

## Guide to operating expectations: NGOs

### Principle 1 – Clear roles and responsibilities:

All parties fulfil their critical roles and responsibilities so that they:

- have a shared understanding of their statutory roles and responsibilities;
- meet all statutory accountabilities;
- and adhere to the ‘no surprises’ convention

| The responsible Minister                                                                                                                                                                                               | The NGO                                                                                                                                                                                                                                                                                                                                                                                                                | The Ministry (funder)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Understand government third- party procurement and funding arrangements</i>                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <ul style="list-style-type: none"> <li>• understands the limitations of their own role in relation to NGOs</li> <li>• understands the limits of ministerial intervention in the NGO’s operational decisions</li> </ul> | <ul style="list-style-type: none"> <li>• understands the Government’s investment interest in its performance and sustainability</li> <li>• delivers public accountability documents (e.g., annual reports) in accordance with its constitution</li> <li>• meets public funding accountability requirements while also meeting its obligations to its own constituency</li> <li>• assesses and manages risks</li> </ul> | <ul style="list-style-type: none"> <li>• understands its own role in relation to NGOs</li> <li>• meets all its accountabilities for supporting the NGO</li> <li>• provides the NGO with timely feedback on draft documents</li> <li>• customises the Government’s expectations framework to fit the cultural sector NGO environment</li> <li>• develops a set of resources that clarifies roles and responsibilities and promotes good practice in the portfolio environment</li> <li>• develops metrics to identify strengths and weaknesses in the entity’s performance</li> </ul> |

## Principle 1 – Clear roles and responsibilities (continued)

| The responsible Minister                                                                                | The NGO                                                                                                                                                                                                                                                                                                                                                                                             | The Ministry (funder)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Maintain clear expectations</b>                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <ul style="list-style-type: none"> <li>has a structured programme of meetings with the chair</li> </ul> | <ul style="list-style-type: none"> <li>where appropriate, ensures the board meets the Minister to clarify Ministerial expectations</li> </ul>                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>discusses with the chair and senior management the impact of Ministerial expectations on the board's planning and accountability cycle</li> </ul>                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Build and maintain board performance</b>                                                             |                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                                                                                         | <ul style="list-style-type: none"> <li>assesses its understanding of non-profit governance in the context of its constitutional documents</li> <li>conducts a good-practice self-review of board performance, led by the chair</li> <li>the chair seeks independent advice on managing a self-review</li> <li>has a governance performance development and assessment programme in place</li> </ul> | <ul style="list-style-type: none"> <li>takes the time to understand the NGO's values, behaviour and culture and their impact on results</li> <li>considers whether it is satisfied with the quality and capability of the NGO's governance arrangements</li> <li>encourages board self-review</li> <li>provides ongoing, tailored support to the NGO on governance, to support its performance as a publicly funded organisation</li> <li>provides (or facilitates the provision of) other support as requested by the chair or chief executive</li> </ul> |
| <b>Induct the chair</b>                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                                                                                         | <ul style="list-style-type: none"> <li>ensures that induction of a new chair covers:               <ul style="list-style-type: none"> <li>critical relationships and roles</li> <li>critical aspects of government funding arrangements</li> <li>meetings with relevant Ministry staff</li> </ul> </li> </ul>                                                                                       | <ul style="list-style-type: none"> <li>ensures a new chair is advised on the Minister's priority areas of interest and provides induction support, as appropriate</li> </ul>                                                                                                                                                                                                                                                                                                                                                                               |

