

OC240981

13 September 2024

Dear 

I refer to your email dated 20 August 2024, requesting information under the Official Information Act 1982 (the Act) related to the Public Service Commission's (PSC's) Performance Improvement Review of the Ministry of Transport (the Ministry).

There were three parts to your request and each one is answered in turn.

1. *The full July 15 email chain between Martin Kessick and Audrey Sonerson regarding the review.*

I released one part of this email chain to you in my response dated 20 August 2024 (reference OC240861). Other information in these emails discusses the content of the report so until the report is finalised and published, I am withholding the remainder of these emails under section 9(2)(f)(iv) of the Act.

2. *Any other correspondence between Ministry and PSC staff regarding "the development and finalisation of the content of the report".*

There are 15 emails in scope of this part of your request: 10 are withheld because they discuss the content of the report. As with part 1 above, I am withholding these in full under section 9(2)(f)(iv). The other five emails are released with some information withheld or refused.

The following sections of the Act have been used:

- |             |   |
|-------------|---|
| 9(2)(a)     | to protect the privacy of natural persons   |
| 9(2)(f)(iv) | to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials  |
| 9(2)(g)(i)  | to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty |
| 18(d)       | the information is or will soon be publicly available   |

See the document schedule at Annex 1 for more detail.

You may notice that the indicative timeframe in which the PSC expected to have the report to the Ministry was not met (see doc 5). This delay was caused by the new priorities set by the incoming Government and Minister and the requirement to reflect these in the report.

3. *A copy of the report.*

The Ministry advised you on 21 August 2024 that because this part of your request was more closely connected with the functions of the PSC, it was being transferred to them under section 14 of the Act. You can expect a response from them in due course.

You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the Act. The relevant details can be found on the Ombudsman's website [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz)

The Ministry publishes our Official Information Act responses and the information contained in our reply to you may be published on the Ministry website. Before publishing we will remove any personal or identifiable information.

Kind regards,

A handwritten signature in black ink, appearing to read 'Brent Johnston', followed by a period.

Brent Johnston  
**Chief of Staff**

## Annex 1 - Document Schedule

Doc#	Date	Description	Decision on release
1	11/03/2023	Email from Audrey Sonerson to Martin Kessick  Subject: RE: Exploring a potential capability review of the Ministry of Transport	Released with some information withheld under section 9(2)(a).  Attachment 1 is refused under section 18(d). This attachment is Version 4 of the Public Services Commission's "Capability Review Programme Guide to the Agency Capability Model" and is dated March 2023. The final version of this document, dated June 2023 and which contains additional information, can be found at this link:  <a href="https://www.publicservice.govt.nz/assets/DirectoryFile/ACR-Guide-to-the-Agency-Capability-Model.pdf">https://www.publicservice.govt.nz/assets/DirectoryFile/ACR-Guide-to-the-Agency-Capability-Model.pdf</a>
2	29/05/2023	Email and attachment from Thor Gudjonsson to Audrey Sonerson  Subject: Confirming the details of the Ministry of Transport Capability Review	Released with some information withheld under section 9(2)(a).
3	6/10/2023	Email and attachments from Andrew Squires to Audrey Sonerson  Subject: Capability Review - material for Mondays discussion on the preliminary findings	Withheld under section 9(2)(f)(iv).
4	11/10/2023	Email from Andrew Squires to Robyn Smith  Subject: next steps in the Capability Review - first draft report to you by 27 October for comment	Released with some information withheld under section 9(2)(a).  Some information has been marked as out of scope.
5	24/11/2023	Email from Brent Johnston to Andrew Squires & Audrey Sonerson  Subject: RE: Draft of the Capability Review report - looking at week commencing 20 November	Released with some information withheld under section 9(2)(a).
6	1/03/2024	Email from Doug Craig to Audrey Sonerson et al  Subject: Draft Agency Capability Review Report	Withheld under section 9(2)(f)(iv).
7	15/03/2024	Email from Audrey Sonerson to Martin Kessick  Subject: report	Released with some information withheld under sections 9(2)(a) and 9(2)(g)(i).
8	5/04/2024	Email and attachment from Martin Kessick to Audrey Sonerson	Withheld under section 9(2)(f)(iv).

Doc#	Date	Description	Decision on release
		Subject: Capability Review Meeting	
9	09/04/2024	Email and attachment from Audrey Sonerson to Martin Kessick Subject: Capability review	Withheld under section 9(2)(f)(iv).
10	22/04/2024	Email and attachment from Audrey Sonerson to Doug Craig et al Subject: Feedback on the draft	Withheld under section 9(2)(f)(iv).
11	24/04/2024	Email and attachment from Chris Nees to Doug Craig et al Subject: RE: Feedback on the draft	Withheld under section 9(2)(f)(iv).
12	28/05/2024	Email from Chris Nees to Doug Craig et al Subject: RE: Feedback on the draft	Withheld under section 9(2)(f)(iv).
13	21/06/2024 2.55pm	Email from Audrey Sonerson to Martin Kessick Subject: Proposed Ministry response to the PIF	Withheld under section 9(2)(f)(iv).
14	21/06/024 2.58pm	Email from Audrey Sonerson to Martin Kessick Subject: Whoops - and here's the remaining feedback	Withheld under section 9(2)(f)(iv).
15	25/07/2024	Email from Audrey Sonerson to Martin Kessick Subject: RE: Finalising the Performance Improvement Review	Withheld under section 9(2)(f)(iv).

**Irene Kilford**

**From:** Audrey Sonerson  
**Sent:** Saturday, 11 March 2023 12:29 pm  
**To:** 'Martin Kessick'  
**Cc:** 'Thor Gudjonsson'  
**Subject:** RE: Exploring a potential capability review of the Ministry of Transport

Thanks Martin,

Will have a look and let's discuss on Friday.

