

Cost reduction and organisational change

Published 23/04/2024

Toitū Te Whenua, like all government agencies, must respond to a reduction in our budget that will apply from 1 July this year.

We are expected to prioritise providing frontline services to our customers and find ongoing savings and efficiencies.

Living within our means

Operating within a reduced budget means we can't afford to keep doing everything.

Some hard decisions have been needed to keep delivering our important public services while we reduce costs.

We need to stop or scale back some of what we currently do, to focus our resources on what is most necessary to deliver services to our customers and continue making progress on our priority work programmes.

That means we need to be very clear about our priorities, which is why we have invested time and effort into developing our [organisational priorities until June 2025](#).

The details about our programme of work for the next financial year (2024/25) are still in the budget process and we cannot make final decisions until the budget is released on 30 May.

We are looking closely at where we have capability and capacity and where we have gaps, so we can have the right people in the right places delivering the highest priority work.

The changes we have made through Organising Ourselves mean we are well placed to do this; we understand our people, structure, and services well. Toitū Te Whenua is now designed to be flexible and agile so we can respond when our situation changes.

Savings so far

There has been a lot of work done on how we will reduce our spending, including considering the ideas you contributed through our [suggestion process](#) or via the PSA.

We have reduced the number of consultants and contractors we engage and reduced discretionary spending in areas like travel and training.

One of the key steps we took last year is to limit recruitment and only fill the highest priority vacant roles, which we will continue to do.

We have now disestablished 52 vacant roles, which include roles at all levels (including leadership) in different parts of the organisation.

Prioritising recruitment has left gaps in some areas, which means we've had to put in place interim arrangements in leadership positions, slow down some work or ask people to pick up more. We now need to establish permanent arrangements.

Changes required

There will not be large-scale organisation-wide changes, but there need to be some changes in particular areas.

We are proposing change in our Customer Engagement and People functions and one area of Digital Delivery and met with affected people this morning to brief them on the proposals.

The proposals include changes in reporting lines as well as combining and rearranging teams to operate with fewer leaders. We are also proposing to stop or scale back some of what we currently do.

As a result, we are proposing to disestablish five current roles.

We are consulting with the affected teams, key internal customers, and the PSA on the proposals.

If a decision is made to disestablish roles, we will work with affected people to support them and try to find an alternative role wherever we can.

Due to the scale of the proposed changes, we are not seeking voluntary redundancies across the organisation.

Further change possible

As the budget process continues there may be a need for further change in some areas. We will communicate more with you about this as soon as we can.

We will change where we need to in several ways, including using the flexibility that broad-based roles and our new structure give us wherever possible.

We do not need to run a large-scale organisation-wide change programme.

The areas that are currently working through Part Three of Organising Ourselves are not included in these changes.

Wellbeing and support

Wellbeing is a priority, and change can be challenging. If you feel you need some support talk to your leader, or direct to your head of function.

If you prefer, you can [contact EAP](#) directly for free and confidential support.

The PSA is available to support union members.

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Change and cost savings update

Published 14/05/2024

Toitū Te Whenua, like all government agencies, must respond to a reduction in our budget that will apply from 1 July this year.

The government expects us to prioritise providing frontline services to our customers and find ongoing savings and efficiencies.

Change proposals

We have been consulting on change proposals in our Customer Engagement and People functions and one area of Digital Delivery.

Consultation with the affected teams is now complete. All feedback will be considered before decisions are made.

The proposals include changes in reporting lines as well as combining and rearranging teams to operate with fewer leaders. We are also proposing to stop or scale back some of what we currently do. As a result, we are proposing to disestablish five current roles.

We have consulted with the affected teams, key internal customers, and the PSA on the proposals, and engaged directly to answer any questions and discuss the proposals.

If a decision is made to disestablish roles, we will work with the affected people to support them and try to find an alternative role wherever we can.

Budget 2024

The budget process is continuing, and we are now in the lead-up to budget day on Thursday 30 May.

We have built our budget for the next financial year to achieve the 6.5% saving required for Toitū Te Whenua.

The exact details of what is in the budget are Budget sensitive and we can't share that information yet.

We do not need to run a large-scale change programme to achieve our Budget 2024 savings target.

Once the budget is published, we will share a summary of what it means for us.

Further small-scale change possible

There may need to be small-scale change in some areas to deliver services within a reduced budget. Where change is needed, we will respond in several ways, including using the flexibility that broad-based roles and our new structure give us wherever possible.

We will give you more information about any further change as soon as possible and engage directly with any affected teams first.

Disestablished vacant roles

One of the key steps we took last year to reduce our spending, was to limit recruitment and only fill the highest priority vacant roles, which we will continue to do.

Since last year, we have disestablished 52 vacant roles, which include roles at all levels (including leadership) in different parts of the organisation.

This was reported by media in coverage of our change proposal and cost reductions.

You can see the list of [disestablished vacant positions here](#).

Wellbeing and support

Your wellbeing is a priority, and change can be challenging. If you feel you need some support talk to your leader, or direct to your head of function.

If you prefer, you can contact [EAP directly](#) for free and confidential support.

The PSA is available to support union members.

Change process decisions

Published 22/05/2024

Toitū Te Whenua, like all government agencies, must respond to a reduction in our budget.

Operating within a reduced budget means we can't afford to keep doing everything and must make hard decisions to stop or scale back some of what we currently do. We need to make some changes in particular areas.

Change consultation and decisions

We consulted affected teams in our Customer Engagement and People functions and one team in Digital Delivery about proposed changes.

Thank you to everyone who engaged with the proposals and gave feedback.

We received submissions from groups and individuals, giving us feedback on the proposals and the impact they would have. The submissions and questions we received were constructive, thoughtful, and well considered. All the feedback has been carefully considered.

Decisions have now been made. This includes disestablishing five roles, four of which are currently occupied.

The changes also include new reporting lines as well as combining and rearranging teams to operate with fewer leaders.

We are working with the affected people to discuss the options available to them and trying to find an alternative role within Toitū Te Whenua or another Public Service agency, if possible.

We are also providing independent outplacement support, working with our people in a way that suits them, which could include access to assistance and advice with CVs and interview skills as well as career coaching.

The changes will take effect on 1 July 2024.

Budget 2024

We are now in the lead-up to budget day on Thursday 30 May.

We have built our budget for the next financial year to achieve the 6.5% saving required for Toitū Te Whenua.

We can't share the details of the budget yet.

Once the budget is published, we will share a summary of what it means for Toitū Te Whenua

We do not need to run a large-scale change programme to achieve our Budget 2024 savings target.

Further focused change possible

There may need to be change in some further areas to deliver services within a reduced budget.

Where change is needed, it will be of limited scope and we will respond in several ways, including using the flexibility that broad-based roles and our new structure give us wherever possible.

We will give you more information about any further change as soon as possible and engage directly with any affected teams first.

Wellbeing and support

Your wellbeing is a priority, and change can be challenging. If you feel you need some support talk to your leader, or direct to your head of function.

If you prefer, you can [contact EAP](#) directly for free and confidential support. EAP can provide a range of support including change, health and wellbeing, career planning as well as budgeting and financial assistance.

The PSA is available to support union members.

The [wellbeing hub on Whatukura](#) has advice and practical steps we can all take to support our wellbeing.