## Principle 1 – Clear roles and responsibilities (continued)

| The responsible Minister                         | The NGO                                                                                                                                                                                                                                                                                 | The Ministry (funder)                                                                                                                                             |
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| <i>Induct board members</i>                      |                                                                                                                                                                                                                                                                                         |                                                                                                                                                                   |
|                                                  | <ul style="list-style-type: none"><li>• ensures new board member induction covers relationships with the Ministry and Government's performance expectations</li></ul>                                                                                                                   | <ul style="list-style-type: none"><li>• provides tailored and structured support to the NGO on non-profit governance and government funding/contracting</li></ul> |
| <i>Balance the board-management relationship</i> |                                                                                                                                                                                                                                                                                         |                                                                                                                                                                   |
|                                                  | <ul style="list-style-type: none"><li>• ensures staff are well informed on the values, behaviour and culture that will enable the NGO to deliver quality results consistently over time</li><li>• aligns its staff performance management systems to its strategy and purpose</li></ul> | <ul style="list-style-type: none"><li>•</li></ul>                                                                                                                 |

## Principle 2 – Strategic Alignment

All policies are strategically aligned so that:

- Relevant agencies are driven by the same principles and contribute toward the same outcomes
- There is cross-government engagement with Crown entities and other relevant parts of the cultural sector

| The responsible Minister                                                                                                               | The NGO                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | The Ministry (funder)                                                                                                                                                                                                                                                                                                                 |
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| <i>Focus on Government goals and priorities</i>                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                       |
| <ul style="list-style-type: none"><li>• ensures the Ministry is well informed about the Government's wider policy priorities</li></ul> | <ul style="list-style-type: none"><li>• understands its expected contribution to wider Government priorities and factors this into planning (where appropriate)</li><li>• engages with the Minister on its strategic aims, priorities and overall use of resources</li><li>• ensures its strategic priorities are aligned with the Ministry's in relation to funding purpose</li></ul>                                                                                           | <ul style="list-style-type: none"><li>• uses an evidence-based approach to identify and advise on the NGO's contribution to achieving Government policy goals</li><li>• provides the Minister with timely advice on the appropriateness of the NGO's strategic aims and priorities, and its overall use of government funds</li></ul> |
| <i>Engage in the policy process</i>                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                       |
| <ul style="list-style-type: none"><li>• ensures the NGO is involved in policy decisions affecting its area or activities</li></ul>     | <ul style="list-style-type: none"><li>• understands Ministerial and Ministry 'ground rules' on policy</li><li>• advocates for its organisation and sector but understands and applies the 'no surprises' convention</li><li>• maintains its independence from government</li><li>• where relevant, actively engages with other cultural and sport sector organisations and communities in contributing to the design and implementation of policy goals and programmes</li></ul> | <ul style="list-style-type: none"><li>• ensures its approach focuses on the achievement of strategic policy outcomes</li></ul>                                                                                                                                                                                                        |

## Principle 2 – Strategic Alignment (continued)

| The responsible Minister                                                                                                                                                                                                                                                                                                                     | The NGO                                                                                                                                                                                                                                                                                                                                                                                                                     | The Ministry (funder)                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| <i>Include the NGO in relevant policy work</i>                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <ul style="list-style-type: none"> <li>recognises the importance of sector engagement in designing and implementing policy goals and delivery programmes</li> <li>seeks advice from the Ministry and NGO on policy settings</li> <li>seeks feedback from the Ministry and NGO on policy delivery to, and pressures on, the sector</li> </ul> | <ul style="list-style-type: none"> <li>contributes to policy discussions as an expert partner</li> <li>respects confidences when invited to provide input to policy development</li> <li>takes the opportunity, when provided, to contribute to wider portfolio objectives and Government priorities</li> <li>advises the Ministry of any capacity or capability risks to delivery of activities and/or services</li> </ul> | <ul style="list-style-type: none"> <li>invites NGO input to strategic discussions</li> <li>seeks expert input from the NGO on relevant policy design and implementation</li> <li>advises the Minister on the fit between the NGO's objectives and work, and the Minister's objectives</li> <li>advises the Minister on any concerns the NGO might have about its own capacity and capability</li> <li>has clear internal systems to ensure it does not overstep its mandate</li> </ul> |
| <i>Coordinate work within the portfolio</i>                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|                                                                                                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>crosses NGO/sectoral boundaries to build partnerships necessary for success</li> <li>engages productively with other sector stakeholders</li> </ul>                                                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>applies good practice in policy design, development, analysis, implementation, and evaluation</li> <li>crosses government-sector boundaries to build partnerships necessary for success</li> <li>has systems in place to manage cross-sectoral policy issues and networks, and effectively engage external stakeholders</li> </ul>                                                                                                              |

## Principle 2 – Strategic Alignment (continued)

| The responsible Minister                                                                                                                       | The NGO                                                                                                                                         | The Ministry (funder)                                                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|
| <i>Build wider relationships to support policy interests</i>                                                                                   |                                                                                                                                                 |                                                                                                                       |
| <ul style="list-style-type: none"><li>• builds critical relationships with private providers to obtain better results for the sector</li></ul> | <ul style="list-style-type: none"><li>• works effectively with government agencies and other NGOs to advance wider sectoral interests</li></ul> | <ul style="list-style-type: none"><li>• actively assists the NGO in engaging with other government agencies</li></ul> |

### Principle 3 – Efficient and effective monitoring

A customised approach, proportional to the profile of each organisation, is taken to:

- performance monitoring
- data collection
- assessing and managing risk
- resource management.

| The responsible Minister                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | The NGO                                                                                                                                                                                                                                                                                                                                                                                                                    | The Ministry (funder)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| <i>Ensure effective and customised performance monitoring</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <ul style="list-style-type: none"><li>• provides timely advice to the Ministry on NGO output priorities for the next financial year</li><li>• clarifies monitoring expectations to the Ministry</li><li>• ensures reporting compliance costs are reasonable and proportional</li><li>• provides timely feedback to the Ministry on NGO performance reports</li><li>• makes clear their expectations of NGO and Ministry performance and accountability reporting</li><li>• ensures the NGO is informed early about any concerns regarding delivery or adhering to priorities</li></ul> | <ul style="list-style-type: none"><li>• recognises the importance of performance monitoring as a critical Government expectation in return for government funding</li><li>• where the Ministry is the main or majority funder, seeks Ministry input to development of its outcomes and performance reporting framework</li><li>• understands and accepts the importance of reporting performance to the Ministry</li></ul> | <ul style="list-style-type: none"><li>• ensures the reporting regime:<ul style="list-style-type: none"><li>○ obtains information that supports progress towards policy results</li><li>○ confirms that reporting data is consistent with the NGO's internal reporting regime</li><li>○ scans for and acts on emerging risks that may require a response</li><li>○ sets a reporting timetable that minimises NGO compliance costs while ensuring performance is clearly demonstrated</li><li>○ sets a reporting timetable that aligns with NGO board meetings</li><li>○ seeks only performance information that it needs and that informs reports to the Minister</li></ul></li></ul> |

