

# Hon Andrew Bayly

Minister of Commerce and Consumer Affairs  
Minister for Small Business and Manufacturing  
Minister of Statistics



11 April 2024

Jane Wrightson  
Retirement Commissioner  
Te Ara Ahunga Ora Retirement Commission  
PO Box 106-056  
Auckland City 1143  
Email: [jane@retirement.govt.nz](mailto:jane@retirement.govt.nz)

Dear Jane

## **ANNUAL LETTER OF EXPECTATIONS FOR 2024/25**

I am writing to convey my strategic and performance expectations for Te Ara Ahunga Ora Retirement Commission (the Commission) for the 2024/25 financial year. You can also expect to receive a new enduring letter of expectations from the Minister of Finance/Minister for the Public Service in due course.

### **Contributing to Government priorities**

The National/ACT/New Zealand First Coalition Government (the Government) has agreed a policy programme of work over the next three years which will contribute to the Government's overarching aim to improve outcomes for all New Zealanders.

We are focussed on addressing the high cost of living. We will restore discipline to Government spending by ensuring that public money is spent appropriately and will reduce core Crown expenditure as a proportion of the overall economy. We are also focussed on building for growth and enabling private enterprise. We will make regulatory change that creates the conditions for investment and improve our regulatory settings to encourage competition and attract investment.

### **Specific priorities and expectations for the Commission**

I would like to acknowledge the Commission's continued hard work throughout 2023. The Commission plays an important role in supporting the Government's strategic priorities by promoting the importance of long-term thinking about personal finances. Its work to monitor the effects of retirement income policies and promote education

about financial matters is critical to ensure New Zealanders have the necessary skills and knowledge to prepare for their retirement.

My specific expectations for the Commission in 2024/25 are to:

- continue to deliver effective Sorted content to support the financial capability of New Zealanders
- support a coordinated sector approach to roll out financial education across New Zealand schools
- advise on retirement income issues, including those related to KiwiSaver, and prepare to deliver the Review of Retirement Income Policies in December 2025
- inform wider Government monitoring and stewardship of the KiwiSaver system via cross-sector collaboration
- proactively monitor issues impacting New Zealanders' finances and ability to save, and work with other agencies in addressing these issues, by contributing research, subject matter and policy expertise
- continue to lead the National Strategy for Financial Capability and work to align financial capability activities across government, industry, and community sectors
- continue collaborating with the Ministry of Housing and Urban Development in relation to monitoring the retirement villages regulatory framework and support completion of the legislative review.

### **General expectations and good governance**

My general expectations are that the Commission:

- maintains a strong organisational capability with a focus on delivery;
- demonstrates strict fiscal management and value for money.

Further information regarding governance expectations is set out in the **Annex** to this letter.

### **Preparation of accountability documents and performance measures**

As you will be aware, the Crown Entities Act 2004 mandates the requirements for the accountability documents of Crown entities. The Commission's 2023-2026 Statement of Intent sets out the Commission's strategic intentions.

Would you please arrange for the Commission to prepare a draft Statement of Performance Expectations and provide this by 1 May 2024 for my consideration. I look

forward to being consulted in good time on this key document.

In line with the Government's expectation of demonstrating accountability for public money, I expect that you will include sufficient performance measures in your statutory accountability documents to demonstrate, and enable measurement of, the outcomes that will be achieved across all the Commission's functions with the funding the Commission receives.

### **Response**

I would appreciate your response to this letter by 24 April 2024, outlining how you propose to address the expectations above.

I look forward to having a good working relationship with the Commission over the coming year.

Yours sincerely

A handwritten signature in black ink, appearing to read "A. Bayly". The signature is fluid and cursive, with a large initial 'A' and a long, sweeping tail on the 'y'.

Hon Andrew Bayly  
**Minister of Commerce and Consumer Affairs**

Copy to: Andrew Hume,  
General Manager, Small Business, Commerce and Consumer, MBIE

## **Annex 1: General expectations and good governance**

### *Effective leadership*

Ensuring the senior leadership team is, and remains, high performing is essential. To assist with this, I expect the leadership to address opportunities for improvement, including strategic focus/planning, organisational capability, staff turnover, organisational dynamics, and succession. I expect an efficient use of government resources when performing Commission functions. I look forward to hearing how the organisation progresses against these goals.

### *Effective monitoring of entity performance and relationship with the MBIE*

In addition to setting and driving a strategy that delivers on the Government's priorities, your senior leadership is the most important monitor of entity performance. I expect the senior leadership to provide me with high quality information and analysis (including through regular reporting to my officials at MBIE and in meetings with me) on the Commission's ongoing performance against its strategic and operational plans, implications for future performance, and risks and opportunities facing the Commission and how it is responding to them.

I also expect you to continue the constructive relationship you have developed with your monitor at MBIE.

### *No surprises*

The Government has a 'no surprises' policy. No surprises means that the Government expects the senior leadership team to:

- be aware of any possible implications of their decisions and actions for wider government policy issues;
- advise the responsible Minister of important initiatives and issues that may be of significance in their portfolio areas, controversial or discussed in the public arena or require a ministerial response, preferably ahead of time or otherwise as soon as possible; and
- inform the Minister in advance of any major strategic initiatives.