

Government
Property Group

Crown Office Estate **Report 2016**



MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

New Zealand Government



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From the Minister



A new addition to the Economic Development portfolio, the Government Property Group (GPG) reports impressive savings and the benefits of a centre led approach.

I commend GPG on leading government agencies to avoiding approximately \$200 million in lease costs since their inception in 2011. GPG's centre-led approach to government's office accommodation requirements means agencies needs are considered together, leading to such great results.

GPG recognises it's not just about reducing space to create savings. They're also assisting agencies to provide better designed workspaces and co-locate where it makes sense. In doing so, staff are benefitting from more modern and collaborative environments while still realising savings.

This year the first building in the Christchurch Integrated Accommodation (CIGA) programme was opened. It's an important milestone for Government. A key focus for this programme was to revitalise the Christchurch city business district by bringing government workers back into the city. As a result, we're contributing to supporting an increase in the number of retail and café shops available in the city.

The Christchurch office accommodation is also a pilot for how government agencies can co-locate. It's pleasing to hear agencies are doing this to share facilities for efficiencies and to collaborate better. Ultimately, government working together and more efficiently is better for all New Zealanders.

Government agencies worked well together following the Kaikoura earthquake in November 2016. Government's property portfolio was tested, but people came together to share space in Wellington and knowledge, to ensure there were no disruptions to the public service.

It's been another great year for GPG and I'm pleased to continue working with this team and report on the results in 2017.



Hon Simon Bridges



Foreword

This report, the Government's sixth annual snapshot of the Crown Office accommodation portfolio, captures estate related data and analysis for the year ending 30 June 2016. The data reflect the benefits of a centralised approach, indicating we're containing costs in an inflationary cost environment.

Since it was established in 2011, Government Property Group (GPG, previously known as Property Management Centre of Expertise or PMCoE) has worked with government agencies to improve the Crown estate with outstanding results. A centre led approach to the Crown's property portfolio gives Government the greatest chance to see efficiency gains, as agencies and GPG work together to deliver significant and on-going benefits.

Since 2011, approximately \$200 million in rental and facilities management costs have been avoided by reducing the size of the Crown's Estate by 179,421m²; including a reduction of over 27,128m² in 2016 alone. The amount of space occupied per person is at its lowest of 17.7m² getting close to our goal of 12-16m² per person; and for the first time our office density is on par with the private sector (17.2m² per person).

The Government is leasing better quality space that enables more efficient workplaces, particularly in Wellington and Christchurch where occupation of less efficient accommodation has decreased. Seismic strengthening and significant refurbishments by landlords in recent years has contributed to more resilient and cost effective stock. Often we've negotiated these upgrades into new leases through the all of government approach to procuring space.

This approach was confirmed as worthwhile following the Kaikoura earthquake in November 2016. Many agencies in Wellington occupying buildings where seismic upgrade work had been completed were able to continue working without interruption. Further to this, a stronger focus on agile working meant agencies could share space more easily or work from other buildings with no disruption to the public service.





In an environment where rents and operating costs continue to increase in our main cities, taking a centre-led approach to property means we're able to contain costs. A continued reduction in space, and working more effectively with the space we have, has helped keep the total cost of the Estate to just \$333 million this year.

Our broadened focus to manage the Estate effectively, while continuing to be more efficient, has contributed to this result. Facilities Management and energy costs, continue to trend down. We're taking on new leases at more efficient densities and focusing on better workplace design and agility. Staff fluctuations are more easily managed as better designed workplaces have largely absorbed an increase of just over 2000 people this year.

Bucking the downward trend, security costs across the Estate have increased as agencies spend more in this area to protect staff safety.

Projects continue to be an important aspect for GPG. This year the Ministry of Education moved into their new premises in Wellington and the first building in the Christchurch Integrated Government Accommodation Programme (CIGA) was delivered. Both are excellent examples of working with less and better designed space in accordance with the Government National Property Strategy (GNPS). These buildings (and other recent additions to the portfolio) lead the way for other government agencies to see how modern and efficient spaces can positively impact on the work of government to benefit both staff and the New Zealand public.

We're pleased to note that between 1 July 2012 and 30 June 2016 around \$16.5 million of rent and operating expenses have been avoided for agencies in the Wellington Accommodation Project – Tranche 1 (WAP1) on a like-for-like basis. Further benefits will be seen in the following years when the final two buildings in WAP1 and 13 buildings in the Wellington Accommodation Project – Tranche 2 (WAP2) will be included in reporting. The two Wellington projects are forecast to save taxpayers over \$530 million over 20 years through a centre-led approach and following the GNPS.

Increasing capability and collaboration across government's property management community is integrated into the work we do. Change management, workplace design and co-locating agencies are becoming more important for us collectively, as is identifying pockets of available space to better use existing Crown-leased property.

Providing staff with modern, efficient and safe places to work while still producing savings for the taxpayer is evidence progress has been made. We continue to work towards our priorities, and look forward to seeing 2017's results.

David White
Director, Government Property Group



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Executive summary

The Crown Office Estate Report is an annual publication recording progress during the year towards the Government's goals for its property.

These goals are to:

- realise efficiency and effectiveness gains in Crown property management
- build property management capabilities within departments and Crown agencies
- optimise the use of the Crown Office Estate; build collaboration and co-operation between government entities in property and property-related activities
- create consistent office accommodation across the Crown Office Estate supporting increased productivity and the delivery of exceptional public services.

Highlights and overview

A summary of the data collected from agencies for the year ended 30 June 2016 is highlighted below.



Total reduction since 2011 of
179,421m²



Average cost per office person
(including rent and facilities
management)
\$6,617



Average sqm per office person
17.7m²



Accumulative cost avoidance and
hard savings since 2011 of around
\$200 million

Footprint 2016
1,524,524m²
(441,246 freehold and 1,083,278 leasehold)

Reduction since 2015 of
27,128m²

Facilities management cost avoidance
and hard savings since 2013 of
\$35.7 million

Average cost per office person (rent)
\$5,330
compared to private sector of \$7,328¹

Other highlights

- Eight agencies co-located in the first CIGA building share reception, meeting rooms, facilities and kitchens
- Ministry of Education was the first agency to use property to deliver more flexible ways of working
- The Government Standard Lease agreement has been used by all accommodation projects led by GPG to ensure consistency across the Crown's property portfolio.

¹ Colliers NZ Workplace Report 2016 – Workplace & Occupational Trends across New Zealand

Measuring performance

The information below shows the key property management performance measures as an average across the office Estate for 2016.

Costs

	2016	2015
Net rent per sqm	\$308.10	\$293.14
Energy costs per sqm	\$18.40	\$21.44
Facilities management costs per sqm	\$45.92	\$46.38

Total costs

	2016	2015
Cost per office sqm	\$372.42	\$360.96

Total space efficiency

	2016	2015
Sqm per office person	17.77	18.37

Overall efficiency

Total cost per office person

2016

\$6,617

2015

\$6,631

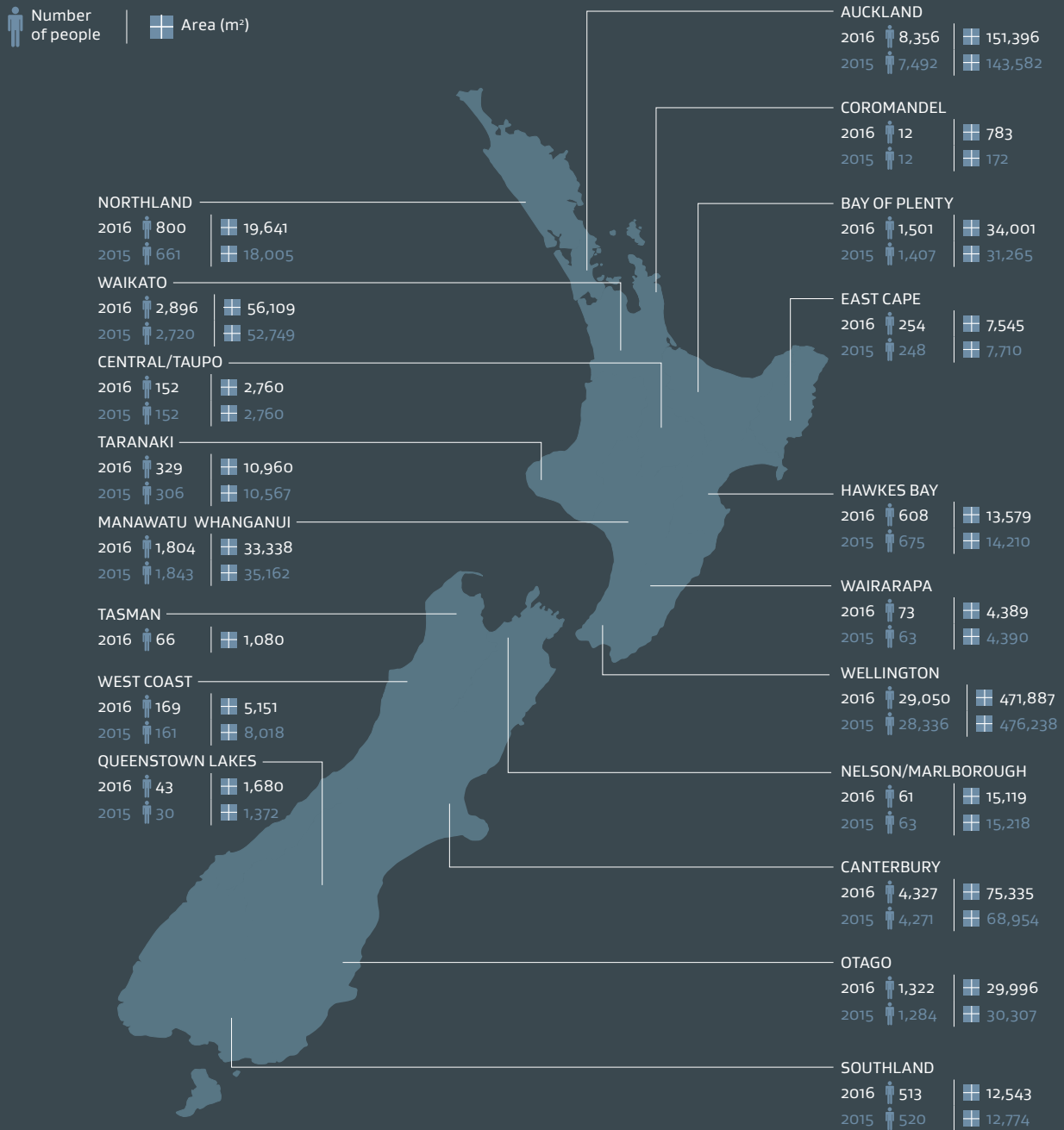
The 2016 data tells us that average rent cost across the Estate have increased by five percent which is consistent with increases across the property leasing market². This has contributed directly to the increase in total Estate costs. They have however, been contained by reducing space in the Estate and being smarter with Facilities Management and Energy costs.

The total cost per office person continues to decrease. While it might seem like a small decrease at \$14.36 this year, it represents savings of almost \$1 million across the Crown's office property portfolio, as upward pressure remains on leases within the property market.

