

Change Management Plan

Tokelau

The Vision

“First Class Service Delivery in the Pacific Region”

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Acronyms and Abbreviations

CMP	Change Management Plan
DRT	Delivery Result Taskforce
FY	Financial Year
GF	General Fono
GFC	Global Financial Crisis
HR	Human Resource
HRM	Human Resource Management
ICT	Information and Communication Technology
KPI	Key Performance Indicators
M&E	Monitoring and Evaluation
MP	Member of Parliament
New Zealand	New Zealand
NPS	National Public Service
PSC	Public Service Commission
SSC	State Services Commission
TNSP	Tokelau National Strategic Plan
ToR	Terms of Reference
TPS	Tokelau Public Service
TVET	Trade and Vocational Education and Training
UN	United Nations
USP	University of the South Pacific
VPS	Village Public Service
VfM	Value for Money
WoG	Whole of Government

Executive Summary

The evolution of the Tokelau Public Service is dotted with reviews and evaluations, some implemented as a planned monitoring and evaluation activity and others carried out to identify more effective measures to improve operations. A synthesis of these reviews reveals that the poor quality of service delivery is an outcome of many factors labelled in this Report as binding constraints. To corroborate the earlier review findings and those of the more recent evaluations the Change Management Team undertook consultations with each Taupulega and community members. Interviews and consultations were also conducted with public servants both national and village based.

The perceived lack of progress against earlier recommendations is often interpreted as a Tokelau government (and by association the Tokelau Public Service (TPS)) that is incompetent and lacking in leadership. In reality the continual waves of imposed colonial administrative change has created an environment which has disconnected the traditional governance base (the Taupulega) from its natural position. Moreover, the Taupulega were given governance and management responsibilities that are not part of their traditional roles. Additionally, they did not have the capacity to fully understand or implement these responsibilities. As a result it created tension with the emerging TPS and eventually a sense of disempowerment on the part of the Taupulega, recognising their inability to influence Public Service delivery which was becoming more and more inefficient. Administrator Lyndsay Watt observed in 1992 that Tokelau's political base, *"...shaped by New Zealand was idiosyncratically Tokelauan"*. This is the root cause of the current infrastructural dysfunction and ambiguous governance systems that Tokelau finds itself with today.

Tokelau's development journey to date can be described as focusing on social and cultural capital – policies include the Modern House, the delegation of Administrators powers and the devolution of the management of village public services to the Taupulega. The premise being that the goal of self-determination requires a solid socio-cultural foundation to allow the formation of a sound, legitimate governance base from which a nation would emerge. More recently there has been a focus on environmental capital and ensuring that Tokelau's pristine environment is preserved – work in this sphere includes the solar energy project and Tokelau's contribution to the Global warming and sea level rising discussion. The missing piece in this development journey has been economic capital. That is, Tokelau's ability to optimise its current income (NZ Aid / Budget Support and EEZ returns), explore opportunities for generating other revenue streams and utilising its current asset base to complement its financial planning strategy. Aligned with this is the need to break the culture of entitlement that currently pervades Tokelau and to promote economic participation at the individual level and encourage entrepreneurial behaviour.

The difficulties in developing and building economic capital (value for money service delivery, utilising assets and generating other revenue streams) lies in the poor socio-cultural foundation from which the government is based upon. Until this is progressed and agreed to by all three villages, the other forms of capital will struggle to develop.

Our findings have attempted to take a balanced approach ensuring **Economic, Social, Environmental and Cultural elements** are all taken into account to provide Tokelau with an infrastructure that is functional, that addresses ineffectiveness and inefficiencies, is forward looking in terms of sustainable self-reliance and ultimately provides Tokelau with the quality

of life they desire. With this in mind it was impossible to ignore the governance structure and functions.

The proposed Change Plan framework attempts to clarify the:

- NZ-Tokelau relationship – true partnership without the stick.
- Governance functional relationships and the leadership dilemma.
- Management Framework – ‘fit for purpose
- Functional Structure – Roles & Responsibilities of each Department
- Service Delivery – Results and outcome focus
- Capacity Building – the right people in the right place at the right time.

The Change team have developed a revised structure that provides greater functionality with clearer roles, responsibilities and accountabilities – including refocusing the traditional Tokelau authority base to village functions. This in turn will promote more focused delivery. Coupled with system and process redesign, HR capacity development and realignment, Tokelau will have a framework with which it can build a world class public service.

As highlighted earlier the governance structure is key to the successful reforms of the TPS. The new structure provides a more focused and integrated governance body for more responsive and robust decision making, while still maintaining the traditional lines of accountability to the village authority. This includes an Executive Government body of 12 members which also incorporates the previous legislative functions of the General Fono. Combining of the functions of the current General Fono and the Council will provide a leaner decision making mechanism which is more responsive to internal and external requirements and will allow Tokelau to better position herself for a role in regional and eventually international affairs. Feedback from recent meetings suggests that how these functions are merged still requires further discussion. The corresponding structural implication for the TPS is that a single employer will oversee the provision of national services throughout the three villages.

Consequently, three central agencies will be created that will support delivery of front line services like Health, Education and Law and Justice. These three agencies include:

- **The Ministry of Planning** – Macro projections, response to changing macro environment and impact of global warming/climate change on Tokelau’s future sustainability
- **The Public Service Commission** – responsible for Human Resource Management (HRM) with public administration governing frameworks and systems within the core administration or in the wider HRM regime. Merit protection systems will be implemented
- **Ministry of Finance** – responsible for budgetary and financial management system (planning and budgeting, financial management, accounting, fiscal reporting and procurement system).

Once these changes have been embedded the improvements will filter down through core TPS service delivery.

The relocation of staff and services from the Apia office has also been a sticking point for Tokelau and this has been scheduled into phase 1 of the Change Management Plan (CMP) with portfolios spread across the three nuku.

A clear signal from the consultation is the lack of ability of Tokelau people to balance time with their families and other kaiga and nuku responsibilities. This CMP advocates new TPS core hours of 6 hour days with 4 days per week or alternatively a 4 day week.

Summary

The development journey for Tokelau has shown that change is constant but for development to bring about the necessary outcomes, Tokelau must be allowed to influence the nature and rate of change. Imposed change without meaningful engagement and sign off by those upon whom this affects has unintended negative consequences. A case in point for Tokelau is the way its traditional governance system has been distorted to try to fit a national public service administration requirement which it clearly is unable to contend with. For such changes the people of Tokelau must be supported to fully understand the options and significance of these decisions and any potential trade-offs. This fulfils the true principles of partnership.

The question of the future of Tokelau invariably brings into contention the conflict between safeguarding cultural traditions versus emerging global values. The common response often touted is, *“Te lumanaki o Tokelau kona Tamaiti”* which translates as *“The future of Tokelau is their children”*. However Tokelau faces the dilemma of having more Tokelauans living overseas and youth following suit as time progresses. The challenge is for Tokelau to create the opportunities and environment that is sustainable that will keep Tokelauans at home. To this effect Tokelau must adopt a more relevant and future-focused approach to governance and leadership. It would be a backward step for Tokelau to try and reinstate an obsolete governance model that may have worked in the past but is totally irrelevant for the present and going forward. The type of government and leadership that is needed now will still be grounded in Faka-Tokelau but it will also need to reflect strong, modern, mandated, and legitimate leadership required for a small island nation progressing into the 21st century and the global environment.

Main Findings

The New Zealand / Tokelau relationship is under some pressure at the moment. This is because of the lack of trust and confidence in the Tokelau administration’s ability to provide the people of Tokelau as New Zealand citizens an expected **Quality of life** befitting that status. Also there is a lack of clarity around these expectations.

Although self-determination is off the immediate radar, **self-reliance** seems to be the current priority for New Zealand.

Governance and Leadership seem unable to make sound and timely decisions resulting in poor oversight and control over the TPS. There is clearly a disconnect between the local village Taupulega, the Council and the General Fono. Leadership is still very much the domain of the elders and individual choices is still a concept Tokelau is struggling to grasp.

A Tokelau Public Service that is ineffective and inefficient. It has poor structural accountabilities and the cry for **relocation back to the villages** has been ignored for too long. Unclear lines of accountability result in poor performance with no consequences. Performance expectations are not articulated and the Human Resource Management process does not support effective recruitment and retention strategies. Performance reviews and

performance management are non-existent so the cycle of poor performance continues unchecked.

There exists a ‘culture of entitlement’ in Tokelau. New Zealand aid has always been seen as an entitlement by Tokelau as a New Zealand territory. Because it is easily available it gives little incentive for Tokelau to improve performance or encourage initiative. At the macro-economic level Tokelau has significant assets in Samoa and New Zealand would like to see these turned into opportunities to create return on investment and possibly future trade options. At the individual level, economic participation seems unnecessary by most Tokelauans and there is little motivation to pursue entrepreneurial interests. Tokelau needs to rid itself of the “entitlement mentality” and **encourage self-reliance** and independence at the macro and micro level.

Tokelauans as New Zealand Citizens are also entitled to social welfare support. Currently, the system is in need of reform so that benefits can be applied responsibly and consistently by the TPS. Aid and welfare have contributed to the “culture of entitlement” and these are challenges that Tokelau needs to face head-on if it is to have a sustainable and progressive future.

The people of Tokelau value greatly their ‘Faka-Tokelau’ and would like to see their cultural norms reflected in any change process. This would include the authority of the Taupulega which needs to be maintained in the new structure. Also feedback received suggests that the modern work process leaves little time for people to engage in traditional family and kaiga responsibilities.

The most pressing priorities are ICT and Transport solutions. To bring about the immediate required changes that will facilitate the relocation of public services within all villages and ensure equitable, efficient and effective service provisions the installation of appropriate ICT and Transport solutions. Effective communications between the three nuku is mandatory and should be the top priority in implementing the structural changes recommended in the CMP.

1. Introduction and Background Information

1.1 Historical Overview

National self-government in Tokelau developed with the organisation of national meetings of representatives of the three villages to discuss matters of common concern. The initial national policy and planning meeting of representatives from each nuku in 1963, was the forerunner to the General Fono. Another meeting took place in 1964 to discuss relations between Tokelau and New Zealand. As transport facilities to and between the nuku improved, meetings of this nature became more regular to the extent that the General Fono was formally recognised in the Tokelau Amendments Act 1982. At this time membership consisted of 45 members with equal representation from each nuku¹. The evolution of the General Fono as a national decision making body was paralleled by the strengthening and ultimately the formalising of the role of the three Faipule, a standing committee of the General Fono with executive powers.

Self-government in respect of the Tokelau Public Service was clearly signalled with the abolition of the post of Official Secretary in 1994 and finally achieved with the establishment of the Public Service Commission in 2001². The disestablishment of the Official Secretary post in Apia in 1994, resulted in the Administrator of Tokelau (based in Wellington) delegating 'all powers exercisable by [the Administrator] in respect of Tokelau under any enactment [for the] administration of the executive government of Tokelau' to the General Fono, and when it was not in session to the Council of Faipule³.

In 2003 the government of New Zealand and Tokelau confirmed the principles of their relationship in the Joint Statement of the Principles of Partnership. This addressed the management of the partnership, self-determination, Tokelau's language and culture, New Zealand citizenship, economic and administrative assistance, coordination of services to Tokelau, defence and security, foreign affairs, and the Tokelau community in New Zealand.

Subsequently, in 2004, the Administrator of Tokelau revoked the 1994 delegation and formally delegated 'all powers exercisable by me in respect of Tokelau under any enactment, including any power delegated to me under any enactment' to the Taupulega of the villages of Tokelau. The Taupulega in turn delegated their power to the General Fono for 'government of Tokelau in respect of matters beyond those properly undertaken by each village alone'⁴. Additionally, the standing committee of the General Fono was expanded to include the Pulemuku (Village Mayor) of each village and was renamed the Council for the Ongoing Government of Tokelau. In keeping with this new power structure, most public service delivery was devolved to the villages and this took effect on 1 July 2004.

1.2 Evolution of the Tokelau Public Service

The evolution to a national government and subsequent development of the Tokelau national Public Service occurred to facilitate a collective approach to the administration of three

¹Tokelau A History of Government; Angelo, A & Pasikale, T, 2008; p 25

² Ibid; p. 27

³ Ibid

⁴ Ibid; p. 29

separate atoll islands by New Zealand. With this and the delegation of administrative powers by New Zealand to Tokelau, the traditional Taupulega 'pule' (power) over its own village affairs became blurred with the practicalities necessary to enable New Zealand to administer for the development and implementation of policies and the annual budget and development expenditure for Tokelau.

It is questionable as to whether the full implications of this were fully understood by Tokelau or rather that their polite acquiescence to these developments was more out of deference than informed consent. The resulting 'mash' of political bodies has created real tension regarding responsibility for the delivery of national public services, mostly due to the ineffective governance structure which is unable to provide sufficient oversight and control of the Public Service or robust fiduciary management.

Recent reviews and evaluations of social services like education and health and infrastructure such as Teletok, Energy and Transport all highlight the fragmentation of the governing power base (Taupulega, General Fono, Council and Public Service), and incoherence of governing frameworks (national versus village, traditional versus modern, communal versus individualistic). The Devolution Review in 2012 also noted that "[after] eight years of operation, the results [of devolution] have been disappointing with deteriorating services in some sectors, confusion about roles and responsibilities, high levels of political involvement in management issues, lack of trust and loss of a sense of nationhood as villages became increasingly 'nuku-focused' with little activity to bind them to national issues and concerns."⁵ This lack of cohesion has had a trickle-down effect on service delivery with delivery plans that are not aligned with the Tokelau National Strategic Plan (TNSP), inconsistent reporting accountabilities (in some cases no reporting at all), budget blow outs, budget spending before approval, and an inability to measure the impact of this type of investment. All these services were to improve the quality of life of the Tokelau people yet there is scant evidence to suggest this outcome.

The issues raised through the recent reviews and evaluations of the delivery of public services are of concern to the New Zealand Government, particularly that the development expenditure is not producing the expected results. To draw due attention to this, on 1 July 2014, the New Zealand Minister of Foreign Affairs and Trade withheld approval for the release of the FY2015 Budget Support until such a time that he had a firm commitment to address his concerns about the quality of life of New Zealand citizens living on Tokelau. Moreover, the Minister requested that a plan of action ensuring that the people of Tokelau get value from the funding provided by New Zealand is developed and that this **Plan would need to include fundamental reshaping of the Tokelau Public Service and service delivery**. Accordingly, New Zealand and Tokelau agreed on the appointment of a Team to develop an Action Plan as requested by the Minister.

Both the New Zealand and Tokelau governments recognise the need to better align public service delivery with quality of life outcomes, effective service delivery while offering value for money and exploring greater opportunities for sustainable self-reliance and self-worthy citizens. On this premise, the Terms of Reference for the Change Management Team was developed.

⁵Government of Tokelau Review of the 2004 Devolution of Public Services to the Villages, September, 2012; p. 5

1.3 Terms of Reference

Purpose of the Change Plan

The Terms of Reference describes in detail the work required of the Change Management Team. It states that the Team will develop a costed work plan to be used to guide a long-term change programme to provide value for money delivery of essential services, contributing to improved quality of life and measures to increase self-reliance on the atolls.

The Change Management Plan (CMP) will address the service delivery functions of the public services for Tokelau and consider the roles of the TPS and Tokelau's leadership in the delivery of essential services, with the goal of improving the quality of life of the people of Tokelau.

The Change Plan will:

- i. Assess the service delivery needs of the people of Tokelau;
- ii. Review and analyse the performance of the current service delivery model/s;
- iii. Identify options for simplifying the public service structure;
- iv. Propose and analyse alternatives to the current model/s of service delivery by sector;
- v. Clarify governance requirements and in particular the roles of leadership, management and implementation in service delivery within the particular cultural and geographic context of Tokelau.
- vi. Identify appropriate programmes of support to each level of governance for recommended service delivery model/s to strengthen capacity and accountability of leaders, public servants and the people of Tokelau, noting the specific request of Taupulega for capacity building in their decision-making and leadership responsibilities;
- vii. Ensure that public services deliver professional, efficient and effective services that enable an appropriate quality of life for the people of Tokelau;
- viii. Reflect and respond to Tokelau's capacities and gaps through best practice and value for money solutions, including consideration of capacity supplementation and outsourcing.
- ix. Build on, and consolidate, the findings and recommendations of recent reviews and evaluations, including:
 - the Devolution Review
 - the Education Review Office report
 - the Health Sector Evaluation
 - the Telecommunications Review
 - the Public Expenditure and Financial Accountability report
 - the Asset Management Plan.
- x. Confirm community expectations for the quality of their public services (e.g. health, education etc)
- xi. Identify, assess, and indicatively cost, alternative models of delivery that best meet community expectations, and deliver value for money to the Tokelau national budget.
- xii. Identifying and cost opportunities for New Zealand financial and technical support, either directly, or through partnerships with New Zealand public and private sectors and civil society.
- xiii. Consider and outline practical opportunities for Tokelau to fund recommended options, for example by:
 - reviewing Tokelau's Apia property portfolio to make best use of the assets

- identifying cost savings from efficiencies and alternative delivery models including from outsourcing of freight, stevedoring and commercial transport operations

1.4 The Team

The Change Management Team members were Faamausili Dr Matagialofi Luaiufi (team leader), Magele Arthur Penn, Sonya Cameron, Tiso Fiaola, Hatesa Kirifi and Lili Tuioti.

1.5 Approach and Methodology

The team consulted in a participatory manner where the questions asked were provided prior to the meeting and individuals were able to provide comments and views as they chose. All senior management members of the public service were invited to participate through interviews. The same questions were used in all interviews and these were provided in advance to the interviewees.

The team obtained information through review of documents including evaluations of public sectors, individual interviews with public servants in Tokelau and Apia, group discussions, surveys and observations. The team gathered qualitative and quantitative information. Qualitative information was cross checked by asking the same questions of different groups of stakeholders and checked against documentary evidence to support their views. The team analysed the wide range of data gathered and sought to draw lessons from this by identifying common views and issues. The list of stakeholder groups who participated in discussions and individuals interviewed is provided in [Appendix 1](#).

A preliminary presentation of the Team's proposed changes and initial findings was discussed with the Project Co-Sponsors in late October, 2014. The second Team presentation of the proposed changes to the governance arrangements and structure of the public service was made to the Administrator and some Council members, including the Ulu o Tokelau, the Faipule o Fakaofu and the Minister of Education, who were able to meet in Apia during the first week in November. Feedback was sought to provide feedback on the initial findings to be taken into consideration in preparing the Draft Plan ready for presentation to the three Taupulega in mid-November, 2014.

The response by the three Taupulega to the proposed governance and Public Service structure was generally supportive.

Within the Terms of Reference and during discussions with the Project Sponsors and stakeholders various terms and concepts were consistently referred to and used. To avoid 'talking past one another' and ensuring that as much as possible the principle of transparency, these common terms are 'defined' below:

Quality of life – From the outset, beginning with the interviews with public servants and then with the views gathered through group discussions in the villages, individuals consistently described their perspective of what denotes a good quality of life with three key elements:

1. good quality education for their children, equivalent to that provided in New Zealand;
2. easy and equitable access to good quality health services; and

3. a safe and secure environment – peaceful community where the safety and wellbeing of its citizens especially vulnerable individuals and groups are ensured and an environment that will continue to sustain present and future generations.

Value for money –using resources effectively, economically and without waste with due regard for the total costs and benefits of the relevant activity and its contribution to the outcomes envisioned to be achieved.

1.6 Plan Principles

In formulating the Change Management Plan in accordance to the terms of reference and noting the views and recommendations provided by stakeholders and relevant documentation, the team applied the following values and principles to its work:

- Contextualisation- ensuring the traditional role and authority of the Taupulega
- Accountability- ensuring that decision makers are accountable for their decisions
- Innovativeness- identifying ways to improve public service delivery that will enhance results for people in Tokelau
- Transparency – ensuring that people know what decisions and recommendations have been made and how they were made
- Ownership and buy-in to **change** by the people of Tokelau and New Zealand Government
- Value for money proposition- must be balanced with quality of life that reflects the socio-cultural dynamic of the people of Tokelau as well as levels of service expected by all New Zealand citizens.
- Supporting and strengthening the relationship between Tokelau and New Zealand
- Promoting a balance between best practice principles in public services management and employment and Faka-Tokelau values and practices

1.7 Assumptions

The Change Plan proposed in this Report is based on the following assumptions:

- That Governments of Tokelau and New Zealand support and accept the Change Management Report with the proposed reshaping of the governance arrangement and Public Services structure;
- That the Taupulega and respective nuku of Tokelau will apply the principle and concept reflected in the proverb of “**fulifuli na lakau**” that literally means “careful observation and study of all facets of the wood” and in essence promotes the careful studying and learning of various systems which can work well in the physical and cultural environments of Tokelau.

