

Business Planning

Meeting date: 23 May 2024	Written date: 15 May 2024
Sponsor: Natasha Lewis – Deputy Secretary, Strategy Stewardship and Performance Laura Dixon – Deputy Secretary, Business Transformation and Services	Prepared by: Kathleen Mackie, Jennifer Hutcheon, Aidan Meerman, Simon King, Sam De Costa
<p>What you're updating Te Pūrengi on</p> <p>This paper covers the following items:</p> <ol style="list-style-type: none"> 1. Work programme prioritisation decisions including stopping scaling or sequencing <ol style="list-style-type: none"> a. Analysis of the work programme, including statutory functions MVP and innovation [refer appendix items 1 and 3] b. Draft prioritisation principles c. Proposed relative priorities d. 3 Year Work Programme providing visibility of high-level sequencing over three years [refer appendix item 2] 2. Budget envelopes – proposed FTE and non-FTE envelopes for each Business Group and Unit for the 24/25 and 25/26 financial years 	
<p>Why should Te Pūrengi consider this?</p> <p>To provide direction to the Integrated Programme planning team to enable next steps in business planning</p>	
<p>Recommendations or Actions sought</p> <p>We recommend Te Pūrengi:</p> <ol style="list-style-type: none"> 1. Endorse prioritisation principles [refer slide 7] which enable MfE to be strategy-led and set clear organisational-level priorities 2. Agree the proposed list of MfE's highest priority work [P1, P2, P3] or advise alternatives [refer slide 8] 	

Decision or Action paper: Business Planning

Te Pūrengi meeting: 21 May 2024

3. **Confirm** highest priority work sufficiently aligns to the Consultation Proposal and capability identified across the organisation
4. **Identify** where trade-offs could be made if Ministers request alternative priorities, or to adjust workload pressures:
 - a. Which **Priority 2 or 3 work** could be scaled | sequenced, subject to discussions with respective Ministers*
 - b. Which **business group specific 'Other' work** could be scaled | sequenced or stopped [refer Work Summary List: [link](#)]
5. **Agree** the levels of FTE, Travel, Training, Fixed costs, Data and Science (MVP) and Non-FTE spend by business groups, and for this to be tested with GMs before being finalised by 1 July.