² Colliers NZ CBD Office Report 2015



Crown Office and public interface areas

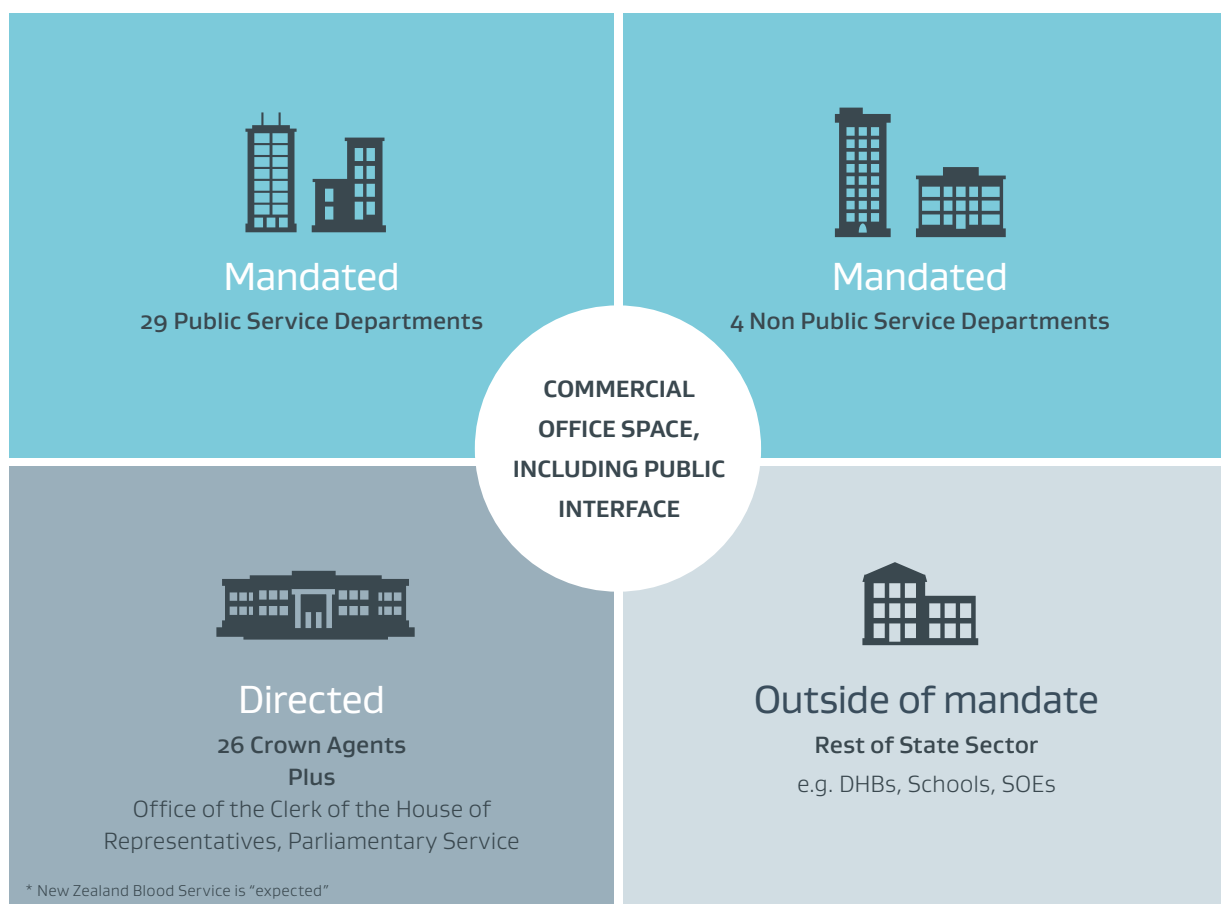


About this report

This annual report is commissioned to assess the progress being made towards improving the efficiency and effectiveness of the Crown's Estate. It covers the time period from 1 July 2015 to 30 June 2016.

The Government Property Group (GPG) supports the Chief Executive of the Ministry of Business, Innovation and Employment in their role as the Functional Leader for Government Property under the State Services Commission run Better Public Services Programme.

Agencies and space within the scope of GPG



Data collection

GPG collects data from agencies within GPG's scope as at 30 June each year through the Government Property Portal (GPP) property management system, and analyses it to create this report. Key graphs and tables that show agencies performance, as well as a list of the agencies, are located in the Appendices at the back of this report.

Government National Property Strategy

The Government National Property Strategy (GNPS) is the foundation document for GPG and agencies in the property space. It focuses on a centralised approach and pushes us towards further potential savings. We'll reach these through: centrally co-ordinating ICT in workplaces; considering all of government benefits in co-locations; consistent implementation of fit-outs for flexibility and cost reduction; connecting agencies seeking space with those who have surplus; and all-of-government contracts for Facilities Management and other property-related services.

The GNPS can be found on the GPG website – www.gpg.govt.nz

Agency expectations

To support the achievement of its goals, the Government has provided seven clear expectations for departments and Crown agents (Appendix 1 – agencies in GPG's scope). These expectations cover how the agencies are to manage their property portfolios and how they are to contribute to the Government's property management goals.

The expectations are that agencies will:

1. Have national property plans.
2. Provide productive, flexible, cost-effective workspaces.
3. Adopt cost-effective options to manage energy consumption and emissions.
4. Reduce the total lifecycle costs of occupancy, including working towards an office space occupancy density of 12-16m² per person.
5. Behave and negotiate with due regard to the impacts on other Crown agencies operating in the same market.
6. Have 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.
7. Only enter into rental contracts that limit performance and price risks.

GPG responsibilities

In October 2012, Cabinet gave GPG further responsibilities. This includes:

- approving all property acquisitions and disposals (whether leased or owned)
- developing national property strategies, principles, standards, tools and process
- in charge of whole-of-government procurement of property-related goods and services
- approving agencies' biennial property plans
- providing an integrated workplace management system (Government Property Portal) for all government agencies.



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Going forward

Research³ shows rental costs continue to increase in the main cities (Auckland, Wellington and Christchurch) as “tenants demand better, safer and more efficient workspaces”.

Low vacancy rates in good quality stock in Auckland and Wellington has put a squeeze on supply creating higher demand, especially for better seismic resilient and prime buildings. It is therefore important that an all of government approach to decrease space is continued where appropriate.

The importance of collaborative projects has become evident and continues to be a focus for GPG. Managing the business case, procurement and lease negotiations collectively for multiple agencies has already proven to be an appropriate model for non-public facing office accommodation. It demonstrates how working collaboratively rather than competing with each other in the marketplace, works.

Agency leadership teams continue to play an important role in the success of effective workplaces. Culture, technology and property outcomes are most successful when considered together and supported by leaders. GPG is increasingly putting more emphasis on workplace design and change management to support agency property changes. A Change Management Toolkit for agencies, Co-location Guide and Property Planning Guidance are all being developed to leverage investment in property as an enabler.

GPG's strategy and research team is continuing its work on a performance indicator for how well workplaces support staff to be productive. This may help understand which parts of the workplace have the most impact on productivity so more informed decisions can be made.

Towards the end of 2016, GPG will send out a survey about property portfolio performance to the international property community. This will gather information about performance measures that are currently in use as well as what measures are being considered for the future. Having a set of consistent measures means the performance of New Zealand's property can be considered against other countries.

³ Colliers NZ CBD Office Report 2015



Other deliverables include:

- Completion of Wellington Accommodation Project – Tranche 1 (WAP1).
 - Ministry of Social Development to move to 56 The Terrace in October 2016 bringing their people closer together in a safe, modern and efficient environment.
 - Ministry of Health to move back to 133 Molesworth Street in November 2016 to become flexible in the way they work. In this environment, people can work where it suits them, utilising functional furniture and space in the workplace (see more about this in the ‘GPG projects’ section).
- Negotiations for Wellington Accommodation Project – Tranche 2 (WAP2) to be completed.
 - In July 2016, the WAP2 project will move into the implementation phase after negotiations for leases on 13 buildings covering 23 agencies are completed.
- Christchurch Integrated Government Accommodation (CIGA) programme will finish.
 - By 30 June 2017, it is expected that all four new developments in Christchurch will be complete and occupied.
- Whanganui (new build for the Ministry of Social Development) and New Plymouth (co-location of three government agencies in a new build) regional projects are due to be completed by mid-2017.
- Auckland Accommodation Project (AAP) includes 25 agencies across 104,000m² of space in Auckland, and is currently in the planning phase. GPG will analyse how office accommodation in Auckland can be used to provide a more effective public service, as well as reducing accommodation costs, and determine what central government’s role is. The initial phases will be completed in 2017 and the project is estimated to be completed by 2021.
- Property Consultancy Services common capability contract is a panel of non-construction property-related consultancy service providers. It will be available for agencies to use from the first quarter of 2017.
- Government Property Portal (GPP) is the government’s property management system. It will be further expanded with new modules in 2017.

For more information about GPG’s work as described above, see the ‘GPG projects’, ‘Procurement’ and ‘Government Property Portal’ sections later in this report.

GPG projects



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Projects remain important to GPG's work. Agencies with leases expiring at a similar time period can often be considered collectively in a GPG project.

In this collaborative approach across government, the best results for taxpayers can be achieved while still providing modern and safe environments for staff. Often negotiations with landlords mean they commit to seismic strengthening and building upgrades. The new space allows workplace design to be considered following the GPG Workplace Standards and Guidelines, and the best use of space for increased effectiveness. Efficiencies through cost saving can also be created through reducing the amount of space leased.

Non-public facing office accommodation has been the focus for GPG projects as service delivery and contact centres face challenges. The Auckland Accommodation Project will tackle those challenges as it pulls together a strategy for government property in New Zealand's largest city.

Current projects

Wellington Accommodation Project – Tranche 1 (WAP1)

Wellington Accommodation Project – Tranche 2 (WAP2)

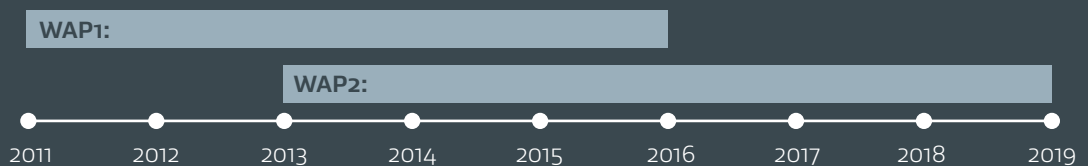
Christchurch Integrated Government Accommodation (CIGA) programme

Auckland Accommodation Project (AAP)

Regional Accommodation Projects (RAP)

Wellington accommodation projects

The Wellington projects remain on track to deliver combined forecast savings of over \$530 million over 20 years. Adopting a centre-led approach to manage the business case, procure office accommodation and enter into negotiations with landlords means this level of return for Government is possible.



WAP1

Property projects can last up to six years so it can take some time to see the results. It is however impressive that we are already seeing the benefits of the WAP1 project. As projected, at the year ended 30 June 2016 around \$16.5 million has been avoided in rental and operating expenses on a like for like basis for agencies in the WAP1 project.

The last 12 months capture the move of the Ministry of Education into their new premises at 33 Bowen Street. The remaining two agencies in WAP1, the Ministry of Social Development and Ministry of Health, are well into the implementation phase of the project. Building fit outs in accordance with GPG's Workplace Standards and Guidelines are underway with support from GPG.

The five government agencies involved in WAP1 (Crown Law, Ministry of Business, Innovation and Employment, Ministry of Education, Ministry of Social Development and Ministry of Health) took on approximately 100,000m² of space which represents about a quarter of government's space requirements in Wellington. This project presented a strong opportunity for the Crown to be more efficient, and that is evident with \$333 million forecast in savings over 20 years.

Ministry of Social Development – occupying from October 2016

Ministry of Health – occupying from November 2016





Ministry of Education

The Ministry of Education successfully relocated to their new premises at Mātauranga House, 33 Bowen Street in January 2016. They've moved their people from four buildings in Wellington to Mātauranga House, and retained temporary space for special projects. As a result, they have reduced space and will save in rental and operating costs over the term of the lease.

Education has been smarter with the design of their workplace and led the way for government agencies by adopting flexible ways of working through to almost half of their space. Support from their people has been encouraging and they intend to open up more space for flexible working at Mātauranga House within the next few years.

Flexible ways of working mean just that. People can choose where and how they work, although there are guidelines in place to make it go smoothly. For example, people are provided with lockers and 'neighbourhoods' exist where people are encouraged to sit in certain areas to enable interaction with colleagues. There are also quiet zones for focussed work and areas to collaborate and meet.

