

**Directions to support a whole of government approach given
by the Minister of State Services and the Minister of Finance
under section 107 of the Crown Entities Act 2004**

Presented to the House of Representatives pursuant to
section 108 of the Crown Entities Act 2004

Direction regarding Property functional leadership

The Minister of State Services and the Minister of Finance, pursuant to section 107 of the Crown Entities Act 2004, direct all Crown agents¹, except District Health Boards and the New Zealand Blood Service, to comply with the mandate of the Functional Leader for Property, or their delegated agent², as it:

- (a) includes office and public interface areas³, but
- (b) excludes operational areas, and areas under the direct control of a Crown agent's investment function and not occupied by the Crown agent itself.

This direction takes effect on 1 July 2014 as follows:

- (1) Crown agents will cooperate with the Property Management Centre of Expertise (PMCoE), as agent of the Functional Leader for Property, as it consults to develop or update property strategies, principles, standards, tools and processes that will prescribe how Crown agents will develop and manage their individual property strategies. In developing or updating these instruments, the PMCoE must give effect to the national property strategy (including principles) and standards, as approved by Ministers.
- (2) Crown agents must obtain the approval of the Functional Leader for Property or their delegated agent before entering into contracts for acquisition or disposal (in part or full) of leased or owned office accommodation or public interface accommodation. When deciding whether to give an approval, the Functional Leader for Property or their delegated agent must have regard to the Crown agent's operational requirements as detailed in the Crown agent's Strategic Property Plan, and must base the decision on the instruments developed in paragraph 1 above.
- (3) Crown agents are required to comply with standards, tools and processes that have been developed and updated by the Functional Leader for Property or their delegated agent, where these have been approved by the relevant authority for each standard, tool or process.
- (4) Crown agents are responsible for developing agency strategic property plans every two years that align with strategies, principles and standards developed by the Functional Leader for Property, for approval by the PMCoE.
- (5) Crown agents must, at the soonest practicable opportunity, implement an average workplace density of 12-16 sqm per full-time equivalent. Examples of the soonest practicable opportunity are when Crown agents are relocating offices, developing or changing office fit-outs, or where lease terms allow.
- (6) Crown agents will adopt and use the integrated workplace management system (IWMS) approved by the Functional Leader for Property or their delegated agent⁴, to populate and maintain property data as required by the Functional Leader for Property or their delegated agent.

¹ As defined in Part 1 of Schedule 1 of the Crown Entities Act 2004.

² Currently the Chief Executive of the Ministry of Social Development, and the Government Property Management Centre of Expertise, respectively.

³ Office and Public Interface areas defined in the Government National Property Strategy.

⁴ Currently "Archibus", also known as Government Property Portal or GPP.

- (7) Crown agents must use common capability contracts⁵ for property-related goods and services established by the Functional Leader for Property or their delegated agent, as existing contractual commitments allow.
- (8) Crown agents must contribute to any PMCoE cost-recovery model approved by Ministers, which may be updated from time to time in accordance to changes in actual operating costs.
- (9) Crown agents may agree with the PMCoE to transfer property management functions, including the operation and use of the IVMS, to the PMCoE (or their outsourced providers) on a cost-recovery basis.

Nothing in this direction applies to the extent that any requirement would be inconsistent with section 113 of the Crown Entities Act 2004.

Given this 22nd day of April 2014, at Wellington



Hon Dr Jonathan Coleman
Minister of State Services



Hon Bill English
Minister of Finance

⁵ Previously, and sometimes also, referred to as "all-of-government contracts".