Ngā mihi,  
 Audrey

**Audrey Sonerson** (she / her / Ms)

M: s 9(2)(a) | E: [a.sonerson@transport.govt.nz](mailto:a.sonerson@transport.govt.nz) | [transport.govt.nz](http://transport.govt.nz)  
 Executive Assistant: Sharyn Forty | M: s 9(2)(a) | E: [s.forty@transport.govt.nz](mailto:s.forty@transport.govt.nz)

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**From:** Martin Kessick <[Martin.Kessick@publicservice.govt.nz](mailto:Martin.Kessick@publicservice.govt.nz)>  
**Sent:** Friday, March 10, 2023 2:46 PM  
**To:** Audrey Sonerson <[A.Sonerson@transport.govt.nz](mailto:A.Sonerson@transport.govt.nz)>  
**Cc:** Thor Gudjonsson <[Thor.Gudjonsson@publicservice.govt.nz](mailto:Thor.Gudjonsson@publicservice.govt.nz)>  
**Subject:** Exploring a potential capability review of the Ministry of Transport

Kia ora Audrey,

Following on from our recent discussion about the suggestion of a capability review of MoT (using our new Agency Capability Model), I've attached a few documents which should provide a good background to what might be involved.

As I mentioned previously, I think you would get significant value from such a review. It has been developed with the intent of providing a future-focused tool to assist the chief executive lead their organisation. I'd be really happy to discuss the opportunity when we catch-up next week Friday (17 March) if that suits?

#### **How Agency Capability Reviews differ from the PIF**

I've attached a Guide to the Agency Capability Review Model, which contains a description of the key elements of the programme, including the model and the key drivers in its evolution from the PIF. It also provides an overview of how reviews would be run and what they would involve.

#### **Potential pathway to a progress a review at MoT**

Not only will the review be of value to you, but your involvement would also help the Commission as we look to develop and roll out the programme as a tool for the Public Service. As you know, the PIF was highly respected, nationally and internationally (a number of very similar programmes overseas have developed based on the PIF), and the Commission is looking for the Capability Review Programme to take that further.

To firm up what this might look like, we have identified a potential pathway forward to undertaking a review at MoT (in the Discussion Note). When we catch up it would be good to discuss:

- The skills you need in the Lead Reviewers for an MoT Review
- any areas that you would like the review to focus on
- what is involved, including possible timing, and the budget and costs.

#### **Supporting documents**

Our Capability Review Team has pulled together the attached information pack to provide you with context for our discussion:

1. **Guide to the Agency Capability Model:** This describes the model, how it has evolved out of the PIF, and how it can be applied
2. **Discussion Note – Ministry of Transport:** This document covers the key areas of a potential pathway to undertaking a review
3. **Agency Input Guide – MoT March 2023:** This document provides an in-depth guide on how a review would run.

Please free to contact me if you have any questions. I look forward to discussing this opportunity with you over the coming weeks.

Regards

**Martin Kessick** (he/him)

**Kaikōmihana Tautāwhi | Assistant Commissioner**

Te Aromātai Whakatatutukitanga | System & Agency Performance

waea pūkoro: s 9(2)(a) imēra: [Martin.Kessick@publicservice.govt.nz](mailto:Martin.Kessick@publicservice.govt.nz)



**Te Kawa Mataaho Public Service Commission**

[www.publicservice.govt.nz](http://www.publicservice.govt.nz) | [www.govt.nz](http://www.govt.nz)



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## Potential pathway for a Capability Review of the Ministry of Transport

This document is designed to support a discussion with the Chief Executive of the Ministry of Transport on key aspects of a potential pathway to undertaking an Agency Capability Review. The aspects of a potential review pathway covered include:

- Scope
- Lead Reviewers
- Timing
- Ministry support roles
- Costs

Should a review of the Ministry of Transport (the Ministry) be confirmed in our discussions, the Public Service Commission (the Commission) would send an Initiation Letter to the Chief Executive of the Ministry that confirms these aspects and formally kicks-off a review.

### Scope

The Agency Capability Model (the Model) is comprehensive, touching on all dimensions that contribute to agency capability. A review of the Ministry would encompass all dimensions of the Model. However, if there are areas of particular interest for the Ministry chief executive, these can help focus Lead Reviewers efforts on matters that are likely to be of greatest benefit.

***We would be keen to hear any areas that you would want a Review to focus on.***

Early in the review process *What Matters Meetings* are used to further clarify the key areas of focus. This enables the Lead Reviewers to prioritise their time towards investigating and providing recommendations relating to these focus areas.

### Lead Reviewers

Each Review is led by two independent Lead Reviewers. They are selected from a panel of individuals with great depth and experience in organisational management and public sector leadership. Choosing the two Lead Reviewers who complement each other, bring the skills and experience that best respond to the agency's context, and who can work well with the agency's senior leadership is key to ensuring a useful and insightful review.

*Skills and competencies across the two Lead Reviewers*

Based on our understanding of the Ministry and its likely challenges and opportunities in the future, we consider the following skills and expertise would be helpful.

- Regulatory management and stewardship
- Investment management
- Policy leadership
- System thinking and leadership





- Strategy.

***We welcome comments or thoughts on these sought skills and expertise, as they help us shape who might be suitable as Lead Reviewers***

## *Lead Reviewers and expert advisors*

We plan to discuss the Ministry's needs with you before suggesting appropriate Lead Reviewers from our panel. If the Ministry has needs which are not met from our panel members, we can also explore bringing on an expert advisor to assist in the Review. Note, that there would be an additional cost for the expert advisor.

## Timing

A typical Review takes around five months to complete. An illustrative timeline highlighting the key stages requiring your input is highlighted below (assuming a standard Review starting in late March 2023).

***Please let us know of major events or availability issues (such as the unavailability of senior leadership or Ministers) that would impact on a potential review timeline.***

Date	Stage in the process	Ministry of Transport action
April-May	Self-Review	Complete a self-review (a guide is available) using the Agency Capability Model and present the findings in a report. The self-review will require engagement with senior leadership.
Late May	What Matters Meetings	Senior leadership meet with Lead Reviewers to help focus the next stage of the Review.
June	Interviews	Key interviewees including senior leaders, staff, and external stakeholders, participate in Lead Reviewer led interviews.
Late June	Insight sharing	Senior leaders meet with Lead Reviewers to receive first impressions about the agency post interviews.
July	Report drafting	Review draft report prepared by the Lead Reviewers, and provide feedback.
Late July	Agency response	Prepare a response to the review's findings for publication in the final report. The response requires senior leadership input.
August	Debrief meetings	Members of MoT's review team, as well as senior leadership meet with Lead Reviewers and the Commission's capability review team to discuss the review process, provide feedback, and confirm next steps.

## Cost

Capability Reviews are typically run on a cost recovered basis: all costs of the review are recovered from the reviewed agency. However, as the Commission is in the stand-up phase of the Capability Review Programme, only costs relating to Lead Reviewer time and reasonable travel, accommodation, and publication expenses would be recovered for this review.

On this basis, we estimate a cost of \$120,000 for Lead Reviewers and other expenses. Expert advisors – if they are used – will increase this cost. Any requests or issues that may materially affect the cost of the review will be raised as soon as possible by the Commission throughout the course of the review.





The Commission will keep track of Lead Reviewer costs throughout the review. At the halfway point of the review, we will send an interim invoice for actual costs incurred up to that point, along with an updated estimate of the total cost. During the close out phase (approximately five months after review kick-off) we will send a final invoice for the remaining actual costs.

## Ministry support roles

As part of a review, the Ministry would need to establish a team to undertake a self-review and present findings in a report. The Ministry would also need to organise the logistics of the review and draft the agency response. This would require a team that would include:

- a Tier 2 sponsor for the review
- a project manager to lead the agency's preparation and response, and
- a coordinator to support logistics for the agency's preparation and the Capability Team's on-site work.

Further details on these roles are available in the *Agency input and check lists* document.

***It may be useful to start thinking about who in the Ministry would be best placed to undertake these roles.***

## Document version

This document was prepared by the Commission's Capability Review team on 10 March 2023. It reflects our current understanding of the Ministry of Transport's requirements.

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**Te Kawa Mataaho**  
Public Service Commission

# Capability Review Programme

## Agency input guide

Proposed review of the Ministry of Transport

DRAFT March 10 2023

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# Purpose of this document

This document describes the agency resources, and the timing of actions to conduct an Agency Capability Review (ACR). It describes the phases of an ACR, and what the agency needs to do to prepare for, participate in, and gain value from the process.

This document should be read alongside the *Guide to the Agency Capability Model*. That guide describes the model underpinning the review and explains how the model should be applied.

The timing indicated in this document is draft. A final version confirming times and personnel involved in the review will be sent to your agency after the Initiation Letter is sent which formally kicks off the ACR.

## Content of this document

- Resources required to conduct an ACR
- Four phases of an Agency Capability Review
- Appendix A: Who to nominate for What Matters and On-site Interviews
- Appendix B: Agency documents for the ACR

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# Resources required to conduct an ACR

## Resources and responsibilities

The Public Service Commission (the Commission) will assemble a **Capability Review Team** which will consist of:

- Two independent Lead Reviewers engaged by the Commission who lead the review
- Capability Review Manager (CRM) to work with the Lead Reviewers and the agency's nominated sponsor and project manager to ensure the success of the ACR.

The Assistant Commissioner responsible for the agency relationship, and analysts to prepare support material for the Lead Reviewers, may also support the Capability Review Team. The Director, System and Agency Performance (Robert Anderson) and Deputy Commissioner, System and Agency Performance (Thor Gudjonsson), who hold overall responsibility for the Capability Review Programme, will also be available, as required.

## Agency's resources

The agency should establish a team to undertake and write-up the self-review report (which is the first key product produced in the ACR process), as well as organise the logistics of the interviews, facilitate feedback on the Lead Reviewer's draft report, and develop the agency response for inclusion in the final report.

The agency can use its judgement to determine the right people for this team, however, it should include at least the following:

- a Tier 2 sponsor for the ACR
- a project manager to lead the agency's preparation and response, and
- a coordinator to support logistics for the agency's preparation and the Capability Team's on-site work.

## Role descriptions

Roles in the self-review team represent stretch opportunities for staff with the right skills and a reasonable level of knowledge of the agency and how it works.

The **project manager** needs to be someone who has the trust and confidence of the senior leadership to offer them free and frank advice, as well as a good understanding of, and connections across, the agency's business. Often the project manager will be responsible for drafting the agency's response to the ACR.

The **coordinator** manages logistics during the Self-review and on-site interview phase. This includes collating documents, organising the interview schedule and booking interviews, providing information to interviewees and coordinating site visits, if required. It also includes taking care of details such as security access, meeting bookings, IT access and travel arrangements for site visits.

# Phases of an ACR

This section describes the phases of an ACR, and our current estimates of when these phases will occur during the proposed Ministry of Transport review.

## Overview of the ACR process

An ACR progresses through four stages which are summarised in the graphic below.



## Initiation – setting a strong foundation

**Estimated timing:** February-March 2023

Initiation spans the period before review activity formally begins. This period can take some time, depending on the nature of engagements sought between the Commission and the agency. If parties are aligned and committed to a review, initiation can be completed within a few weeks.