Key to their success was changing their culture, adopting technology to support the change and strong leadership to coincide with the head office accommodation project. Education's aim was to increase connection, collaboration and co-operation internally and across government and the education sector. According to their people – they've done just that.

Read more about the Ministry of Education's relocation in the Case Study on page 32.

WAP2

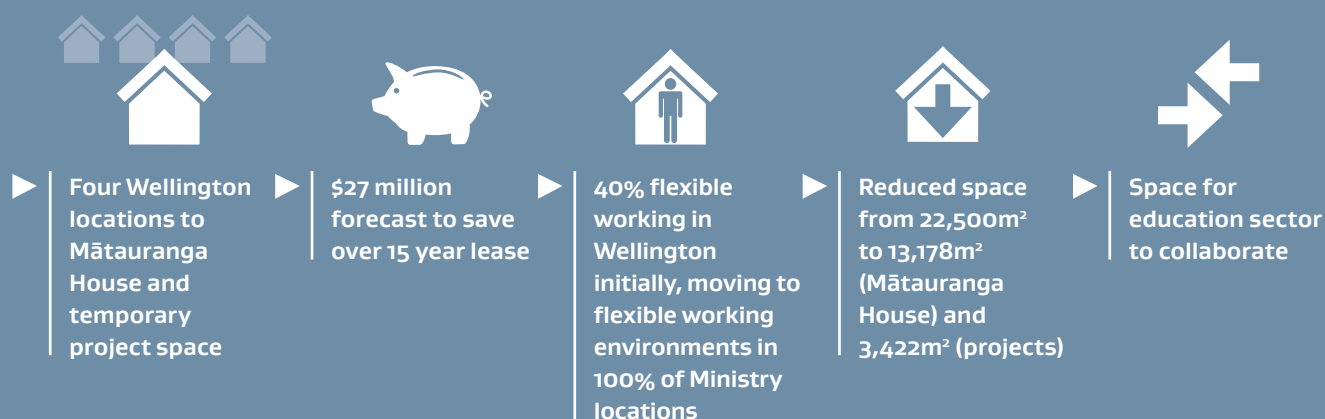
The second tranche of the Wellington Accommodation Project is in Phase 2 of the project – consultant procurement and negotiations. Request for Proposals were sent out to secure building leases and subsequent negotiations with chosen landlords are underway.

There will be 13 buildings and 23 agencies involved in WAP2 covering approximately 137,000m² of space.

Highlights so far:

- Department of Conservation completed a new lease agreement in April 2016. As part of the agreement, the landlord will perform a major upgrade of Conservation House, including seismic strengthening.
- Department of Internal Affairs will consolidate their property from three buildings to one, and will be close to their key sites – the National Library and the Archives Building.
- Ministry of Justice, New Zealand Police and Sport New Zealand led their own negotiations with preferred landlords and where appropriate landlords will undertake redevelopments as a result.
- It is expected that three buildings in WAP2 will be set up as co-locations where agencies will share services like meeting rooms, kitchens and printers for efficiency gains.

MINISTRY OF EDUCATION HIGHLIGHTS:



Christchurch Integrated Government Accommodation (CIGA) programme

Government made the rebuild and recovery of Christchurch's Central Business District a priority, as outlined in the Christchurch Central Recovery Plan (CCRP)⁴. Part of this plan was to restore market confidence by relocating central and local government offices in the city centre, providing guaranteed demand⁵.

GPG were directed by Government to work with the Canterbury Earthquake Recovery Authority (CERA) to achieve its vision for Christchurch. To do this, GPG set up the CIGA programme, which procured, negotiated and confirmed agreements to lease four privately developed buildings in the central city.

The intention of this commitment is to:

- Bring approximately 1500 government workers back into Christchurch's CBD.
- Support new development that offers retail and café space, as well as commercial offices.
- Increase business and investor confidence.
- Provide safe, modern and efficient working environments.

Three of the four new buildings will house more than one government agency in a co-location model. This means the lead agency is responsible for the fit-out and lease while participating agencies have set agreements through a Memorandum of Understanding. This has been run as a pilot for GPG and as post-move evaluations are finalised, lessons will be applied across other projects.

Highlights of the co-location model are:

- Increased efficiencies through sharing space such as reception, meeting rooms and kitchen areas.
- Increased collaboration across government agencies.
- Development of a co-location ICT solution where participating agencies can retain security and confidentiality in a common system for reception, meeting room bookings, printing and access to AV/VC equipment.
- Single security approach developed for the individual sites based on the occupants risk profiles.

Workplaces are being designed using the GPG Workplace Standards and Guidelines. These allow for collaborative informal meeting areas and not as many formal meeting rooms. Reception areas are shared with a common New Zealand Government brand and minimal agency branding to allow for flexibility as agency needs change.

As the developments progress, GPG has been working on a Co-location Guide and financial agreement, as well as a Change Management Toolkit to support agencies through the change process. The content of these and how they are used has been heavily influenced through the project. These documents will be invaluable as co-locations and other property projects continue in the future.

⁴ Christchurch Central Recovery Plan dated July 2012

⁵ Ibid. pg. 4.



Implementation update

The first CIGA site, the BNZ Centre Stage 1, was occupied in February 2016 and opened by the Prime Minister, John Key in April 2016. It houses eight government agencies led by Statistics New Zealand in a co-location model.

Statistics New Zealand Information and Communication Technology (ICT) leadership developed a model to support technology for their co-location. This model is now being shared with the Government Chief Information Officer (GCIO) as the Functional Leader for government ICT, and the other CIGA co-locations as a trial for future co-location projects.

The remaining CIGA sites are progressing well through construction and fit-out.

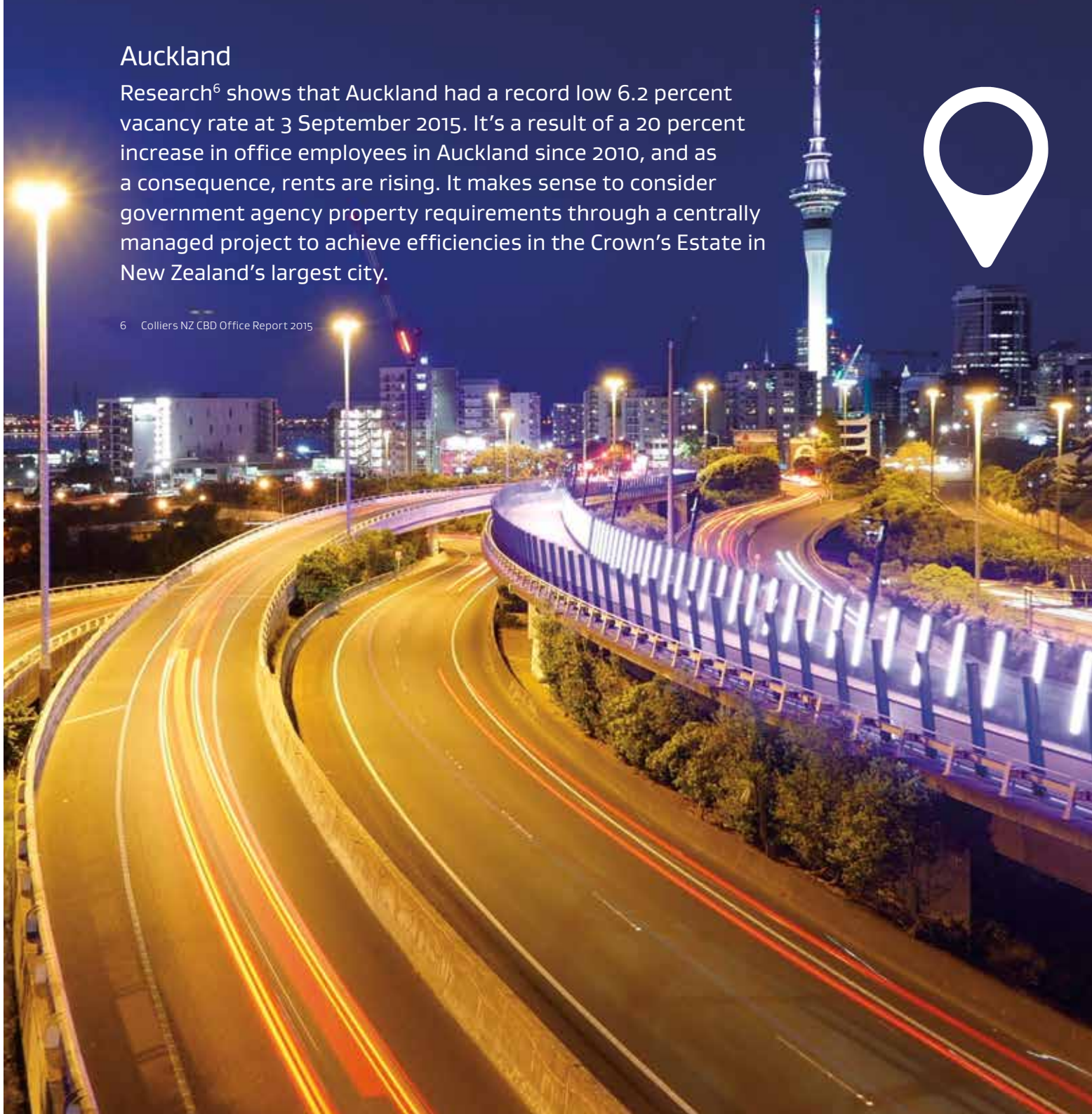
- 161 Cashel Street
 - Completion due January 2017.
 - Led by Ministry of Business, Innovation and Employment, with Ministry of Social Development and Department of Conservation.
- BNZ Centre Stage 2
 - Completion due February 2017.
 - Occupied by Accident Compensation Commission.
- King Edward Barracks
 - Completion due April 2017.
 - Led by Ministry of Education, with Ministry of Health.

Auckland and the regions

Auckland

Research⁶ shows that Auckland had a record low 6.2 percent vacancy rate at 3 September 2015. It's a result of a 20 percent increase in office employees in Auckland since 2010, and as a consequence, rents are rising. It makes sense to consider government agency property requirements through a centrally managed project to achieve efficiencies in the Crown's Estate in New Zealand's largest city.

6 Colliers NZ CBD Office Report 2015



GPG is currently in the planning stages for the Auckland Accommodation Project, focusing on 25 agencies with around 6,350 staff currently occupying 104,000m² of office space. Commencing the project in Q4 of 2015, the vision for the project was established:

A Crown office portfolio in Auckland that enhances agency and staff productivity, supports the effective delivery of services to clients, facilitates cross-agency collaboration, and enables wider government initiatives.

Project objectives were strengthened:

- fewer buildings and locations
- cluster or co-tenant or co-locate agencies where feasible
- target a portfolio density of 12-16m² per person
- identify potential hard savings and cost avoidance against the status quo.

Engagement by GPG and the State Services Commission with senior State Sector leaders in Auckland confirmed a different approach should be taken than other GPG projects. This project will support a broader vision of the public service in Auckland. The opportunity exists to improve the effectiveness of Auckland's public service by taking a 'property-as-an-enabler' approach.

GPG will report back to senior State Sector leaders on:

- broader system and agency business drivers in Auckland
- how a 'property-as-an-enabler' approach could work in Auckland
- what Government needs to do to make this approach happen.

This project will include delivery services and contact centres; area types previously excluded from other GPG projects.

Regions

GPG continues its work with government agencies throughout the regions of New Zealand. Identifying opportunities to support the delivery of Better Public Services and increased productivity is a key consideration. We can do this by providing easy to access services to the public and staff with modern, flexible workplaces that increase collaboration.

Although less space is required in the regions, we can be smarter with it by decreasing the number of sites leased or use the co-location model. Currently underway are:

Whanganui: as part of the lease agreement for a new build at St Hill Street, the Ministry of Social Development will consolidate two premises into one. All their services will soon be under one roof making access easy for the public and increasing staff collaboration.

