Hon Kris Faafoi

MP for Mana

Minister of Broadcasting, Communications and Digital Media

Associate Minister of Housing (Public Housing)



Minister for Government Digital Services

Minister of Commerce and Consumer Affairs

1 1 MAR 2020

Dr Ruth Harley CNZM Chair Broadcasting Commission PO Box 9744 WELLINGTON 6011

Tēnā koe Dr Harley

LETTER OF EXPECTATIONS 2020/21

This letter sets out my expectations for the Broadcasting Commission (NZ On Air) in 2020/21. Its purpose is to assist the Board in developing its Statement of Intent (SOI), Statement of Performance Expectations (SPE) 2020/21, and other strategic planning documents. Please ensure that your entire board is aware of the expectations contained in this letter.

New enduring letter of expectations

On 15 October 2019 the Government published a new enduring letter of expectations¹ to all statutory Crown entities, replacing the previous enduring letter of expectations that was published on 26 July 2012.

The letter is focused on Ministers' expectations for seamless government, Board role and integrity, workforce matters, Māori Crown relationships, and entities applying a wellbeing approach to their work, including the need to address climate change.

I would like to emphasise four enduring expectations in this letter:

- Effective governance being grounded in a spirit of service to everyone in our community, acting with integrity and care, being open and transparent, managing the public's money and assets wisely and managing conflicts.
- No surprises regularly and transparently reporting to me on entity performance risks and opportunities and maintaining a constructive working relationship with your monitoring department.
- Supporting the Maihi Karauna promoting and supporting the revitalisation of te reo Māori.
- Increasing collaboration stepping out of the silos of agencies and working seamlessly together to assess, develop and implement plans to improve wellbeing.

¹ Refer to https://ssc.govt.nz/resources/enduring-letter-of-expectations-to-statutory-crown-entities-2019/









Refreshed information on applying a wellbeing approach to agency reporting is available on the Treasury website² and I expect this approach to be incorporated into NZ On Air's reporting and strategic planning.

Sector priorities

The work of the cultural sector contributes to all three of the Government's identified priorities. However, it contributes most strongly to the Government's priority outcome of making New Zealand proud and, specifically, valuing who we are as a country. To achieve this, the Arts, Culture, and Heritage Ministers and the Broadcasting, Communications and Digital Media Minister have identified four priority outcomes for the portfolio:

- 1. All New Zealanders can access and participate in cultural experiences.
- 2. The cultural sector is supported and growing sustainably.
- 3. New Zealanders share a distinct and inclusive identity and value our history and traditions.
- 4. New Zealand has a strong public media system that ensures an informed democracy.

NZ On Air has an important role in delivering some of these both independently and in collaboration with others. I expect NZ On Air to clearly articulate how its interventions are aligned to the relevant priorities through its strategic documents.

I also expect you to continue to work with the Ministry on developing a much stronger sector picture of access and participation by New Zealand's diverse communities over time.

Public media outcomes

The Government is committed to ensuring that future generations of New Zealanders can access content that reflects their languages, experiences and communities in ways that meet their needs and interests. The Government has adopted the following public media outcomes to provide guidance to the public media entities:

- 1. New Zealand audiences choose to access mainstream and targeted content and services that support:
 - their needs and interests as people living in Aotearoa, and which in particular reflect the language and experiences of Māori and Pacific peoples, and other under-served audiences;
 - their ability as New Zealanders to be informed and engaged members of our participative democracy and open civic society;
 - their access to a range and diversity of content that they value and trust.

² Refer to https://treasury.govt.nz/information-and-services/state-sector-leadership/guidance/financial-reporting-policies-and-guidance/applying-wellbeing-approach-agency-planning-and-performance-reporting

- 2. Public media in New Zealand are:
 - operationally and editorially independent;
 - securely and sustainably funded;
 - able to respond effectively to an evolving operating environment and relevant to changing consumer preferences, in particular younger audiences;
 - complementary to and collaborative with private media.
- 3. Public media play an integral role in contributing to New Zealand being:
 - a connected, informed, cohesive and independent nation;
 - a healthy, participative democracy;
 - confident in and aware of our unique identity, cultures and languages.

I expect NZ On Air to optimise its contribution to the achievement of these outcomes and to articulate the impact of its contribution through its accountability documents and reporting.

Entity direction

As you are aware, Cabinet has directed officials to prepare a detailed business case to examine the viability of establishing a new public media entity. It has also confirmed NZ On Air's continued role in providing contestable funding for public media content and services (CAB-20-MIN-0004). This work is intended to build a strong public media for future generations of New Zealanders.

I expect to report back to Cabinet on the outcome of the business case in July 2020. At that time, I will review this letter of expectations to ensure it continues to reflect Government's expectations.

At this time, my specific expectations for NZ On Air in 2020/21 are that it will:

- continue to support the production of diverse local content and boost reach to under-served audiences, in particular Māori, Pacific, regional, children and young audiences
- collaborate with the sector to maximise NZ On Air's contribution to the public media outcomes
- demonstrate strategic and organisational leadership to the sector while managing through a period of change
- consider different delivery platforms to reach new and different audiences
- maintain robust investment frameworks
- maintain support for New Zealand music
- support officials to progress the next phases of the work to strengthen public media, including contributing resources when required.

Governance

I expect that the Board will continue to oversee the performance and long-term strategic direction of NZ On Air and provide best-practice governance. This includes seeking assurance that NZ On Air has robust risk management processes in place, as well as self-evaluation of governance practices using criteria that will be provided by the Ministry. I expect the Board to provide me with a report on the self-evaluation of the Board's performance by 30 September 2020, copied to the Ministry. This report should be a summary of key points arising from the self-evaluation and key areas to address.

While the Board has the most immediate and direct responsibility for monitoring NZ On Air's performance, I expect it to continue to provide the Ministry, as my agent, with information on performance against planning documents and timely information on risks and opportunities. I have asked the Ministry to focus on the quality and timeliness of reporting information.

I invite you to respond to this letter outlining the key strategic challenges and opportunities facing NZ On Air, how you intend to contribute to the sector outcomes, and how you intend to respond to the specific expectations contained in this letter.

Finally, I would like to acknowledge the work of your Board and NZ On Air and look forward to a successful year ahead.

Nāku noa, nā

Hon Kris Faafoi

Minister of Broadcasting, Communications and Digital Media

cc: Clare Helm, Acting Chief Executive, NZ On Air

cc: Bernadette Cavanagh, Chief Executive, Ministry for Culture and Heritage