## Principle 3 – Efficient and effective monitoring (continued)

| The responsible Minister                                                                                                                                                                                 | The NGO                                                                                                                                                                                                                                                                                                                | The Ministry (funder)                                                                                                                                                                                                                                        |
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|                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                        | <ul style="list-style-type: none"> <li>○ seeks information that adds value to the NGO<sup>1</sup></li> <li>• ensures the Minister’s information needs are met</li> </ul>                                                                                     |
| <b>Ensure NGO capacity and sustainability</b>                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                              |
| <ul style="list-style-type: none"> <li>• where appropriate, addresses issues of the NGO’s capacity and sustainability with the chair</li> </ul>                                                          | <ul style="list-style-type: none"> <li>• the chair raises issues of the organisation’s capacity and sustainability with the Minister and Ministry</li> </ul>                                                                                                                                                           | <ul style="list-style-type: none"> <li>• regularly addresses the organisation’s capacity and sustainability in discussions with the chair and/or senior management</li> </ul>                                                                                |
| <b>Manage additional information requests</b>                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                              |
| <ul style="list-style-type: none"> <li>• understands that official information requests about the NGO are limited to information that the Ministry holds</li> </ul>                                      | <ul style="list-style-type: none"> <li>• recognises that additional requests for information may be made and complies with these in a timely manner</li> </ul>                                                                                                                                                         | <ul style="list-style-type: none"> <li>• ensures requests for additional information are minimised and reasonable</li> <li>• ensures official information requests about the NGO are limited to information that the Ministry holds about the NGO</li> </ul> |
| <b>Identify information critical to good performance</b>                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                              |
| <ul style="list-style-type: none"> <li>• makes known their preferences regarding performance reporting</li> <li>• approves the critical data set that informs the achievement of policy goals</li> </ul> | <ul style="list-style-type: none"> <li>• when agreeing with the Ministry on the critical data set<sup>2</sup> before the start of each financial year or funding term, ensures it is clear about data collection priorities and costs</li> <li>• complies with performance data requests in a timely manner</li> </ul> | <ul style="list-style-type: none"> <li>• before the start of each financial year or funding term, agrees with the NGO a performance data set and ensures the NGO is clear about reporting priorities and costs</li> </ul>                                    |

<sup>1</sup> Meaningful performance reporting is unique to each NGO. It correlates with the organisation’s specific strategic and operational objectives, scale of operation and context in the sector.

<sup>2</sup> Reference to data includes qualitative and quantitative data and the extent to which they interact.

### Principle 3 – Efficient and effective monitoring (continued)

| The responsible Minister                                                                                                                                                                                                                             | The NGO                                                                                                                                                                                                                                                                                                                                         | The Ministry (funder)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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| <b>Ensure proportional and relevant reporting</b>                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <ul style="list-style-type: none"><li>• seeks only the most relevant data from the NGO that captures information about current priorities (strategic or operational) and the NGO's long-term sustainability</li></ul>                                | <ul style="list-style-type: none"><li>• builds a data set that accurately reflects its performance in the use of public funds</li><li>• provides up-to-date performance data on its website to reflect its joint activity with Government</li></ul>                                                                                             | <ul style="list-style-type: none"><li>• has a clear set of metrics to assess strengths and weaknesses in the NGO's work programme</li><li>• ensures requests for performance data are consistent with data provided to the NGO board to assess progress against its business plan</li><li>• gives feedback to the NGO on how performance reporting data is used</li><li>• provides the Minister with timely and practical advice on the NGO's progress against strategic goals and currently funded outputs</li><li>• works with the NGO to ensure that sufficient detail is provided on performance against the business plan to enable the Ministry to fulfil its monitoring tasks</li></ul> |
| <b>Assess performance-related information</b>                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <ul style="list-style-type: none"><li>• receives regular performance reports against goals contained in the business plan</li><li>• seeks regular independent advice on the NGO's progress against agreed strategic goals and expectations</li></ul> | <ul style="list-style-type: none"><li>• provides the Minister and Ministry with appropriate performance reports against goals contained in the business plan, to an agreed timetable</li><li>• provides clear and up-to-date information that demonstrates strong performance and progress against strategic goals and funded outputs</li></ul> | <ul style="list-style-type: none"><li>• has a framework and toolkit that clarifies the parties' roles and responsibilities, promotes good practice and is fit for purpose</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