Completion early in
2017

37% reduction
in space (1196m²)

New Plymouth: led by the Ministry of Social Development, a lease agreement for a new build to house multiple government agencies. Efficiency gains through a modern, safe environment, stronger collaboration across government, and one easy to access service for the public are highlights.

Completion middle of
2017

38% reduction
in space (1812m²)

Lower Hutt: a Request for Proposal for suitable buildings is due to be released on the Government Electronic Tenders Service (GETS) in August 2016.



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Supporting agencies

There is a strong government property community and part of GPG's work is to provide support to increase capability and effectiveness. Some of that work is detailed here.

Brokering space

Government can be more effective with space by ensuring it is well used. GPG works to connect agencies that have spare space with those that require it, rather than agencies sourcing additional space individually as they need it.

Agencies outside GPG's scope are not excluded. GPG actively shares information and provides guidance on co-locations and leasing to find space within the Crown's estate.

Notably this year, GPG assisted four agencies and Crown Entities to co-locate and share space, including their reception. The Commerce Commission, Tertiary Education Commission, Human Rights Commission and Energy Efficiency and Conservation Authority came together at 44 The Terrace and through an external consultant, improvements in seismic rating and refurbishment were negotiated into the lease agreement with the landlord.



Providing guidance

- **Change Management Toolkit**

It's easy to underestimate the impact a new workplace has on how people operate in a space. Property projects include a range of changes and challenges for employees and the organisation, including the physical environment, technology, operational, and behavioural changes. GPG is building a set of change management tools and templates to support agencies developing a change programme for their workplace or co-location project.

The Change Management Toolkit focuses on how to engage with staff to increase investment in the final outcome. Getting this right will help people make meaningful changes to how they work. The Toolkit provides a framework for the workplace programme, defining a change and communication plan, as well as guidance to make sure the changes are embedded and maintained. The Toolkit is anticipated to be available online by mid- 2017.

- **Co-location Guide**

A Co-location Guide is being developed to assist agencies identify opportunities to enter into co-location agreements with other agencies. It will support them to implement the co-location successfully, as well as operate the shared workplace once in place. The responsibilities of the lead and participating agencies are outlined, as well as how joint decision-making processes will work. The Guide has evolved alongside the CIGA programme and also includes information on the financial implications of co-locations.

- **Standardisation of lease contracts**

As new building leases are negotiated, GPG is taking the opportunity to improve the quality and consistency of lease agreements. Having a consistent set of lease conditions across government property ensure ease of portfolio management.

- **Property Planning Guidance**

The Property Planning Guidance is due to be published in early 2017. It will support agencies to apply a good practice approach to planning their property requirements.



Government Property Portal (GPP)

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A Government requirement, as part of the implementation of Property Functional Leadership in 2012, was for GPG to develop an integrated property management system for government agencies to use. As well as a system for agencies to use day-to-day, this allows Government to get a snapshot of the Crown's property portfolio and use this information to inform property decisions through reporting and analysis.

GPG is setting up the third phase of the Government Property Portal project – to rollout new capability and features.

Over the past year, GPG has worked with a number of agencies to develop new capability and features through the addition of four new modules. They will allow agencies to better track and manage space allocation and utilisation, furniture and other building assets. They'll also be able to use the system to manage repairs and maintenance.

Phase 3 of the project will start in November 2016 and will include the rollout of new modules to government agencies with large- and medium-sized property portfolios in the first instance (around 200,000m² of space). GPG staff will work directly with agencies to determine their current state and step them through the new system. Small agencies will be the focus for GPG from mid-2017.

The New Zealand Transport Agency was one of four pilot agencies who first used the new capability. They've reported improvements in accessing quality information, and savings in time and costs. Other benefits of using GPP include:

- improving property efficiency and costs
- increasing productivity of people using the system
- optimisation of assets
- improving sustainability and energy efficiency
- prevention of asset failures and unplanned outages
- management of the life of assets; allows for better procurement decisions, and potential reduction in insurance costs
- asset management contributes to the Investor Confidence Rating (ICR) assessment.



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Procurement

GPG procurement continues to develop and implement contracts that deliver benefits for agencies. Assessing risk, considering current and future needs of agencies, and creating savings were focuses for GPG this year.

GPG currently manages the existing Common Capability Contract (CCC) for furniture, which includes a number of furniture suppliers with agreed pricing and a core list of furniture approved for agencies to use. In addition, the CCC for Property Consultancy Services (PCS) will be available for use from the first quarter of 2017.

Work is underway to establish two new All of Government contracts: Facilities Management (FMS), and Commercial Cleaning and Associated Services (CC&AS). The CC&AS contract is being implemented by a lead agency with support from GPG.



Furniture CCC

It is expected that savings, consistency across government and efficiencies can be achieved using the Furniture CCC, compared to agencies setting up their own arrangements. To date, 29 government agencies (including GPG-mandated and eligible agencies) are using the panel arrangement of five furniture suppliers. GPG is monitoring panel usage and evaluating benefits to agencies.

GPG continues to monitor the range of furniture agencies are purchasing through the panel. The 'core list' available to agencies will be improved through time to better assist agencies in their workplace.

Facilities Management (FMS)

GPG has an approved plan for FMS services following significant market and stakeholder engagement in April and May 2016. The next steps are to produce Request for Proposal (RFP) documentation and finalise the procurement timetable. It is anticipated the RFP will be issued to the market early in the second quarter of 2017.

When implemented, agencies are required to use suppliers in the All-of-Government contract as their existing contracts expire. Following are the key benefits of implementing this contract:

- Easy access to a range of responsive FMS that meet the needs of Government's property portfolio.
- Improvement of maintenance and management services for participating agencies assets and their facilities. As a result, it may help move government FMS from being highly reactive to mostly planned maintenance (where appropriate).
- Access to value for money services and reduced overall costs through more competitive market rates and reduced reactive maintenance costs.
- Introduces mechanisms and processes for data gathering, recording and reporting into the Government Property Portal, allowing GPG and agencies to use the data to make better, more informed decisions.

Property Consultancy Service (non-construction)

GPG intends to establish a panel of providers with the capability, capacity and experience to deliver a range of property related consultancy services.

Mandated and eligible agencies will have access to panel providers capable of delivering the following benefits:

- value for money services
- access to quality consultants to deliver reliable, impartial advice
- eliminates the need for agencies to source services individually to make efficient use of agencies' and providers' time and resources
- easy access and clear instructions for how to use the panel with standard processes and common templates
- allows government purchasing to be visible which helps to determine requirements and future planning
- supports GPG objectives and strategies, and aligns with government's procurement strategy.

Registration of Interest submissions and RFP's have all been evaluated. Contracts will be awarded in the first quarter of 2017.

Enabling participation in current syndications

In service areas where AoG's or CCC's are not available, GPG continues to encourage agency participation in existing syndicated arrangements. These are open to all GPG mandated and eligible agencies and provide a range of benefits for participating agencies. Current syndications where GPG assists with on boarding and access to information include: the Police Seismic Assessment Services, Department of Corrections Construction Consultancy Services, and the Inland Revenue Department's Waste Management Services contract.





Case studies and appendices

Sport NZ – Driving sector connections

Sport New Zealand (Sport NZ) take their vision, “for New Zealand to be the world’s most successful sporting nation”, very seriously. They also know their sector partners are strong supporters of this vision and that together, as a united team, they can make a far greater contribution to achieving this vision than they can by going alone.

Hubs of sporting activity

Who:	Sport New Zealand and sector partners	
Building:	Sport Central	86 Customhouse Quay
Where:	Auckland	Wellington
Date:	10 June 2015	On going
Size:	839m ²	1,889m ²
What:	A new presence and co location	Co location



Recognising this has led to co-locating at Sport NZ's offices in both Auckland and Wellington.

In Wellington, Equestrian New Zealand and New Zealand Mountain Safety Council all co-locate with Sport NZ, and the New Zealand Recreation Association (NZRA) will co-locate with them in September 2016.

Julie Morrison, General Manager, Corporate Services for Sport NZ, says the Wellington co-locations have delivered major benefits for Sport NZ, their sector partners and the public they serve.

"It's by working together and supporting each other that the sector is able to achieve its collective goals. At the same time our co-location partners are occupying what would otherwise be surplus space, as well as improving the utilisation of our reception services and common facilities. The partners also collaborate on health and safety requirements and attend social functions held on site. All of this builds, and adds value, toward the achievement of our collective sector goals."

Julie Morrison, General Manager,
Corporate Services, Sport New Zealand

When the opportunity arose to expand their Auckland presence, Sport NZ established the 'Sport Central' hub in Mt Eden. Sector partners co-located within the hub are Triathlon New Zealand (TriNZ), Hockey New Zealand, Aktive – Auckland Sport and Recreation, and Auckland Secondary Schools Heads Association (operating as College Sport).

Having led the initiative, Sport NZ CEO Peter Miskimmin said at its opening in June 2015 that *"Sport Central provides an exciting opportunity for a range of sport organisations to work more closely together in New Zealand's largest city"*.

The Sport Central office space has been designed in line with GPG's 'Workplace Standards and Guidelines for Office Space', using an open plan environment with informal breakout spaces and meeting booths. The design and layout of the space has been furnished with fresh new furniture that caters for staff needs and has enabled 14m² per person. But more than this, it has helped facilitate collaboration and knowledge sharing between sector partners.

"Sport Central has exceeded Aktive's expectations. We have not only enjoyed the tangible efficiency benefits of shared facilities (which are superior to those we could have afforded ourselves) but our shared services team has also benefited from their sector clients being across the partition. On top of this, we've enjoyed the incalculable benefit of being in a truly collegial environment. A ton of informal mentoring and support goes on, and we've gained a deeper appreciation of each other's organisations."

Sarah Sandley, CEO, Aktive

Co-location benefits

The benefits of co-locating with sector partners include:

- greater collaboration and knowledge sharing, e.g. shared experience around constitutional changes to their respective sports
- shared expertise around sport event management
- joint health and safety committees with input from people with wide and varied experience
- social functions that provide networking, support and the development of communities of practice opportunities
- the ability, within reason, to manage the growth and contraction of sector partners within the available space.

Apart from the sharing of office space and related services, the co-location has also seen:

- support services being shared – Aktive providing accounting/finance support to TriNZ and College Sport
- sector partners (excluding Sport NZ) moving to a cloud environment and a common IT vendor.

All sector partners now work in a professional office environment with access to matching services and facilities. Former Chief Executive, College Sport, Dave Currie said an added advantage of co-locating at Sport Central is that *"stakeholders take them more seriously now"*.

Ministry of Education – A new beginning

A fresh start with new ways of working

The Ministry of Education (the Ministry) is a core public service whose purpose is to lift aspiration and raise education achievement in New Zealand. In 2013, the Ministry's leadership team recognised the need for change in the way Ministry business groups worked with each other and with the wider sector. They realised that to achieve their goals, a change of working culture supported by new technology and much more flexibility in their working environment was needed. At the very least, this would mean looking at the Ministry's technology investment programme and coordinating the move from the four locations the Ministry occupied in Wellington. Through the Ministry's involvement in the Wellington Accommodation Project – Tranche 1

(WAP1) led by the Government Property Group (GPG), plans turned to reality. The impact of this particular relocation began a ripple effect that is being felt right across the Ministry and beyond. It's been a bold step and one which other agencies are taking a closer look at.

Who:	Ministry of Education
Building:	Mātauranga House – 33 Bowen Street
Where:	Wellington
Date:	January 2016
Size:	13,179m ²
What:	Relocation and cultural growth





In January 2016 the Ministry shifted into a newly refurbished Mātauranga House at 33 Bowen Street. Not only did this bring Ministry people together, efficiencies were created through reducing the space leased and it allowed the Ministry to introduce Flexible Working Environments – a completely different way of working from the traditional business group silos and managers in offices. The move to Flexible Working Environments is now being extended to every other Ministry of Education location throughout New Zealand – the first large government department or ministry to do so.