** additional analysis by Ministerial portfolio is currently being developed to support Ministerial discussions*



Ministry for the
Environment
Manatū Mō Te Taiao


Business Planning

Te Pūrengi 21st May meeting

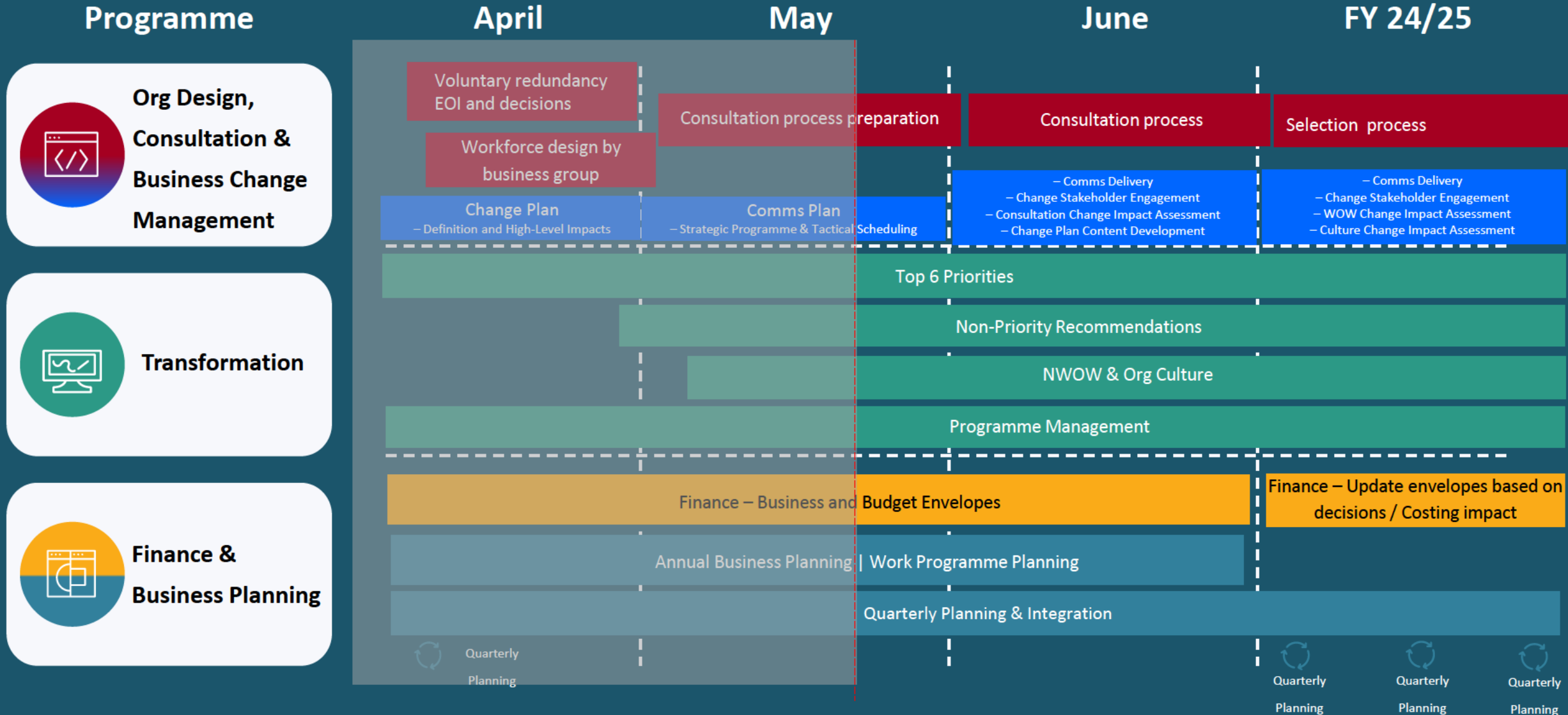
Key messages

- Budget, work programme, workforce capability and operating model decisions are interlinked so we're continuing to run this work as an integrated programme. This paper focusses on work programme and financials while a separate paper covers consultation due to confidentiality.
- Key decisions today focus on work programme priorities for MfE as a whole and decisions on work we will need to stop or significantly scale | sequence alongside follow-on updates for statutory obligations MVP, innovation, our three-year work programme and financials
- Prioritisation decisions will require trade-offs regarding the work programme. Some principles are proposed to support these decisions
- Further work is needed as we mature our planning function including standard practices of prioritisation aligned to strategy, a stronger focus on integration, finer scale work programme planning etc. The work to date helps move us in the right direction

Integrated Planning Programme High level Timeline

 as @ 01 May

Overview of work phases



Full work schedule available [here](#)

Decisions sought today

1. **Endorse prioritisation principles** [refer slide 7] which enable MfE to be strategy-led and set clear organisational-level priorities
2. **Agree** the proposed list of **MfE's highest priority** work [P1, P2, P3] or advise alternatives [refer slide 8]
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Work programme prioritisation

Identifying the highest priority work for MfE and stepping in to prioritisation conversations with Ministers

Draft Prioritisation Principles for MfE work programme

Decision 1: Endorse prioritisation principles which enable MfE to be strategy-led and set clear organisational-level priorities

To support you to make decisions and trade-offs on work programme priorities, the following principles have been applied to inform our advice on the overall work programme on the following slide:

Primary considerations	Secondary considerations
<ol style="list-style-type: none"> 1. Policy aligned with Coalition agreements and priorities in letters from Ministers to the Prime Minister 2. Statutory and legal obligations that cannot be scaled or stopped without unacceptable legal or reputational risk 3. Supports delivery of the Operating Model, including shift to: <ul style="list-style-type: none"> • Strategy and evidence-led and partner-enabled • More efficient and agile ways of working • Transformation priorities 4. Greatest comparative scale of impact, linked to Strategic Priorities 	<ol style="list-style-type: none"> 5. Investment in science, data, evidence and knowledge infrastructure 6. Maintaining critical, strategic relationships 7. The capability required and ability to undertake within resourcing constraints 8. Functions that are essential to the Ministry operations, operating effectively and at MVP level 9. Opportunities to sequence across core policy packages 10. Stopping work that is not going to make a significant shift in outcomes

Proposed Relative Priorities

Decision 2: Agree the proposed list of MfE's highest priority work [P1, P2, P3] or advise alternatives

Decision 3: Confirm highest priority work sufficiently aligns to the Consultation Proposal and capability identified across the organisation

Decision 4: Identify where trade-offs could be made if Ministers request alternative priorities, or to adjust workload pressures - Priority 2 or 3 or 'Other' work [\[link\]](#)

1. "If everything is a priority, nothing is a priority": Only Te Pūrengi can take a 'whole of MfE' overview to weigh up relative work priorities.
2. There is a lack of understanding of the relative Work Priorities at an organisational level.
3. This means teams tend to prioritise and work within business groups according to 'home teams' rather than as 'delivery teams.'
4. TP-directed Work Priorities would help guide a focus on core deliverables, talent mobilisation, and sequencing to support delivery and performance.
5. Cabinet-directed deliverables like the Climate Adaptation Framework need cross-team delivery, with other work a lower priority for resourcing.
6. A prioritisation methodology is being developed to test and refine with T1-T3 at Quarterly Planning.
7. In the meantime, Chief Advisors have analysed the Work Programme Slides based on the principles on the previous slide to generate this Draft Priorities for Q1 FY 2024/25

Proposed Relative Work Priorities Q1 2024/2025 - refer to [summary ppt](#)

Primary Priorities – meet all Principles & are locked in with Cabinet | drive transformation ("Big Rocks")

- | | |
|---|--|
| 1. RM Reform [CAB] – Fast Track | 6. ERP2 consultation |
| 2. RM Bill 1 [CAB] | 7. Change consultation |
| 3. Climate Adaptation Framework [CAB] | 8. Cabinet Quarterly Plan deliverables |
| 4. Waste Minimisation Act scope expansion | 9. Statutory Obligations (MVP, staged) |
| 5. ETS backstop | 10. PM Climate Target 9 (CCIEB) |

Secondary Priorities – meet majority of Principles ("Medium Rocks")

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|--|-----------------------------------|
| 1. RM – National Direction (staged*) | 6. Farm planning changes |
| 2. ETS further changes (staged) | 7. Improving env data system |
| 3. RM Reform Bill 2 preparation | 8. Recovery (Flood Control OiC) |
| 4. Methane Science Review | 9. NDC2 |
| 5. Litigation (Waitangi Tribunal; Ngai Tahu) | 10. Transformation – 6 Priorities |

Tertiary Priorities – meet most Principles ("Small Rocks")

- | | |
|--|--|
| 1. Hazardous substances Leg amendments | 6. Strategy: Priorities, Quart. Planning |
| 2. ERA amendments | 7. RM Reform Bill 3 preparation |
| 3. Implementation and enablement | 8. Waste system policy work |
| 4. Investment Portfolio Management | 9. Relationship management |
| 5. Response to CCC NAP Report | |

Underlying support: Finance; Ministerials; IT; coord + PMO; P&C; Comms; Science & Data	Treaty Settlement, Māori Strategy & Relationships
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* Freshwater management 1st priority; Highly Productive Land, Infrastructure 2nd priority; NES Drinking Water 3rd priority; Natural Hazards part of Climate Adaptation Framework programme

MfE's 3 year work programme

- MfE's draft 3-year work programme is linked in appendix item 3 [refer slide 16].
- A central work programme is the first stage of improving work planning for the organisation and provides a 'bottom-up build' aligned to strategic priority. The 3 year work programme will be updated following prioritisation decisions
- Once 'live', it is proposed that Planning & Performance coordinate maintaining this product quarterly aligned to quarterly performance and planning sessions
- Ongoing improvements in planning & delivery will be essential, including:
 - Improving our understanding of priorities and ensuring these are widely understood
 - stronger governance and accountability of GMs and managers for delivery of the work programme incl. via quarterly performance and planning sessions
 - Greater agility in adjusting to peaks and troughs in work and to new priorities including in response to events (such as severe weather recovery)
 - Improving our planning and how we integrate related work, scale and sequence work (and providing visibility of this to our kaimahi)

Pages 12-18 removed as out of scope