### Principle 3 – Efficient and effective monitoring (continued)

| The responsible Minister                                                                                                           | The NGO                                                                                                                                                                                                                                                                                                                                                                                                                                       | The Ministry (funder)                                                                                                                                                                                                                           |
|------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Ensure performance-related information is sound</i>                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                 |
|                                                                                                                                    | <ul style="list-style-type: none"> <li>regularly reviews data quality to ensure data is fit for purpose</li> </ul>                                                                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>provides the NGO with timely signals on any concerns arising from the NGO's performance information</li> <li>works with the NGO annually to review targeted aspects of data integrity</li> </ul>         |
| <i>Maintain consistency with the business plan</i>                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                 |
| <ul style="list-style-type: none"> <li>approves the use of government funds as expressed in the business plan</li> </ul>           | <ul style="list-style-type: none"> <li>ensures that its business plan reflects the Minister's expectations</li> <li>engages with the Ministry in developing its business plan</li> </ul>                                                                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>provides the NGO with feedback on the extent to which its draft business plan reflects the Minister's expectations</li> </ul>                                                                            |
| <i>Assess and manage risks</i>                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                 |
| <ul style="list-style-type: none"> <li>seeks advice from the Ministry on the main risks associated with funding the NGO</li> </ul> | <ul style="list-style-type: none"> <li>has a risk assessment and management system in place appropriate to its business and constituency</li> <li>focuses on continually managing the most significant risks in order to achieve maximum benefit<sup>3</sup></li> <li>has plans for identifying, quantifying, analysing, mitigating, and reporting project risks</li> <li>has plans for managing catastrophic risk to its business</li> </ul> | <ul style="list-style-type: none"> <li>advises the Minister of the contingent risks facing the NGO and its sector, if applicable</li> <li>seeks information to identify risks to the NGO, to facilitate risk monitoring and response</li> </ul> |

<sup>3</sup> Often referred to as the 80/20 rule or Pareto Principle: the organisation manages the largest 20 percent of all risks in order to achieve 80 percent of the total achievable benefit.

### Principle 3 – Efficient and effective monitoring (continued)

| The responsible Minister                                                                                                                 | The NGO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | The Ministry (funder)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Manage resources responsibly</i>                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <ul style="list-style-type: none"> <li>• makes clear their expectations with regard to improving efficiency and effectiveness</li> </ul> | <ul style="list-style-type: none"> <li>• meets with the Ministry before the business plan is finalised to clarify the main aspects of its financials</li> <li>• has a plan that focuses on managing for value</li> <li>• takes the opportunity to build on the Ministry's capability support programmes</li> <li>• provides the Ministry with up-to-date data on operational costs<sup>4</sup></li> <li>• uses operational costs data to refine its internal cost structure and improve efficiency</li> <li>• uses good-practice planning and review processes</li> </ul> | <ul style="list-style-type: none"> <li>• meets with the NGO before its business plan is finalised to clarify the main aspects of the NGO's financials</li> <li>• tracks the NGO's finances over time and understands its cost drivers</li> <li>• where applicable, tracks the NGO's use of capital and reserves over time</li> <li>• assesses the NGO's service performance against revenue over time</li> <li>• regularly discusses with the NGO the use of good-practice planning and the outcome of reviews</li> </ul> |

<sup>4</sup> Based on the Treasury's Better Administration and Support Services (BASS) tool, the Ministry's Understanding Agency Costs (UAC) tool assists with and supports value-for-money assessments, target-setting, and tracking of improvement over time. It also provides a picture of each function across agencies.

## Principle 4 – Trusted Engagement

The parties commit to good practice to ensure their relationships are trusting and productive.