In the early stages of initiation, the agency and the Commission will discuss the possibility of a review. These discussions will occur at both a senior level (e.g. the relevant Assistant Commissioner and the Chief Executive) and at an operational level (between the Capability Review team and the potential review leads within the agency). These early discussions will focus on:

- scope
- timing
- resources, including agency roles
- cost
- selection of Lead Reviewers.

An ACR is led by two independent Lead Reviewers. They are selected from a panel of individuals with great depth and experience in organisational management and public sector leadership. Choosing the two Lead Reviewers who complement each other, bring the skills and experience that best

respond to the agency's context, and who can work well with the agency's senior leadership is key to ensuring a useful and insightful review.

Once all initiation matters are settled, the Commission's Deputy Commissioner will send an initiation letter to the agency's Chief Executive. This letter kicks off the review, and includes: cost of the review, the timeline, the Lead Reviewers, and any other details discussed in the initiation phase.

**Key actions required by the agency during this phase:**

- confirm second tier sponsor, the agency's project manager, and coordinator
- work with the Commission to agree Lead Reviewers, and Expert Advisors (if necessary) for the ACR
- work with the Commission to arrange a discussion between the agency's Chief Executive and the Lead Reviewers to establish their relationship and to develop a shared understanding of what the Chief Executive is looking to achieve through the ACR
- agree costs for the ACR.<sup>1</sup>

## Scoping – Focusing the review on the critical elements

**Estimated timing:** April-May 2023

After the initiation letter is sent, the agency will stand up a review team (described in the resources section of this guide).

The CRM will work with the agency's review team to guide them through the ACR process, and manage a range of logistical matters including: document requests, developing contact lists, and confirming stakeholder and interviewee lists. The CRM will also offer support to the team on how to conduct the self-review.

Most self-reviews should take around six weeks to complete. This process will involve working through the elements of the Agency Capability Model (contained in the *Guide to the Agency Capability Model*), confirming these findings with the agency's senior leadership, and writing this up into a report (using a template provided by the Commission).

Once Lead Reviewers have received the agency's self-review report, *What Matters* meetings are held. These meetings help Lead Reviewers to identify focus areas for the next stages of the review. Lead Reviewers will lead meetings with a range of groups, including:

- the agency's senior leadership
- Central agencies

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<sup>1</sup> ACRs are run on a cost-recovered basis. This cost is outlined in the initiation letter at the start of the review. The Commission will keep track of Lead Reviewer costs throughout the review. At the halfway point of the review, the Commission will send an interim invoice for actual costs incurred up to that point, along with an updated estimate of the total cost. During the close out phase (approximately five months after review kick-off) the Commission will send a final invoice for the remaining actual costs.



- the responsible Minister (and in some cases other affected Ministers), and
- key external stakeholders.

**Key actions required by the agency during this phase:**

- gather information to support the self-review and the Capability Review Team
- confirm the format of self-review training
- conduct self-review
- agree internal and external participants for *What Matters* meetings (see appendix for guidance)
- agree internal and external interviewees and staff focus groups and (where relevant) site visits for the interview phase (see appendix for guidance)
- develop contact list and share with the CRM – CRM can provide template
- communicate to agency staff about the ACR – the CRM can provide generic key messages to assist with this
- review and comment on the Commission’s information pack for the Capability Review team
- hold *What Matters* meetings
  - Provide an assessment at the meeting of the contribution New Zealand needs from the agency, its current strengths, opportunities and challenges and a view of what success should look like for the agency
  - Confirm Government Priorities and Core Functions with Lead Reviewers
- propose definitions of Government Priorities and Core Functions
- prepare for the on-site interviews, which can include:
  - arranging a work area and supporting IT resources for the Capability Review team while on site
  - organising a meeting with Ministers (as agreed)
  - arranging field visits by the Capability Review team
  - booking interview times and sending information (provided by the CRM) to interviewees
  - booking catch-ups with the Chief Executive, the agency’s senior leadership, and the Lead Reviewers throughout the on-site period.

## **Review – Generating insights to help agencies**

**Estimated timing:** June-July 2023

During the review stage, the Lead Reviewers form their view of the agency’s challenges and opportunities, and work with the senior leadership to socialise these views and share insights on how the agency can prepare itself for the future. Throughout this process, Lead Reviewers may meet

with the senior leadership to share their insights and help formulate next steps to ready the agency to meet future challenges and opportunities.

### **On-site interviews – early-mid June**

After the *What Matters* meetings, the agency will host the Lead Reviewers and the Capability Review Manager on site for approximately two weeks while they interview internal and external participants, and staff focus groups and (where relevant) hold site visits. The interviews are led by the Lead Reviewers and are designed to be open ended. Lead Reviewers will also ensure these conversations cover the areas of interest identified in the *What Matters* meetings.

The Lead Reviewers will look to meet with the Chief Executive and/or senior leadership regularly during the on-site interview period to share interim findings. During the on-site period, Lead Reviewers may share their overall impressions and insights generated from the interviews. These interactions provide the senior leadership with visibility around the themes that will be expanded in the final report.

Following the interviews, the Lead Reviewers will draft a report which systematically goes through the elements of the Agency Capability Model. This will draw on the agency's self-review, documents provided by the agency, insights from *What Matters* meetings and interviews, and their own experience and insights.

#### **Key actions required by the agency during this phase:**

- provide a workroom for three people and a meeting room for holding interviews
- manage changes to the interview schedule from interviewee and Capability Review team requests
- support nominated staff to attend interviews and encourage their honest engagement and views (interviews are confidential and no preparation is required for most interviews)
- hold catch ups for the Chief Executive and/or senior leadership to discuss issues and findings with the Lead Reviewers.

### **Feedback on draft report – late June-mid July**

The CRM will send a first draft report to the agency and to a peer review panel for feedback. The peer review ensures that a fair and consistent approach is taken across the Capability Review Programme.