Section Two highlights the issues, binding constraints, solutions and resourcing challenges Tokelau encounters in trying to achieve self-reliance and quality of life discussed above.

Section 2: The Issues, Binding Constraints, Solutions and Resourcing Challenges.

Tokelau's physical location and political relationship with New Zealand are two prominent binding constraints currently facing Tokelau.

Tokelau's isolation presents obvious challenges of travel and communication between the islands and with New Zealand.

Furthermore, the relationship with New Zealand over many years has been amicable but scant on any tangible achievements that a colonial administrator might expect. Aid and welfare from New Zealand has created an attitude of entitlement and de-motivation for nation building

Furthermore, in terms of governance the current structure has highlighted the inability of its leaders to make hard decisions.

Addressing these challenges and exploring potential solutions will generate opportunities as identified in the formal evaluation of sectors and other activities of the Tokelau public service.

Table 1 below summarises the issues raised in these reviews as well as those which were consistently referred to during interviews and discussions with stakeholders. It also details the process undertaken to identify possible solutions and how these link to the Plan Objectives.

Table 1: Binding Constraints Inhibiting Service Delivery

Issue	Binding Constraints	Possible Solution	Resource Challenge	Link to Plan Objectives
<p>Governance Institutions and Leadership</p>	<ul style="list-style-type: none"> • Interface between Taupulega, General Fono and Council sometimes have in borne ambiguities in their decision making or lack thereof and contradictory priorities <ul style="list-style-type: none"> ○ Inability to make binding decisions ○ Blame culture 	<ul style="list-style-type: none"> • Extend the membership of the Executive Government to 12 members elected from Taupulega, so each Taupulega has 4 representatives. • The existence of the General Fono and the Council and the political unit of the Taupulega is too convoluted and clouded the reporting and accountability relationship in the On Going Government where the Public Service should report to the Employer (Ministers) • Tokelauans need to decide which authority they need to keep, the Team recommends to merge the General Fono functions and those of the Council into a single representation Executive Government. • Consider an Executive Government and an Ulu for 3 a year term and for the Ulu to be appointed by the Executive Government. The Ulu to select the Cabinet based on skills and experience. Appointment of Ulu by Executive Government is the preferred process as this embeds accountability within the Council, not the voting constituency. Also more likely to be based on leadership, skills and experience rather than on a numbers game and favouritism of the nuku base. This aligns well with the Westminster model currently in use. • Ulu, Ministers and Directors to be based at village hosting respective portfolio • Develop a leadership code stipulating expected conduct of leaders, decision making responsibilities and active involvement in their daily responsibilities 	<ul style="list-style-type: none"> • Electing the people with right skills, abilities and commitment to be leaders • Taking their roles and responsibilities seriously • Putting national interests before individual atoll and personal interests. MOU, or "Treaty of Tokelau." To capture these relationships • Tight accountability to the people of Tokelau • Capacity building for leaders on new skills and abilities • Awareness programme for people and leaders is time consuming, long term and costly 	<ul style="list-style-type: none"> • Clarify governance requirements and in particular the roles of leadership, management and implementation in service delivery • Identify options for simplifying the public service structure • 1.3(iii), (v) and (vi)
	<ul style="list-style-type: none"> • Taupulega ruling and decisions often contradicts the Public Service rules of expected working hours • Quality of Taupulega decision making needs improvement. The scope of the role has grown and it is these new functions which have created a perception of poor decision making. The challenge here is capacity 	<ul style="list-style-type: none"> • Capacity Building • Ongoing up-skilling, education • Environment of Trust and cooperation, collaboration to share information, ideas, knowledge. Safe environment to engage in robust dialogue without recrimination (no dumb questions) 	<ul style="list-style-type: none"> • Mentoring and coaching of leaders to improve their knowledge and understanding of Public Service operating rules and the issue of governance 	<ul style="list-style-type: none"> • 1.3 (v), (vi), (vii)

Issue	Binding Constraints	Possible Solution	Resource Challenge	Link to Plan Objectives
	<p>building and clarity in role and relationship with the Executive Government.</p> <ul style="list-style-type: none"> Leaders, especially of the Taupulega do not have the exposure to global political, economic, technological and social forces, trends and information. Such knowledge will help decision makers understand Tokelau's position in the regional and global context as well as the NZ position and how the global context shapes NZ's decisions. 	<ul style="list-style-type: none"> Clear roles and responsibilities for these bodies with expectations. Skills and experience map (identify gaps and needs) Training plan fit for the identified needs developed and implements 	<ul style="list-style-type: none"> Exposure of leaders to other jurisdictions and more dialogue and consultations Time consuming and depends on leaders willingness to learn 	1.3 (v), (vi)
	<p>Leaders should encourage and appropriately capture the views and ideas of the youth, women and aumaga and any other vulnerable segments of society (tamamanu)</p>	<ul style="list-style-type: none"> Community Development tools, Participatory processes will help with the engagement and empowerment process. Women's voice, Youth Council as part of succession planning etc 	<ul style="list-style-type: none"> Genuine conversation at the village and family levels 	1.3(vi)
	<p>The Leadership paradigm in Tokelau is one of leading from the back (tautua and gentle guidance with constant checking with the village). This process is the traditional method and can often be mistaken for a lack of will, commitment or even courage. It is however time consuming and inefficient. There is a need to develop a more western leadership approach (as modelled by the Westminster Governance design) which advocates mandated and legitimate authority to make decisions that bind all represented constituents. The leadership style will need to be 'situational' depending on the forum and the type of decisions being sought. This encourages assertive and bold leadership able to articulate a vision and set a direction and who have the desire and ability to determine Tokelau's destiny.</p>	<ul style="list-style-type: none"> Clear roles, responsibilities and functions will help determine the type of leadership approach needed. Traditional method of decision making has a place in village matters but a more robust approach to decision making is required in the conduct of formal government business 	<ul style="list-style-type: none"> Time consuming and sometimes inefficient 	1.3 (v), (vi), (vii)
Management	<ul style="list-style-type: none"> Management of the Public Service is a responsibility of two different sets of 	<ul style="list-style-type: none"> New proposed structure 	<ul style="list-style-type: none"> Legal mandates including policies and procedures 	<ul style="list-style-type: none"> Clarify governance requirements and

Issue	Binding Constraints	Possible Solution	Resource Challenge	Link to Plan Objectives
Framework including policies and systems	<p>employers who operate under different systems and rules</p> <ul style="list-style-type: none"> • Absence of any connectivity between the National Public Service and the Village Public Service • Public Servants neglecting their employment and contract obligation which is to serve without fear or favour • Village public servants prioritising nuku interests before national interests. 	<ul style="list-style-type: none"> • Establish a Delivery and Results Taskforce to be headed by an MP but not a Minister to oversight, monitor and analyse results of delivery and report to Council (refer to Structure and Table 2) • Establish a Board of Directors to manage Public Enterprises and to be headed by another MP not a Minister (Structure & Table 2) • Institute more relevant and best practice legal framework for improved accountability and compliance including legislation, regulations, policies and code of conduct and relevant disciplinary and grievance mechanisms • Going beyond policy dialogue, helping in practical ways to make systems work – An organisational culture across the TPS that promotes high performance, can clearly articulate what high performance is and builds confidence and trust in the ability and integrity of the TPS. • Facilitating problem-solving and local collective action, by bearing the transaction costs • Whole of government oversight – integrated and seamless service delivery • Organisational Culture / values: <ul style="list-style-type: none"> • Learning organisation and continuous improvement. • Mistakes will be made – how do we learn from them - there are also consequences. 	<p>which mirror best practice require development</p> <ul style="list-style-type: none"> • Need to have one single employer • Relocation as requested will be costly in terms of the infrastructure, office accommodation, rental property for workers especially the non-Tokelauans, support services • Capacity and capability needed for improving service delivery and knowledge of jobs is thin • Objectivity and professionalism is clouded by bias towards nuku and Tokelau values and customs 	<p>in particular the roles of leadership, management and implementation in service delivery.....</p> <ul style="list-style-type: none"> • Ensure that public services deliver professional, efficient and effective services that enable and appreciate quality of life for the people of Tokelau • 1.3 (i), (iii), (x), (xi)
	<ul style="list-style-type: none"> • Devolution of authority from the centre to the atolls was resisted in some quarters and selectively implemented • Framework to effect the devolution was not well thought out or supported by capacity building of the Taupulega as well as Village based public servants for instance 	<ul style="list-style-type: none"> • Delegation of authority to a traditional body that did not comprehend these new roles nor possess the relevant knowledge or skills was doomed to fail. Significant training and up skilling is needed in going forward. 	<ul style="list-style-type: none"> • More conversations to convince and clarify intentions of devolution • Listen to people and offer alternative perspectives • Time consuming and costly 	<ul style="list-style-type: none"> • ditto
	<ul style="list-style-type: none"> • Integrating and aligning the National Tokelau Strategic Plan with the budget never happened as there was an absence of required resources to support service delivery.. Budget blowouts and requests for 'top ups'(entitlement) was common. 	<ul style="list-style-type: none"> • Financial planning (cash-flow management) and tracking tools and training software • Create an awareness of the planning cycle and the importance of recording, reporting, evaluation to ensure Continuous Improvement 	<ul style="list-style-type: none"> • Coaching and training of public servants on these new frameworks • Time consuming and costly • Staff incapable to learn 	<ul style="list-style-type: none"> • 1.3 (vi), (vii), (vii)
	<ul style="list-style-type: none"> • Outdated Financial legislation, regulation and policies and it is not uncommon for 	<ul style="list-style-type: none"> • Formulate new Financial Legislative Framework to strengthen the core business of the Ministry of Finance and its accountability in particular 	<ul style="list-style-type: none"> • New legislation and corresponding policies 	<ul style="list-style-type: none"> • 1.3 (vi), (vii), (x)

Issue	Binding Constraints	Possible Solution	Resource Challenge	Link to Plan Objectives
	financial resources of a new financial year to be committed before the budget is approved <ul style="list-style-type: none"> Lack of commitment and understanding of financial accountability and record keeping 	regarding financial and budget reporting, budget reporting, asset management / procurement, investigation and internal auditing	<ul style="list-style-type: none"> Training and awareness programme 	
	<ul style="list-style-type: none"> Archaic Human Resource legislation, manual and policies. JDs are inconsistent in format, are not based on any organisation structure, performance assessment and management is not done, contract management is weak and ineffective 	<ul style="list-style-type: none"> Update HR manual to reflect: <ul style="list-style-type: none"> a single employer (Tokelau Public Service Commission) Consistent recruitment and retention policy Performance management framework that is implemented by relevant line management. Clear reporting accountabilities. 	<ul style="list-style-type: none"> New legislation and policies Training and coaching of staff Constant monitoring and evaluation 	<ul style="list-style-type: none"> 1.3 (iii), (vi), (vii), (viii), (xv)
	<ul style="list-style-type: none"> Complexities about accountability and who appoints and manages Directors, in some cases Directors report to the Ministers in others they report to the General Manager Apia 	<ul style="list-style-type: none"> Proposed structure streamlines and strengthens reporting accountability and that the Commissioner needs to introduce best practice in operating frameworks such as contract documentation including performance agreement and assessment 	<ul style="list-style-type: none"> New frameworks need to be developed by experts in the area of employment contract, Monitoring and Evaluation (M&E) 	<ul style="list-style-type: none"> 1.3 (iii), (v), (vii), 9ix)
	<ul style="list-style-type: none"> Effective communication between Apia and the atolls is inhibited by poor ICT connectivity and telecommunications Attitude of Public Servants 	<ul style="list-style-type: none"> Make ICT connectivity and overall improvement in Telecommunication a top priority Merit selection of public servants to proposed new positions Rigorous assessment of employees performance, attendance and conduct 	<ul style="list-style-type: none"> ICT connectivity is a top priority, although expensive and may take time Mentor public servants 	<ul style="list-style-type: none"> 1.3 9iii), (iv), (vi), (vii)
Public Service Functional Structure	<ul style="list-style-type: none"> Convolutd and cumbersome arrangement Outdated Complexities between rules of Taupulega which is accountable for VPS and rules of NPS proper Convolutd and cumbersome linkage between NPS and VPS Not practical 	<ul style="list-style-type: none"> Rationalise the Public Service structure to improve responsiveness to expectations of citizens, accountability, professionalism and ethics, and efficiency and effectiveness - Strengthen the Central Agencies such as Finance, Economic Planning and HR establishing a Whole of Government Approach (WoG) to operating frameworks which mirror best practice to guide the Public Service performance Appreciation of change in functional structure to improve governance and strengthen transparency and accountability 	<ul style="list-style-type: none"> Capacity and capability of people and systems Improve and strengthen systems and processes through provision of training, induction, desk files and continuous refresher programmes Disestablishment of village public service More informed budget resource allocation process 	<ul style="list-style-type: none"> Identify options for simplifying the public service structure Review and analyse the performance of the current service delivery models 1.3 (ii), (iv), (xi), (xii)
	One employer and accountability to Executive Government and people of Tokelau could be improved	<ul style="list-style-type: none"> Re-establish the Public Service Commissioner as the employer for the Tokelau Public Service and for Fakaofu and Nukunonu an Assistant Commissioner be established to link to the Public Service Commissioner. 	Update Employment Contract and Position Descriptions to reflect	<ul style="list-style-type: none"> 1.3 (i), (ii), (iii), (v), (vi), (vii), (ix), (xi)

Issue	Binding Constraints	Possible Solution	Resource Challenge	Link to Plan Objectives
		<p>Clearly articulate that they are the employer but line management (performance etc) will be the responsibility of the directorates. -</p> <ul style="list-style-type: none"> • There will be a single Tokelau Public Service not two as is currently • Relocate most functional services from Apia to the atolls and re-focus functions of the Tokelau Apia Liaison Office as reflected in structure • The Ministry of Planning will be responsible for all Planning functions including Monitoring and Reporting to the Council through the Commissioner. The PMU will be the Secretariat to the Delivery and Results Taskforce • Re-classify the Corporate Department as the Ministry of Finance responsible for financial management including aid, budget, revenue, debts as well as tendering, procurement and asset management 	<p>employer and line management.</p> <p>Responsibilities for Performance Management and review, disciplinary process, Professional development etc.</p> <ul style="list-style-type: none"> • workshop the interface – Areas of work, pay scales, type of work, HR, reporting accountabilities. 	
	<ul style="list-style-type: none"> • Proposed locations of TPS Agencies 	<ul style="list-style-type: none"> • Social Services such as Education and Health and the PSC will be located in Nukunonu • Ministry of Planning, Nuku Development and Socio-cultural Sustainability and Law and Justice will be located in Atafu • Finance and Public Assets/Utilities and Delivery and Results Taskforce will be relocated in Fakaofu. That this Taskforce meets on a quarterly basis • The Director responsible for portfolio Department will be located on the respective villages where services are located 	<ul style="list-style-type: none"> • Relocation costs from Apia to respective atolls such as office space and accommodation for workers • Time consuming 	13. (iii), (v), (vi), (vii)
	Current layers of Public Service is unsustainable	<ul style="list-style-type: none"> • the number of public servants should be capped and only 35% of total budget should be allocated for recurrent people for every Department and demand for services of atolls • any vacancy in the future will need to be reassessed and determine whether the position is filled or responsibilities are allocated to existing positions 	<ul style="list-style-type: none"> • Opportunities for Directorates to be creative and innovative about staff structures, encouraging greater performance and outputs with leaner more focused workforces – opportunity for bonus (Carrot or stick). • Directors need to submit clear plans/bids with outputs that clearly align with national objectives (Quality of Life outcomes) within budgets and 	ditto

Issue	Binding Constraints	Possible Solution	Resource Challenge	Link to Plan Objectives
			consequences for poor performance as well as high achievers etc.	
	<ul style="list-style-type: none"> Remuneration in general are much lower compared to employees in remote locations in NZ 	<ul style="list-style-type: none"> Adjust the public service remuneration to be comparable to the NZ base wage at remote locations For the non-National on employment contract increase their remuneration by at least 40% (salary only), TPS will also need to provide appropriate accommodation 	<ul style="list-style-type: none"> With 24 hour week, the FTE salaries will be pro rata 	What will be the implications for poor productivity/performance?
Service Delivery	<ul style="list-style-type: none"> Weak implementation capacity 	<ul style="list-style-type: none"> Investing in technology especially ICT and telecommunication so that some services can be delivered remotely. Within Whole of Government for expansion of ICT functionality Tokelauans should take ownership of their own services – this should be reflected in the recruitment and retention strategy as well as succession planning. Partnership with NGOs and church to provide other services Twinning arrangement with service providers especially in capacity building – economies of scale Identifying and seizing windows of opportunity Using existing systems and strengthening those systems so that they can deliver, even if not completely effective 	<ul style="list-style-type: none"> For positions that will be outsourced, redundancy will need to be settled or contract allowed to expire Having trusted, reliable and influential development partners or investors who believe in servicing people first Costs and time consuming 	1.3 (ii), (iii), (iv), (vii), (viii), (ix), (x), (xi), (xii)
	<ul style="list-style-type: none"> Poor standard, quality and timeliness of services Lack of constant assessment, monitoring and evaluation 	<ul style="list-style-type: none"> Put in place all the required best practice policies and frameworks and train the public servants. Clear logic Map for TPS to reflect how inputs relate to outcomes and Quality of Life impacts. 	<ul style="list-style-type: none"> New mechanisms in place for performance assessment 	ditto
	<ul style="list-style-type: none"> Absenteeism because of competing commitment from Taupulega Low motivation 	<ul style="list-style-type: none"> Infrastructural Reform Innovative practices 	<ul style="list-style-type: none"> Introduce new ways of delivering services New practices 	ditto
	<ul style="list-style-type: none"> Conduct and behaviour – ethics and professionalism 	<ul style="list-style-type: none"> Code of conduct – clear consequences for breach 	<ul style="list-style-type: none"> More workshop and coaching of staff 	ditto
	<ul style="list-style-type: none"> Weak performance management system and conduct of appraisal and monitoring 	<ul style="list-style-type: none"> Refreshed HR Manual More awareness, coaching and mentoring of Directors, Managers and Supervisors by qualified facilitators PSC needs to take lead in this activity 	<ul style="list-style-type: none"> Available resource person funding 	

Issue	Binding Constraints	Possible Solution	Resource Challenge	Link to Plan Objectives
	<ul style="list-style-type: none"> No set targets and achievements with clear timelines 	<ul style="list-style-type: none"> Have in place a robust M&E framework to evaluate service delivery and provide feedback to the Taskforce and Council (Aligned with logic Map) Performance Management System aligns performance targets of ministry/department to those of its Directors A function of the new Ministry of Planning to identify measureable indicators that align with the Service Delivery Logic Map. This will relate inputs to outputs to outcomes to Impacts. This will enable tracking and measurement of services through to impact (Quality of life) Inputs and outputs are clear deliverables that are measureable and are clear indicators of outcomes (Health, Education etc) 	<ul style="list-style-type: none"> Need to train a critical mass of senior Public Servants in new systems Its about commitment and doing what is expected Improve M&E and provide feedback to improve things 	1.3 (vii), (ii), (iv), (ix)
	<ul style="list-style-type: none"> Inadequate resources, people, finance and other physical assets Archaic legislation, policies and procedures 	<ul style="list-style-type: none"> Tokelau has a finite budget (with little opportunity at the moment to generate other revenue streams) The finite budget means that is the extent of capacity to deliver services (cannot live beyond their means). have to be more efficient with they have – including physical assets. The service delivery logic map will help track whole of department and government better. The Increase in self-reliance is the other issue that Tokelau can explore. Generating other revenue streams will enable Tokelau to supplement its finite budget. This may incorporate optimising the returns on assets. Outsource functions to external providers either through partnerships, coalitions, mergers etc 	<ul style="list-style-type: none"> Training and workshop budget systems and processes Time and money Commitment by users of systems 	ditto
	<ul style="list-style-type: none"> No commitment to mandatory accountability i.e. absence of work plans that are linked to the Sector and the National Strategic Plan 	<ul style="list-style-type: none"> As with Directorates/sector plans, bids etc Villages will also need to bid for budget allocation with clear alignment of services and projects to National outcomes of Quality of Life. Maybe some training and templates etc 	<ul style="list-style-type: none"> Strict and robust budget screening process and system Improve financial reporting requirements 	1.3 (ii), (ix)
	<ul style="list-style-type: none"> Lack of appreciation and understanding of the fundamentals of accountability such as performance management, contract management, 	<ul style="list-style-type: none"> The Public Services Commission will be responsible for developing the legislative framework, the draft of Human Resource management policies and a Performance management framework across all of government that ensures value for money Public Services. This will require significant investment in HR resources and training 		

