

MEMORANDUM FOR PHARMAC BOARD MEETING 1 DECEMBER 2023

To: Pharmac Directors
From: Chief Executive
Date: November 2023
Item: 8.1

Update on action items to enhance organisational culture

Recommendations

It is recommended that the Board:

note the progress on the immediate and short-term action items to enhance organisational culture

note that a further update on progress will be provided to the Board at the February 2024 Board meeting.

Purpose

The purpose of this paper is to update the Board on progress against the action items to enhance organisational culture.

Action Updates

Pharmac committed to implementing four immediate and four short-term actions to enhance organisational culture and ensure the Organisation upholds the Public Service values. Some of these actions were already underway and where this was the case, activity has been accelerated to meet Board expectations.

Immediate actions

Action: The Chair and Chief Executive to speak to staff following the Board hui on 27 October.

This action was completed with both the Board Chair and Chief Executive addressing all staff at the Board meeting debrief on 27 October.

Action: Engage an external person to assist the senior leadership team and Board with work underway on the culture of Pharmac.

A verbal update on progress on this action will be given at the Board meeting.

Action: Update induction for all new staff and external advisors to ensure a stronger focus on our responsibilities as public servants.

The Public Service Commission online induction and the Privacy Commission online privacy education modules had previously been identified for inclusion in our induction and refresher training plan. We have accelerated this work and are in the process of undergoing privacy and security impact assessments. Our intent is that these modules will be ready to be introduced into the induction process during December 2023.

With the implementation of the Pharmac Code of Conduct this year, the Public Service Code of Conduct was no longer included in our induction pack. Both Codes of Conduct are now included. In addition, since its recent launch, all our kaimahi are now subject both individually and collectively, to the NZ Health Charter. This will also be included in the induction pack. Prior to commencing employment, kaimahi must acknowledge that they have read and understand their obligations under these Codes of Conduct.

All new staff attend induction sessions with both the Legal Team and our Government Services team which cover individual and organisation core legal obligations.

In addition, the General Counsel attended the November Consumer Advisory Committee meeting to brief members on public service expectations (eg Official Information Act, Privacy Act, declarable interests) and answered committee members questions on their obligations as members of the Committee. Similar sessions have previously been run with kaimahi and other committees throughout 2023.

Action: Take immediate steps to ensure staff are familiar with and fully comply with our privacy policy and related materials, together with our online privacy statement.

We have utilised our People Leadership sessions, Chief Executive update and Kaimahi Friday update newsletter to highlight to both people leaders and kaimahi our expectations in relation to privacy and their responsibilities under the Privacy Act, our Privacy policy and Pharmac's online privacy statement. People leaders have been asked to use their upcoming team meetings to ensure all kaimahi follow through on this action.

As reported previously to the Audit and Risk Committee and as noted in the Legal Report (agenda item 7.3), we also have a privacy health check underway. Further details are contained in the Legal Report.

Short-term actions

Action: Improve engagement with our stakeholders to ensure we are listening to their concerns and responding to them appropriately and in a timely manner.

The senior leadership team has recently endorsed the draft engagement strategy. The final draft is being presented to the Board at the 1 December meeting. The paper accompanying the draft strategy includes the next steps.

Action: Increase what information we proactively release that may be of public interest and be more open and transparent.

The Pharmac media policy has been proactively published on the website, along with additional information for media.

A Proactive Release policy has been drafted and is going through an internal peer review. Work has also commenced on auditing what information is currently proactively released to help identify other information that could be proactively released.

Action: Introduce learning modules about the machinery of Government, Privacy Act, OIA and Code of Conduct as annual mandatory training for all staff.

As highlighted above, both the Public Service Commission induction and Privacy Commission online learning modules are being implemented into our induction programme, having previously been identified as part of on-going maturity work.

It is intended that these resources will be augmented into our on-going mandatory education / knowledge assessment processes for all staff. Work has also commenced to evaluate training on the machinery of Government.

A new Official Information Act (OIA) policy has been drafted and is progressing through the sign-off process. A staff intranet page on the OIA process has been developed to support and upskill staff on the OIA process; this resource is planned to be iterative with updated resources to be added as they are developed.

Action: Provide regular updates to the Board on progress against the actions.

A further update on progress will be provided to the Board at the next Board meeting in February 2024.

Proactively Released