GPG had the role of balancing five agencies' office accommodation needs collectively for greater savings. A clear goal for the Ministry was to look for a building that could accommodate at least 1100 Ministry people and provide spaces staff to work alongside the Ministry's education sector colleagues.

'Activity Based Working' emerged as a useful model for achieving much of what the Ministry needed from its working environment and GPG was able to facilitate the development of the Ministry's preferred approach – Flexible Working Environments – through site visits and meetings with workplace design experts.

Creating physical spaces so the Ministry's working culture could change, has been important. Against the backdrop of 'Better Public Services' the Ministry was looking for ways to increase connection, collaboration and co-operation internally and externally across the

education sector and with other government agencies. To do this the design principles for Mātauranga House included four themes: **agility** in response to change, **meritocracy** in access to tools and facilities, easier **connection and collaboration** between teams and ways for **enabling** parents, whānau, communities and education sector colleagues to be more involved.

Once 33 Bowen Street was selected in late 2014, the building was stripped 'back to its bones' by the landlord so seismic strengthening and internal infrastructure works could begin. Construction works involved two basement levels, two public access floors and ten secure Ministry floors. The brief to architects Warren and Mahoney was that Mātauranga House as it would become known, needed to be as open and internally accessible as possible. There needed to be a conference space for at least 200 people and a concierge-style reception where guests would be received personally. It was important for the Ministry to be able to extend hospitality to guests without compromising security or being restricted to a formal meeting room. To enable collaboration, all offices were removed in favour of open meeting spaces; non-bookable quiet rooms with high acoustic ratings were introduced for privacy and meeting rooms in a range of sizes were designed to be within one floor up or down, throughout the building. Frosted glazing was to be minimal and social spaces such as kitchens and break-out areas needed to make the most of the natural light.

One of the biggest decisions to be taken was to build an internal stair from ground level through all floors of the building. It significantly reduced the load on the lifts, especially for the short one or two-floor journeys and provided a sense of openness and visual connection between teams on different floors. In post-occupancy research of Mātauranga House, the internal stairs are recognised as a practical and popular feature.

Introducing new technology, moving to a new location and adopting very different working practices has been ambitious. The staff engagement process involved establishing Change Champions, holding regular briefings, tracking progress through 'Heat Maps', setting up an intranet site and creating a concept space to trial furniture, team storage units, personal lockers, desk settings and collaborative spaces. Specific engagement groups were formed to focus on Health and Safety, Art and Tāonga and Disability access and forum events for Ministry leaders and staff.

The concept space proved to be a particularly effective way for people to test what it would be like to work in a more open environment. Guides to assist team leaders to work through scenarios about working differently were developed. Arguably, the most significant change in behaviour began with the 'Fight on Paper' campaign. A member of the project team recalls, "Once teams realised they really could clear out cupboards and let go of duplicates or redundant resources, things changed quickly. The amount of paper records that were transferred to electronic filing systems, including records that needed to be retained and were moved to off-site archive, was phenomenal." Living with less paper appears to be an embedded behaviour as one-year on, demand for physical storage has remained well within the initial allocation for teams.

Mindful of the trust New Zealanders place in them, the Ministry has worked hard to ensure they have been prudent. The better use of space caters for fluctuations in the number of Ministry people and has resulted in significant cost efficiencies for Government.



POST-OCCUPANCY UPDATE

Among the concerns ahead of the move, were questions about how teams would stay connected and whether having unallocated desks could work in reality. The move to Mātauranga House has provided a unique opportunity to test this, with staff evenly split into Flexible and Fixed Working Environments. Everyone has access to the same furniture settings, although the lower desk density in a Flexible Working Environment has the advantage of allowing teams far greater freedom to connect and work in ways that best suits them.

After the move, the Ministry asked their people about how the new building is working through a process of occupancy observations, an online questionnaire and focus group discussions. The results are encouraging. Overall occupancy of work-points, including desk settings, has risen from an average of 44 percent to 62 percent which leaves scope for extending the more useful settings and configuring new spaces.

Furniture choices and mobile technology have been well received and have helped with collaboration and connection between teams. People previously limited to an allocated desk have welcomed the move to Surface Pro tablets or laptops. They connect to a docking station on any desk and access the Ministry's network via WiFi securely anywhere in the building. The Ministry already had Follow-me-printing in place so the additional integration of security access and print systems has greatly improved the experience of working from another office or connecting from a remote location.

The opportunity to hold quick meetings or casual catch-ups in range of spaces has taken some pressure from the larger meeting rooms, which tend to be used for more formal or structured gatherings. AV technology has been introduced into each of the smaller rooms for one to four people – a significant factor in improving the overall utilisation of meeting rooms and spaces. Paper usage has reduced by 50 percent in some business groups and demand for team storage for paper-based records has dropped dramatically. According to a number of Group Managers, "We don't print as much and we definitely don't keep as much paper as we used to."

People report a greater sense of information security and noticeably less clutter. Desks are cleared at the end of each day, headsets and Skype for Business replace physical phones and lockers are used instead of under-desk drawers. Neighbourhood Agreements help set the tone for behaviours in the Flexible Working Environment and requests for specific project spaces are actively managed by the Business Support team.

The change in working culture will continue to unfold over time as new people join the Ministry, those who are still in assigned desk settings transition to mobile devices and

those who have adapted to a flexible environment discover new ways to work. As one manager explains, "I love that a year after moving in, we are still creating and developing."

The move has proved to be a winner for architects Warren and Mahoney too. Mātauranga House was named a winner in the 2016 Wellington Architecture Awards in the Interior Architecture category, with judges commenting on the use of natural light, variety of work spaces and the sense of connection throughout the building.

MĀTAURANGA HOUSE BY THE NUMBERS

Redevelopment Agreement signed September 2014,
Building Blessing and hand over to Ministry December 2015

Project cost \$19.5 million (delivered on time and under budget)

Two public access floors and ten secure Ministry floors

Direct savings of at least \$27 million over the 15 year lease period

Reduction in leased office space leased from 22,500 square metres to approximately 13,180 square metres (Mātauranga House) plus 3,300 square metres for external project provision

Increase in number of people accommodated estimated to be 15-25% over previous tenant

Increase from 44% (pre-move) to 62% (post-move) in occupancy/utilisation of work points

8:10 ratio of desks to staff in Flexible Working Environments

Approximately 30% floor space designed as collaborative and social settings

Approximately 10% floor space designed as Quiet Zones for high focus activity

Approximately 15% of desks are electronic sit to stand

50% of staff issued with mobile devices and working in Flexible Working Environments from 'day one'; plans in place to extend flexibility to all staff



Working together in justice and emergency management

New build and multi agency co location

As a result of the earthquakes in 2010 and 2011, Christchurch is to benefit from the most sophisticated and joined up Justice and Emergency Services Precinct in the country. Led by the Ministry of Justice, the Christchurch Justice and Emergency Services Precinct (the Precinct), is New Zealand Government's largest (in terms of space) multi agency government co location project taking 30,600m² of floor space, spread over three buildings. Defining the edge of the central city it is bound by Durham, Lichfield, Colombo and Tuam streets and is set to become a world class facility.

Who:	Ministry of Justice
Building:	Christchurch Justice and Emergency Services Precinct
Where:	Christchurch CBD
Date:	Mid 2017
Size:	30,600m ²
What:	New build and multi agency co location

This project sits outside the Government Property Group (GPG) scope for agencies and their office accommodation requirements, however conversations, support and collaboration between the Precinct project team and GPG saw the targeting of similar goals. These goals have been influenced by the Government National Property Strategy and GPG's Workplace Standards and Guidelines.

Co-locations are a focus for GPG as is efficiency and effectiveness in the use of space. Co-locations are also key ways for the justice and emergency services in Christchurch to work more effectively together, and they recognise the need to be efficient and more innovative with their space.

The Precinct is made up of three buildings: the Justice Building, the Emergency Services Building, and the Operational Vehicle Parking Building.

Emergency Services Building

1. The Emergency Services Building has been designed as a collaborative workspace to house:
 - New Zealand Police
 - Fire and Emergency New Zealand
 - St John New Zealand
 - Department of Corrections
 - Ministry of Civil Defence and Emergency Management
 - Canterbury Civil Defence and Emergency Management Group
 - Christchurch City Council Civil Defence and Emergency Management.

This building will enable New Zealand's first (and Australasia's largest) shared 111 call centre for New Zealand Police, New Zealand Fire Service and St John New Zealand. The 111 service will provide regular cover for the entire South Island and parts of the North Island, and will offer back-up support to all North Island services. The dedicated Emergency Operations Centre, complete with first-class technology will also reside in the Emergency Services Building. This shared and purpose built strategic operational control centre will deliver coordinated emergency responses and management for local, regional and national incidents.

"The Emergency Operations Centre will be a great addition that will enhance our ability to respond to any sort of emergency, great or small. Having all the emergency services in one place will enable us to coordinate far more effectively the responses that we undertake together – this is a great advantage."

Civil Defence and Emergency Management Group

In planning to support business continuity in an emergency, the Precinct boasts extra-resilient building services – including an on-site water supply and power generation, both of which can be operational for at least 72 hours post emergency. The Precinct was constructed using an advanced approach to design and has achieved an Importance Level 4 (IL4) in regard to seismic performance. This level is applicable to buildings that must be operational immediately after an earthquake or other disastrous event.

"The outcomes of the Precinct Project are not only substantial for the public but also in terms of government agencies managing property. In this case having multiple agencies co-located in one precinct, ensures we gain efficiencies from sharing this facility, rather than each agency owning or leasing and managing individual properties to achieve the same outcomes."

New Zealand Police



Justice Building

2. The Justice Building – which is joined up via connecting bridges to the Emergency Services Building – will house:
 - the Ministry of Justice
 - nineteen court rooms catering to the needs of Christchurch’s High Court, District Court, Family Court, Youth Court, Māori Land Court, Environment Court, and other specialist courts and tribunals. The court room layout is multi-purpose and multi-jurisdictional providing both operational and long-term flexibility in their use
 - a Youth Justice Hub incorporates a range of associated youth justice services and support.

The Judiciary will also be housed in the Justice Building, in a way that recognises and ensures its constitutional independence.

Operational Vehicle Parking Building

3. An Operational Vehicle Parking Building, which offers collective efficiencies and reduces duplication by sharing car parking facilities.

A new way of working

Challenging previous ways of working to be more efficient, the Precinct is a reduction in the number of physical locations from more than 12 properties between the agencies, to just one site. A shared reception, meeting rooms, and other shared facilities across the eight agencies leads to cost reductions, better collaboration and more easily accommodates fluctuations in staff numbers. “We are already experiencing the benefits of agencies working together”, says Ministry of Justice Precinct Project Manager Paul Swallow “and other opportunities and synergies are bound to surface after we occupy the complex, such is the nature of co-locations.”

The Precinct is an anchor project for the Christchurch rebuild and presented an opportunity to provide better public services by developing justice and emergency services, being innovative and adopting new ways of collaborating. The Precinct’s design allows the sector agencies to work in a more open, user-friendly environment. Its design focuses on providing a high quality facility for staff and the public that delivers innovative features for increased efficiencies and effectiveness and a positive customer experience. It features easy internal navigation, plenty of natural light and access to a large central breakout courtyard.

“This precinct is a significant investment in the Christchurch rebuild. . . it also shows how public sector agencies can work more closely together.”