Issue	Binding Constraints	Possible Solution	Resource Challenge	Link to Plan Objectives
Capacity and Capability	<ul style="list-style-type: none"> • Not having the right skills, abilities and relevant experience • Not having the necessary qualifications • Absent of mentoring and coaching and refresher programmes • 	<ul style="list-style-type: none"> • Focusing on changes that have tangible political pay-offs, quick wins to buy support • Facilitating problem-solving and local collective action, including bearing of transaction costs • Learning while doing, adapting approaches based on lessons learned (Poto mahani) • Where appropriate, NZ assistance provide short or long term expertise interventions or TAs • Through the Forum Secretariat arrange attachments with other Public Services and use the South-South co-operation for needed resources • Opportunity to reconnect with expats off island who may want to contribute or even relocate. It may be timely to build into the HR manual a clause about actively recruiting Tokelau people (appropriately skilled — positive discrimination) Succession Planning to ensure potential leaders are identified and groomed for leadership roles. • Succession Planning to ensure potential leaders are identified and groomed for leadership roles. • If there is a willingness to relocate and they fit well to positions then they should be recruited • Facilitating contributions for off island – International Tokelau think tank/forum. Knowledge base, annual conference. This will allow exchange of ideas and thoughts from Tokelau and abroad as well as keeping International Tokelau connected. 	<ul style="list-style-type: none"> • Awareness regarding electing the right people with the right calibre for political leadership right people for responsible positions • Time and money • Work-shopping new ideas and different ways of doing things • Customised coaching and mentoring by experienced facilitators • Overseas placement in a form of attachment to a partner Agency 	<ul style="list-style-type: none"> • 1.3 (v), (vi), (vii), (vii)
Traditional Governance versus Modernised Governance Institution	<ul style="list-style-type: none"> • Stagnant perspective of the wider political domain and the inability to articulate the evolving big picture • Decision making based on consensus is appropriate to village based affairs but being pro-active and rational is needed in matters of national interest capitalising on the window of opportunity • 	<p>See leadership discussion on pp12-13</p> <p>Taupulega retains its traditional roles as they determine it. The extra functions landed on the Taupulega need to be absorbed back into the Executive Government and the TPS. The Executive Government's oversight is still mandated by the Taupulega by the fact that they determine who sits on the EG, The new Village Base Development (Ministry of Community and Social Development) will support the Taupulega to build their capability to create work plans, create appropriate interface with TPS to ensure sufficient workforce is available, and be able to meet any recording and reporting accountabilities.</p>	<p>More dialogue and consultations both with traditional leaders or the Taupulega and elderly and those in the TPS so that they understand their respective roles</p>	<p>1.3 (v), (vi), (ix), (xi)</p>

Issue	Binding Constraints	Possible Solution	Resource Challenge	Link to Plan Objectives
		<p>This ensures the Taupulega retains control of decisions for their village, but TPS will be responsible for performance management. Taupulega will also have a discretionary budget (between 15-20%) to carry out other village activities that contribute to traditional cultural leadership obligations of maintaining village peace, harmony and maopoopo.</p>		
	<ul style="list-style-type: none"> • Lack of strategic economic long term vision regarding the development of assets in Apia 	<ul style="list-style-type: none"> • Information and options developed in this paper offer significant scope for informed decisions. • The broader issue of sustainable economic development – self-reliance. Developing local markets or accessing regional & global markets to generate revenue streams for Tokelau will require discussions around the impact of producers and consumers from such a low population base and the impact on Kaiga relationships. Also access to international markets (Boat and IT capability) 	<ul style="list-style-type: none"> • Information be made available to every Tokelauan • Improve communication and broad knowledge of political economy 	1.3 (xiii), (iv), (xii)
<p>Relationship between New Zealand and Tokelau</p>	<ul style="list-style-type: none"> • Changes happened with very little agreement or input from the Tokelauans. • Inadequate resourcing to address human resource capacity and development • New Zealand continues to unilaterally shift objectives and goals of the partnership with Tokelau • Self-reliance cannot be realised and achieved without self determination • Cannot achieve economic development, self-reliance, self- worth without an enabling policy environment • 	<ul style="list-style-type: none"> • Real Partnership. Shared decision making. If the capacity is not there then continue to invest in development. • It has been a historical stumbling block and very difficult to get consensus on issues in Tokelau. This should not be seen as a people that are incapable but who have a communication style and decision making process that is slower, more deliberate and consensus driven than other systems. The new structure and mandated single government will now enable meaningful engagement and a clear decision making authority that will be more attuned to the requirements of modern requirements. • Honest, open dialogue putting on the table the partnership principles and the impact of threats of revocation – mistrust & loss of good will etc • Despite this history of imposition Tokelau has continued to maintain this partnership in goodwill and with dignity. The two failed referendums are a signal that Tokelau is still unsure of its ability to stand alone or the implications of a new relationship with New Zealand. <p>Tokelau’s traditional model of leadership based on the wisdom of Toeaina must be complemented with skills, knowledge and understanding of the emerging global values and forces. The “Arab Spring uprisings “ are real examples of a frustrated populace demanding more say from the traditional holders of power. This would also help support and build the NZ – Tokelau relationship.</p>	<ul style="list-style-type: none"> • Effective communication about shared responsibilities • Time and money • Being honest rather than pretending • More frequent consultations and conversations 	1.3 (v), (xii)

Issue	Binding Constraints	Possible Solution	Resource Challenge	Link to Plan Objectives

Section Three: Interventions and the Way Forward

3.1 Summation of Interventions

The multifaceted approach to change reflects the complex and interwoven factors that have shaped Tokelau's development to date. This Report proposes changes to the way Tokelau society and the Public Service interact and provide services to the people of Tokelau. These fundamental changes include the following:

- Tokelau Public Service will no longer be separated as Village and National but will just be a single entity to be known as the Tokelau Public Service
- Taupulega will no longer be an employer of public servants but it will retain its status as the recognised authority on each village and be responsible for supporting and mobilising its aumaga and fatupaepae for village based activities as it wishes. It will also manage their local budget for local activities as determined by each Taupulega
- The Tokelau Public Service working under Departments will be accountable to the Executive Government through its single employer - the Public Service Commission
- All public service employees working for Public Utilities will be accountable to the Executive Government through its Board of Directors but the Board and Public Utilities General Managers will employ and manage its employees using the Public Service Act, Manual and policies, and relevant Financial law and policies
- The Delivery and Results Taskforce will be accountable to the Council for the performance of the Central Agencies but aside from its Chairman other employees are also subject to PSC law and policies
- The Central Agencies which include the Ministry of Planning, Public Service Commission and the Ministry of Finance will be strengthened because their policies and core businesses are designed with whole-of-government objectives.

The proposed structural changes will also change the administration of some social services regime currently administered by each Taupulega. This includes the payment of social benefits and allowances to children, solo mothers, disabled people, elders and pensioners. This will in future be the responsibility of the Department of Community and Social Development.

The Public Service results chain assumes that focus should be on strengthening the Central Agencies first. This is because financial and human resources being regulated through the Central Agencies will enable the Line Departments to undertake service provision. As depicted in Figure 2, the intervention presupposes that the Central Agencies themselves produce growth enhancing policies and design and operate cross-cutting systems which ensure transparency.

3.2 Structure and Functional Changes

The diagram shows the structure and functional changes propose which fits with the description provided above.

Figure 1: Structure and Functional Changes

VILLAGE

3 x Taupulega

- Executive Government Representatives elected from Taupulega (and Fatupaepae)
- Decision making on Village based activities

3 x Secretariat to Taupulega

- Cultural & heritage Activities
- Village Economic Activities
- CBOs
- Harmony and Well Being of people
- Village Study Centre
- Safety & Security (People & Property)

Aumaga / Fatupaepae/ Youth

EXECUTIVE GOVERNMENT

Executive Government 12 members to include Legislative Functions

- 4 elected by Village & at least one Fatupaepae per village
- Executive Govt appointed 3 year Ulu
- Ulu and Ministers shift to Village with respective portfolio

Delivery & Results Taskforce

- Determine Central Agencies KPI and monitoring
- Assist Central Agencies interface with Ministers short term - bed down changes
- PMU Secretary

Ministry of Planning

- Policy and Planning (macro-economics)
- Foreign Affairs (Off-shore fisheries)
- Council Secretariat
- Communications
- Statistics / BDM
- Disaster Risk Management

Public Services Commission

- HRM Legislative Framework
- Recruitment & Selection
- Remuneration & Entitlements
- Performance Management System
- Discipline/Grievance
- HRD/Scholarships / Training
- National Workforce Succession Plan

Ministry of Finance

- Financial Legislative Framework
- Accounts, Aid, Budget, Revenues,
- Tender/Procurement
- Asset Management Framework
- Payroll
- Fiscal Policy (Debt Mgmt)
- Investigation & Internal Audit

Nuku Development and Socio/Cultural Sustainability

- Environment and other natural resources
- Agriculture, Inshore Fisheries,
- Social Benefits & Pensions
- Niche Economic activities handicrafts
- Culture / Language / Heritage enhancement

Department of Education

- School Operations (ECE to Year 13)
- Curriculum & Assessment
- Policy, Planning & Research
- Post School & Continuing Education
- Culture & Sport

Board of Directors

Public Assets/ Utilities

- Transport /Met Serv
- ICT – Telecom / E-Banking
- Energy / WatSan
- Bulk / Coops
- Apia Assets
- Tourism
- Development Bank
- Public Utilities (Asset Management)

Law and Justice

- Legal
- Police
- Law Commissioners

Department of Health

- Hospitals/Clinics
- Referral Scheme
- Nutrition
- Public Health

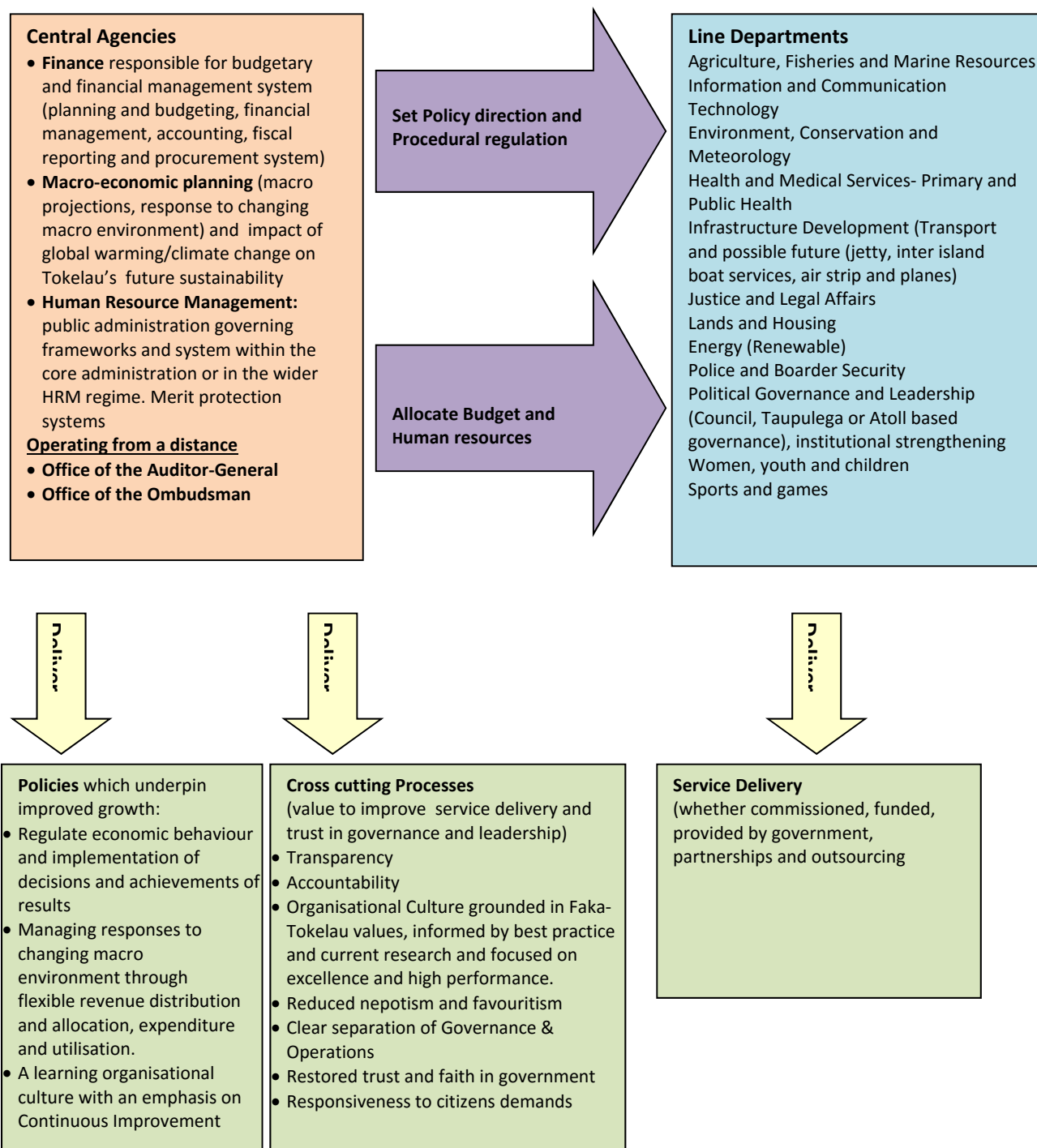
Tokelau Apia Liaison

- Liaison Services – (TPRS, Scholarships)
- Administrative & Secretariat
- Finance – Banking / Payments
- Transport / Immigration / Biosecurity

3.3 Interface between Central Agencies and Line Departments

The assumptions around the key role of the Central Agencies are very reasonable and improvements are necessary and sufficient for successful downstream service delivery. This is based on the understanding that (a) the right things to improve at the centre are known and (b) those improvements are both necessary and sufficient to attain positive outcomes of service delivery. The intention is that these systemic changes will lead to subsequent improvements which have a direct bearing on the lives and future of service delivery, policy and process improvements

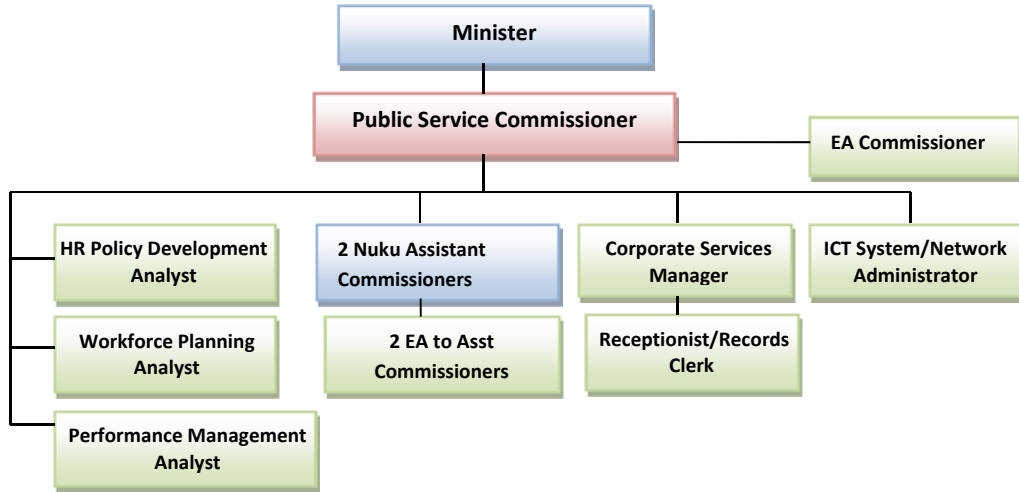
Figure 2: The Public Service Central Agencies and Line Departments



3.4 Functional Structure of the PPS Agencies

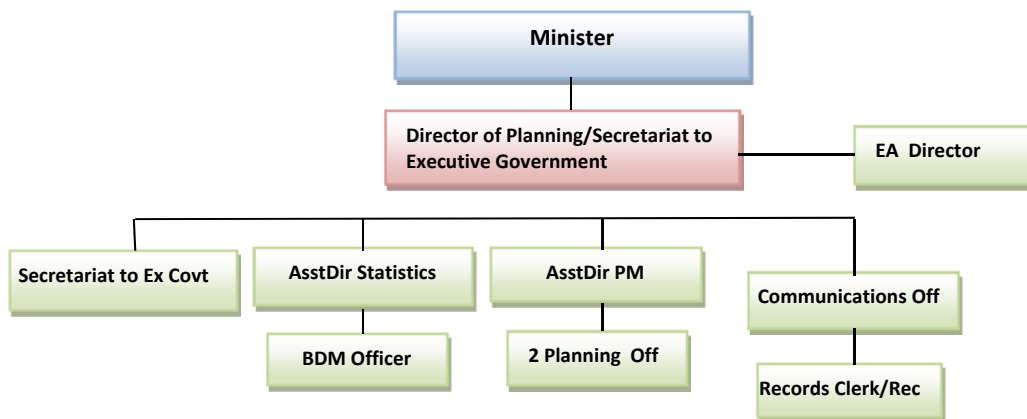
Following is a depiction of TPS Agencies and Departments proposed in the Plan and Budget