The Capability Review Team will then provide a second draft report, factoring in feedback from the agency and peer review panel, and including ratings. The agency is encouraged to provide any further feedback and discuss any queries or concerns with the CRM and Lead Reviewers.

#### **Key actions required by the agency during this phase:**

- consider the first draft report and provide written feedback – usually allow ten working days. This is not the last opportunity to make changes to the report, rather it is the chance to identify any major inaccuracies or query major points
- consider the second draft report with ratings (incorporating feedback from the agency, and peer review panel). Provide further comment and clarification.

## **Agency response– mid-late July**

After receiving the second draft report, the agency develops a response to the report (the 'Agency Response') for publication in the final report. The agency should engage with the Commission and the Lead Reviewers as they shape their response. The Lead Reviewers will confirm whether the Agency Response aligns with the agency achieving the Future Excellence Horizon.

The Capability Review report, with Agency Response and The Public Service Commissioner's Support statement, will then be finalised. Depending on the themes in the report, it may be useful for the Lead Reviewers to discuss their findings with the Responsible Minister before (or after) the report is published.

### **Key actions required by the agency during this phase:**

- develop the Agency Response and engage with the Lead Reviewers and Commission representatives during this process
- where useful, arrange a briefing meeting with the Responsible Minister and the Lead Reviewers, in liaison with the CRM
- where useful, arrange for the agency Chief Executive to meet with the Public Service Commissioner.

## **Close out – Finalising and publishing the results**

### **Estimated timing: August-September 2023**

During close out, the report is finalised and the Commission will provide a briefing on the Capability Review to the Minister for the Public Service and other affected Ministers. Lead Reviewers may also meet Ministers to discuss their findings from the review.

The Commission invoices the agency for the cost of the review, as agreed in the Initiation Letter.

At the end of the close out phase, the final report is published on the Commission website. Most of an ACR's benefit comes from the agency participating in the process, with access to the expertise and insights of the Lead Reviewers. The final report supports the closure of the process by providing:

- a record of the findings which an agency can refer to in the future
- The Commission with information about agencies which can inform efforts to lift system improvement
- assurance to Ministers and the public that agencies are looking to improve their business and deliver value for New Zealanders.

### **Key actions required by the agency during this phase:**

- contribute to the Commission's briefing to the Minister for the Public Service and affected Ministers

- liaise with the Commission's Communications Team and Responsible Minister's office in preparation for publication of the report on the Commission's website
- consider how to use insights from the Capability Review in engagements with staff and stakeholders and in future strategic planning
- brief agency staff on the Capability Review and the Agency Response
- reflect the Agency Response, as appropriate, in agency accountability documents
- provide feedback to the Commission on its Capability Review experience through a debrief.

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# Appendix A: Who to nominate for What Matters Meetings and On-site Interviews

Early in the planning stage the CRM will discuss with the agency's sponsor and project manager the types of people to nominate for the *What Matters* meetings and on-site interviews. Typically, 40 – 50 interviews are held, depending on the size of the agency. The aim is to compile a list of people who will be able to offer insights about the agency and its work including, where relevant, challenging views. These need to cover all critical elements of the Agency Capability Model.

The Agency will provide a draft list for the Lead Reviewers to consider and the CRM will confirm the final list to the agency.

## ***What Matters* meetings**

- 1 Agency senior leadership meeting
  - Tier 1 and 2 leaders
- 2 Central agency officials meeting
  - Assistant Commissioner, Deputy Commissioner System and Agency Performance Group (SAPG), Director SAPG (the Commission)
  - Policy Advisor (DPMC)
  - Vote Manager (The Treasury)
  - Where relevant, system leads<sup>2</sup> such as the Information Security Lead, Property Lead, Procurement Lead, Data Lead, Digital Lead, Regional Lead and Service Transformation Lead.
- 3 Ministers
  - Responsible Minister
  - Other Ministers, as appropriate (to discuss)
- 4 External stakeholders meeting – recommend 5-6 key people
  - industry or sector representatives, industry or sector commentators, sector leaders, academic experts. Where relevant, leaders of non-governmental organisations, special interest groups, client, customer or citizen advocates.

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<sup>2</sup> [System Leads - Te Kawa Mataaho Public Service Commission](#)

## On-site interviews

- 1 Ministers (if not already interviewed during the *What Matters Meeting*)
  - Responsible Minister
  - Other Ministers, as appropriate (to discuss)
- 2 Internal
  - Chief Executive and senior leadership
  - Key tier 3/Principals/Specialists
  - Focus groups (6 – 8 people) from across the agency
- 3 External, drawn from
  - Customers or customer representatives
  - Key external and sector stakeholders (including iwi, and other relevant community groups)
  - Relevant Public Service chief executives and System/Functional Leads
  - Chief executives of relevant professional associations
  - Union representative(s)
  - OAG/Audit New Zealand representative(s)
  - Vote Analyst and Investment Management and Asset Performance Team (Treasury)
  - Where relevant, authors of recent strategic reviews, which may relate to the agency and/or system.

Note: during the on-site phase, the Capability Review Team may ask for changes to the interview schedule if matters come up that require further enquiry.



# Appendix B: Agency documents for the ACR

The following list sets out some of the key documents that would be useful in an Agency Capability Review, where they are relevant and available.