Prime Minister, John Key (November 2014)

Innovative technologies have been utilised in the design and build of the Precinct, including Building Information Modelling (BIM). This means a detailed and multilayered 3D digital representation of the Precinct was developed. Through the representation the physical and functional characteristics of the building such as structural design, services (water, power, air-conditioning), and fire engineering could be viewed. This visual system offered stakeholders the opportunity to ‘explore’ any space in the Precinct right down to where the nearest light switch is. This is a powerful tool – and with the needs of multiple highly specialised agencies, and the highly sensitive nature of many of the requirements – it greatly aided consultations with these agencies. BIM also offers insight into the how the Precinct’s different components would work together. The consolidated information allows the production of detailed and accurate drawings and identifies any possible incongruities prior to the commencement of construction – saving time and money.

Other innovative features include:

- An underwater aquifer system whereby the water is extracted and pumped through heat exchangers, allowing for a consistent air temperature throughout the Precinct.
- A bespoke and innovative in-floor trunking solution which reticulates power and data throughout the buildings. This system provides flexibility to change spaces as needs change.
- A central TV distribution and streaming service. It means agencies can view broadcast information and stream public and agency specific messages to their staff and other parties both within and external to the Precinct.

GPG supported the project by making available a restricted website able to be viewed by agencies involved in the project. Used by the Christchurch Integrated Government Accommodation Project, which is led by GPG, the website allowed a flow of communication for increased connectivity. The project also adopted a ‘one message, out once, for all eight agencies’ greatly cutting down duplication.

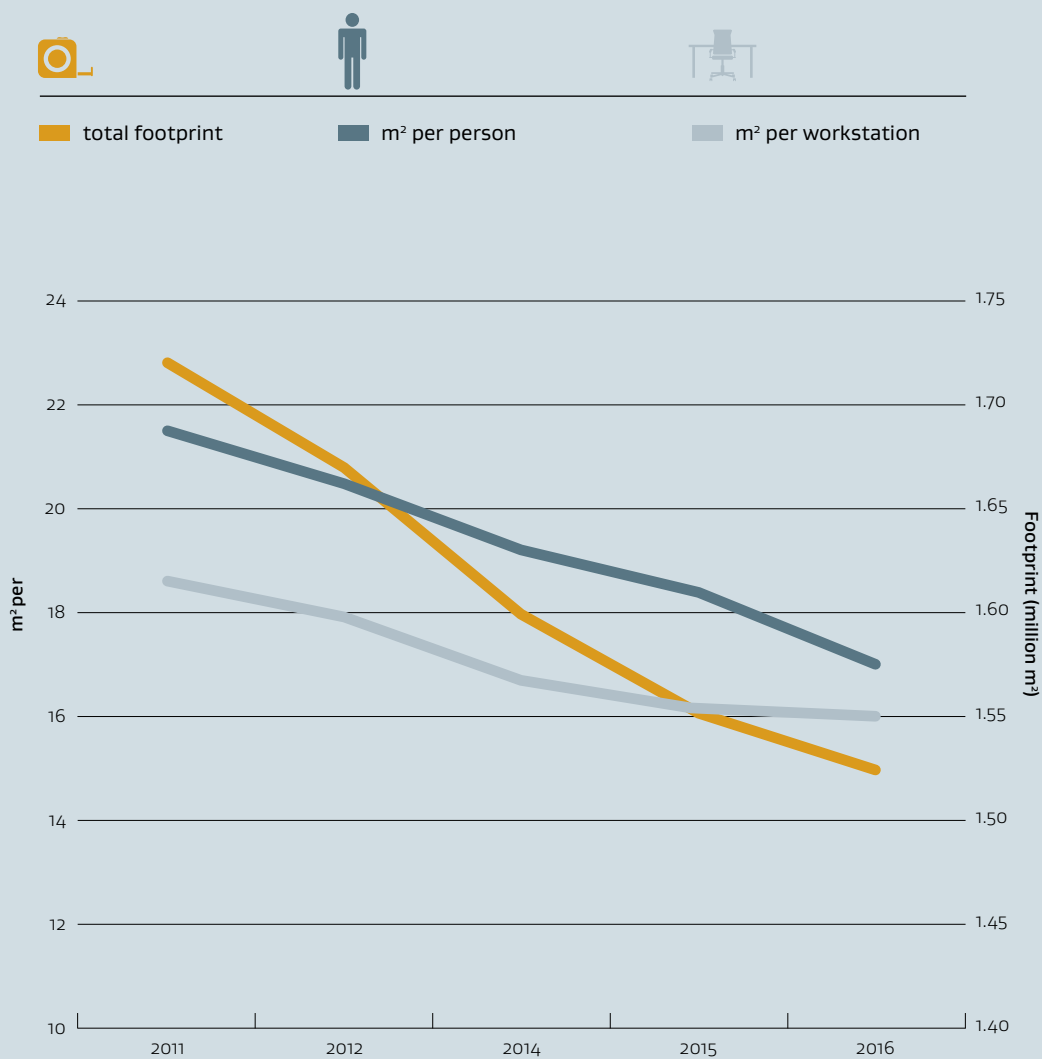
The Precinct has been designed to encourage closer working relationships between agencies. Achieving this will lead to better service delivery and timely and effective intervention as well as improved justice and emergency services. It is an adaptable and flexible facility that can easily be reconfigured if required in an emergency, or for planned changes, and growth over time.

The Precinct is a complex and ambitious project that is on track to achieve high standards for government and provide vital services to New Zealanders.

It is the largest multi-agency government co-location project in New Zealand’s history. It will help restore confidence in Christchurch as a vibrant city of which its people can be proud. This is an important and exciting initiative for the people of Christchurch and all New Zealanders.

National overview

The graph below provides an overview of some of the key performance indicators for the Estate since the inaugural report in 2011. These trends demonstrate the amount of effort put in by agencies and GPG to work on the efficiency and effectiveness of the Crown portfolio.

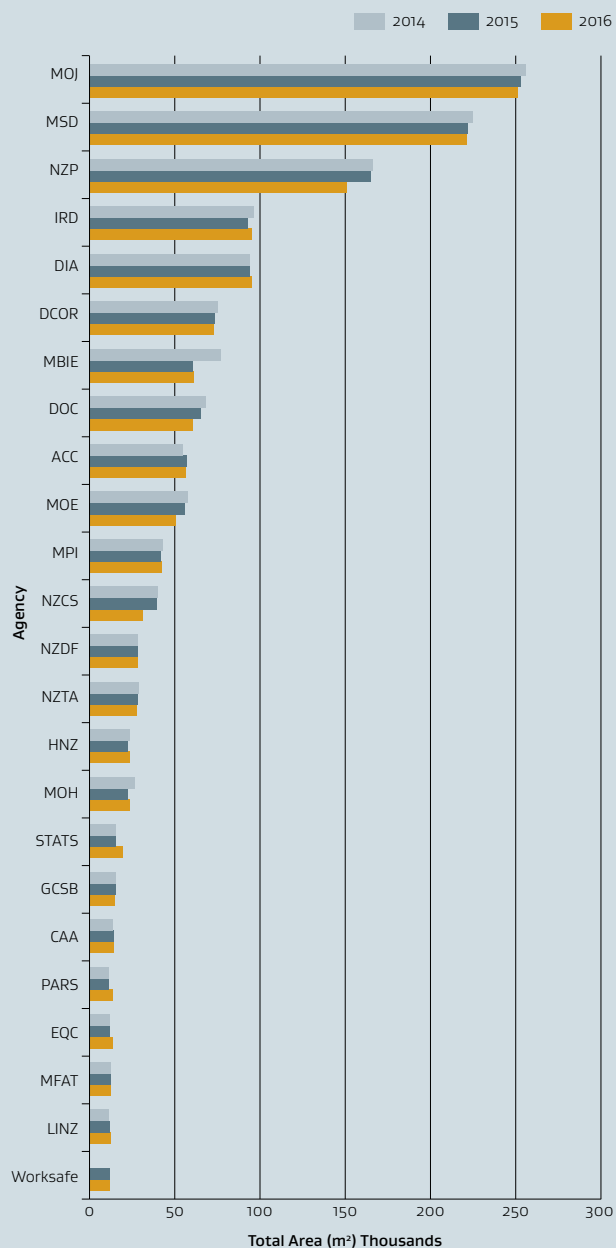


APPENDIX 1.2

Appendices 1.2 – 1.5 provide a view of selected agencies' office accommodation footprint and the cost of provisioning this space. The graphs detail the performance of agencies with portfolios over 10,000sqm in relation to the overall Crown key performance indicators. A full list of all agency metrics is available on page 48. 2016 figures continue to show a steady drop in the footprint and in the containment of costs.

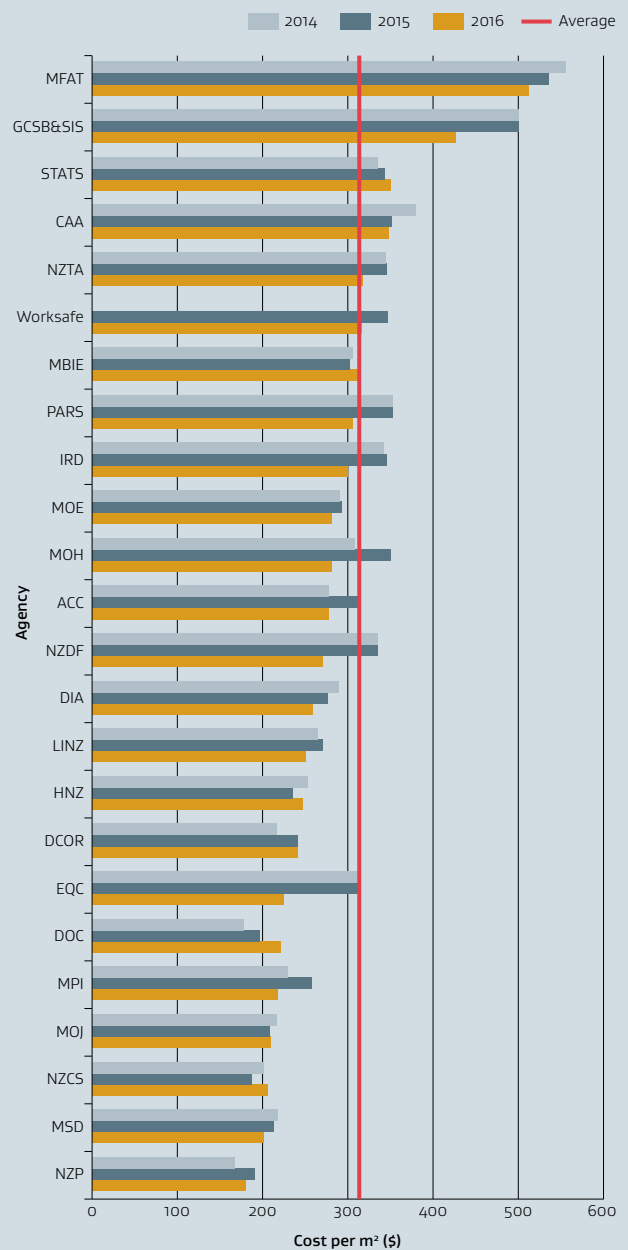
Total area by agency

This graph shows the total agency area including Office, public interface and operational space (where the operational space is part of the office and public interface space).



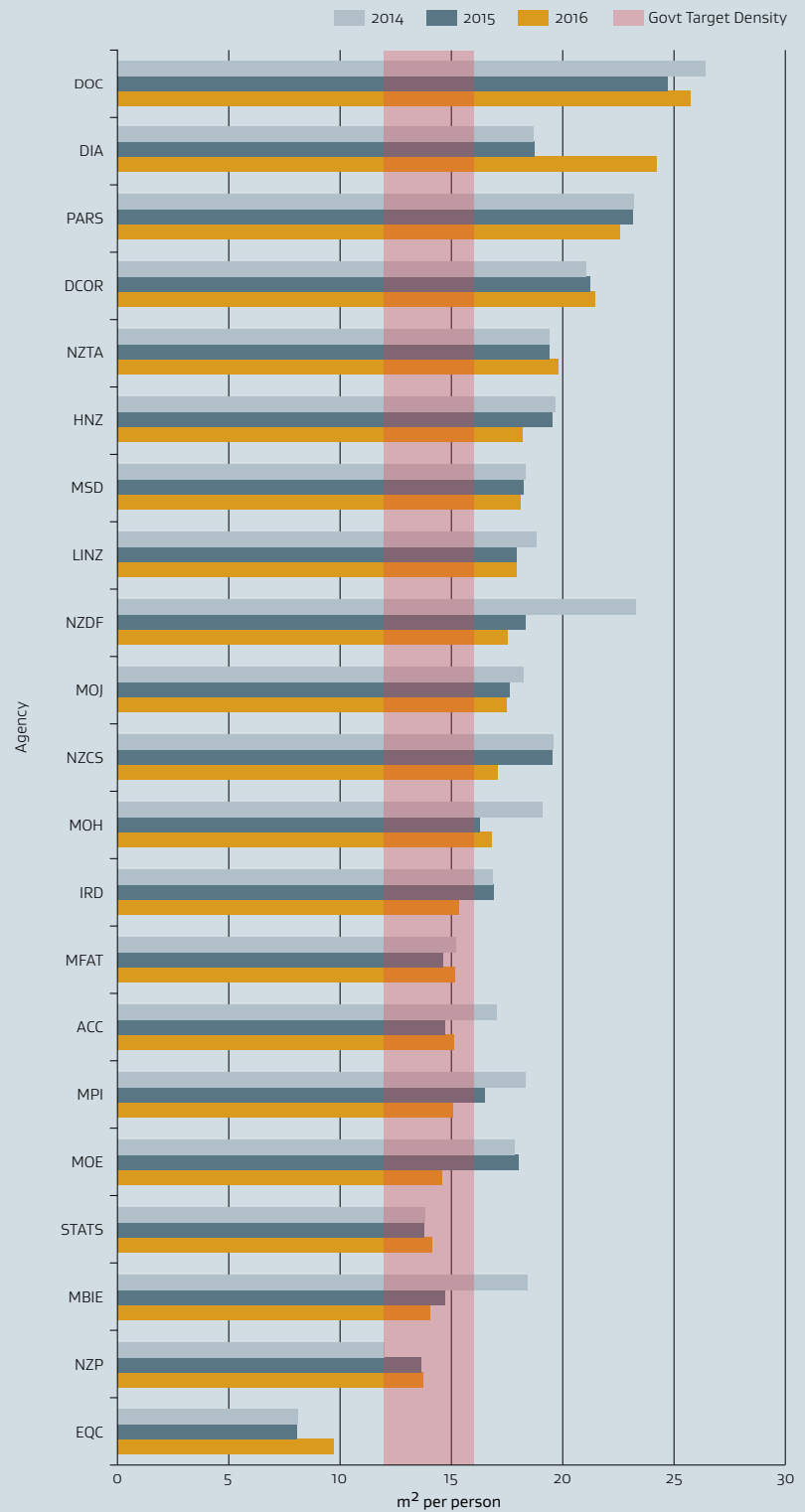
Cost per m² by agency

This graph details the average cost per m² based on total leasehold area within an agency portfolio.



Agency Metrics

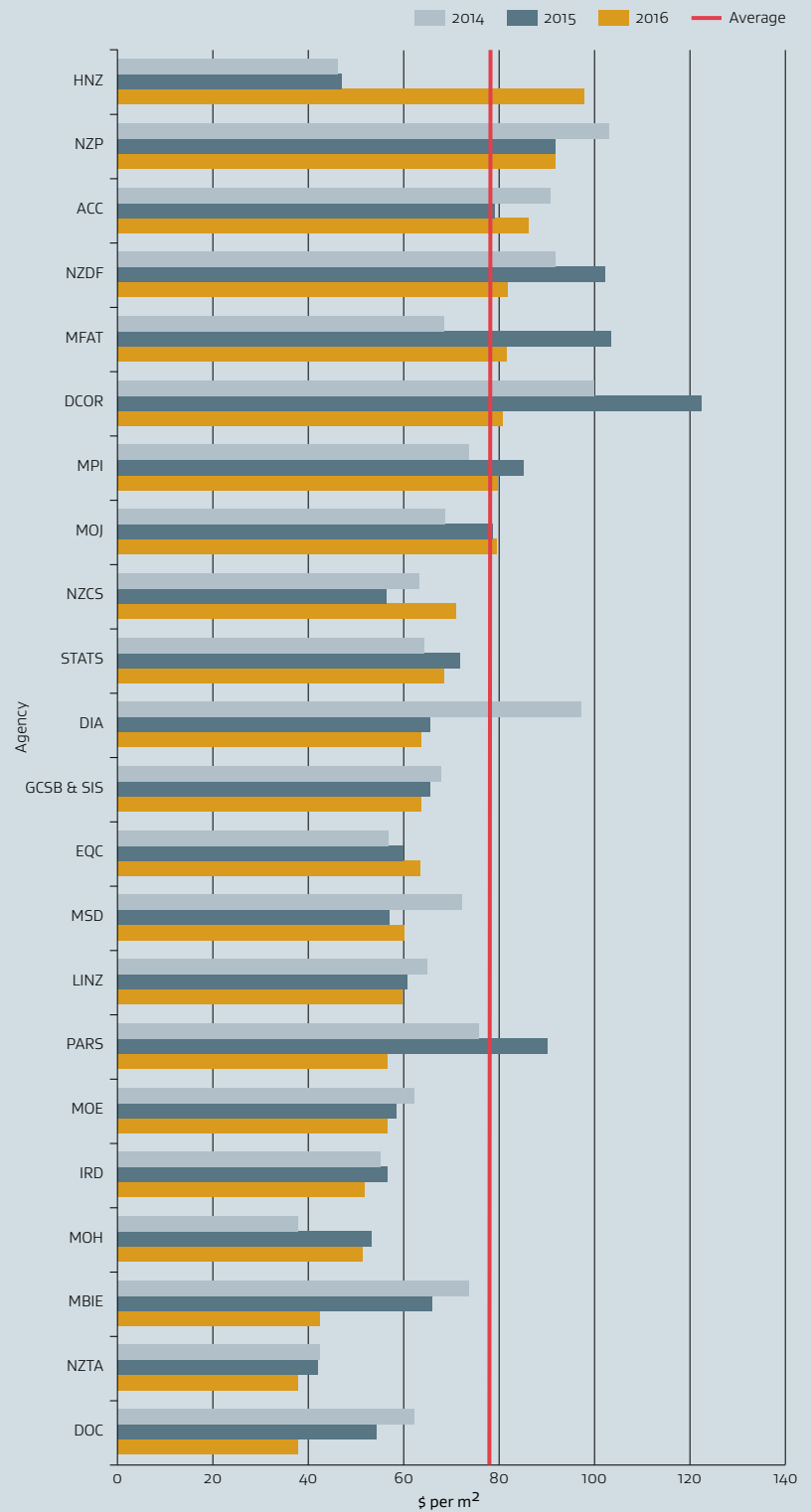
Area per person is one of the key principle measures of how efficiently space is being utilised. This graph details for each agency their progress over the past three years towards achieving the Government's goal density range of 12 – 16m² per person.



APPENDIX 1.4

Facilities Management Cost of the Office Estate

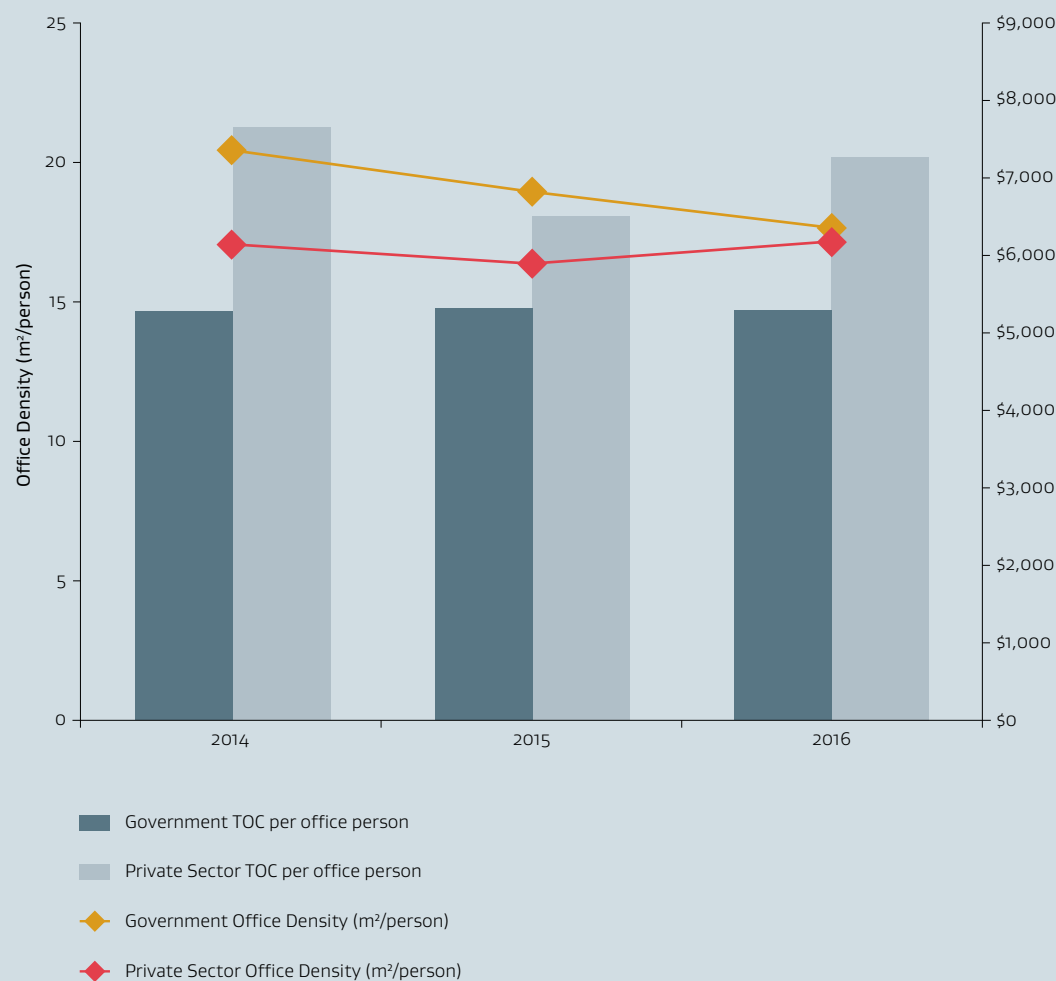
This graph details for each agency the average cost per m² for facilities management over the last three years. Procurement work by GPG is continuing on the delivery of all of government contracts for both facilities management providers and cleaning services. These contracts will help agencies to contain costs to run the estate.



