

# **Department of Labour Pacific Division Review**

**Final Report**

4 December 2008

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# I. Executive summary

The conclusions reached and recommendations made in this report are based on an extensive review of the Pacific Division. This review included:

- ▶ A large number of stakeholder interviews in New Zealand and in the Pacific;
- ▶ Core document review and analysis;
- ▶ Review and analysis of branch process, decision-making and performance information;
- ▶ Assessments using core Ernst & Young audit methodologies and approaches; and
- ▶ Assessments using the Ernst & Young Performance Assessment Model.

Performance dimension	Overall conclusion	Summary assessment
Business results	Development area – remedial action required immediately to address issues and gaps	<p>Pacific Division has achieved good results to:</p> <ul style="list-style-type: none"> <li>▶ Fill Samoan Quota (SQ) and Pacific Access Category (PAC) quotas; and</li> <li>▶ Manage a significant increase in temporary visa applications.</li> </ul> <p>However, issues exist in relation to:</p> <ul style="list-style-type: none"> <li>▶ Backlog of applications; and</li> <li>▶ Timeliness and quality.</li> </ul>
Strategic direction	Serious concerns – immediate action required	Pacific Division does not have a clear and agreed strategic direction, which sets out role, responsibilities and mandate. The absence of this direction leads to assumptions and misunderstandings internally and externally.
Operational effectiveness and efficiency	Urgent development area – remedial action required as soon as possible to address issues and gaps	Pacific Division branches face significant operational efficiency and effectiveness issues, which impact performance. Some can be addressed immediately, e.g., those relating to queue management, while others should be addressed as soon as practically possible.
Performance management and budgets	Development area – remedial action required to address issues and gaps	<p>Our review of the Pacific Division’s budget process noted no serious concerns, however, we do note the need for:</p> <ul style="list-style-type: none"> <li>▶ Further analysis of the relative level of budget and the source of that budget held within the National Office office relative to that allocated to the branches; and</li> <li>▶ Need for improved monitoring of key budget items and, in particular, some areas of budgetary over/under spend.</li> </ul>
Internal stakeholder engagement	Urgent development area – remedial action required immediately	Pacific Division needs to significantly improve the quality and focus of its internal relationships.
External stakeholder engagement	Development area – remedial action required to address issues and gaps	Pacific Division has created strong working relationships with some stakeholders, but needs to build its relationships with others and take advantage of significant opportunities available to it.

Performance dimension	Overall conclusion	Summary assessment
Leadership	Serious concerns – immediate and urgent remedial action required	Pacific Division needs to significantly and urgently lift its overall leadership capability and approach.
Capability, learning and development	Urgent development area – immediate remedial action required	Pacific Division needs to immediately address the underinvestment in staff, including training and development, engagement, support and facilities.
Compliance/control	Urgent development area – urgent and immediate remedial action required	Pacific Division has a number of areas of expenditure and process controls that need to be immediately improved.

The Pacific Division is staffed by hardworking, passionate, and committed staff, operating in a culturally diverse and demanding setting. The Pacific Division enables the Department to focus its capability to address Pacific immigration issues. The Pacific Division has achieved good results in the following areas:

- ▶ Building positive relationships with Government Ministers and Officials in the Pacific Island states;
- ▶ Establishing an effective employer engagement model;
- ▶ Meeting the PAC and SQ quotas; and
- ▶ Leading the development and implementation of the Recognised Seasonal Employer (RSE) scheme.