## General - Delivery

- Priorities – letters from Minister(s)
- Priorities – response from the Prime Minister
- Most recent Briefing to the Incoming Minister(s)
- Relevant legislation, in particular roles or functions
- Regulatory stewardship reporting e.g., strategy
- Statement of Intent/Strategic Intentions
- Annual Report
- Statement of Performance Expectations (Crown entities)
- Estimates appropriations information/data
- Reports and assessments of the quality of policy advice
- Strategies and plans relating to functional leadership roles (if relevant)
- Long-Term Insights Briefing

## General - Capability

- Reports/Benchmarking from Functional Leads/System Leads

## Leadership, culture and direction

- Long-Term Insights Briefing
- Senior leadership team and other leadership committees' terms of reference or charters
- Agenda and minutes from recent senior leadership team meetings
- Organisational chart – tier three level (with indicative size of Tier 2 business unit)
- Strategy and Accountability Documents (including Strategic Intentions, Annual Reports etc)
- Organisation strategy / key papers
- Business model / strategy description
- Agency level business plan, if relevant
- Values/culture/behaviour description and any reporting
- Recent Minister 'quarterly' reports
- Recent Board reports (where relevant, including key advisory boards, Risk and Assurance Committee etc)
- Recent agency performance reports for senior leadership

## Collaboration and delivery

- Sector strategy / key papers
- Customer and stakeholder insights
- Stakeholder engagement strategy
- Terms of Reference for membership of external groups
- Research and evaluation programme/plans
- Papers from significant reviews on core business areas/role of agency
- Information on business and financial planning processes
- Treaty settlement-based and other relationship agreements with iwi and Māori
- Agency Communication and Engagement plan

## **Workforce**

- Views of staff / staff engagement survey
- Four-year workforce strategy (and/or People Capability Strategy)
- Whāinga Amorangi plan
- Workforce reports and statistical information
- Public Service workforce comparative data
- Bargaining and remuneration strategy
- Union relationship agreement(s)
- Kia Toipoto/Diversity, Equity and Inclusion plans

## **Public finance and resource management**

- Output plan – if not published
- Four-year Plan – if not published
- Finance Strategy/reports
- Asset management strategy/plans/reports
- Investment Management strategy/plans/reporting
- Recent Gateway reviews or other independent quality reviews
- Information management strategy/plan
- Digital strategy / Information Systems Strategic Plan
- Privacy Maturity Assessment Framework report (if available)
- Audit management letter
- Internal audit and assurance programme, including list of internal audit and assurance reports for last two years
- Risk management strategy/policies
- Privacy Maturity Assessment Framework Self-assessment
- Protective Security Requirements Self-assessment
- Risk register or reports

## **External reviews**

- Investor Confidence Rating Report (capital intensive agencies only)
- Any recent reviews or evaluations
- Any recent Office of the Auditor-General performance audits

**Irene Kilford**

**From:** Thor Gudjonsson <Thor.Gudjonsson@publicservice.govt.nz>  
**Sent:** Monday, 29 May 2023 1:28 pm  
**To:** Audrey Sonerson  
**Cc:** Andrew Squires; Martin Kessick; Robyn Smith  
**Subject:** Confirming the details of the Ministry of Transport Capability Review  
**Attachments:** Capability Review of MOT - letter confirming key details - 29 May 2023.pdf

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Kia ora Audrey

It was great to catchup with you at the PSLT retreat.

As we had discussed, attached is a letter confirming key details for the upcoming Capability Review of the Ministry of Transport. I look forward to your response to confirm the details in the letter so that we can work with your team to prepare for the review, and contract the Lead Reviewers.


Ngā mihi  
 Thor

**Thor Gudjonsson** (he/him)

**Kaikōmihana Tuarua | Deputy Commissioner**

**Te Aromātai Whakatutukitanga | System & Agency Performance**





**waea pūkoro** s 9(2)(a) | **īmēra:** [thor.gudjonsson@publicservice.govt.nz](mailto:thor.gudjonsson@publicservice.govt.nz)



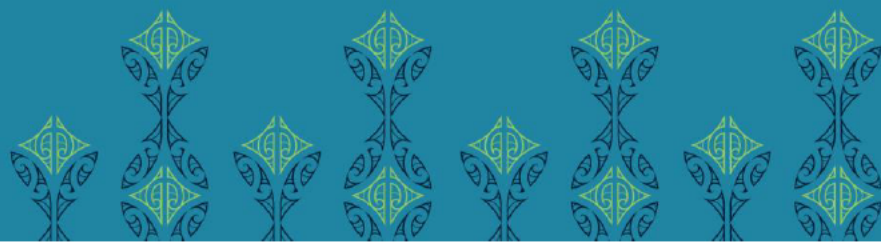
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**Read General Election  
Guidance 2023**

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29 May 2023

Audrey Sonerson

Te Tumu Whakarae mō ngā Waka | Secretary for Transport and Chief Executive  
Te Manatū Waka | Ministry of Transport

[a.sonerson@transport.govt.nz](mailto:a.sonerson@transport.govt.nz)

Tēnā koe Audrey

### **Agency Capability Review**

I am writing to confirm the details for an Agency Capability Review of Te Manatū Waka | Ministry of Transport (the Ministry). This review will be led by Brendan Boyle and Doug Craig. Andrew Squires will be the Te Kawa Mataaho | Public Service Commission's Capability Review Manager. He will support the Lead Reviewers, and work with your team to coordinate and deliver the Review.

We understand that Robyn Smith is the Ministry's sponsor for the Review, and you are considering who will be the project manager. Please let us know the name of the project manager as soon as is possible. The Capability Review Manager will work with this team throughout the Review.

### **Purpose and form of the Capability Review**

Capability Reviews are designed to ensure that the Public Service is building and maintaining the right capabilities to respond to challenges now and in the future. This will ensure that services and functions remain effective and responsive to meet the future needs of our communities. The Capability Review Programme aims to:

- help senior leaders lift the capability of their agencies
- embed a culture of continuous improvement across the Public Service, and
- ensure agencies are well-placed to deliver government priorities and outcomes for New Zealanders.

The Review will facilitate discussions about the Ministry's desired future state and what shifts need to be made to successfully achieve this. Reviewers will also identify the key challenges and opportunities for agencies to deliver over the medium term, supported by insights on the capability shifts required to make this happen.