1) Public Service Commission



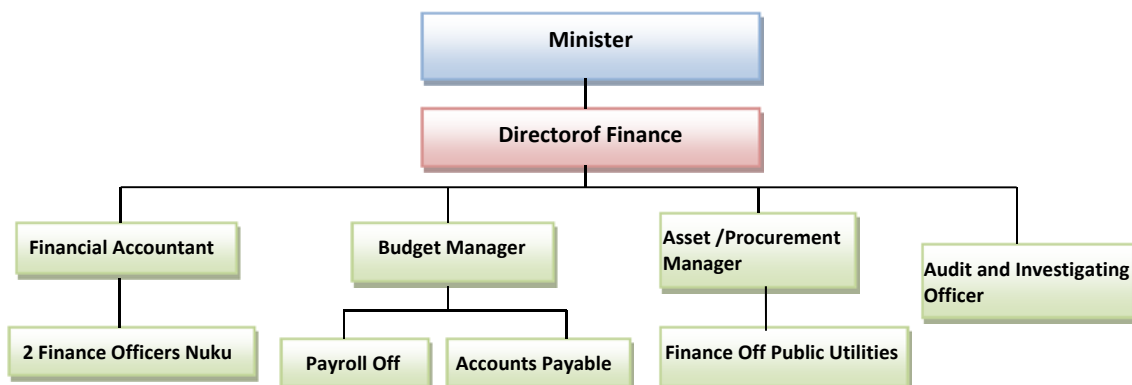
Total staff Establishment = 12

2) Ministry of Planning



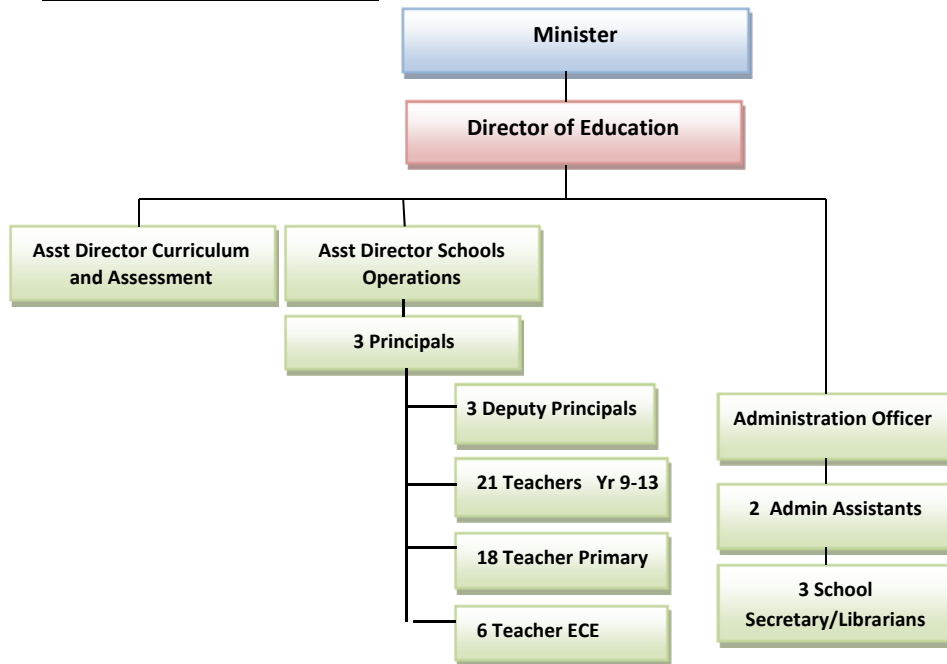
Total Staff Establishment = 10

3) Ministry of Finance



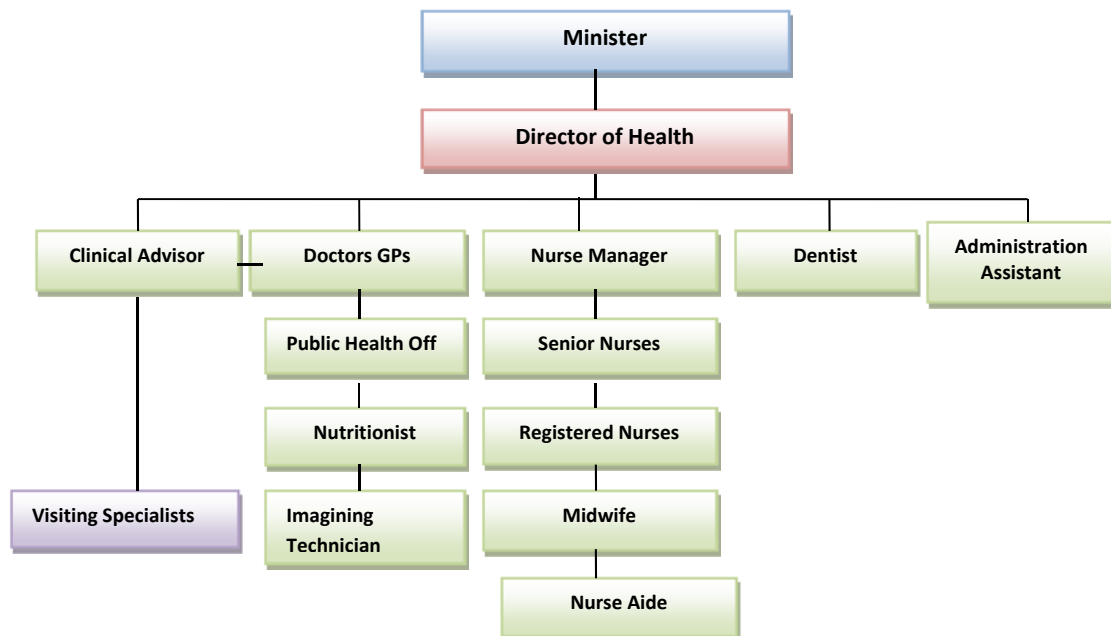
Total Staff Establishment = 10

4) Department of Education



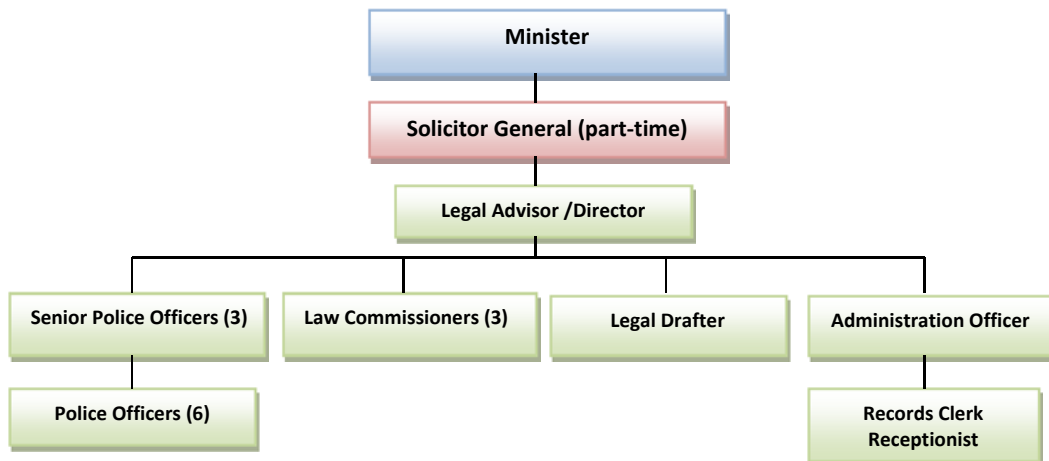
Total Staff Establishment = 60

5) Department of Health



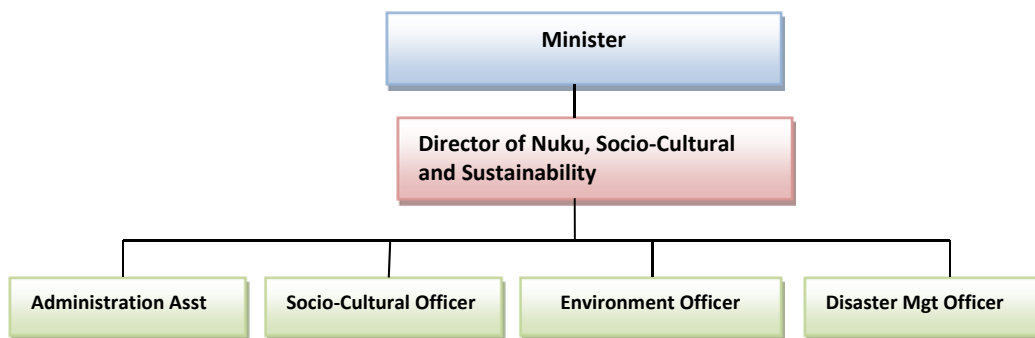
Total Staff Establishment = 24

6) **Department of Law and Justice**



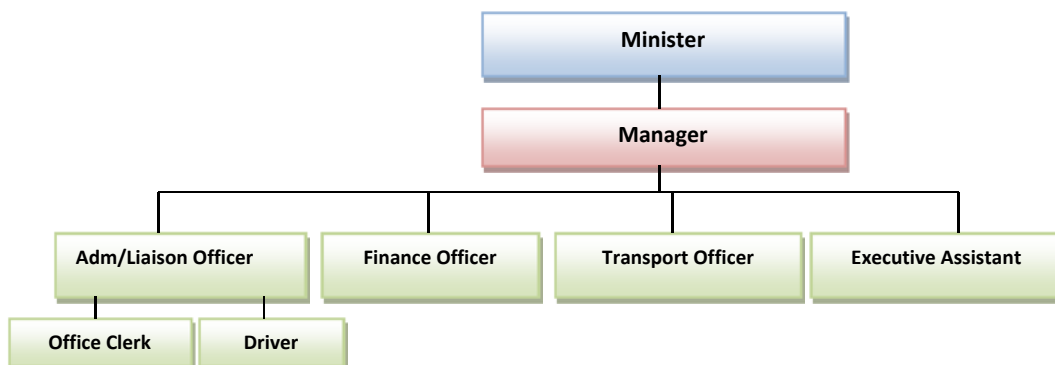
Total Staff Establishment = 18

7) **Department of Nuku and socio-Culture Sustainability**



Total Staff Establishment = 5

8) **Tokelau Office Liaison Office – Apia**



Total Staff Establishment = 7

9) **Public Utilities – Please refer to Budgetary Summary of New Structure in Section 4**

3.5 Leadership and Capacity Building – People First

The notion of Tokelau leadership is slowly changing. This is reflected in the composition of each Taupulega.

Fakafo

Leadership is still restricted to older males over the age of 60 years and those elected during the general election.

Nukunonu

This Taupulega has a mixture of older males and a few women and younger males. Feedback suggests that the women still do not fully participate yet.

Atafu

Does not allow women (apart from the member elected during the general election) but they do have younger males who are members of this group.

In order to build leadership capacity across Tokelau investment is required in providing training in legitimate authority as mandated by the Westminster model. This will allow for those elected and those selected by the Taupulega to sit on the Executive Government to have the authority to make decisions on a national basis that bind the various villages to adherence.

Also these leaders need to understand the difference between the Governance (Strategic Oversight) and the Operational Management (Daily operations) functions and the importance of keeping these roles separate so as to avoid conflicts of interest.

Management roles in the TPS require the full gamut of management skills as follows:

- Aligning Strategy and operations
- Planning cycle (Planning, implementation, information and data storage management, reporting, evaluation), HRM, Systems and Processes, Risk Management, Financial Management, Relationship Management
- Building high functioning and cohesive teams.
- Networking and Collaborating with Internal and External Stakeholders

All these leadership skills must also be relevant to the Tokelau setting.

Table 3: Leadership and Capacity Building

Category	Strategy	Cost
Taupulega	<ul style="list-style-type: none"> • Improve Taupulega, Faipule and Puleuku, General Fono and Council understanding and appreciation of governance principles • Conduct training and awareness programme for leaders in governance in a Tokelau setting • Familiarisation visits to other jurisdictions that practise good governance and thus learn by example 	To be factored into annual budget. TA and facilitator
Executive Government Leaders	<ul style="list-style-type: none"> • Handbook – stipulating responsibilities of leaders and accountabilities • Induction • Clear expectations 	UNDP has funding in this kind of activities
Public Servants - Directors	Position Descriptions, Employment Contracts, KPI's, Performance Reviews Professional Development Plans. Ongoing line management conversations with Minister. Procurement/Asset Management, Managing conflict and risks	Budget allocation to be determined depending on need
Public Servants -	Position Descriptions, Employment Contracts, KPI's, Performance Reviews Professional Development Plans. Ongoing management conversations with line managers.	Training opportunities available in NZ or regional as in PICPA
Nuku residents	Training and resources re the importance of elections and candidate accountability. Candidate requirements	
Tokelauans Overseas	Reconnect with expats. As part of Tokelau Marketing plan, hold Tokelau expos in key locations off island promoting Tokelau as a viable destination with career opportunities. Annual Tokelau International Conference with keynote speakers promoting sharing of knowledge and ideas and cross pollination of thoughts.	UN or SPC Funding
New Zealand	More familiarisation and understanding of Tokelau in terms of its challenges and contextual requirements. Partner Agencies to spend times on the atolls working with local counterparts and vice versa	NZ and Tokelau

3.6 Management Framework - Policies and System Changes

- Delegation of the Administrator's power to the Taupulega has been counter-productive and has compromised service effectiveness and efficiency
- Decentralisation of authorities such as finance and employment are facing huge challenge in terms of consistency, fairness, transparency and accountability

The TPS has been passive and reactive to Taupulega and Council decisions. In recent times they have tried to deliver and coordinate services as per the Tokelau National Strategic Plan (TNSP). However, front line service delivery is often not aligned to National strategic objectives and services are somewhat ad hoc.

The confusion between whom sets direction, who the TPS should be accountable to and who they report to has created a dismal situation where TPS functions are not being tracked adequately. There is no doubt that TPS staff work hard to service the Tokelau people. However the uncoordinated and ad hoc approach means the service is unfocused and there is little to report back in terms of outcomes - and indeed the impacts on the quality of life. It is this lack of alignment and adherence to core business that demonstrates a TPS that is ineffective, inefficient and does not offer value for money.

It is important that the TPS has a logical flow of resources and inputs to provide focused service delivery that can be tracked to outcomes and impacts that ultimately provide quality of life for the people of Tokelau.

Appendix 3 is the draft TPS service delivery logic map. More work will be required by the Public Service Commission and the various departments to identify short, medium and long term measures that clearly indicate Quality of Life as defined by the TNSP.

Table 4: Policy Framework and System Changes

Category	Policy and System Refocusing	Impact	Costs
Public Service Commission - Employment framework	<ul style="list-style-type: none"> • There is only one Tokelau Public Service and the Public Service Commission is the employer for all employees of the Executive Government • The Public Service working hours will be changed from 8 to 6 hours per day for only 4 working days a week except essential services like education, health, police, bulk store and the transport staff when the vessel arrives (6/4) • Salary expenses for the Public Service will not exceed 30% of total budget at any one time. Need for a remuneration restraint policy • Total establishment will be capped at around 200 employees on full time basis and therefore need a policy on establishment restraint • Relocation of Apia based positions to the atolls will incur financial implications especially the employment of non-Tokelauans, aside from the need to pay inducement allowance but other working condition entitlements such as relocation costs, accommodation, home leave etc • PSC will have to develop an employment framework and policies that mirror best practice, that is responsive and aligns the Tokelau Public Service with the demands of today's political economy 	<ul style="list-style-type: none"> • Improve cohesiveness, transparency and accountability in the provision of ethical and professional services • Public servants will have quality time to provide for family needs, contribute to village activities • More money will be available for other development and to set up small businesses • Have a small but productive public service and where labour availability is mobilised effectively • Relocation has a price tag and given Tokelau's isolation payment of market or an inducement allowance to attract the right people is necessary • Trying to achieve the 2025 vision of Tokelau 	<ul style="list-style-type: none"> • Reduce employment administration and payroll costs, provide savings to be directed to development and providing business opportunities for Tokelau
Financial Framework	<ul style="list-style-type: none"> • All financial functions of the executive Government will be the responsibility of or report to the Ministry of Finance (MoF) • MoF to issue financial policies and procedures (using best practice) for all departments/SOEs to follow • Annual budgets to be approved (by Council/GF) before start of each financial year • Update financial reports and audit of those reports – last audited financial reports is 30 June 2011. • Consider performance audits of ministries/departments and SOEs in addition to financial audits currently performed. 	<ul style="list-style-type: none"> • Improve consolidation and completeness of financial reports – e.g. Trust Funds (\$78m) are not included in current financial statements of Tokelau • Improve timeliness of preparation of financial reports • Uniform financial rules for all departments and SOEs • Up to date audits of financial reports 	<ul style="list-style-type: none"> • Consultant's fee \$50k

	<ul style="list-style-type: none"> • Savings Accounts to be independent, audited and if possible taken over by a commercial bank 	<ul style="list-style-type: none"> • Financial operations and management of departments/SOEs are subject to an independent audit 	<ul style="list-style-type: none"> • Audit fees increase by \$50k
Planning Framework	<ul style="list-style-type: none"> • Responsible for the development, formulation and dissemination of national policies including growth policies, development of National/Sector plans and corresponding monitoring of all national projects including report preparation to Executive Government through Director • Will support and oversee the development of sector planning, recording and reporting activities. Develop appropriate templates, training etc. • Responsible for Foreign Affairs and all matters pertaining to Tokelau's interface with Regional, New Zealand and other potential donors • Responsible for Statistics, BDM and Communication • Provide Secretariat services to the Executive Government • Accountability - the people of Tokelau through the Ulu and Minister of Planning • Accountable to the Delivery and Results Taskforce on planning and macro-economic achievements of Line Departments, GDP and inflation, issues and challenges, growth and compliance, future opportunities 	<ul style="list-style-type: none"> • Improve coordination of national /sector plans and ensure alignment with national policies • Improve monitoring and control of all development plans 	<ul style="list-style-type: none"> • New agency with a salary budget of \$366k and relocation of \$27k
Delivery and Results Framework	<p>The purpose of this Agency is to co-ordinate and discuss political challenges to delivery of services in confidence as discussed in Table 2 above. For instance the delay in making fundamental decisions because of the indecisiveness of the Council and/or the Taupulega impact on the work of the Central Agencies, and the DRT should have the mandate to intervene to urge these entities to decide. Its primary responsibility is to determine and map out the key indicators of central agency improvements and of a very small set of service delivery indicators. In addition, it should provide oversight regarding the performance of Line Departments and the Board of Public Utilities. This will put pressure on Central Agencies to perform and hopefully will cascade to Line Departments and other Government Agencies.</p>	<ul style="list-style-type: none"> • Improve service provision and for the people of Tokelau to realise their preferred quality of life • Have a check and balance system so to ensure Taupulega and Council resolve any bottlenecks from their end • Better integration and cohesiveness in the Tokelau Public Service and reinforces working together spirit between the 3 villages 	<p>The DRT is only a temporary measure until changes are bedded down and public servants are familiar with its new culture and work environment.</p>

<p>Board of Directors</p>	<ul style="list-style-type: none"> • Responsible for the management of all Public Utilities, their finances, assets and human resources. • The Board is to meet on a monthly basis to ensure services and developments are on target. • The Board will also explore avenues for revenue generation through some cost recovery arrangements such as fees and tariffs to contribute to the development of Tokelau • Better management of finance by changing from cash based accounting to accrual based accounting and be able to manage the assets and replacement without dependence on others • Board will be able to tender for managing contract to ensure the Public Utilities such as Energy, Transport and Teletok will be profitable and cost of services are affordable to the people of Tokelau • The Public Works can provide maintenance service for village roads, sea walls and infrastructure work but the Taupulega will need to pay for services 	<ul style="list-style-type: none"> • Doing things differently and economically • Importing private sector practices especially with user pays principle so that maintenance of these utilities will become the responsibility of the people rather than the donor • Develop leadership skills of local people 	
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3.7 Strengthening Service Delivery – Alternative Modality

3.7.1 Establishing a Board of Directors

The Board of Directors for Public Utilities is responsible for the management of all Public Utilities. This Board will meet monthly to ensure services and developments in this area are on target. The Board will also explore avenues for revenue generation through fees, levies and tariffs to contribute to the development of Tokelau. The Board will set service delivery efficiency measures and targets. Managers for respective Public Utility units will provide performance reports regularly to the Board and any exceptions will be reported to the Executive Government.

The Board of Directors will be chaired by an Executive Government member who is not a Portfolio Minister. The other members of the Board are the PS Commissioner, Director of Finance, Director of Planning, a NZMFAT representative, one representative from each nuku selected by the Taupulega.

This Board is to meet once every month.

3.7.2 Delivery and Results Taskforce

The purpose of this Taskforce is to identify and address the political challenges to delivery of public services. The meetings for the Taskforce will be in confidence so that members are able to drill down to the root cause of the issues and discuss as to the best way to mitigate and address these risks. For instance, the delay in making fundamental decision because of the Executive Government and/or Taupulega impacts on the work of the Central Agencies and the DR Taskforce should have the mandate to intervene to urge these entities to decide more expeditiously.

The primary responsibility of the DR Taskforce is to determine and map out the key indicators of central agency improvements and of a very small set of service delivery indicators. In addition, it should provide oversight regarding the performance of Line Departments and the Board of Public Utilities

The DR Taskforce will be chaired by an Executive Government member with no portfolio responsibilities and other members include the PS Commissioner, Director of Finance, Chairman of the Board of Public Utilities, Chief Advisor / Secretariat (Policy and Planning), NZMFAT representative and three representatives from the nuku, who are not Taupulega members.

The PMU will carry out Secretariat role for the DR Taskforce. The Taskforce will meet once a month when the Report is accepted and depending on need in Phase 1.

3.7.3 Outsourcing modality

Category	Strategy	Impact	Cost
Finance	<ul style="list-style-type: none"> • Preparation of backlog financial statements for audit. • Reconciliation of savings accounts • Accounting system upgrade and develop – this to link with HR, Procurement, and Asset Management systems if possible 	<ul style="list-style-type: none"> • Financial reports are up to date • Government liability for savings account confirmed and then appropriate action taken to clear • Current financial information available for budget comparison and monitoring, and aid financial planning and spending 	<ul style="list-style-type: none"> • Project accountant \$45k • \$45k • Between \$200k to \$400k
Transport	<ul style="list-style-type: none"> • New vessel management is outsourced • Stevedoring - is outsourced • Bulk cargo transhipped to Tokelau are stored at wharf/shipper warehouse awaiting transhipment • Freight handling –bulk cargo • Freight handling -loose/perishable cargo – may not be possible to outsource??? • Inter-atoll vessel 	<ul style="list-style-type: none"> • Less employees and no equipment replacements • Tokelauan desire to deal with TALO staff at TALO office • Will improve movement of people and small supplies between the atolls – medical cases, sharing limited resources located in one atoll, • Rescue vessel • Transhipment of passengers if small numbers– saving main vessel time and costs 	<ul style="list-style-type: none"> • No extra cost – savings will cover costs • \$345k for one vessel; \$645k for two • \$135k annual operating costs; \$265k for two
Education	<ul style="list-style-type: none"> • Massey University has been engaged to address issues raised in the latest ERO review • Distance Education utilising NZ Correspondence School to extend curriculum and access new technologies 	<ul style="list-style-type: none"> • Improve teacher effectiveness • Improve ECE • Improve literacy and numeracy achievement • Improve professional leadership, management and governance of schools • Distance online learning programme for students and distance training and education programme for Teacher Pre-Service and In-Service • Extend curriculum • Exposure to new technologies • Alignment to NZ Curriculum 	<ul style="list-style-type: none"> • \$15000 – basic whiteware and furniture provision • \$30,000 for rental accommodation on villages • \$7200 for utilities • Reliable internet connectivity • Broadband capacity

Category	Strategy	Impact	Cost
	<ul style="list-style-type: none"> Online learning for Teacher pre-service and in-service training 	<ul style="list-style-type: none"> Enhance access to learning resources Increase no of qualified teachers Improved teacher quality Relevant and up-to-date pedagogy 	<ul style="list-style-type: none"> Correspondence School fees for students Online student fees – scholarships?
HEALTH	<ul style="list-style-type: none"> Regular visits by medical specialists scheduled and implemented – eye, women’s health (smear tests, breast scans, etc), Youth health and counselling services outsourced to independent provider from Samoa / NZ Online telemedicine services for treatment of patients on atoll 	<ul style="list-style-type: none"> Focus on prevention and care rather than on cure Services not available on atoll – no equipment / capacity Confidentiality maintained for youth wanting support / advice Supplements and complements ongoing education programme on STIs and other youth health programme Timely treatment of patients Avoids referral off nuku / off Tokelau Decreases costs of specialist visits Enhances medical staff professional development 	
ICT	MFAT (Economic Development team) to support Tokelau with a project to improve ICT institutional strengthening and infrastructure. Project would include the following components:		Total Cost \$3,610,000
	1. Seek IMMEDIATE NZ support to resolve the Dot.TK situation. This would be through a contracts lawyer resolving the contractual situation; and then seeking technical expertise on the best options available to Tokelau to maximise revenue from the Dot.TK.	<ul style="list-style-type: none"> Improve local revenue 	Indicative cost \$40,000
	2. Employ a technical advisor who would coordinate the ICT project; manage vendors, and oversee implementation; then provide remote support once completed. Once project scoped, ask World Bank which	<ul style="list-style-type: none"> Improve telecommunication and revenue generation and collection 	Indicative cost \$150,000

Category	Strategy	Impact	Cost
	components they are able to assist with, to reduce costs.		
	3. Increase bandwidth with Spark International from 8Mbps to around 20Mbps. This will require Challenge Network to configure 'soft switch' to enable this at a cost of around \$20,000, including installation of a prepaid platform to ensure affordability to consumers. Annual additional cost to Tokelau (pending full use) is around \$350,000, however costs would be fully recovered by Teletok through revenue. The backup Pactel service should be retained but not expanded. Teletok should renegotiate prices or find an alternative provider.		Indicative cost \$370,000
	4. Seek advice and implement mechanisms to contain the amount of bandwidth required from TNZI and about maximising utility of purchased bandwidth (local caching, remote processing such as spam removal). Cost \$100,000.		Indicative cost \$100,000
	5. Develop sound market data on genuinely prospective revenues that will be available to Teletok over the medium term. This data will inform decisions about network and services development.	Improve local revenue	Indicative cost \$100,000 .
	6. Institutional Strengthening of new Telecommunications division including non-restrictive legislation; organisational reformation; putting in place a monopoly regulator; studies of new services such as M-Paisa (mobile money; education; health)	Improve ICT and quality of life	Indicative cost \$150,000
	7. Installation of a 3G mobile network, including a single 30 metre tower on each island with a beacon light. System to connect calls locally, without any reference to a remote site, be able to seamlessly share capacity between voice and Internet. Link to the MSAN equipment at each island.		Indicative cost \$1,250,000
	8. Complete modernisation of the fixed network facility with integration of the mobile service including prepaid	<ul style="list-style-type: none"> improve quality of life in Tokelau 	Indicative cost \$300,000

Category	Strategy	Impact	Cost
	billing; converting inter island and international calling to subscriber control; expanding the existing MSAN equipment for new services (mobile telecoms; video on demand; internet radio, emergency warning by SMS); introducing a M-Paisa like service platform (mobile money)		
	9. Update the inter-island calling and install new billing systems for fixed and mobile traffic. Cost \$100,000	•	Indicative cost \$100,000
	10. Complete mesh satellite service across all islands (in hand). 11. Engage with Kacific and O3B to negotiate the capacity to be contracted down to a workable price point about the same as the start point (60Mbps) and less than 100Mbps. Migrate from Spark International when available. 12. Develop a programme of improved Government Information Systems and data management to improve Government efficiency. Employ a consultant and scope Tokelau information management needs. This would likely include a Financial Management Information System that would include purchase requisition, invoices, Payments etc, payroll, integrate with a HR module, leave etc. If Tokelau continue to run the savings bank it would need to be centralised with deposit numbers all centralised. Financial transactions other than through requisitions – journals, bank reconciliations, fixed assets. Would revolutionise transactions and efficiencies. Once in place implement training programme for staff. 13. Information Systems would also look at all other Government information systems such as TPRS allowances, Education stipends etc. Possibly an HR module, possibly a passenger booking TSS; student information, health info – med tech. BDM? Stats? EDNRE,		Indicative cost \$1,050,000

Category	Strategy	Impact	Cost
	fisheries, bio-security, customs, police, coops / bulk stores?		

Table 5: Service Delivery

Alternative Modality	Strategy	Cost Implication
Expansion of the ICT functionality	Efficient and effective ICT functionality will be crucial in ensuring that the Whole-of-Government approach by the Central Agencies will impact on Line Departments thereby contributing to improve service delivery	
Partnership with NGOs	<ul style="list-style-type: none"> • Any innovative idea about niche business development at the village level requires initial capital injection or borrowing from the DB. • Partnership between government and a local NGO such as fatupaepae will ensure commitment because there is a sense of ownership. • Some funding be made available for a provider like SBEC to develop the basic business skills of the local people who have an interest in establishing their own businesses 	
Twinning arrangements for Education	<ul style="list-style-type: none"> • Massey University in partnership with the Department of Education and NZ to develop and implement a plan to transform foundational education (ECE to Year 6). This arrangement will look to <ul style="list-style-type: none"> ○ increase teacher effectiveness, ○ improve ECE, ○ improve literacy and numeracy achievement ○ improve professional leadership and management and governance of schools. • A component of this partnership should include the coaching of teachers by Massey University and putting in place a distance training and education programme to enhance teacher qualifications • The twinning arrangement will also establish a distance online learning programme for students from Year 5 onwards (when internet connectivity is improved) 	<ul style="list-style-type: none"> • \$5000 – basic whiteware and furniture per Massey field facilitator per village (3) • \$10,000 p.a. rental per village (3) • \$2400 p.a. utilities per village (3)
Outsourcing management of asset to the Public Works Department or in collaboration with an overseas company	<ul style="list-style-type: none"> • As for most of the infrastructural services, given the capacity available in Tokelau the preferred option is to outsource the management of Energy, Transport and Teletok services. • Outsourcing should also include capacity building for management as well as workers generally so that in the future they would be able to deliver these services on their own • Outsourcing should also assist with the development of internal systems and processes to guide the management and maintenance of these expensive assets, for instance services should be pre-paid to prevent bad debts • Outsourcing should also provide an opportunity to determine fee structure, move away from the dependency on subsidies and donor funding for maintenance etc 	

Section 4 - Finance and Assets

TOKELAU												
New Structure - Salary and Wages												
Structure Domain/Agency	Positions	No	Unit Salary (NZ\$)	Total Base Salary	Market allowance	Total Salary Remuneration	6 Hours/4 day week Salary - Total	4 day week Salary - Total	Relocation Costs		Total Relocation Costs	
									Travel	Rental		
1 Executive Government	Ulu	1	75,000	75,000		75,000	75,000	75,000				
	Portfolio Ministers	5	60,000	300,000		300,000	300,000	300,000			-	
	MP -Chair Board of Directors for Assets and Utilities	1	45,000	45,000		45,000	45,000	45,000			-	
	MP -Chair Delivery & Results Taskforce	1	45,000	45,000		45,000	45,000	45,000			-	
	MP - Chair Steering Committee	1	45,000	45,000		45,000	45,000	45,000			-	
	Other MPs to be Associate Minister for large portfolio	3	45,000	135,000		135,000	135,000	135,000			-	
		12		645,000	-	645,000	645,000	645,000	-	-	-	
	2 Public Service Commission	Commissioner	1	75,000	75,000	75,000	150,000	90,000	120,000	10,000	17,000	27,000
Assistant Commissioners		2	44,928	89,856		89,856	53,914	71,885			-	
Analysts		3	46,656	139,968		139,968	83,981	111,974			-	
ICT System/Network Administrator		1	44,928	44,928		44,928	26,957	35,942			-	
Corporate Services Manager		1	46,656	46,656		46,656	27,994	37,325			-	
Executive Assistant to Commissioner		1	29,440	29,440		29,440	17,664	23,552			-	
EA/Record Clerk to A/Commissioners		2	22,632	45,264		45,264	27,158	36,211			-	
EA/Record Clerk to Commission office		1	14,440	14,440		14,440	8,664	11,552			-	
		12		485,552	75,000	560,552	336,331	448,442	10,000	17,000	27,000	
3 Ministry of Planning		Director	1	70,000	70,000	60,000	130,000	78,000	104,000	10,000	17,000	27,000
	Assistant director - Statistician	1	46,656	46,656		46,656	27,994	37,325			-	
	Assistant director - Planning & Monitoring	1	46,656	46,656		46,656	27,994	37,325			-	
	Secretariat to Executive Government	1	46,656	46,656		46,656	27,994	37,325			-	
	Economic Planning for 2 Nukus	2	39,744	79,488		79,488	47,693	63,590			-	
	Communication Officer	1	35,328	35,328		35,328	21,197	28,262			-	
	Executive Assistant to Director	1	27,520	27,520		27,520	16,512	22,016			-	
	Supporting Officers - BDM	1	33,024	33,024		33,024	19,814	26,419			-	
	Records Clerk/Receptionist	1	12,480	12,480		12,480	7,488	9,984			-	
		10		397,808	60,000	457,808	274,685	366,246	10,000	17,000	27,000	

4 Ministry of Finance	Director	1	70,000	70,000	60,000	130,000	78,000	104,000	10,000	17,000	27,000
	Financial Accountant	1	46,656	46,656		46,656	27,994	37,325			-
	Budget Manager	1	46,656	46,656		46,656	27,994	37,325			-
	Procurement/Asset Manager	1	46,656	46,656		46,656	27,994	37,325			-
	Finance Officers - Nukus	2	33,024	66,048		66,048	39,629	52,838			-
	Finance Officers - payroll	1	33,024	33,024		33,024	19,814	26,419			-
	Finance Officers - Accounts Payable	1	33,024	33,024		33,024	19,814	26,419			-
	Internal Auditor/investigation officer	1	33,024	33,024		33,024	19,814	26,419			-
	Finance Officers - Public Utilities	1	33,024	33,024		33,024	19,814	26,419			-
			10		408,112	60,000	468,112	280,867	374,490	10,000	17,000
5 Education Department*	Director	1	60,000	60,000	50,000	110,000	110,000	110,000	10,000	17,000	27,000
	Assistant Directors	2	46,656	93,312	80,000	173,312	173,312	173,312	20,000	34,000	54,000
	Principals	3	37,720	113,160		113,160	113,160	113,160			-
	Deputy Principals	3	32,800	98,400		98,400	98,400	98,400			-
	Teacher -ECE x2x3	6	18,000	108,000		108,000	108,000	108,000			-
	Teacher -Primary x6x3	18	27,520	495,360		495,360	495,360	495,360			-
	Teacher -Yr 9- Yr11 x4x3	12	27,520	330,240		330,240	330,240	330,240			-
	(assume - 3 expats hired) Teacher -Yr 12- Yr13 x3x3	9	29,440	264,960	60,000	324,960	324,960	324,960	30,000	51,000	81,000
	School secretary/Librarian	3	18,000	54,000		54,000	54,000	54,000			-
	Administration Officer	1	24,000	24,000		24,000	24,000	24,000			-
Administration Assistants	2	12,480	24,960		24,960	24,960	24,960			-	
		60		1,666,392	190,000	1,856,392	1,856,392	1,856,392	60,000	102,000	162,000
6 Health Department*	Director	1	60,000	60,000		60,000	60,000	60,000			-
	Clinical Advisor	1	60,000	60,000		60,000	60,000	60,000			-
	Doctors GPs	3	60,000	180,000		180,000	180,000	180,000			-
	Dentist	1	46,656	46,656		46,656	46,656	46,656			-
	Nurse Manager	1	35,000	35,000		35,000	35,000	35,000			-
	Senior nurses	2	29,440	58,880		58,880	58,880	58,880			-
	Registered Nurses	6	27,520	165,120		165,120	165,120	165,120			-
	Midwife (incl maternal & prenatal/postnatal care & support)	3	27,520	82,560		82,560	82,560	82,560			-
	Nurse Aide	3	10,400	31,200		31,200	31,200	31,200			-
	Public Health Officer	1	29,440	29,440		29,440	29,440	29,440			-
	Nutritionists	1	29,440	29,440		29,440	29,440	29,440			-
	Imaging Technician	1	35,000	35,000		35,000	35,000	35,000			-
	Visiting Specialists		180,000	180,000		180,000	180,000	180,000			-
			24		993,296	-	993,296	993,296	993,296	-	-

7 Law & Justice*	Solicitor General -(P/time) NZ	1	65,000	65,000		65,000	39,000	65,000				-
	Judges contracted from NZ as needed	1	50,000	50,000		50,000	30,000	50,000				-
	Senior police officers-constables	3	29,440	88,320		88,320	52,992	88,320				-
	Police Officers 2 per Nuku	6	21,000	126,000		126,000	75,600	126,000				-
	Legal advisor/clerk of Legislature	1	55,000	55,000		55,000	33,000	44,000				-
	Legal Drafter	1	32,800	32,800		32,800	19,680	26,240				-
	Law Commissioners	3	15,100	45,300		45,300	27,180	36,240				-
	Administration Officer	1	24,000	24,000		24,000	14,400	19,200				-
	Records Clerk/Receptionist	1	12,400	12,400		12,400	7,440	9,920				-
			18		498,820	-	498,820	299,292	464,920	-	-	
8 Nuku & Social Development	Director	1	55,000	55,000		55,000	33,000	44,000				-
	Administration Assistant	1	24,000	24,000		24,000	14,400	19,200				-
	Social/Culture Officer	1	33,024	33,024		33,024	19,814	26,419				-
	Environment Officer	1	33,024	33,024		33,024	19,814	26,419				-
	Disaster Management Officer	1	33,024	33,024		33,024	19,814	26,419				-
		5		178,072	-	178,072	106,843	142,458	-	-		-
9 Public Utilities - Board of Directors	Annual fees - Chair	1	5,000	5,000		5,000	5,000	5,000				-
	Annual fees - members	3	4,000	12,000		12,000	12,000	12,000				-
	Sitting allowance - Chair	12	150	1,800		1,800	1,800	1,800				-
	Sitting allowance - Ex Off Members (12x5)	60	100	6,000		6,000	6,000	6,000				-
	Sitting allowance - Nuku Members (12x3)	36	120	4,320		4,320	4,320	4,320				-
				29,120	-	29,120	29,120	29,120	-	-		-
9a Transport/Meteorology Services	General Manager	1	55,000	55,000	20,000	75,000	45,000	60,000	10,000	17,000	27,000	
	Transport Officer - Nuku	3	22,000	66,000		66,000	39,600	52,800				-
	Meteorology Officer	1	29,440	29,440		29,440	17,664	23,552				-
	Malaliki Crew - Passenger Steward	1	21,500	21,500		21,500	12,900	17,200				-
	Malaliki Crew - Supercargo	1	21,500	21,500		21,500	12,900	17,200				-
	Inter-Atoll vessels crew - Captain	2	22,000	44,000		44,000	26,400	35,200				-
	Inter-Atoll vessels crew - Supercargo	2	15,000	30,000		30,000	18,000	24,000				-
			11		267,440	20,000	287,440	172,464	229,952	10,000	17,000	27,000
9b ICT -Telecom/E-Banking	General Manager	1	55,000	55,000	20,000	75,000	45,000	60,000	10,000	17,000	27,000	
	Staff - one per Nuku	3	45,000	135,000		135,000	81,000	108,000				-
			4		190,000	20,000	210,000	126,000	168,000	10,000	17,000	27,000
9c Energy & Watsan	General Manager	1	55,000	55,000		55,000	33,000	44,000				-
	Staff	2	40,000	80,000		80,000	48,000	64,000				-
			3		135,000	-	135,000	81,000	108,000	-	-	
9d Bulk/Co-operative Stores	General Manager	1	55,000	55,000		55,000	33,000	44,000				-
	Bulk Store Managers	3	20,000	60,000		60,000	36,000	48,000				-
	Bulk Store Assistants	3	12,000	36,000		36,000	21,600	28,800				-
	Co-op Store Managers	3	20,000	60,000		60,000	36,000	48,000				-
	Co-op Store Assistances	3	12,000	36,000		36,000	21,600	28,800				-
		13		247,000	-	247,000	148,200	197,600	-	-		-

9e	Apia Assets	Under TALO						-				
					0	0		0				
9f	Tokelau Development Bank	Under Ministry of Finance						-				
					0	0		0				
9g	Public Utilities/Asset Management	General Manager	1	55,000	55,000	20,000	75,000	45,000	60,000	10,000	17,000	27,000
		Technical Advisers	2	45,000	90,000		90,000	54,000	72,000			-
		Support Staff	1	15,000	15,000		15,000	9,000	12,000			-
			4		160,000	20,000	180,000	108,000	144,000	10,000	17,000	27,000
9h	Tourism	Under TALO??						-				
					0	0		0				
10	Delivery & Results Taskforce (DRT)*	Annual fees - Chair	1	5,000	5,000		5,000	5,000	5,000			-
		Sitting allowance - Chair	12	150	1,800		1,800	1,800	1,800			-
		Sitting allowance - Ex Off Members (12x6)	72	100	7,200		7,200	7,200	7,200			-
					14,000	-	14,000	14,000	14,000	-	-	-
11	Steering Committee*	Annual fees - Chair	1	5,000	5,000		5,000	5,000	5,000			-
		Annual fees - members	2	4,000	8,000		8,000	8,000	8,000			-
		Sitting allowance - Chair	12	150	1,800		1,800	1,800	1,800			-
		Sitting allowance - Nuku Members (12x2)	24	120	2,880							-
		Sitting allowance - Members (12x5)	60	100	6,000		6,000	6,000	6,000			-
			99		23,680	-	20,800	20,800	20,800	-	-	-
13	Tokelau Apia Liaison Office*	Manager	1	45,000	45,000		45,000	45,000	45,000			-
		Executive Assistant	1	29,440	29,440		29,440	29,440	29,440			-
		Administration/Liaison Officer	1	32,800	32,800		32,800	32,800	32,800			-
		Finance Officer	1	33,028	33,028		33,028	33,028	33,028			-
		Transport Officer	1	22,140	22,140		22,140	22,140	22,140			-
		Office Clerk	1	8,800	8,800		8,800	8,800	8,800			-
		Driver	1	8,800	8,800		8,800	8,800	8,800			-
			7		180,008	-	180,008	180,008	180,008	-	-	-
	Grand Total				6,519,300	445,000	6,961,420	5,672,298	6,382,723	120,000	204,000	324,000
	* = not subject to reduced working hours											
		Market allowance positions										

Government of Tokelau										
New Structure - Consolidated Budget										
Function/Department	Salary & wages	Relocation Costs	Sub Total - Salary & relocation	Other Baseline costs*2	National Priority Budget 2014/15	ICT Improve'ts -Year 1	Inter Atoll Vessels (2)	Asset Management*1	Total Budget	% of Total Budget
1 Executive Government	645,000	-	645,000						645,000	2%
2 Public Service Commission	448,442	27,000	475,442						475,442	2%
3 Ministry of Planning	366,246	27,000	393,246	1,117,000					1,510,246	6%
4 Ministry of Finance	374,490	27,000	401,490	289,000					690,490	3%
5 Education Department	1,856,392	162,000	2,018,392	725,500					2,743,892	10%
6 Health Department	993,296	-	993,296	743,000					1,736,296	6%
7 Law & Justice	464,920	-	464,920						464,920	2%
8 Nuku & Social Development	142,458	-	142,458	2,723,383					2,865,841	11%
9 Public Utilities - Board of Directors	29,120	-	29,120						29,120	0%
9a Transport/Meteorology Services	229,952	27,000	256,952	1,148,500			265,380		1,670,832	6%
9b ICT -Telecom/E-Banking	168,000	27,000	195,000			1,360,000			1,555,000	6%
9c Energy & Watsan	108,000	-	108,000	477,500					585,500	2%
9d Bulk/Co-operative Stores	197,600	-	197,600						197,600	1%
9e Apia Assets	-	-	-						-	0%
9f Tokelau Development Bank	-	-	-						-	0%
9g Public Utilities/Asset Management	144,000	27,000	171,000					1,191,000	1,362,000	5%
9h Tourism	-	-	-						-	0%
10 Delivery & Results Taskforce (DRT)	14,000	-	14,000						14,000	0%
11 Steering Committee	20,800									
12 Tokelau Apia Liaison Office	180,008	-	180,008						180,008	1%
National Priority Budget 2014/15					6,633,000				6,633,000	25%
Capital costs/ replacement fund							645,000	2,857,000	3,502,000	13%
	6,382,723	324,000	6,685,923	7,223,883	6,633,000	1,360,000	910,380	4,048,000	26,861,186	100%
% of total budget	24%	1%	25%	27%	25%	5%	3%	15%	100%	
							Potential Savings after new structure implimented not likely to be available in year 1 of change plan		1,157,194	
								Expected Total Budget Spending	28,018,380	
								Funding For Budget:		
Other Costs to Consider								1 NZ Budget Support 2014/15*2	11,675,000	
1 Redundancies???								2 External Donors Funding*2	2,135,000	
2 Contracts of contract workers								3 Local revenue*2	8,072,000	
3 Redevelopment of Apia Assets									21,882,000	
Key:										
*1 Figures from Asset Management Strategy report October 2014 by Waugh Infrastructure Management Ltd								4 Additional Funding Needed - to include fees for new services e.g. from inter-atoll vessels and new ICT	6,136,380	
*2 Based on 2014/15 budget reallocated to new structure									28,018,380	

Tokelau Properties located in Samoa

Savalalo Property

Options	Advantages	Disadvantages	Costs/Revenue (NZ\$000)	Annual cost/revenue(NZ\$000)
1. Continue use as is	<ul style="list-style-type: none"> • No capital costs • No annual rent • Capital gain on value of land • Good central location • Security for any future borrowings 	<ul style="list-style-type: none"> • Buildings are old and in very poor conditions • Building were added on as needed and therefore not in any organised manner • Annual repairs and maintenance costs 	No additional costs	
2. Sell and invest proceeds	<ul style="list-style-type: none"> • Additional cash for investment or use in other projects • No annual repairs and maintenance costs 	<ul style="list-style-type: none"> • Loss of prime property • Lease new location for transport operation • Annual lease cost • Landlord issues 	The last valuation (2010) – land \$2,104 and buildings \$406 = \$2,510	Return on \$2,510 at say 6% = \$150
3. Redevelop site – office, shop & transport operations	<ul style="list-style-type: none"> • No landlord issues • Centre for visiting Tokelau people • Savings on annual lease for office • Deal will flooding issues in redevelopment plan • Build to suit needs • No annual rent • Capital gain on value of land • Good central location • Security for any future borrowing 	<ul style="list-style-type: none"> • Capital cost required • Annual repairs and maintenance costs 	2009 plan by Tinai& Gordon = \$5,000. However, developments on similar properties on nearby sites indicate a reasonable redevelopment for \$1m to \$2m more in line with Tokelau’s budget	<ul style="list-style-type: none"> • R&M \$50 • Savings on current NPF rent \$97

Lelata (Moto'otua) Property

Options	Advantages	Disadvantages	Costs/Revenue (NZ\$000)	Annual cost/revenue(NZ\$000)
1. Continue use as is	<ul style="list-style-type: none"> No capital costs No annual rent Capital gain on value of land Good location – close to Hospital Accommodation for visiting medical patients and family Security for any future borrowings 	<ul style="list-style-type: none"> Buildings are old and in very poor conditions Annual repairs and maintenance costs 	No additional costs	
2. Sell and invest proceeds	<ul style="list-style-type: none"> Additional cash for investment or use in other projects No annual repairs and maintenance costs 	<ul style="list-style-type: none"> Loss of prime property No accommodation available for visiting patients/family 	The last valuation (2010) – land \$421 and buildings \$342 = \$763	Return on \$763 at say 6% = \$46
3. Redevelop site - 3 office staff residents & accommodation units for visiting Tokelauans or general public and emergency office space.	<ul style="list-style-type: none"> No landlord issues Centre for visiting Tokelau people Savings on annual lease for office staff Build to suit needs Capital gain on value of land Good location Security for any future borrowings 	<ul style="list-style-type: none"> Capital cost required Annual repairs and maintenance costs Extra staff to manage accommodation units 	<ul style="list-style-type: none"> 3 residents @ \$200 each = \$600 Motel/Office unit (12 rooms) = \$1,600 Total capital \$2,200 	<ul style="list-style-type: none"> R&M \$50 Savings on 3 staff accommodation rent \$36 Annual income from motel profit = \$50

Tuloto Land (233 acres) was originally about 300 acres but reduced to 233 acres after redefinition by MNRE. (To confirm area for water catchment taken off in this redefinition)

Options	Advantages	Disadvantages	Costs/Revenue (NZ\$000)	Annual cost/revenue(NZ\$000)
1. Continue use as is	<ul style="list-style-type: none"> • No capital costs • Capital gain on value of land – Samoa Govt is planning to develop road from Tuaefu to Lake Lonatoo which will go close to this land in near future. Will significantly increase value of land • Tokelau relocation should need arise – climate change issues • Security for any future borrowings 	<ul style="list-style-type: none"> • No economic return • Currently no road access 		
2. Sell and invest proceeds	<ul style="list-style-type: none"> • Additional cash for investment or use in other projects 	<ul style="list-style-type: none"> • Loss of property • No land for Tokelau relocation should need arise – climate change issues 	The last valuation (2010) – land = \$12,919	Return on \$12,919 at say 6% = \$775
3. Land exchange with Govt. Of Samoa	<ul style="list-style-type: none"> • New flat location (e.g. Nuuu) • Closer to Apia and not on steep slopes 	<ul style="list-style-type: none"> • Require Samoa Govt agreement. 		
4. Develop site	<ul style="list-style-type: none"> • Use for food security – agriculture development/training • Capital gain on value of land • Tokelau relocation should need arise – climate change issues • Security for any future borrowings 	<ul style="list-style-type: none"> • Capital cost required • Currently no road access 	<ul style="list-style-type: none"> • Villages maybe offered to work the land at their cost and benefit from harvest produces 	<ul style="list-style-type: none"> • Access road -\$50,000

Other Samoa Properties

- Additional Land (3 acres) – Vaitele Uta/ Nuu? Gifted from Government of Samoa — Tokelau Government to push for the completion of the land title transfer before the 2016 Samoa general elections, i.e. while the current PM (Tuilaepa Sailele Malielegaoi) is in office. This land can be used as storage for dangerous goods (fuel & gas) and boats, vehicles etc in Samoa for repairs.
- Land at Lotopa and Faleata – these are not in the register of Apia Properties but are said to be owned by the people or Government of Tokelau. Request has been made to the Samoa Ministry of Natural Resources and Environment (MNRE) for details of these two properties. The road front property is currently used as residential with a number of houses on it and the rear property (Faleata) is used a cemetery.

Re-development Priority:

1. With the downsizing of the TALO in Apia, it is proposed that the priority for any re-development in Apia should be given to the Lelata (Moto’otua) property. The re-development of this property to include the following:
 - Motel/Office unit at the front – office space for TALO, gift shop and accommodation for TPS in transit and visitors in general
 - 2-3 residential houses for TALO staff.
2. Savalalo property – The view was expressed that Tokelau should consider selling some of its Apia Properties and the funds used for other developments (e.g. to redevelop Lelata). Should Tokelau consider this option, it is the view of the Change Management Team that the Savalalo property should be the one to be sold first. This should provide sufficient funds to fully redevelop Lelata which can include the office for TALO. The market value of this property is around \$2.5m to \$3m. If this property is sold any cargo handling operation not outsourced would have to be relocated to the VaiteleUta/Nu’u land.

Should the above sale option not be taken, this property should be redeveloped for office space, gift shop and small cargo handling facility. Any space not required by TALO can be rented out to provide income.

3. Develop Tuloto land as a farm/plantation with a mixture of crops and livestock. If run as a business venture it should provide a return for the Government and also provide food security for Tokelau.

Other Economic Developments

The Samoan Small Business Enterprises Centre (SBEC) is willing and has submitted a proposal for the design and delivery of Business Training and Business Advisory Services for the Tokelau community. The SBEC framework combines business training, business planning, business advisory and business nurturing and support. SBEC’s proposal include training of Tokelau trainers, training workshops in Tokelau as well as field visits to SBEC clients in Samoa for Tokelau entrepreneurs to provide first-hand experience of what is done elsewhere. SBEC proposed cost for this initial set up is NZ\$26,000 (WS\$50,000)

Possible business opportunities for Tokelau include:

- Gift shop and information office in Apia
- Handicrafts at village to supply Apia shop
- Kaleve liquor for export market
- Frozen fish for Apia/NZ markets
- Bakery on Atoll
- Trades professional on the Atolls to service home appliances, plumbing, electrical, mechanical and electronics.

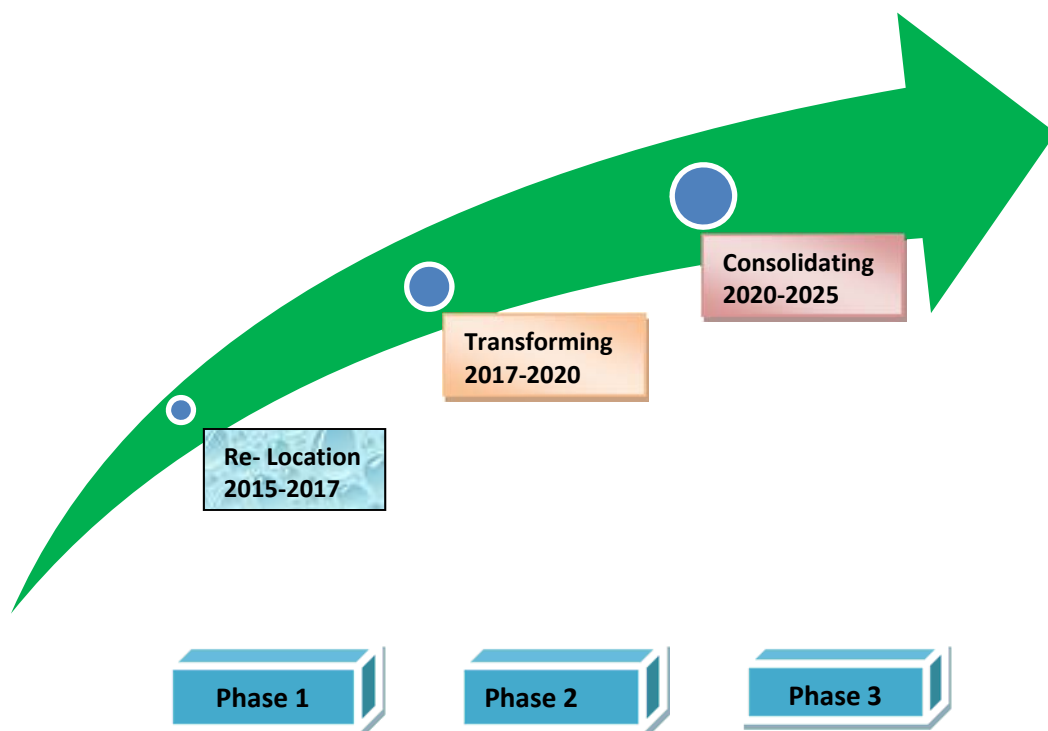
Section 5: Implementation and Sequencing

For the Change Management Plan of Tokelau to be achieved successfully political will and commitment from the leaders of Tokelau and New Zealand is paramount. One of the binding constraints identified in this Plan is the delay in decision making amongst leaders. The Taupulega usually defers to the General Fono and/or the Council and this time consuming process prevents quicker actions and implementation. To this effect it is therefore crucial to streamline the governing institutions hence the proposal to merge the General Fono and the Council as one organ to be known as the Executive Government.

Also, commitment and support is required from New Zealand to ensure the Change Management Plan strategies, outputs and expected outcomes will be resourced adequately. This will include funding, human capability and required physical assets. Further, given Tokelau's isolation and limited capacity, it means services need to be delivered via other options such as outsourcing, partnerships and coalitions.

Previous reform initiatives such as the TNSP failed to achieve planned outcomes because of the lack of political will and commitment to support it. Also the budget allocation did not prioritise areas identified in the plan..

Figure 3: Change Plan Phases and Sequencing



Vision 2025: *"First Class Service Delivery in the Pacific Region"*

Tokelau needs to have a clear road map of its next National Strategic Plan with the Change Management Plan being the cornerstone. This will include the vision and a long term agenda for the re-location and transforming of Tokelau. This vision should be referred to as Tokelau's

Vision 2025 with its mission to provide-“**First Class Service Delivery in the Pacific Region**” delivering government policies and programmes with professionalism, excellence and passion. Integral to achieving this vision is the drive to institutionalise and bed down within the Government machinery values such as **transparency, integrity, accountability, discipline, excellence, inclusiveness, professionalism, ethical, loyalty, respect and responsiveness etc.**

The long term plan and vision of the Change Management Plan is to be implemented in three distinct but interconnected phases:

- a) Re-Location Phase 2015-2017
- b) Transforming Phase 2017-2020
- c) Consolidating Phase 2020-2025

In a Change Management programme of reform, there needs to be clarity and conciseness in the strategic platform agreed to by leaders, be they politicians or public servants stipulating the shape, form and expected outcomes to be achieved within agreed to timelines. **Fundamental** to this clarity is the question, **reforming what and why?** Four pillars have been identified which constitute the long term agenda of the CMP strategy as follows:

- i. An enabling Institutional and Governance environment (includes Taupulega, General Fono and Council) and oversight bodies like, Solicitor-General, Audit, Ombudsman, Delivery/Results Taskforce etc:
- ii. An enabling socio-economic environment framework (including economic planning, public utilities and village based economic activities):
- iii. Public Financial Management reform (Finance Management/Procurement and Asset Management Framework): and finally
- iv. Public Service Administration (such as the restoration of the Public Service Commission as the employer and centre for public administration).

There are three phases for the way forward, and the hard work/activities are in the first two phases because of the need to strengthen legislative frameworks, systems and processes as well as the commitment and behavioural change of the Public Service employees. The following outlines priority activities to be pursued under the different phases:

A. Phase 1 – Re-Locating (2015-2017)

i) An Enabling Institutional and Governance environment and strengthening Oversight Bodies

- The Taupulega of the 3 Nuku accepts the collapse of the General Fono and Council under one organ to be known as the Executive Government. The Executive Government is equivalent to the Legislature with 12 members elected by the people and these 12 people select Tokelau’s Ulu from the 3 Faipule and 5 Portfolio Ministers to form a Cabinet
- The Constitution needs amendment to legitimise the establishment of the Executive Government and for it to function effectively

- The Taupulega and the people of Tokelau consider bringing the next election forward to the last quarter of 2015 or early 2016. This will ensure that the proposed changes can be implemented as soon as possible.
- The Taupulega needs to consider the proposal for a 3 year Ulu and make a decision on this prior to the 2015/16 Election so that it becomes effective in 2016
- The new Ulu and Portfolio Ministers formalise the Terms of Reference (ToR) and establishment of the Delivery and Results Taskforce and appoint the Chairman and members in early 2015
- The new Ulu and Portfolio Ministers formalise the establishment of the Board of Public Utilities, its mandate and appointment of Chairperson and representatives in early 2015
- The new Ulu and Portfolio Ministers formalises the establishment and ToR of the Steering Committee, appointment of the Chairperson and Representatives in early 2015
- Strengthen the responsibilities and accountabilities, systems and processes, capability, resourcing and legislation guiding the work of the Law and Justice Sector in particular the Police Services and other Oversight Bodies

ii) **An enabling Socio-Economic environment framework (including economic planning, public utilities and village based economic activities)**

- Formulate a Legislative Framework to enable the establishment of a Ministry of Planning in early 2015, allocate the necessary budget, advertise the required positions and relocate the Ministry to Tokelau once office space is available
- The Ministry consults for the development of the new Tokelau National Strategic Plan and conducts workshops so that Departments and all Government Agencies develop realistic Corporate Plans, Annual/ Business Plans as in the case of Public Utilities
- The Ministry provides an enabling policy environment in taxation, tariffs, fees, access to overseas market and trading, interfaces with Regional organisations and New Zealand in matters of interest to Tokelau
- Initiate economic growth policies and provide some funding scheme (Tokelau Development Bank) to assist local people with the establishment of cottage businesses in areas where there is a demand for services and products so that they capitalise on their knowledge and skills, and where raw materials are available
- Engage a training provider, such as SBEC, to provide training programmes in business development, record keeping, business planning, pricing and marketing etc so that Tokelauans utilise available opportunities both locally and overseas
- Develop a Legislative Framework to enable the execution of the Ministry's other functions such as Statistics, BDM, Communication, Secretarial services to Executive Government and Delivery and Results Taskforce
- An effective communication strategy be put in place to regularly inform all public servants and citizens of Change Plan progress

iii) Public Financial Management reform (Finance Management/Procurement and Asset Management Framework)

- Contract a company/consultant to update and audit the financial statements of the past 2 years
- Formulate a new Finance Legislative Framework to strengthen the core businesses of the Ministry of Finance as prescribed in the CMP and strengthen its accountability in financial and budget reporting, asset management/procurement, investigation and internal auditing
- Establish a Budget Committee comprising of the Commissioner, Director of Finance and Director of Planning to meet every quarter to track Departments/Agencies spending and achievements in relation to agreed deliverables which are aligned to Annual/Business Plans
- A Financial Monitoring and Evaluation Framework be developed to progress the work of the Committee
- Advertise and fill the required positions prescribed in the CMP and relocate the Ministry of Finance to Tokelau once office space is made available
- Evaluate the cost / benefits of functions that are proposed to be outsourced prior to tendering
- Develop the legislative framework for outsourcing and contract management
- In-house training of all Public Servants so that they understand and comply with new legislation and policies

iv) Public Service Commission (such as the restoration of the Public Service Commission as the employer and centre for public administration)

- Develop a new Employment Legislative Framework to include all functions of the Public Service Commission and reflect best practice
- A Refocused Management Scheme is operational at the Centre of Government – with at least 10-15 top notch technocrats manning service in critical/strategic positions across the Public Service;
- Allocate the necessary budget, advertise and fill the required positions prescribed in the CMP and relocate the PSC to Tokelau once office space is made available
- An effective performance management system for the Public Service is mandated and implemented requiring every TPS Agency to systematically implement and comply with Corporate and Annual Plans or Business Plans as in the case of Public Utilities. This should contribute to improved management of staff and organisational performance and where appropriate preceded by rationalisation of functions, structures and staffing;
- Merit principles are effectively restored and complied with as the primary criterion for recruitment and selection, promotion and talent management;
- A corresponding remuneration system and incentive scheme should be in place to reinforce excellent performers.
- Capability Plans and capacity building must be enhanced at all levels as a short-term measure whilst long- term workforce/succession plan is developed to address skills gap and align the scholarship programme accordingly.

