

Department of Labour  
TE TARI MAHI



**Declassified**

**Review of the Department of Labour's Pacific Division**  
Terms of Reference

14 April 2008

## **1 Introduction**

### **1.1 Purpose**

The purpose of these terms of reference is to outline the scope of an independent review that the Chief Executive has determined is required of the Department's Pacific Division. The review will be undertaken by external reviewer(s)/consultant(s).

### **1.2 Background**

The Pacific Division was established on 11 January 2005, in response to evidence that New Zealand's immigration policy in relation to Pacific countries was increasingly viewed as an important indicator of New Zealand's relationship with its Pacific neighbours.

The mandate for the Pacific Division was to take responsibility for the delivery of immigration policy (including the Samoa and Pacific Access category quotas) and application processing across the Pacific Islands branch network.

The Pacific Division was formed as part of the Service International Group. The Service International Group undertook a review of immigration functions and activities in relation to the Pacific Division in late 2005. This review was focused on border security, customer facilitation, building relationships with local stakeholders and delivering settlement support.

The implementation of recommendations from the review in January 2006 saw the repatriation of all residence decision making to New Zealand. In addition, the roles and functions of the branch network across the Pacific were restructured to focus on verification, facilitation and settlement.

The Department then commissioned a post-establishment review of the Pacific Division in 2006 from Price Waterhouse Coopers, who presented their report in October 2006.

Key findings from this report concluded that the Pacific Division had successfully increased the number of Pacific people gaining residence in New Zealand and had enhanced the Department's relations with Pacific people and employers.

However, the report also shows that a detailed establishment plan articulating required outcomes, delivery mechanisms or activities, resource requirements and related costs was not created at the inception of the Division; "terms of reference, outputs and outcomes for the Pacific Division are loose and its budget is not well defined".

In addition, the report claimed that systems and processes could be enhanced to be more efficient and cost effective, and that capability in the branches could be developed to improve consistency in service delivery.

In the context of the Department's current work in developing the Business Case for Immigration Business Transformation (New Business Model), the report concluded that roles responsibilities and desired outcomes of the Pacific Division need to be more precisely defined.

To date recommendations and changes from conclusions presented within this report have not been fully progressed or implemented.

Key findings from the report, together with a range of public commentary in relation to the Pacific Division made apparent to the recently appointed Chief Executive, and the requirement for the Department to deliver a comprehensive and robust Stage II Business Case in July 2008, has led the Chief Executive to direct that a further independent review of Pacific Division is required.

## **2. Process**

- 2.1 It is expected that the review will be undertaken in two phases as follows:
- 2.2 Phase I - An independent contractor / consultant is required to fully scope the range of enquiry of the review and develop appropriate terms of reference that will include details of timing for key milestones and deliverables. Estimated costs associated with the review should also be provided.
- 2.3 Phase II - The Department will use the terms of reference developed in Phase I to support an open procurement process to select an independent reviewer to undertake the formal review.
- 2.4 It is expected that during execution of both Phase I and Phase II any immediate opportunities or initiatives to improve the delivery of services will be identified and recommendations made to the Department.

## **3. Proposed scope for the review**

- 3.1 It is expected that the independent reviewer will review the operation and structure of the Pacific Division and its positioning within the Workforce Group and make an assessment of achievements, issues and areas requiring development or attention.
- 3.2 It is expected that the review will:
  - assess the capacity and capability of the Pacific Division to implement mandated programmes and activities
  - consider the role of the Pacific Division against the wider service delivery mechanisms of INZ

- identify and assess any opportunities and risks arising from current arrangements
- consider recommendations for changes that are required to address any issues and problems identified, including those appropriate for immediate consideration
- identify any other relevant issues, and, with the agreement of the Sponsor, make recommendations as to whether and how they should be addressed

### 3.3 Issues to be considered should include:

- the implications, if any, of trends in operational data including work volumes, case loads, complaint or appeal incursion and resolution, and any other relevant metrics
- analysis and comparison of work flow processes in terms of efficiency and effectiveness
- assessment of complaint resolution processes
- high level examination of integrity and probity issues and their linkages with work flow management
- evaluation of the efficacy of organisational design and structure
- assessment of the delegation arrangements within the Pacific Division
- bench marking of Pacific Division performance against broader INZ performance and other suitable comparators where practicable

## **4. Governance**

The Chief Executive of the Department of Labour will be the Sponsor for the review of the Pacific Division. A Steering Group will be established to assist the Chief Executive in his role as Sponsor and will comprise both internal and external members.

## **5. Timing and Deliverables**

### **Phase I**

For Phase I the independent scoping contractor / consultant is expected to provide regular updates to the Sponsor and two formal reports as follows:

- an initial written report by end May 2008 outlining the proposed scope and approach to be undertaken in relation to the review of the Pacific Division
- a final report together with terms of reference that will include details of timing for key milestones and deliverables, and estimated costs associated with the review by mid June 2008.

### **Phase II**

It is expected that the formal review will commence late July 2008 and that the independent reviewer will provide regular updates to the Sponsor and two formal reports as follows:

- an initial written draft report by late August 2008
- a final report by mid September 2008

## **6. Assumptions for Phase I**

Background documents, (briefings, records of meetings and register of actions) will be made available to the independent scoping contractor / consultant as appropriate.

Key people within the organisation will be made available for interviews as appropriate.

Travel to the branches of the Pacific Division is likely to be required.

## **7. Critical Success Factors for Phase I**

The Pacific Division and those who work in it have considerable profile in the Pacific community. The independent scoping contractor / consultant will be mindful of the considerable interest that a review of the Division will generate, and will conduct the work in such a way as to take account of this interest.

## **8. Required attributes of the independent scoping contractor / consultant for Phase I**

The independent scoping contractor / consultant is expected to be experienced in providing advice on sensitive projects that cover internal control and management issues. It is expected that the independent scoping contractor / consultant will also have significant experience and capability in working effectively with Pacific contributors.

The Department will seek assurance that the independent scoping contractor / consultant has demonstrated previous experience in:

- evaluating decision making systems and processes in the New Zealand public sector
- evaluating the delivery of value for money in the delivery of services in the Government sector
- working in a context of cultural sensitivity

The independent scoping contractor / consultant will demonstrate competency in the services required by supplying names and contact details of three previous clients who are able to act as referees. The referrals must be directly relevant in demonstrating past experience in projects of this nature in the public sector.

## **9. Budget for Phase I**

This will be agreed with the independent scoping contractor / consultant on confirmation of the approach for developing the scope and terms of reference for the review.

## **10. Process and key dates**

|                                  |               |
|----------------------------------|---------------|
| Phase I scoping commences        | Mid May       |
| Final scoping report completed   | mid June      |
| Phase II formal review commences | late July     |
| Final review signed off by CE    | mid September |

## **11. Communication**

All communication must be directed to our contact person for this review as follows:

Name:

Address: PO Box 3705  
56 The Terrace  
Wellington

Email: