between agencies on property matters
Issue the detailed mechanism for this funding regime, ensuring PMCOE is fiscally neutral, after agreement between the Functional Leader for Property and Head of State Services, by 30 November 2012	Delete	
Maintain an advisory group of deputy chief executives and an external independent advisor, and provide regular updates to chief executives via the Chief Executives forum	Amend	Establish a Governance Group of Chief Executives, and provide regular updates to the Chief Executives forum
Report to the State Sector Reform Ministerial Group via an annual operational plan and end of year report for each fiscal year, including performance metrics for the PMCOE	Amend	Report to the Minister of State Services and Minister of Finance through an annual operational plan and end of year report for each fiscal year.
Provide an quarterly progress report tracking benefits realisation to the state sector reform ministerial group	Amend	Provide a quarterly progress report tracking benefits realisation to the governance group
Expectations for Agencies		Expectations for Agencies
	New	To adopt an open, collaborative, and committed approach to the Programme and the Government's expectations for the property portfolio
	New	To provide data of all office accommodation and public interface areas into the Government Property Portal as required, and to ensure that this information is kept up to date
	New	To identify and advise preferred functional or sector agencies or groups appropriate for co-location
	New	To identify and advised preferred metro and regional locations to support identified business needs and/or meet Government's expectations for the property portfolio
	New	To ensure that all plans and arrangements for the provision of office accommodation and public interface areas and needs are included within the Programme
	New	To ensure that any requirement for office accommodation and public interface areas outside the Programme are referred to the Property Functional Lead for approval
To have National Property Plans	Amend	To have a national property plan, included within the four year plan
To provide productive, flexible, cost effective work spaces	Retain	To provide productive, flexible, cost effective work spaces
To adopt cost effective options to manage energy consumptions and emissions	Retain	To adopt cost effective options to manage energy consumptions and emissions
To reduce the total life cycle cost of occupancy, including working towards an office space occupancy density goal of between 12-16m2 per full time equivalent	Amend	To reduce the total life cycle cost of occupancy, including working towards an office space occupancy density goal of between 12-16m2 per full time equivalent by 2022
To behave and negotiate with due regard to impacts on other crown agencies operating in the same market	Amend	To behave and negotiate with due regard to impacts on, or opportunities with, other agencies operating in the same market

To take a whole of government perspective when considering lease options, including as a priority considering surplus space available from other government agencies and colocation opportunities	Retain	To take a whole of government perspective when considering lease options, including as a priority considering surplus space available from other government agencies and co-location opportunities
To only enter rental contracts that limit performance and price risks	Delete	
All departments with national office space of greater than 1000m2 to regularly submit information on their property usage and costs to the PMCOE in the format and timeframes requested	Amend	All agencies with national office space of greater than 1000m2 to submit information on their property usage and costs in the format and timeframes requested
To note there is no change to responsibilities and accountabilities of chief executives for the prudent use of funding and efficient production of outputs	Amend	To obtain the approval of the Property Functional Lead: a. before undertaking any process for office accommodation and public interface areas within and outside the Programme; b. before committing to any transaction for office accommodation and public interface areas within the Programme
To obtain the approval of the functional leader for Property prior to entering into contracts for acquisition or disposal (in part or in full) of leased or owned office accommodation or public interface accommodation		
To comply once approved by ministers with the detailed standards, tools and processes for property related products and services	Amend	To comply with the detailed standards, tools and processes for property related products and services, including the use of Approved Government Model Property templates, as issued by the Property Functional Leader from time to time
To seek approval of the functional leader for property for any decisions on acquisition, disposal or procurement of any property related goods and services, once the principles, tools and standards referred to are approved	Amend	To seek approval of the Property Functional Lead for any decisions on acquisition, disposal or procurement of any property related goods and services not covered by an existing AOG or common capability contract
Responsible for developing biennial property strategies for approval by PMCOE, that adhere to the principles, guidelines, standards and strategies	Delete	
To continue to manage their own properties within the functional leader for property established principles, guidelines, standards and the agreed biennial strategy	Amend	To continue to manage properties within the Property Functional Lead established principles, guidelines, standards and their four year plan
Adopt the integrated workplace management system Archibus, procured by the Ministry of Social Development, on a cost recovery basis	Amend*	Adopt the integrated workplace management system Archibus (Government Property Portal), on a cost recovery basis *(Delete on basis funding is centralised and provided for in Budget 2019)
Take up all of government contracts for property related goods and services, as existing contractual commitments allow	Retain	Take up all of government contracts for property related goods and services, as existing contractual commitments allow
Agree that chief executives of agencies contribute to the costs of PMCOE on a cost recovery basis for direct services and on an ongoing basis up to 5 percent of four year average savings	Delete	