B. Phase 2 – Transforming (2017-2020)

i) An Enabling Institutional and Governance environment

- The 3 year arrangement for the Ulu commences in 2017 where the Ulu will be selected by all the people of the 3 nuku rather than the current practice. Intentionally this will strengthen the sense of belonging to one country rather than belonging to the nuku⁶
- The Law and Justice Sector is strengthened in all aspects and natural justice and the right of the individual is given due recognition
- Accountability on the service delivery is improved and strengthened with the integrated push for visible outputs and outcomes of the DRT and Board of Directors for Public Utilities

ii) An enabling Socio-Economic environment framework

iii) Public Financial Management reform

- Financial reporting and management are strengthen and improved with the development and implementation of the new Finance Legislative Framework and systems and capacity building set out in phase 1.
- Outsourcing contracts are entered into to improve service delivery especially in public utilities and asset management.
- Financial Monitoring and Evaluation functions are fully operational, efficient and effective.

iv) Public Service Commission

- Majority of Government Agencies deliver services of quantity and quality stated in widely disseminated Service Delivery Charters;
- Majority of Public Servants are strongly motivated to serve and transform Tokelau Public Service because there is constant feedback on performance and because robust monitoring and evaluation mechanisms are used; and
- Public servants pay levels are comparable to those in Public Services of other successful small island states in the Pacific Region or in remote parts of New Zealand.

5.3 Phase 3 – Consolidating 2020-2025 - Achieving the Mission

- a) Performance by Government Agencies and even Public Utilities in service delivery better that of any successful small island state;
- b) Tokelau Public Service is an employer of choice and employs the best graduates of tertiary institutions and mid-career professionals in the region

⁶ Strongly suggested by Ulu o Tokelau, Aliko Faipule KuresaNasau, 2014

For the Public Service Commission, the building blocks to support the above depiction require going back to fundamental basics of public administration.

5.4 Costing of Recommendations and Options

The team have had limited access to TPS information including up-to-date financial data and this has made any financial forecasting extremely difficult. Consequently the draft budgets provided in this report are only indicative.

The indicative budget for the first year of the change plan is estimated \$28 million. We expect the same budget amount for the second and third years as infrastructure work on the atolls to accommodate the relocation of the TPS continues. Thereafter, we expect the annual budget to fall as most of the frameworks, systems and infrastructure changes are completed or nearing completion.

Section 6. Risks and Risk Management

Key: L = Likelihood (5= Almost Certain, 4=Likely, 3=Possible, 2=Unlikely, 1=Rare)
 C = Consequence (5= Severe, 4=Major, 3=Moderate, 2=Minor, 1=Negligible)
 R = Risk Level (H=High, M=Medium, L=Low)

Priority Ranking	Risk Event	Impact on Change Plan	L	C	R	Risk Treatment/Management	Accountability	Timing
Leadership and Governance								
1	No ownership of the Change Plan by Leaders, both Tokelau and New Zealand	Status quo remains and the Change Plan will not be implemented	4	4	H	Leaders need to take ownership of this Plan through continuous dialogue and agreement to change components of the Plan as they see fit	Leaders of Tokelau and New Zealand	February 2015
2	Delay by some General Fono members to decide on the proposed merging of the General Fono and the Council	<ul style="list-style-type: none"> Delay in the rationalisation of institution and governance to establish an Executive Government. Weakens the accountability and timely decision making affecting the responsiveness of the Public Service 	5	4	H	Highlighting the issue of improved governance and accountability requires further discussion and consultation between the Council and General Fono to be mediated by the Administrator or by someone who is independent and has a clear understanding of how democratic government works	General Fono and Council members	Early 2015
3	Unwillingness to let go of old practices and the need to understand that for culture to be sustainable it must accept changes-“culture is dynamic not static”	The Change Plan will not achieve expected deliverables and outcomes such as quality of life, self-worthy citizens and value for money under prevailing decision making regime	5	5	H	More discussion and clarifications of certain aspects of modern governance and an appreciation the Change Plan is responding to the needs of the people of Tokelau	Council and General Fono and New Zealand	Early 2015

4	Absence of a visionary leader within the political domain, someone who is a calculated risk taker	The status quo continues and the CMP is not implemented	3	4	M	The Change Plan needs to initiate appropriate strategies to target the development and nurturing selected young people who have potential to become leaders The Administrator and Council identify potential young individuals and groom them for future leadership positions. Customised training and overseas exposure is required to prepare them	Administrator and Ulu o Tokelau	Constant and on going
5	New Zealand through the Administrator imposes options that are not fully supported by Tokelau	A win- win situation expected as outcomes of the CMP will not be achieved or achieved partially Deliberate undermining and subversion by Tokelau of the options imposed by NZ	4	3	M	Tokelau needs to understand the policies of the New Zealand Government and work from within and make best use of available resources Tokelau to assert their beliefs and to convey their feelings honestly to NZ	Administrator, MFAT and Tokelau Leaders	On going discussion
6	Difficulty in attracting and recruiting professionals to work in Tokelau because of numerous challenges	<ul style="list-style-type: none"> Depending on overseas recruitment is more expensive and not sustainable in the long term 	3	3	M	<ul style="list-style-type: none"> Capitalise on other current Regional agreements to get qualified people to work in Tokelau such as the South-South Co-operation among Forum member countries Have memoranda of understanding with some partner agencies in New Zealand or other Pacific countries for the required skills Outsource services Do a road show to try and entice back the qualified Tokelauans residing overseas to serve in Tokelau 	Tokelau and New Zealand	Constant
Public Service Structure								
1	Leaders of Tokelau and New Zealand are	Objectives of the Change Plan for efficient and	5	5	H	<ul style="list-style-type: none"> Invest in preparation citing successful similar cases to ensure 	Team and Co-Sponsors	Nov 2014 continuous

	unwilling to endorse certain recommendations in CMP for refocusing of functions	effective service delivery in response to Tokelauans wish for better quality of life may not be realised				buy in from leaders of Tokelau and New Zealand. <ul style="list-style-type: none"> • Highlight positive outcomes of the proposed recommendations during consultations with Taupulega and co-sponsors of the Change Plan 		
2	Tokelau Public Servants and village based employees do not support the CMP and refocusing of functions	<ul style="list-style-type: none"> • There will be cost implications on Tokelau if there is delay in accepting the CMP. • Aid from NZ for Tokelau will not be disbursed until some substantive progress is made to change the status quo • Delays implementation will add more cost 	5	4	H	<ul style="list-style-type: none"> • Have further consultation and dialogue with Tokelauans and listen to their concerns • Amend relevant aspects of the proposal without changing the intent of the CMP 	Team, Co-Sponsors and the Ulu	Within a stipulated timeframe
3	Tokelau Public Servants working in Apia Office are not supportive of the relocation to the Atolls	<ul style="list-style-type: none"> • More financial resources will be required to attract people with the right competencies and behaviour to execute the CMP • More time will be required to familiarise new people with the intention and objectives of the CMP 	5	4	H	<ul style="list-style-type: none"> • Have in place a contingency plan and strategy to try and attract qualified Tokelauans to return and serve • Activate new modality of service delivery so long as they are cost effective whilst simultaneously responding professionally and on a timely basis to the needs of those living on the Atolls • Further re-scoping of CMP in particular the sequencing of activities and timelines 	Ulu, MFAT and the Public Service Commissioner	Early 2015
4	Degree of fit and capacity between the new and old	Expected outputs and outcomes let alone the value	4	4	H	Decision makers in New Zealand and Tokelau need to be bold and sanction the structure and execute it. Change	Administrator, MFAT and	Early 2015

	structure – and impact of potential misfit	for money will not be achieved				is constant and future adjustments can be made during implementation	Tokelau Executive Government	
5	Resourcing levels will be insufficient to implement Change Plan	Objectives and recommendations in the CMP will not be achieved on time and has implication for activities planned for subsequent years	4	4	H	Need to secure agreement by all players and that budget allocation is prioritised according to needs	Ulu, Ministers and MFAT	Early 2015 for 2015/2016 FY
Implementation								
1	Activating alternative delivery modalities may well be more effective but costly	<ul style="list-style-type: none"> • Less financial resource to secure other competing priorities of the CMP • Efficiency does not always equate with quality • Alternative service modalities may take a long time to secure thereby delaying implementation of certain functions and impacting on CMP 	5	4	H	<ul style="list-style-type: none"> • Thorough assessment of functions to be outsourced, do cost benefit analysis and tender widely to ensure more providers can bid • Alternatively have a partnership arrangement where Tokelau has a share in the provision of service 	Tokelau Senior Public Servants, Ulu and Minister with assistance from MFAT	Constant and on going
2	Development of necessary Legislation to govern a 21 st Century Public Service hinders implementation of the Change Plan	<ul style="list-style-type: none"> • Delays in drafting process so legislative framework to progress implementation is not ready in time • Executive Government and Tokelau Political Leaders delaying sanctioning of Bills • No capacity available on island to draft legislation • Lack of understanding regarding the necessity of 	4	4	H	<ul style="list-style-type: none"> • Get a qualified Drafter to prepare legislation with guidance from Tony Angelo and Tokelau Senior Public Servants • Make the Political Leaders and Senior Public Servants understand the crucial need to have these prepared to legitimise the new structure and operations of the Public Service • Central Agencies need to make TPS employees aware of any new 	Tony Angelo and Tokelau Senior Public Servants	Early 2015 and continuously

		<ul style="list-style-type: none"> having best practice legislation in place Re-located TPS reverting to old ways and practices 				<ul style="list-style-type: none"> legislation, Regulations and policies so that they have confidence in their respective responsibilities and accountabilities Performance management process to mitigate for TPS behaviours and conduct 		
3	Tokelau Public Servants do not have the right competencies and behaviour to meet expectations of the CMP	<ul style="list-style-type: none"> Impact on CMP delivering its objectives and goals in a timely Status quo remains 	5	5	H	<ul style="list-style-type: none"> Be bold and recruit the right people with the right attitude and behaviour The Commissioner needs to coach staff and sideline employees who do not fit the transformed TPS structure Steering Committee to package and market the positives of the new changes in the Public Service and during Taupulega meetings 	Commissioner, Steering Committee, Taupulega, TPS employees	constant
4	Inadequate resources - finance	Cannot implement the CMP because of other competing priorities	4	5	H	<ul style="list-style-type: none"> Prioritise the Plan and change the sequencing of activities Consider the utilisation of annual revenue from the Tokelau Trust Fund to sponsor specific activities – e.g. Apia property development, Scholarships 	Steering Committee, Director of Finance, Ulu and Ministers, MFAT	continuous
Sustainability of Plan in the Future								
1	Weak review, monitoring and evaluation of progress	Weaknesses and challenges in the implementation are not reported nor addressed instantly and impacts negatively on the CMP	4	5	H	Build this in the CMP as a constant activity and that a full Review be undertaken within the first year of implementation	Steering Committee, Ulu and MFAT	Constant and first year

2	No continuity as people both at MFAT and TPS depart and rotation of Ulu	Impetus, knowledge and commitment is lost and new people bring their own agendas and interpretation and ideas	4	4	H	Ensure sufficient people are involved in the CMP and that the Steering Committee conducts workshops so that a critical mass is aware and knowledgeable about the CMP	Leaders and public servants	On going
3	Shift in the Government of New Zealand aid policy and relationship with Tokelau	Limited funding to support CMP activities Imposition of different direction on Tokelau CMP is shelved	3	3	M	Tokelau to use its resources and assets to finance programme activities	Tokelau Government	On going
4	Absence of commitment to consult and communicate widely in the Nukus and within the TPS	There will be very little support of the CMP and people speculate and play guessing game	3	3	M	Steering Committee must ensure there is a communication strategy and that people who are qualified to do this are employed	Steering Committee, Ministry of Planning	constant

Conclusion and Recommendations

Priority list

This Report has tried as much as possible to provide practical measures to assist Tokelau and New Zealand with decisions it will need to make in bringing about the changes necessary for improved public service delivery. Therefore, a twelve-point prioritisation of activities as requested is provided here, prior to the conclusion for the Report:

a) Constitutional Reform

- Move General Election from 2017 to 2016
- Further consultation with Taupulega, Council and General Fono so that they are equally familiar with the proposed changes and functional structure;
- Develop and formulate the broad Framework for the 3 Central Agencies and have Council sanction them

b) Financial Reforms

- Financial Accounts need updating for last 2 years
- Develop and strengthen Asset and Procurement Framework
- Establish a Utilities Board to guide the management of Public Utilities

c) Public Service and Workforce Reforms

- Familiarise all Senior Officials of the Tokelau Public Service with the changes to the functional structure;
- Develop new Job Descriptions for new positions with priority focus on the 3 Central Agencies and Ministers to approve, advertise positions and conduct interviews
- Formulate a Workforce/Succession Plan and align the Scholarship Scheme

d) Mentoring Programmes

- Mentor and Coach new people regarding CMP
- Training of all public servants regarding new frameworks

e) New Initiatives for Transport and Telecommunications

- Provide space and accommodation to be ready by mid-year or 3rd quarter of 2015
- Establish Results and Delivery Taskforce to provide an oversight over Central Agencies performance
- Fix ICT so that the 3 Atolls have connectivity internally and with the outside world – by mid-2015
- New vessel to become operative by mid-year 2015
- Inter atoll services should also be operative by 3rd quarter or by end of 2015
- Conduct feasibility study and scope the pipeline project on air strip for Tokelau.

Conclusion

During consultations with the Taupulega, the members conveyed very clearly their misgivings with how they have carried out responsibilities pertaining to governance and management of public servants that have been foisted onto them. Therefore, the general agreement by the Taupulega, regarding the Change Management Plan and its objective - to improve the performance of the TPS and in turn improve the quality of life of the people of Tokelau is the premise upon which the recommendations proposed in this Report are based.

Of all the factors that will impact on the success of the proposed changes the relationship between New Zealand and Tokelau is of critical significance. Support from New Zealand has been substantial but at times reactive and ad-hoc, lacking strategy and input from Tokelau. Over time, though, the relationship has evolved and more recently, Tokelau has been better equipped to manage its development agenda with instruments such as the Tokelau National Strategic Plan 2010 – 2015 and the Joint Commitment for Development 2011 – 2015. When administrative powers and functions were devolved in 2003 to Tokelau through the Taupulega to deliver public services and through the General Fono for legislative responsibilities, this became problematic due in part to infrastructural shortcomings as well as capacity and capability limitations. It is within this context, that the Change Management Plan recommendations are made. The CMP has had three clear foci:

- Improving Tokelau’s self-administrative and self-management capabilities - more efficient and effective public service delivery - including outsourcing options. This in turn will address quality of life improvements for the people of Tokelau. (This requires an on-going conversation with the people of Tokelau as part of their next strategic planning cycle).
- Improving economic outcomes for Tokelau thus enhancing self-reliance through alternative revenue generation and optimising Samoa based assets
- Reversing the culture of entitlement by way of building self-worthy individuals, creating opportunities for entrepreneurial activities and rewarding good work ethic.

Governance and leadership is the next most important element identified as having an impact on the effectiveness and efficiency of the delivery of public services on Tokelau. The current governance mechanisms are not necessarily ‘fit for purpose’ with the addition of responsibilities for a western model of public services structure to the traditional roles of the Taupulega. The resulting consequences of this have been highlighted consistently in reviews and evaluations of public sector performances over the last three years. The issues identified in these reviews have been reconfirmed by the views given by groups and individuals during village-based meetings and TPS interviews held by the Change Team. Summarily, the features of concern include:

- Minimal coordination and poor communication between governance institutions and national and village public services;
- Poor structural accountabilities resulting in poor performance by public servants with little or no consequences;
- Tension between the Taupulega and the Council and the General Fono;
- Little understanding of the notions of mandated authority (constant consultation - slow decision making);
- Lack of continuity of vision with the annual change in Uluship; and

- Distribution of Ministerial portfolios with little account of skills and experience and understanding of responsibilities thereof.

For the sake of a more dynamic and informed decision making body there is need for the gradual combining of these functions into a single executive government that is clearly mandated as the National Tokelau body. This will provide clearer accountabilities and greater continuity of work plans. Options available in fine-tuning this structure include:

- 3 year Uluship
- Ulu selected from within the Executive Government
- A Cabinet selected by the Ulu
- Portfolio allocation based on skills and experience

A clear signal from the three Taupulega is that this will require more discussion. However, it is proposed that to expedite implementation of the new structure, Tokelau considers bringing forward its next General Election to January 2016. The existing Council for the Ongoing Government together with the Taupulega and the General Fono would have to discuss the pros and cons of such a decision in light of keeping the momentum up to achieve a structure that would bring about improved service delivery for Tokelau's citizens.

The new proposed structure provides clear functional roles and responsibilities. It presents a stronger TPS core consisting of the Planning Ministry, The Public Service Commission and the Finance Ministry which provides support to front line service delivery. The structure separates the local village domain and the national Tokelau domain while unifying a single TPS under one master. This structure offers clear lines of accountability, responsibilities and communications. Once the governance mechanisms are embedded, the appropriate checks and balances expected of a high performing public service will also be in place. These include systems and processes, HRM and a whole of Government Management Framework.

The relocation schedule requires a high speed and reliable ICT system and a reliable transport solution. The entire plan purposely comprises three implementation phases so as to embed change at a rate that Tokelau is comfortable with. This was described with support by an elder as Ke Kite muamua pe vefea—implement first and continually monitor and review.

The team has had limited access to TPS information including up-to-date financial data and this has contributed to delays in writing this report. Consequently the draft budgets provided are only indicative.

A key consideration throughout this process has been to ensure the change process continues to incorporate a Tokelau flavour "*manogi Tokelau*". The three Taupulega were unwavering in that as much as possible traditional Tokelau culture must be preserved. In addition, the fundamental governance role of the Taupulega must be retained while ensuring a functional relationship with the national Tokelau Executive Government.

Key Recommendations:

- The relationship between New Zealand and Tokelau must be based on mutual respect and trust with clear and agreed expectations of Tokelau's future direction.
- Tokelau continues to develop a governance model that marries traditional structures and leadership capable of effective and efficient decision making as well as sound governance oversight of the TPS - to be finalised before the 2016 General election.
- A TPS that adheres to robust policy and procedures. Have clear roles, responsibilities and lines of accountability. Has a focus on Continuous Improvement and Excellence and grounded in Faka-Tokelau - phased in over a 10 year timeframe.
- A focus on the development of Economic Capital in Tokelau. Both at the macroeconomic level by optimising Tokelau's asset base to create financial stability and growth, and at the individual level where enterprise and entrepreneurial behaviour is actively encouraged and facilitated.
- Social capital that values and reinforces the traditional culture and values of Tokelau.
- World class ICT capability and transport solutions.

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APPENDIX 1: Summary of Interviews with Public Services

Interviews with Public Service staff commenced on 24 September with the aim of completing this task before the Team travelled to Tokelau in early October. Some interviews for village – based staff were completed via teleconference while others were completed face-to-face. The following table details the staff interviewed individually or in small department based groups (Transport / Support Services and Education):

Requested	Location	Department / Village	Position	Interview completed	Done
1	Apia	OCOG	GM	Yes	1
2			Secretary to Council	Yes	2
3			Legal Advisor	Yes	3
4			HR Manager	Yes	4
5			M&E Advisor	Yes	5
6			Executive Assistant	Yes	6
7			Sports Coordinator	Yes	7
8		Transport	Director	Yes	8
9			Operations Manager	Yes	9
10			General Staff (team)	Yes	10
11		Finance	Director	Yes	11
12			Accountant	Yes	12
13			IT Advisor	Yes	13
14		Health	TPRS Coordinator	Yes	14
15			Health Manager	No	
16		EDNRE	Project Officer	Yes	15
17		Education	Apia based team + Director, Assessment Coordinator, Principals & Teacher in charge ICT	Yes	16
18	Fakaofu	Taupulega Office	Coordinator	Yes	17
19		Teletok	Director	Yes	18
20			Prev. Acting Director	No	
21		Energy	GM	Yes	19
22			Prev. Acting GM	No	
23		EDNRE	Manager Fisheries	No	
24	Nukunonu	Taupulega Office	GM	Yes	20
25			HR Manager	Yes	21
26			PA to Faipule and Pulenuku	Yes	22
27		Health	Director	Yes	23
28			Public Health Advisor	Yes	24
29			Chief Clinical Advisor	Yes	25
30		EDNRE	Manager Economic Development	Yes	26
31	Atafu	Taupulega Office	Director	Yes	27
32		ENDRE	Director	Yes	28
33			Manager Environment	Yes	29
34		Education	Director	Yes	30
35			SSEP / Curriculum Coordinator	Yes	31
36	Wellington	OCOG	Liaison Officer	Yes	32
37		Fakaofu	Faipule	Yes	33

Summary of Discussions with Village Taupulega and Community-Based Organisations (CBOs)

The Team requested discussions from 6 – 8 October with each Taupulega as well as group discussions with CBOs (10 reps from each of Youth and Sports, Fatupaepae and Aumaga / Taulelea). However, each village organised discussions in different arrangements as outlined in the Table below:

Nuku / Village	Group Discussions
Atafu	Taupulega
	Fatupaepae
	Aumaga
	Public Services
Nukunonu	Taupulega
	Fatupaepae
	Aumaga / Taulelea
Fakaofu	Taupulega
	CBOs and Public Services

Consultations with Office of the Administrator and Government of Tokelau

Date/s	Positions
Main instances since commencement of project	Ulu o Tokelau
2 nd and late October during meeting in Apia	Faipule o Fakaofu
October meeting in Apia	Minister of Education
Many instances and during final consultations with Taupulega in mid Nov	Administrator of Tokelau
During Final Consultations with Taupulega in mid Nov	Deputy Director – OAT
Many instances as the Team defer to him most of the time	General Manager TALO

APPENDIX 2: Structural and Functional Changes

Structural Domain/Agency	Functional Responsibilities	Positions	Salary/Work Conditions/ Entitlement (NZ\$)
1. Legislature	Responsible for the enactment of legislation and, sanctioning of regulations and policies. This role is now the responsibility of Executive Council		
2. Executive Government Expanded Council of 12 members - 4 elected members for each nuku, elected by Taupulega with fair representation of men, women and youth based on nuku criteria Ulu and Ministers to shift to nuku with respective portfolio,	<ul style="list-style-type: none"> 12 members are responsible for governing Tokelau as the Executive Government for a period of 3 years. Ulu responsible for the overall conduct of Ministers and the performance of their respective portfolios to achieve Departmental goals as stipulated in the TNSP. A shift from a representative role to that of an elected governance role. Responsible to Council but accountable to their constituent base on a 3 yearly election cycle.2010-2015 Portfolio Ministers responsible for the delivery of technical functions through collaboration with the Public Service Commission and the Directors Accountability - the people of Tokelau through the Taupulega 	<ul style="list-style-type: none"> 1 Ulu (term of 3 years) 5 Portfolio Ministers (term of 3 years) 1 MP - Chair Board of Directors for Assets and Utilities 1 MP – Chair Delivery and Results Taskforce 1 MP – Chair Steering Committee 3 Other MPs to be Associate Minister for large Portfolio such as Education, Health, Finance and Employment 	\$75,000 \$300,000 (5 x \$60,000) \$45,000 \$45,000 \$45,000 \$135,000 (3 x \$45,000) Rental/relocation/travel/mark et allowance
2a Central Agencies - Whole of Government			
2.1 Public Service Commission Office will rotate with term of Ulu	<ul style="list-style-type: none"> Responsible for managing the employment policy framework for the Tokelau Public Service, including hiring and firing, remuneration, performance management framework. Actual performance management will be the responsibility of each department. Will PSC oversee performance management of the Directors?,, discipline and grievance, Training and scholarship and national workforce and succession planning. Quality Assurance functions. Each directorate/ministry will identify appropriate performance standards framework and PSC will monitor/ensure compliance either directly or outsource. 	<ul style="list-style-type: none"> 1 Commissioner 2 Assistant Commissioners - 1 for the nuku where PSC is not located 3 Analysts to support the Commissioner – HR Policy Development Analyst, Workforce Planning Analyst, Performance Management Analyst ICT System/Network Administrator Corporate Services Manager Executive Assistant to Commissioner 	\$75,000 \$89,856 (2 x \$44,928) \$139,968 (3 x \$46,656) \$44,928 \$46,656 \$29,440 \$45,264 (2 x \$22,632)

Structural Domain/Agency	Functional Responsibilities	Positions	Salary/Work Conditions/ Entitlement (NZ\$)
	<ul style="list-style-type: none"> The Commissioner will be located where the Ulu resides while Asst Commissioners will be in the other 2 nukus with 1 EA/Record Clerk/Receptionist Accountability - the people of Tokelau through the Executive Government and Portfolio Ministers Accountable to the Delivery and Results Taskforce on the employment issues and challenges and compliance of the TPS Departments to HR policy Framework 	<ul style="list-style-type: none"> 2 EA/Record Clerk/Receptionist to Asst Commissioners Receptionist/Records Clerk for Commissioner's office Having full time ICT personnel depends on the ICT/Telecom arrangement, so this position could be part of the outsourcing 	<p>\$14,400</p> <p>Rental/relocation/travel and market allowance</p>
2.2 Ministry of Planning	<ul style="list-style-type: none"> Responsible for the development, formulation & dissemination of national policies including growth policies, development of National/Sector plans and corresponding and monitoring of all national projects including report preparation to Council through Director Opportunity – All sectors to develop bids/plans that are coordinated and monitored by this unit and ensure alignment with National Strategic objectives. This will require support and collaboration with finance dept in terms of budgets and cashflow projections etc. Plans/bids could also include workforce development planning. Will support and oversee the development of sector planning, recording and reporting activities. Develop appropriate templates, training etc. Responsible for foreign affairs and all matters pertaining to Tokelau's interface with Regional, New Zealand and other potential donors Responsible for Statistics, BDM and Communication Provide Secretariat services to the Council Accountability - the people of Tokelau through the Ulu and Minister of Planning and Executive Services Accountable to the Delivery and Results Taskforce on planning and macro-economic achievements of Line Departments, GDP and inflation, issues and challenges, growth and compliance, future opportunities 	<ul style="list-style-type: none"> Director of Economic Planning and Secretariat to Council 2 Assistant Directors – Statistician, Planning and Monitoring Analyst Secretariat to Executive Government Economic Planning for 2 other nukus 1 Communication Officer Executive Assistant to Director Supporting Officers – BDM Records Clerk/Receptionist 	<p>\$70,000</p> <p>\$93,312 (2 x \$46,656)</p> <p>\$46,656</p> <p>\$79,488 (2 x \$39,744)</p> <p>\$35,328</p> <p>\$27,520</p> <p>\$33,024</p> <p>\$12,480</p> <p>Rental/relocation/travel and market allowance</p>

Structural Domain/Agency	Functional Responsibilities	Positions	Salary/Work Conditions/ Entitlement (NZ\$)
2.3 Ministry of Finance	<ul style="list-style-type: none"> • Responsible for financial management and accounts and the development of fiscal policies including managing policies for procurement, tender process and asset • Responsible for the development and monitoring of budget and revenue generating policies • Responsible for bulk purchase of food supply and other necessary hardware materials for building and construction of public utilities • Responsible for debt management and filing prosecution • Responsible for the development of policy framework for the efficient and effective management of public utilities • Accountability – to the people of Tokelau through the Ulu and Minister of Finance • Accountable to the Delivery and Results Taskforce regarding Finance and Accounts, Procurement and Assets, Line Departments achievements against resources, payments and revenues, and public utilities business performance 	<ul style="list-style-type: none"> • Director of Finance, Accounts and Procurement • Financial Accountant • Budget Manager • Procurement/Asset Manager • 2 Finance Officers other nuku • 2 Finance Officers- Payroll, Account Payable, • Finance Officer – Public Utilities • Internal Auditor / Investigation Officer 	<p>\$70,000</p> <p>\$46,656</p> <p>\$46,656</p> <p>\$46,656</p> <p>\$66,048 (2 x \$33,024)</p> <p>\$66,048 (2 x \$33,024)</p> <p>\$33,024</p> <p>\$33,024</p> <p>Rental/relocation/travel and market allowance</p>
2b. Social Sector Services	<p>Responsible for the provision of social services to the people and government of Tokelau. The performance of Line Departments functions are guided by Whole-of-Government approach to employment of people, finance and planning, as well as sector specific policies.</p>	<p>Comments</p> <p>All sectors to develop bids/plans that are coordinated and monitored by the Ministry of Planning. They will ensure alignment with national strategic objectives.</p> <p>Such services require supplementation by the parents, kaiga, nuku and church</p>	
2b.1 Education Department	<p>Responsible for the provision of education services, including sports and culture. The Director with the support of Assistant Directors will organise responsibilities around: Policy Planning and Research, School Operations, Curriculum and Assessment, Post School & Continuing Education (including TVET and USP) and Sports and Culture.</p>	<ul style="list-style-type: none"> • Director of Education • 2 Assistant Directors –School Operations, Curriculum & Assessment • 3 Principals • 3 Deputy Principals • Teacher (ECE)x2x3 • Teacher (Primary)x6x3 • Teacher (Yrs 9 – 11)x4x3 • Teacher (Yrs 12 – 13)x3x3 • School Secretary /Librarian 3 	<ul style="list-style-type: none"> • \$60,000 • \$93,312 (2 x \$46,656) • \$113,160 (3 x \$37,720) • \$98,400 (3 x \$32,800) • \$108,000 (6 x \$18,000) • \$495,360 (18 x \$27,520) • \$330,240 (12 x \$27,520) • \$264,960 (9 x \$29,440) • \$54,000 (3 x \$18,000)

Structural Domain/Agency	Functional Responsibilities	Positions	Salary/Work Conditions/ Entitlement (NZ\$)
		<ul style="list-style-type: none"> • Administration Assistants 2 • Administration Officer 	<ul style="list-style-type: none"> • \$24,960 (2 x \$12,480) • \$24,000
2b.2 Health Department	<p>Responsible for the provision of health services including the Referral Scheme, Nutrition and Public Health awareness to the nukus and people of Tokelau</p> <p>Referral hospital providing specialist services in audiology, gynaecology/obstetrician</p>	<ul style="list-style-type: none"> • Director of Health • Clinical Advisor • Doctor – GPs (3) • Dentist • Nurse Manager • Senior nurses • Registered Nurses x 2x3 • Midwife (including maternal and prenatal/postnatal care and support) • Nurse Aide x 3 @\$10,400 • Public Health Officer • Nutritionist • Imaging technician • Visiting Specialists 	<ul style="list-style-type: none"> • \$60,000 • \$60,000 • \$180,000 (3 x \$60,000) • \$46,656 • \$35,000 • \$58,880 (2 x \$29,440) • \$165,120 (6 x \$27,520) • \$82,560 (3 x \$27,520) • \$31,200 (3 x \$10,400) • \$29,440 • \$29,440 • \$35,000 • \$180,000
2b.3 Law and Justice -	<p>Responsible for the preparation of all law, regulations and Policies especially of the Central Agencies. Assist the Law Commissioners as well as Police Officers in the conduct of their responsibilities</p> <p>Responsible for the enactment of legislation and, sanctioning of regulations and policies.</p>	<ul style="list-style-type: none"> • Solicitor General contracted on part time basis from NZ or any other Pacific island country • Judges contracted from overseas and engaged only when needed – quarterly basis • Senior police officers – constables 3 • Police officers (2 per village) 2 x 3 • 1 Legal Advisor • Legal Drafter • Administration Officer • Receptionist/Clerk • 3 Law Commissioners 	<ul style="list-style-type: none"> \$65,000 \$50,000 \$88,320 (3 x \$29,440) \$126,000 (6 x \$21,000) \$55,000 \$32,800 \$24,000 \$12,400 \$45,300 (3 x \$15,100)

Structural Domain/Agency	Functional Responsibilities	Positions	Salary/Work Conditions/ Entitlement (NZ\$)
			Rental/relocation/travel/mark et allowance
2b.4 Nuku and Social Development	Responsible for all activities relating to the development of the community, economic activities, women, youth, children, sport and culture. Responsible for the management of environment, agriculture and inshore fisheries and other natural resources including disaster management. Accessibility, responsiveness, and clear expectations of this department is critical. Potential that this could create an expectation that this department will 'do' everything for the Nuku's. This is a development, capacity building, information servicing, coordinating/linking agency – NOT A DELIVERY AGENCY	<ul style="list-style-type: none"> • Director of Community and Social Development • Administration Assistant • Social / Culture Officer • Environment Officer • Disaster Management Officer 	<ul style="list-style-type: none"> • \$55,000 • \$24,000 • \$33,024 • \$33,024 • \$33,024
3. Public Utilities – Board of Directors	Responsible for the management of all Public Utilities. The Board is to meet on a monthly basis to ensure services and developments are on target. The Board will also explore avenues for revenue generation through fees, levies and tariffs to contribute to the development of Tokelau. The Board will set service delivery efficiency measures (and targets?). It will receive reports on the performance of each department and provide any exceptions reports to the Executive Government	The Board of Directors will be chaired by an MP who is not a Portfolio Minister and other representatives include the PS Commissioner, Director of Finance, Director of Planning and Executive Services, a MFAT rep from NZ, Legal Officer, and one representative of each nuku selected by the Taupulega	<ul style="list-style-type: none"> • Chairman - MP • Commissioner • Director of Finance • Director of Policy and Planning • Legal Advisor • 3 Nuku representatives • MFAT Rep <p>Remuneration (assume 12 meeting per year)</p> <ul style="list-style-type: none"> • Chairman \$150 sitting allowance per meeting \$1,800 • Ex officials \$100 sitting allowance per meeting \$6,000 • 3 Nuku Reps \$120 sitting allowance per meeting \$4,320

Structural Domain/Agency	Functional Responsibilities	Positions	Salary/Work Conditions/ Entitlement (NZ\$)
			<ul style="list-style-type: none"> Annual fees Chairman \$5000 3 Nuku Directors \$12,000 (3 x \$4,000)
3.1 Transport/Meteorology Services		<ul style="list-style-type: none"> General Manager of Transport and Meteorology 3 Transport Officer Meteorology Officer Malaliki crew – Passenger Steward Malaliki crew – Supercargo Inter-atoll vessel crew – captains 2 Inter-atoll vessel crew – supercargo 2 	<ul style="list-style-type: none"> \$55,000 \$66,000 (3 x \$22,000) \$29,440 \$21,500 \$21,500 \$44,000 (2 x \$22,000) \$30,000 (2 x \$15,000)
3.2 ICT-Telecom/E-Banking		<ul style="list-style-type: none"> General Manager ICT-Telecommunications and E-Banking 3 ICT Staff 	<ul style="list-style-type: none"> \$55,000 \$135,000 (3 x \$45,000)
3.3 Energy/Watsan		<ul style="list-style-type: none"> General Manager Energy/WatSan 2 Staff 	<ul style="list-style-type: none"> \$55,000 \$80,000 (2 x \$40,000)
3.4 Bulk/Co-operatives		<ul style="list-style-type: none"> General Manager Bulk/Co-operatives Bulk Store Managers 3 Bulk Store Assistants 3 Co –Op Store Managers 3 Co-Op Store Assistants 3 	<ul style="list-style-type: none"> \$55,000 \$60,000 (3 x \$20,000) \$36,000 (3 x \$12,000) \$60,000 (3 x \$20,000) \$36,000 (3 x \$12,000)
3.5 Apia Assets	Responsible for ensuring that Council decisions on the Tokelau assets in Apia are properly maintained and secured for the future of Tokelauans	There is no additional position required here as the Tokelau Office in Apia will be responsible for whatever decision the Council will make regarding the assets in Apia	
3.6 Development Banks		Under Finance	
3.7 Public Utilities/Asset Management	•	<ul style="list-style-type: none"> General Manager Technical Advisers 2 Support Staff 	<ul style="list-style-type: none"> \$55,000 \$90,000 (2 x \$45,000) \$15,000
3.8 Tourism	Under TALO		

Structural Domain/Agency	Functional Responsibilities	Positions	Salary/Work Conditions/ Entitlement (NZ\$)
<p>4. Delivery and Results Taskforce (DRT)</p>	<p>The purpose of this Agency is to co-ordinate and discuss political challenges to delivery of services in confidence. For instance the delay in making fundamental decisions because of the indecisiveness of the Council and/or the Taupulega impact on the work of the Central Agencies, and the DRT should have the mandate to intervene to urge these entities to decide. Its primary responsibility is to determine and map out the key indicators of central agency improvements and of a very small set of service delivery indicators. In addition, it should provide oversight regarding the performance of Line Departments and the Board of Public Utilities.</p>	<p>The Taskforce will be chaired by an MP with no portfolio and others included the Commissioner, Director of Finance, and the Chief Advisor/ Secretariat (Policy and Planning), Chairman of the Board and 3 representatives of the nuku, not in the Taupulega.</p> <p>Secretariat to the Delivery and Results Taskforce will be the Planning and Monitoring Unit under the Executive Services</p>	<ul style="list-style-type: none"> • Chairman - MP • Commissioner • Director of Finance • Director of Policy and Planning • Director of Education • Director of Health • MFAT Rep <p>Remuneration (assume 12 meeting per year)</p> <ul style="list-style-type: none"> • Chairman \$150 sitting allowance per meeting \$1,800 • Ex officials \$100 sitting allowance per meeting \$7,200 • Annual fees for Chairman \$5,000 .
<p>5. Steering Committee</p>		<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Chairman – MP • 2 Nukurepresentatives • 5 Ex Off member • 1 NZ representative <p>Remuneration (assume 12 meeting per year)</p> <ul style="list-style-type: none"> • Chairman \$150 sitting allowance per meeting \$1,800 • Nuku rep \$120 sitting allowance per meeting \$2,880 • Ex officials \$100 sitting allowance per meeting \$6,000

Structural Domain/Agency	Functional Responsibilities	Positions	Salary/Work Conditions/ Entitlement (NZ\$)
			<ul style="list-style-type: none"> • Annual fees for Chairman \$5,000 • 2 Nuku members \$8,000 (2 x \$4000)
6. Tokelau Apia Liaison Office	Responsible for liaison with other partners and key stakeholders on behalf of Tokelau in all transactions, payments, travel, liaison services in TPRS, scholarship, offshore fishing, transport, immigration and biosecurity. Will also house a gift shop selling Tokelau mats, fans, hats and othe artefacts and an information shop.	<ul style="list-style-type: none"> • Manager • Executive Assistant • Administration/Liaison Officer • Finance Officer • Transport Officer • Office Clerks • Driver 	\$45,000 \$29,440 \$32,800 \$33,028 \$22,140 \$8,800 \$8,800

Appendix 3.

Tokelau Public Service Management Framework – Logic Map

<u>Inputs</u>	<u>Processes</u>	<u>Outputs</u>	<u>Immediate Outcomes</u> <u>1-2 years</u>	<u>Intermediate Outcomes</u> <u>3-5 years</u>	<u>Impact</u> <u>5years -</u>
<u>Resources</u>	<u>Service Delivery</u>	<u>Services:</u> These services need to identify measureable and quantifiable output units that reflect outcomes and ultimately Quality of Life impacts			Specify Quality of Life outcomes as identified in the Strategic Objectives stated in the TNSP
Financial NZ, Donors, Other revenue	Direct OR Outsourced	Planning Ministry			Good Governance
Governing Bodies	Policy & Planning	PSC			
Legislation and Policies and Procedures	Monitoring and Evaluation, Ongoing feedback and engagement	Ministry of Finance			Infrastructure Adequate , reliable & efficient
Staff & Volunteers	Quality focus and Continuous Improvement	Community & Social Development Dept			
Infrastructure Assets, Buildings, Equipment, IT	HR Development and alignment	Education			Human Development Health, Education and social well being
Intellectual Property	Communications – Internal & External	Health			
People of Tokelau	Information and Knowledge Management	Law & Justice			Sustainability Economic, environmental, cultural and spiritual
	Risk Management	Tokelau Apia office			
	Balancing Traditional and modern	Individual Public Assets and Utilities (And the Board)			
		Taupulega Services			