Benchmarking against the private sector

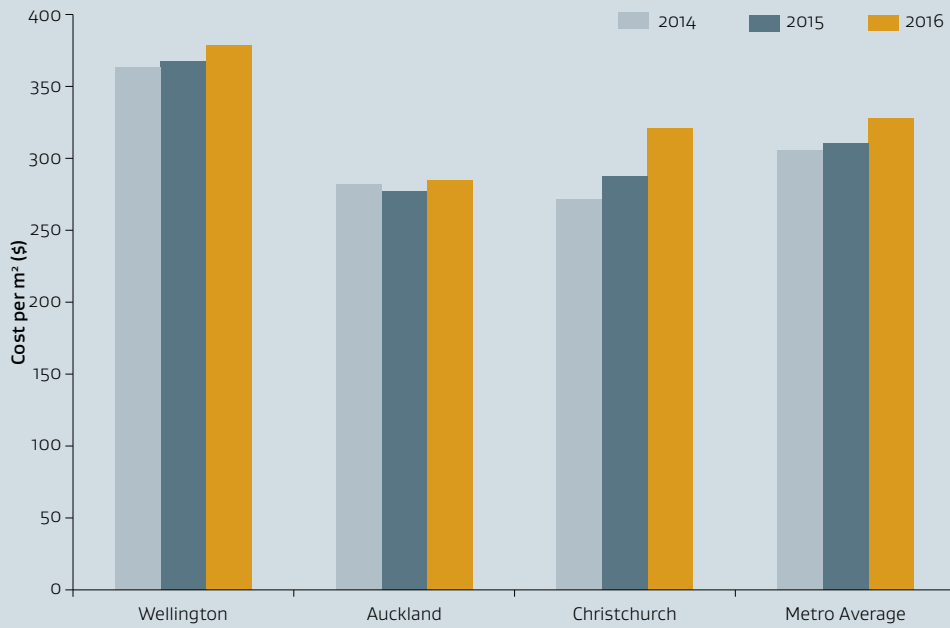
Each year, GPG looks to the private sector as a benchmark to measure our performance, using the following key measurements:

- TOC – (total occupancy costs) cost per office person
- m² per office person

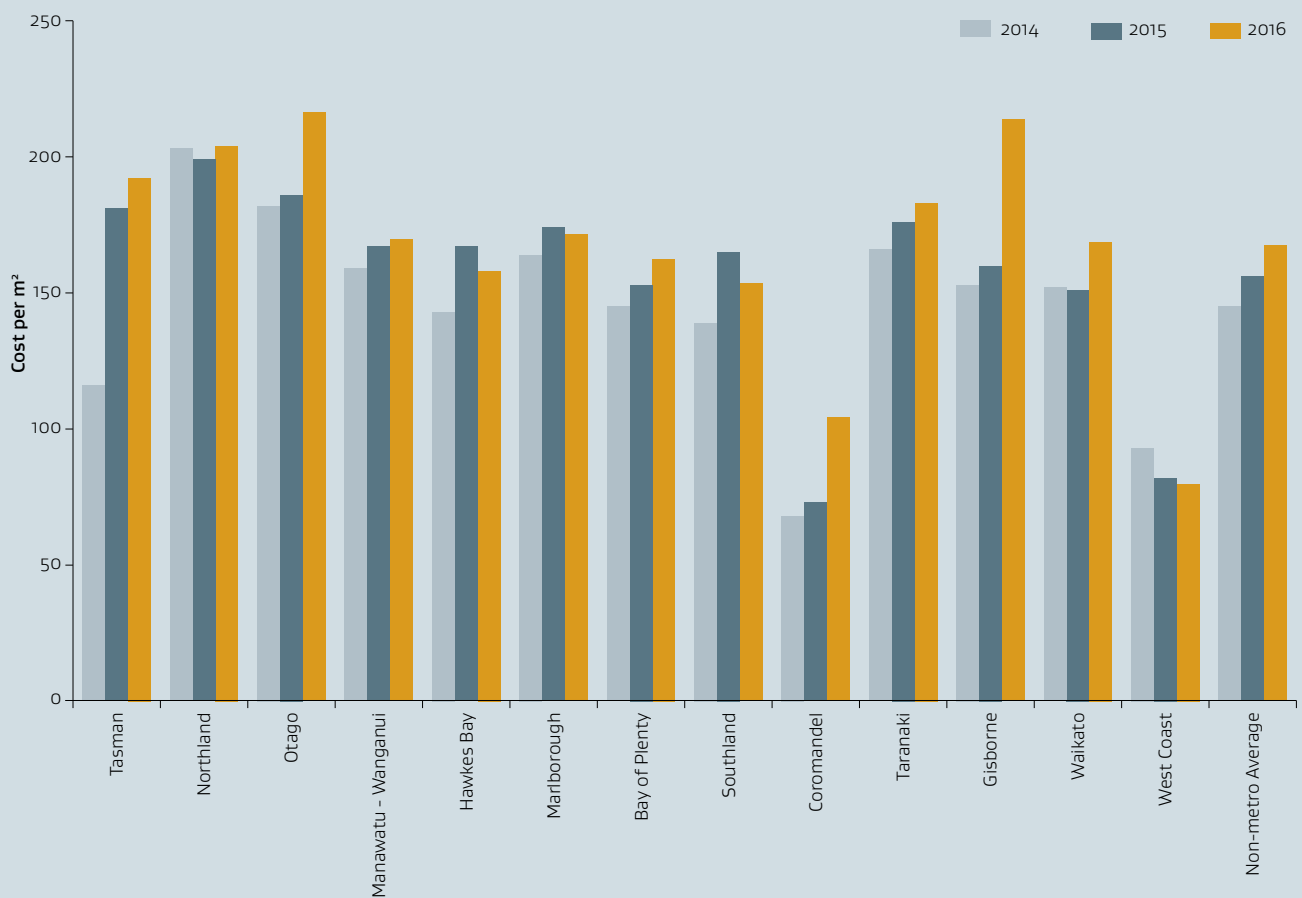


APPENDIX 1.6

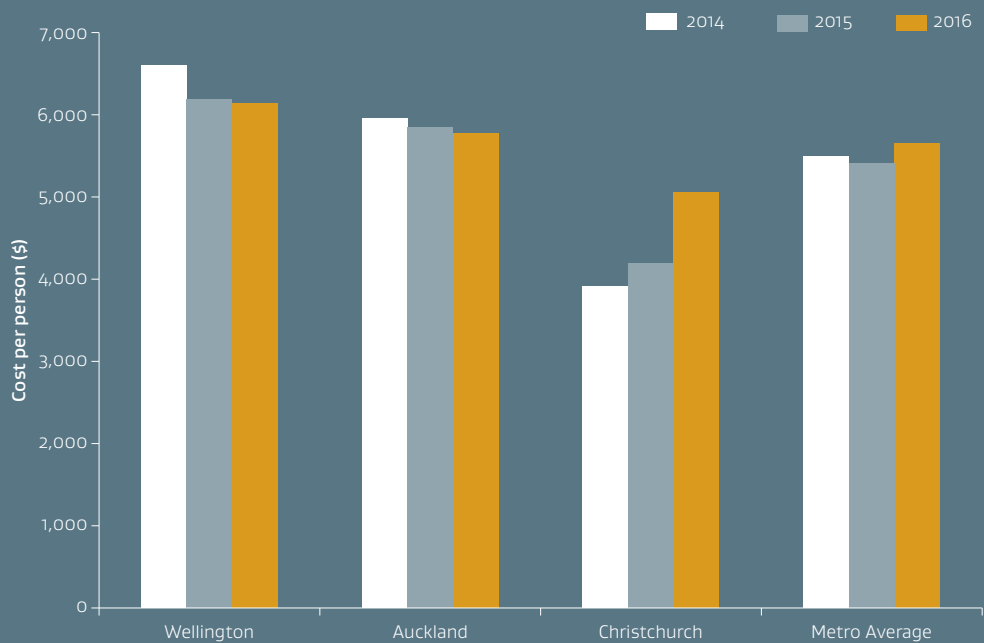
Metropolitan Locations – Cost per m²



Non-Metropolitan Locations – Cost per m²



Metropolitan Locations – cost per office person



Metropolitan Locations – Area (m²) per office person



Non-Metropolitan Locations – Area (m²) per office person



2016

Agency Name	Agency Abbreviation	2016 – m ² per Office Person	2016 Cost per Office m ²	2016 – m ² per Office Workstation	2016 Cost per Office Person
Accident Compensation Corporation	ACC	16	279	14	5,373
Civil Aviation Authority	CAA	17	350	16	11,030
Callaghan Innovation	CALL	37	534	40	8,562
Crown Law	CLAW	14	360	11	5,031
Careers New Zealand	CNZ	25	253	21	6,742
Department of Corrections	DCOR	22	242	17	5,849
Department of Internal Affairs	DIA	25	260	22	7,519
Department of Conservation	DOC	26	223	24	5,293
Department of the Prime Minister and Cabinet	DPMC	27	355	27	9,926
Energy Efficiency and Conservation Authority	EECA	16	396	15	6,607
Education New Zealand	ENZ	12	391	11	4,794
Environmental Protection Authority	EPA	14	397	13	5,599
Earthquake Commission	EQC	10	226	10	2,383
Education Review Office	ERO	17	346	14	7,269
Government Communications Security Bureau	GCSB	–	429	22	–
Housing New Zealand	HNZ	19	248	18	4,749
Health Promotion Agency	HPA	17	310	14	5,131
Health Quality and Safety Commission	HQSC	20	302	16	6,127
Health Research Council	HRC	14	338	13	5,742
Inland Revenue Department	IRD	16	302	13	5,430
Land Information New Zealand	LINZ	18	252	16	4,890
Ministry of Business Innovation and Employment	MBIE	14	315	14	5,276
Ministry for Culture & Heritage	MCH	15	421	13	6,301
Ministry of Foreign Affairs and Trade	MFAT	16	514	15	8,386
Ministry for the Environment	MFE	13	399	12	8,171
Ministry of Defence	MOD	21	324	16	8,639
Ministry of Education	MOE	15	282	15	4,601
Ministry of Health	MOH	17	282	15	5,914
Ministry of Justice	MOJ	18	210	16	4,947
Ministry of Transport	MOT	26	395	17	10,454
Ministry for Primary Industries	MPI	15	219	15	4,233
Ministry of Pacific Island Affairs	MPIA	19	254	19	6,492

APPENDIX 2: AGENCY METRICS

2016

Agency Name	Agency Abbreviation	2016 – m ² per Office Person	2016 Cost per Office m ²	2016 – m ² per Office Workstation	2016 Cost per Office Person
Ministry of Social Development	MSD	19	202	19	4,197
Maritime New Zealand	MTNZ	15	430	15	6,403
Ministry of Women's Affairs	MWA	16	235	18	3,966
New Zealand Antarctic Institute	NZAI	35	197	29	8,734
New Zealand Blood Service	NZBS	16	297	14	4,728
New Zealand Customs Service	NZCS	18	206	16	6,187
New Zealand Defence Force	NZDF	18	272	15	6,157
New Zealand Fire Service	NZFS	19	325	14	6,518
New Zealand Police	NZP	14	181	27	4,374
New Zealand Qualifications Authority	NZQA	16	342	13	7,704
New Zealand Transport Agency	NZTA	20	319	18	7,315
New Zealand Tourism Board	NZTB	19	282	17	7,422
New Zealand Trade and Enterprise	NZTE	19	369	16	8,486
New Zealand Walking Access Commission	NZWC	25	340	19	9,477
Parliamentary Services	PARS	23	307	22	10,727
Parliamentary Counsel Office	PCO	25	324	21	8,348
Pharmaceutical Management Agency (Pharmac)	PMA	14	352	13	5,206
Reserve Bank of New Zealand	RBNZ	27	–	23	–
Real Estate Agents Authority	REAA	17	388	16	6,794
Serious Fraud Office	SFO	15	342	16	8,208
Security Intelligence Service	SIS	–	–	–	–
Sport and Recreation New Zealand (Sport NZ)	SPARC	26	195	22	5,644
State Services Commission	SSC	15	298	13	4,464
Statistics New Zealand	STATS	15	352	13	6,026
Tertiary Education Commission	TEC	11	254	10	2,706
Te Puni Kokiri (Ministry of Māori Development)	TPK	20	261	18	6,762
The Treasury	TRE	13	340	12	5,132
Worksafe New Zealand	Worksafe	24	317	23	9,698

"The Social Workers Registration Board has less than 1,000 m² and is not included but will be from 2017."

"*Office of the Clerk of the House of Representatives data is included in Parliamentary Services."

*** SIS is combined with GCSB"

**** NB: Metrics rounded to the nearest whole number.

