



Office of Hon Bill English

Deputy Prime Minister
Minister of Finance
Minister for Infrastructure

22 December 2008

Dear statutory Crown entity Chairs,

Enduring Letter of Expectations

This letter replaces the previous letter of expectations that was sent on 17 December 2004 to the chairs of boards of statutory Crown entities and Crown companies.

Ensuring value for money for New Zealanders

A more focused, efficient and productive state sector that delivers services differently and more cost effectively will require all of the state services to focus on improving the performance of every taxpayer's dollar spent.

We expect that each Crown entity board:

- keep under review the Crown entity's expenditure;
- identify particular expenditure or programmes that are not effective or providing good value for money; and
- act on those findings.

Demonstrating performance

Informative and accurate financial and non-financial performance information will enable Crown entities to demonstrate value for money. High quality performance information also enables Ministers to make more informed decisions.

We expect that Crown entities will have a performance measurement framework that is reviewed and updated regularly. For further information refer to <http://www.ssc.govt.nz/performance-measurement>.

Engagement with Ministers and monitoring Departments

Crown entities are expected to work with their Ministers on a "no surprises" basis, so that Ministers are informed at the earliest possible stage of: matters that may be controversial or cause public comment, major strategic initiatives, and implications that decisions may have elsewhere in government.

Crown entities and monitoring departments are expected to work together professionally and constructively, and share information in a timely manner. This will be particularly important as we will be seeking ongoing assurance from both Crown entities and monitoring departments about what each Crown entity is doing about ensuring value for money

Further expectations

We expect that Crown entities will:

- Provide the Treasury and monitoring departments with accurate financial information within stated timeframes;
- Maintain standards of integrity and conduct as set out in the code of conduct for the state services www.ssc.govt.nz/code-guidance-stateservants;
- Contribute to achieving a world class professional State services through the development goals framework; <http://www.ssc.govt.nz/development-goals>;
- Comply with the equal employment opportunities provisions as set out in the Crown Entities Act.

Yours sincerely



Hon Bill English
Minister of Finance



Hon Tony Ryall
Minister of State Services