### **Focus of the Review**

The Review will cover all elements of the Agency Capability Model. The Lead Reviewers will work with you to develop a future excellence horizon, and provide insights to help your agency respond to capability challenges and opportunities. We understand that you would like the Review to take into account the work done in 2022 by Debbie Francis and we will work with your team on how that can best be done. Note that you and your leadership team will have the opportunity to describe your focus areas for the review early on in the process.

## Process and timing of the Review

The Review will follow the standard review process outlined in the *Guide to the Agency Capability Review*. Based on our previous discussions with you, and confirmation of Lead Reviewer availability, the dates for key review milestones are indicatively outlined in Appendix One. The Capability Review Manager will work with your team if these dates need to change.

## Agency resourcing and cost

The Ministry will be responsible for organising interviews, any site visits, as well as office accommodation and logistical support for the Capability Review Team during the onsite work.

As discussed with you, we will recover:

- Lead Reviewers' time and reasonable travel and accommodation expenses, and
- publication expenses.

We estimate this cost to be approximately **\$145,000** excluding GST and any costs associated with travel and accommodation. The Commission will track actual costs and invoice you at the half-way point (at the end of the interview period), and post publication. The Commission will fund the costs of our Capability Review Manager and staff supporting the review process.

Martin Kessick and I are available if there is anything you wish to discuss.

We ask that you send us written confirmation of the details in this letter as soon as possible so we can then formally engage Doug and Brendan for the Review. We are looking forward to working with you and your team on this Agency Capability Review.

Nāku noa, nā



Thor Gudjonsson  
Kaikōmihana Tuārua | Deputy Commissioner  
Te Aromātai Whakatutukitanga | System & Agency Performance

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## Appendix One – Indicative timeline for the Capability Review of the Ministry of Transport

Phase	Major Milestones	Scheduled timing
<b>Scoping</b>	<b>Self-Review</b> – At the start of the process, the agency will lead a review of itself, drawing on existing documents, and interviews if it wishes. This review uses the provided capability model, and will result in a report.  Note we understand the Ministry is considering using the material provided by Debbie Francis in 2022 as a base for the Self-Review.	Report due to the Public Service Commission by 21 July 2023
	<b>What Matters Meetings</b> – The Lead Reviewers will lead discussions with your senior leadership team, Central Agencies, key stakeholders, and your Minister. These meetings help focus the attention of the Lead Reviewers through the Review phase.	Wednesday 9 August 2023
<b>Review</b>	<b>On-site interviews</b> – the Lead Reviewers, and the Capability Review Manager will be hosted on site at the agency to conduct interviews with key agency staff, central agency staff, and stakeholders. Face-to-face interviews are preferred.	Thursday 7 September 2023 – Wednesday 20 September 2023
	<b>Insight sharing</b> – the Lead Reviewers can meet with you and your leadership team throughout the on-site interview period. The Lead Reviewers will formally present their early findings to your team at the end of this period.	Late September 2023
	<b>Report drafting</b> – using the information gathered throughout the Review, the Lead Reviewers will create a draft report which they will send to your agency for feedback. This feedback will be reflected in a second near-final version of the report. The agency and the Public Service Commission will then develop their responses for inclusion in the final report.	First draft to the agency by early October 2023  Agency feedback on the first draft by mid October 2023  Second draft to the agency by late October 2023  Agency and Public Service Commission responses to review findings by early November
<b>Close out</b>	<b>Debrief</b> – Public Service Commission officials will meet with your team to discuss the Review process, and the Lead Reviewers can meet with your Minister to discuss their findings if the Minister wishes.	Agency and Commission debrief: Mid to late November  Lead Reviewer/Minister debrief: to be scheduled based on Ministers availability
	<b>Publication</b> – The final report will be published on the Public Service Commission's website.	Publication: Towards the end of 2023



Out of Scope

**From:** Andrew Squires <Andrew.Squires@publicservice.govt.nz>  
**Sent:** Wednesday, October 11, 2023 4:28 PM  
**To:** Robyn Smith <R.Smith2@transport.govt.nz>  
**Cc:** Katherine Davey <K.Davey@transport.govt.nz>  
**Subject:** next steps in the Capability Review - first draft report to you by 27 October for comment

Kia ora Robyn

Following on from the useful discussion with Audrey on Monday, I thought it would be useful to provide an update on the next steps in the MoT Capability Review.

Following Monday's discussion on the Preliminary findings, we are now into the process of developing the first draft of the report.

**We are looking to send the first draft of the report to you by 27 October for comment**

Our intention is to provide you with a first draft of the Lead Reviewers report by **Friday 27 October**, and provide two weeks for you to provide feedback, so due by **Friday 10 November**.

During that same timeframe we will also be undertaking a peer review process and seeking any comments from the Central Agencies. All this would then be able to be considered at the same time by the Lead Reviewers and incorporated into a second draft.

**Second draft ready later in November – to enable you to develop the agency response and provide any further feedback**

Once the Lead Reviewers have developed the second draft, this would be sent to MoT, with the focus on developing an agency response, but also able to provide any further feedback. I am still confirming the timeline for that second draft report, but it would be later in November. The report will also be the basis for us to develop the Public Service Commission Response, which will be part of the published report.

Hopefully this is useful in terms of enabling you to consider and plan for upcoming input into the review process.

Please let me know if you have any questions or comments.

Ngā mihi, Andrew

**Andrew Squires** ([he/him](#))

**Kaitohutohu Mātāmua | Principal Advisor to Deputy Commissioner**

Te Aromātai Whakatutukitanga | System and Agency Performance Group

waea pūkoro <sup>s 9(2)(a)</sup>  īmēra: [andrew.squires@publicservice.govt.nz](mailto:andrew.squires@publicservice.govt.nz)



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**Irene Kilford**

**From:** Brent Johnston  
**Sent:** Friday, 24 November 2023 10:07 am  
**To:** Andrew Squires; Audrey Sonerson  
**Cc:** Rob Anderson; Carmen Mak  
**Subject:** RE: Draft of the Capability Review report - looking at week commencing 20 November

Hi Andrew,

Audrey is out of office today, but thanks for the update. All good from our perspective.

Brent

**Brent Johnston**  
 Chief of Staff  
 Tumuaki o ngā kaimahi  
**Te Manatū Waka Ministry of Transport**  
 M: s.9(2)(a) | E: [b.johnston@transport.govt.nz](mailto:b.johnston@transport.govt.nz)

Executive Assistant: Nicole Rose | E: [n.rose@transport.govt.nz](mailto:n.rose@transport.govt.nz) | P: s.9(2)(a)



Hāpaitia ana ngā tāngata o Aotearoa kia eke  
 Enabling New Zealanders to flourish

**From:** Andrew Squires <[Andrew.Squires@publicservice.govt.nz](mailto:Andrew.Squires@publicservice.govt.nz)>  
**Sent:** Friday, November 24, 2023 10:00 AM  
**To:** Audrey Sonerson <[A.Sonerson@transport.govt.nz](mailto:A.Sonerson@transport.govt.nz)>  
**Cc:** Rob Anderson <[Robert.Anderson@publicservice.govt.nz](mailto:Robert.Anderson@publicservice.govt.nz)>; Carmen Mak <[C.Mak@transport.govt.nz](mailto:C.Mak@transport.govt.nz)>; Brent Johnston <[B.Johnston@transport.govt.nz](mailto:B.Johnston@transport.govt.nz)>  
**Subject:** RE: Draft of the Capability Review report - looking at week commencing 20 November

Kia ora Audrey,

We had planned to send you the draft Capability Review report this week, but we are a bit behind that schedule, partly as I have been off work with Covid. It will be at least one more week.

Regards, Andrew

**From:** Audrey Sonerson <[A.Sonerson@transport.govt.nz](mailto:A.Sonerson@transport.govt.nz)>  
**Sent:** Tuesday, November 7, 2023 12:05 PM  
**To:** Andrew Squires <[Andrew.Squires@publicservice.govt.nz](mailto:Andrew.Squires@publicservice.govt.nz)>  
**Cc:** Rob Anderson <[Robert.Anderson@publicservice.govt.nz](mailto:Robert.Anderson@publicservice.govt.nz)>; Carmen Mak <[C.Mak@transport.govt.nz](mailto:C.Mak@transport.govt.nz)>; Brent Johnston <[B.Johnston@transport.govt.nz](mailto:B.Johnston@transport.govt.nz)>  
**Subject:** RE: Draft of the Capability Review report - looking at week commencing 20 November

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All fine from me thanks.

Robyn has now finished at the Ministry so if you could send it through to Carmen (Acting DCE Corporate) and Brent and I when it is ready, that would be great.

Ngā mihi,  
Audrey

**Audrey Sonerson** (she / her / Ms)

M: s 9(2)(a) E: [a.sonerson@transport.govt.nz](mailto:a.sonerson@transport.govt.nz) | [transport.govt.nz](http://transport.govt.nz)

Executive Assistant: Sharyn Forty | M: s 9(2)(a) | E: [s.forty@transport.govt.nz](mailto:s.forty@transport.govt.nz)

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**From:** Andrew Squires <[Andrew.Squires@publicservice.govt.nz](mailto:Andrew.Squires@publicservice.govt.nz)>

**Sent:** Tuesday, November 7, 2023 12:03 PM

**To:** Audrey Sonerson <[A.Sonerson@transport.govt.nz](mailto:A.Sonerson@transport.govt.nz)>

**Cc:** Rob Anderson <[Robert.Anderson@publicservice.govt.nz](mailto:Robert.Anderson@publicservice.govt.nz)>

**Subject:** Draft of the Capability Review report - looking at week commencing 20 November

Kia ora Audrey

We had planned to get you the draft capability review report early this week, however, we need some additional time to complete the commentary in the report and analyse the findings from the interview process. We are looking at providing a draft of the report to you in the week commencing 20 November.

Hopefully this doesn't cause any issues for you, please let me know if you have any questions or comments.

Ngā mihi, Andrew

**Andrew Squires** (he/him)

**Kaitohutohu Mātāmua | Principal Advisor to Deputy Commissioner**

Te Aromātai Whakatutukitanga | System and Agency Performance Group

**waea pūkoro:** s 9(2)(a) | **īmēra:** [andrew.squires@publicservice.govt.nz](mailto:andrew.squires@publicservice.govt.nz)



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**Irene Kilford**

**From:** Audrey Sonerson  
**Sent:** Friday, 15 March 2024 8:20 am  
**To:** martin.kessick@publicservice.govt.nz  
**Subject:** report

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Mōrena Martin,

s 9(2)(g)(i)

A few overnight thoughts.

- Firstly it would be good to chat about it in a more relaxed fashion on both content and process from here.
- I could scan and send you my notes if you like. They are not comprehensive, on many parts I just read through, but if you want them I'm happy to share. You will need to take them for what they are – my notes to myself. Let me know.
- Secondly we could then look at what do we think the high level picture of 'where is the Ministry at' and 'where does it need to focus its improvement efforts over the next couple of years'
- If PSC and I can broadly agree on that picture then we have something we can work with
- Once we've got to that point, we could reshape the report and see if we can minimise the changes but reflect the agreed picture.

s 9(2)(g)(i)

Ngā mihi  
 Audrey

**Audrey Sonerson** (she / her / Ms)

Hēkeretari o te Manatū Waka – Tumu Whakarae | Secretary for Transport & Chief Executive

**Te Manatū Waka Ministry of Transport**

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