| The responsible Minister                                                                                                                                                                                  | The NGO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | The Ministry (funder)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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| <b><i>Build and maintain relationships</i></b>                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <ul style="list-style-type: none"><li>invests time in building a productive working relationship with the chair</li><li>ensures the Ministry is aware of Ministerial communication with the NGO</li></ul> | <ul style="list-style-type: none"><li>offers to induct a new Minister into the work of the NGO, including meeting the board</li><li>briefs the Ministry in advance on major new initiatives or changes in priorities relevant to the Government's investment, and seeks the Ministry's feedback</li><li>fosters trusted working relationships with critical senior Ministry staff to facilitate the full, free and frank exchange of information on activity relating to government funding</li><li>is willing to invest time and effort to strengthen relationships with the Ministry</li><li>ensures relevant staff are fully apprised of and understand the Ministry's NGO-monitoring role</li></ul> | <ul style="list-style-type: none"><li>ensures a new Minister receives an early, accurate and balanced briefing on the NGO</li><li>builds its relationship-management capacity to ensure skilled, knowledgeable and credible staff manage and foster relationships with the NGO</li><li>ensures Ministry staff respect the NGO's independence from government irrespective of its agreed funding level</li><li>is open in its dealings with the NGO</li><li>makes personal contact with relevant NGO staff in a timely manner when critical issues arise</li></ul> |
| <b><i>Ensure there are no surprises</i></b>                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <ul style="list-style-type: none"><li>understands and applies the 'no surprises' convention in advising the NGO about funding intentions that could affect its sustainability</li></ul>                   | <ul style="list-style-type: none"><li>understands and applies the 'no surprises' convention in dealing with the Minister and Ministry</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <ul style="list-style-type: none"><li>understands and applies the 'no surprises' convention in dealing with the NGO and Minister</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                        |

## Principle 4 – Trusted Engagement (continued)

| The responsible Minister                                                                                                                                                                                                                                                                         | The NGO                                                                                                                                                                                          | The Ministry (funder)                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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| <b>Ensure effective meetings</b>                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <ul style="list-style-type: none"><li>• where appropriate, establishes and keeps to a realistic and achievable timetable of meetings with the NGO and Ministry</li><li>• where practicable, ensures the Ministry and NGO are well informed about the Minister's views on agenda topics</li></ul> | <ul style="list-style-type: none"><li>• informs the Ministry of meeting agenda items and the NGO's position on them</li></ul>                                                                    | <ul style="list-style-type: none"><li>• when required, provides the Minister's office with timely advice on agenda items</li><li>• confirms with the NGO matters of fact or matters on which the Ministry may have a differing opinion (in accordance with the 'no surprises' convention)</li><li>• has a scheduled programme of meetings with the NGO chair and/or chief executive</li></ul>                                                                                                  |
| <b>Invest in relationship management skills</b>                                                                                                                                                                                                                                                  |                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                  | <ul style="list-style-type: none"><li>• ensures staff in critical relationship-management positions have the appropriate skills to ensure productive relationships with Ministry staff</li></ul> | <ul style="list-style-type: none"><li>• ensures staff in critical relationship-management positions have the appropriate skills to ensure productive relationships with the NGO</li><li>• provides staff with professional development opportunities focused on relationship management generally and with the NGO sector specifically</li><li>• provides relevant career paths that demonstrate that the Ministry values staff with highly developed relationship-management skills</li></ul> |

## Principle 4 – Trusted Engagement (continued)

| The responsible Minister                             | The NGO                                                                                                                                                                                                                                                                                                                                                                                          | The Ministry (funder)                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| <i>Induct NGO and Ministry staff</i>                 |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                                                      | <ul style="list-style-type: none"><li>• offers to induct new monitoring advisors in the Ministry into the NGO's work and management practice</li></ul>                                                                                                                                                                                                                                           | <ul style="list-style-type: none"><li>• offers induction to new board members on the government funding environment</li><li>• offers induction to NGO staff on the Ministry and its functions</li></ul>                                                                                                                                                                                                                                                       |
| <i>Manage escalation where different views exist</i> |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                                                      | <ul style="list-style-type: none"><li>• agrees with the Ministry on 'first points of contact' and an escalation process in order to respond to differences of opinion in a timely and effective manner</li><li>• works to avoid implementing the escalation process when other forms of resolution are available</li><li>• follows the agreed escalation process if a dispute persists</li></ul> | <ul style="list-style-type: none"><li>• agrees with the NGO, and internally, on 'first points of contact' and an escalation process, to ensure the Minister's office is kept apprised of any difference of opinion</li><li>• actively works to resolve differences of opinion with the NGO</li><li>• works to resolve disputes early to avoid the use of escalation processes</li><li>• follows the agreed escalation process if a dispute persists</li></ul> |