However, based on the feedback received and the analysis undertaken, this review has found a number of significant areas of performance and effectiveness concerns at the strategic, relationship, and operational levels. These areas of concern include:

- ▶ A strategic direction that was never comprehensively agreed, articulated, and/or documented. The strategic direction evolved over time and led to assumptions and misunderstandings regarding role and mandate. Undocumented aspects of the mandate included addressing overstaying through the use of Section 35A, settlement support and pastoral care, and “trouble shooting”;
- ▶ A leadership and management style that:
  - ▶ Emphasised “getting things done” without sufficient understanding of and focus on requirements for accountability, transparency, and proper process;
  - ▶ Focused on external relationship management at the expense of operational capability;
  - ▶ Led to the Pacific Division becoming isolated from the rest of the Department as a result of:
    - ▶ A perceived need to do things differently from other parts of the Service Delivery;
    - ▶ A lack of capacity and a perceived lack of willingness from other areas within the Department to understand and engage positively with Pacific Division; and

- ▶ The creation of a “fiefdom” mentality that limited influences from the wider Department. The isolation of the Pacific Division resulted in it not accessing the support structures within the broader department.
- ▶ Insufficient operations management and capability. Operational plans were not put in place and resources not secured to ensure the Division and its branches had the resources, staff, training, systems and support from the rest of the Department they needed to deliver on their core role of immigration decision-making. As a result:
  - ▶ The Division has had significant quality issues, particularly in relation to residence applications;
  - ▶ There has been ineffective monitoring and use of performance information; and
  - ▶ Branches have ineffective queue and customer management, poor workflow design resulting in bottlenecks and rework, delays in application processing, poor records management (affecting the Division’s ability to respond to and disclose information for Official Information Act and privacy requests), poor staff utilisation and specialisation, excessive overtime and weak controls and compliance.

This report outlines non-structural recommendations as well as subsequent longer-term structural considerations for efficient and effective delivery of Pacific immigration services.

The non-structural recommendations cover a range of issues, remedial, operational and strategic. They need to be actioned and significant progress made on them before structural decisions are made and acted upon.

**Key non-structural recommendations include:**

- ▶ Interventions to address control and compliance gaps;
- ▶ Interventions in the branches to address operational and technology issues, such as backlogs and queues;
- ▶ Interventions to strengthen decision-making and work practices through a skill/competency assessment and a training needs plan based on this assessment;
- ▶ Actions to resolve a number of outstanding staff grievances around remuneration, contracts, resources and facilities;
- ▶ Seek direction from Cabinet regarding the New Zealand Government’s vision and goals for immigration services in the Pacific, then develop a Pacific Immigration Services Strategic Plan that will deliver on that vision;
- ▶ Use the Pacific Immigration Services Strategic Plan to develop a Pacific Division Operations Plan that ensures implementation of the above strategy, through:
  - ▶ Real world understanding of working in the Pacific and delivering immigration services in the Pacific;
  - ▶ Adequate staff and resource allocation;
  - ▶ The creation and use of a clear performance management system, with associated metrics;

Executive summary (continued)

- ▶ Develop branch-level operations plans that ensure the operating environment and issues for each branch are understood and that adequate plans are in place to address those issues;
- ▶ Develop a leadership and management approach that emphasises a full range of competencies:
  - ▶ Technical;
  - ▶ Cultural;
  - ▶ Customer management;
  - ▶ Staff management;
- ▶ Develop an internal stakeholder relationship approach aimed at:
  - ▶ Improving internal relationships;
  - ▶ Creating a more formal channel for communicating, monitoring, and reporting;
- ▶ Develop an external stakeholder relationship approach that:
  - ▶ Maintains and builds on existing strong and positive relationships (e.g., Pacific Island Government ministers and officials);
  - ▶ Takes advantage of a number of significant opportunities to develop stronger relationships (e.g., employers, community leaders);
  - ▶ Significantly improves weak and/or non-existent relationships (e.g., Ministry of Pacific Island Affairs); and
- ▶ Develop an enduring governance/consultation mechanism with key external stakeholders (e.g., whole of government, employers, and community leaders).

The scope and scale of these non-structural recommendations are significant and some will take some time to address. Recommendations to address branch premises, technology, staffing levels, customer service management and management and staff capability and training will:

- ▶ Take time to develop and implement;
- ▶ May need to be considered in the context of wider service delivery and department approaches; and
- ▶ Have significant cost application.

Even with a redistribution, Pacific Division's current budget will be inadequate to address these concerns.

While these recommendations are focused on the efficiency and effectiveness of the Pacific Division, their relevance to Service Delivery should be considered. Throughout the review, staff and managers consistently expressed concern about successive years of underinvestment in the wider immigration service (in people capability and training, systems, tools, facilities). The significance and impact of any underinvestment needs to be assessed. We understand some of these issues are being looked at as part of the Office of the Auditor General's review of the New Zealand Immigration Service. If it has resulted in similar issues to those found in Pacific Division then an integrated approach to dealing with these issues needs to be undertaken.

Once the non-structural recommendations outlined above have been actioned, the Department should:

- ▶ Consider the "best fit" organisational structure to deliver Pacific immigration services.

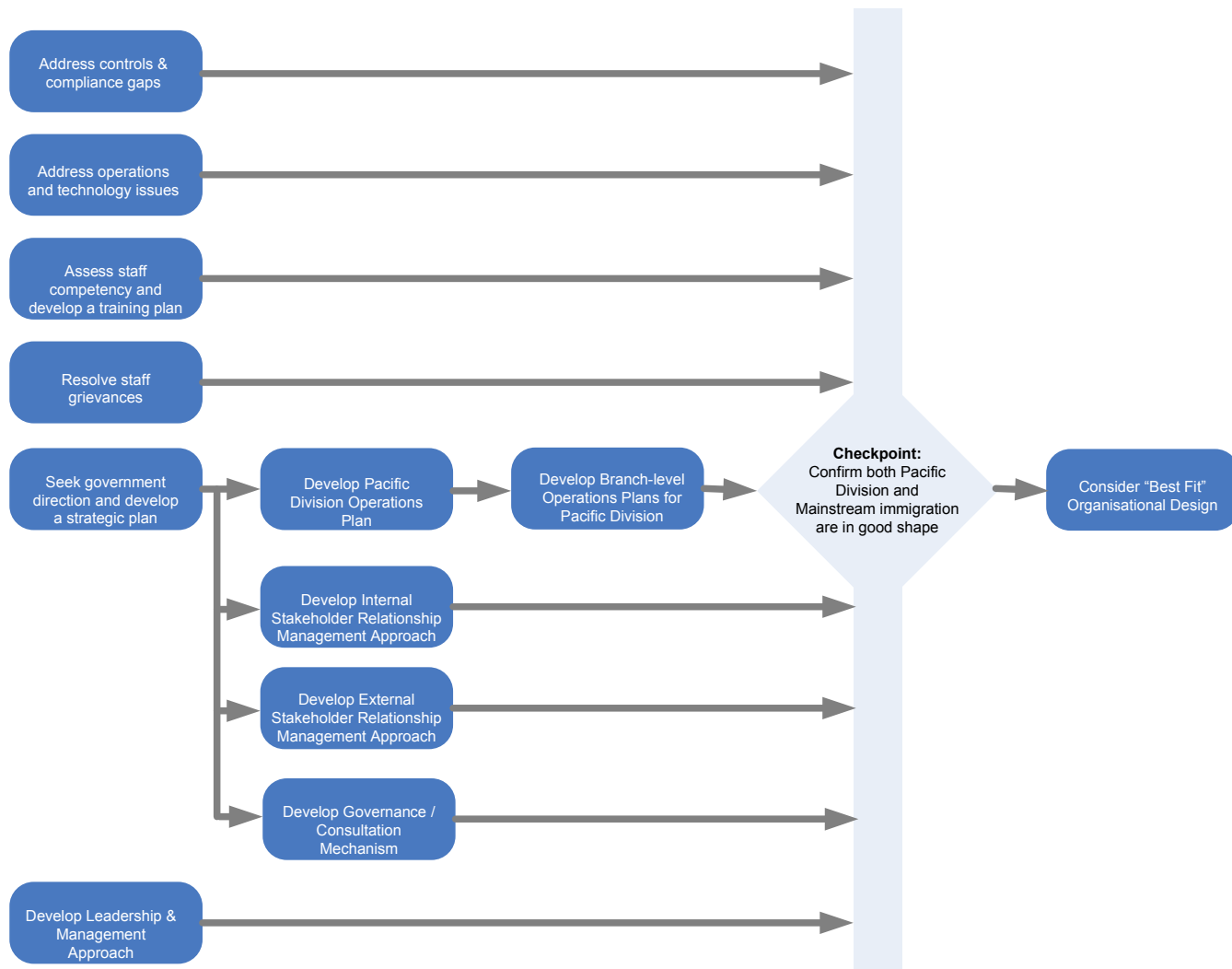
The review addressed three possible organisational structures for the future of Pacific Division:

- ▶ **Option 1:** A Separate Pacific Division;
- ▶ **Option 2:** Mainstream core application processing but retain a Pacific Division/Group to undertake some activities (e.g., strategy, policy, relationship management);  
or
- ▶ **Option 3:** Mainstream all Pacific immigration activities (into Service Delivery Group, Policy, Corporate Services etc).

The assessment and rating made in this review proposes that, on balance, a separate Pacific Division should be retained. The Division would need to work closely and collaboratively with other areas of Service Delivery, with reporting lines into the Deputy Secretary responsible for the Immigration Service. The resource implications for Service Delivery for these changes also needs to be assessed to ensure existing levels of service within to other immigration service branches are not negatively affected.

Should a decision then be made to move and/or integrate all or any part of Pacific Division into another part of the organisation, the Department needs to assure itself that the receiving area of the Department is itself functioning effectively and efficiently.

## 1.1 Sequence and priority of the recommendations



## 2. Performance assessment model: dimensions

Our assessment of the Pacific Division is based on a Performance Assessment Model that contains the following nine drivers of performance:

1. **Business Results:** Measuring achievement against targets;
2. **Strategic Direction:** The process of aligning the business unit with the wider organisation, including organisational priorities, missions and objectives and budgets;
3. **Internal Stakeholder Engagement:** Appropriate engagement with internal stakeholders to achieve alignment and consistency across the wider organisation;
4. **External Stakeholder Engagement:** Delivering value to stakeholders;
5. **Leadership:** Setting the direction and taking responsibility for leading delivery and change;
6. **Execution and Delivery:** Transforming planning into action and results;
7. **Operational Effectiveness and Efficiency:** Applying the right resources in the right way;
8. **Capability, Learning and Development:** Creating the conditions that support continuous learning and innovation; and
9. **Compliance/Control:** Following agreed policies and procedures to minimise risk.

## 2.1 Overall assessment categories

<b>Serious Concerns</b>	Serious concerns about the current capability and/or performance. Intervention is required to address current weaknesses and secure improvement in the medium term.
<b>Urgent Development Area</b>	Significant weaknesses in capability and/or performance that require urgent action. Not well placed to address weaknesses and needs significant additional action and support.
<b>Development Area</b>	Some weaknesses in capability requiring remedial action. More action is required to close those gaps and deliver improvement over the medium term.
<b>Well Placed</b>	Sound current capability and/or performance. Well placed to address any capability gaps/needs for future delivery through practical actions that are planned or already under way.
<b>Strong</b>	Strong current capability and/or performance. Good capability for future delivery in place. Clear focus on the action and improvement required to deliver transformation over the medium term.

## 2.2 Performance assessment approach

The conclusions reached and recommendations made in this report are based on an extensive review of the Pacific Division. This review included:

- ▶ Extensive stakeholder interviews in New Zealand and in the Pacific;
- ▶ Core document review and analysis;
- ▶ Review and analysis of branch process, decision-making and performance information;
- ▶ Assessments using core Ernst & Young audit methodologies and approaches; and
- ▶ Assessments using the Ernst & Young Performance Assessment Model.

A list of stakeholders interviewed can be found in Appendix 3.

## 3. Our assessment

### 3.1 Business results

#### Key focus

- ▶ Review of key performance information results (overall for Pacific Division and for each branch).

#### Overall assessment: development area - remedial action required immediately to address issues and gaps

Pacific Division has achieved good results to:

- ▶ Fill SQ and PAC quotas; and
- ▶ Manage a significant increase in temporary visa applications.

However, issues exist in relation to:

- ▶ Backlog of applications; and
- ▶ Timeliness and quality.

#### Key findings

##### 3.1.1 Overall performance of Pacific Division

For the purpose of assessing business results, we looked at how agreed or articulated a number of critical areas for an assessment of business results can be established. They are:

- ▶ Effectively managing the PAC and SQ and meeting quota numbers; and
- ▶ Effectively managing and deciding temporary visa applications from the Pacific.

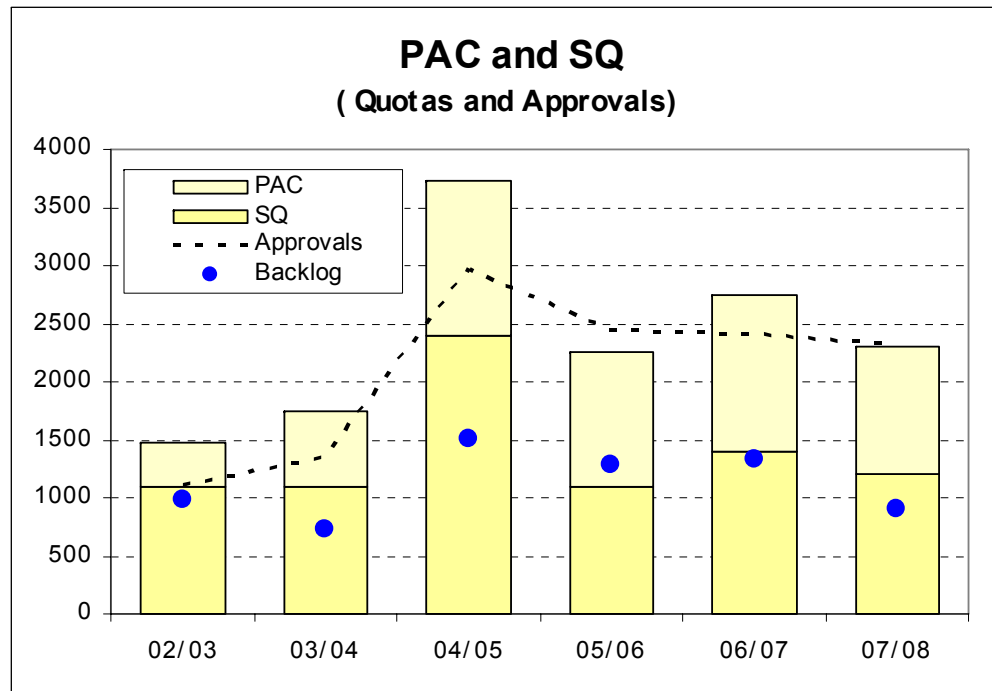
## Key findings

To assess these areas we analysed:

- ▶ PAC and SQ quotas and approvals 2002/03 – 2007/08;
- ▶ Temporary visas accepted, approved and backlog queue numbers 2002/03 – 2006/07;
- ▶ Residence Review Board appeals sent back for reassessment (2006/07); and
- ▶ Timeliness of decisions 2002/03 – 2006/07.

NB: In the following figures Auckland Pacific Division is referred to as APD.

Figure 1: Residence visa quotas, approvals and backlog queues



Since the establishment of the Pacific Division the PAC and SQ quotas have been met. The quota figures above include the residual residence approvals.

## Key findings

- ▶ Figure 1 shows that immediately prior to the establishment of Pacific Division in 2005, PAC and SQ numbers were not being met. Since the establishment of Pacific Division, the quotas were filled in 2005/06 and in 2007/08. The figure above shows the total quota approvals (including residuals) were not met in 2006/07 owing to the high number of residuals.
- ▶ The establishment of the Division has not resulted in the elimination of the number of quota applications that were in the backlog queue (i.e., waiting to be processed) – the backlog queue is shown as blue dots in the figure above.

Figure 2: Temporary visa applications, decisions and backlog queue

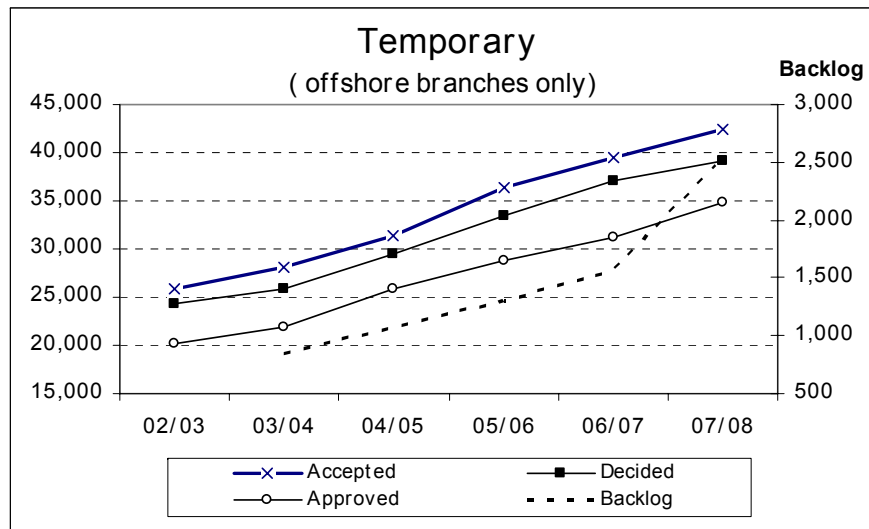


Figure 2 shows:

- ▶ A very significant increase in the number of temporary applications being made from the Pacific since 2002/03 (as evidenced by a 70% increase in accepted applications);
- ▶ Corresponding increases in the number of approved and decided applications over the same period; and

## Key findings

- ▶ Significant increase in the number of applications in the backlog queue particularly since 2006/07.
- ▶ On the whole the Pacific Division has managed temporary visa applications reasonably well, maintaining approved and decided levels in the face of very large increases in applications.

Figure 3: Residence Review Board appeals sent back for reassessment

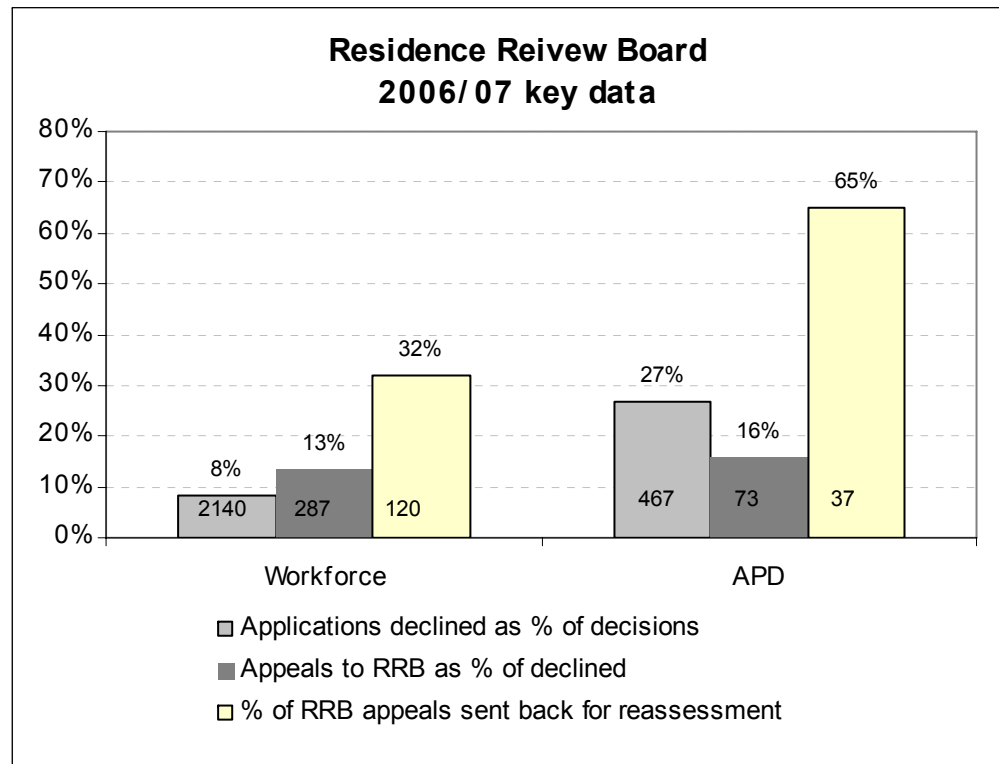


Figure 3 compares the percentage of Residence Review Board (RRB) appeals sent back for reassessment for Pacific Division with the whole of Workforce. The RRB is an independent judicial body established under the Immigration Act to hear appeals by unsuccessful applicants for New Zealand residence visas or residence permits. Figure

Our assessment (continued)

3 shows a significantly higher return rate for Pacific Division (65%) compared with the whole of Workforce (32%) for the 2006/07 year, indicating lower quality decision-making.

## Key findings

Figure 4: Timeliness of decision-making

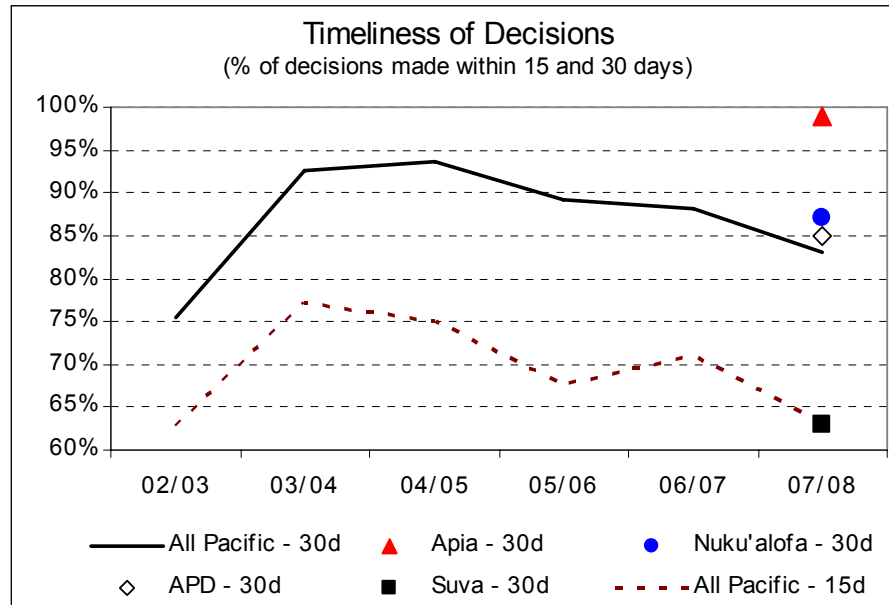


Figure 4 shows the number of applications that have been decided:

- ▶ Within 15 days; and
- ▶ Within 30 days.

The figure shows that in both cases the number of applications decided within these time limits has declined since the establishment of the Pacific Division.

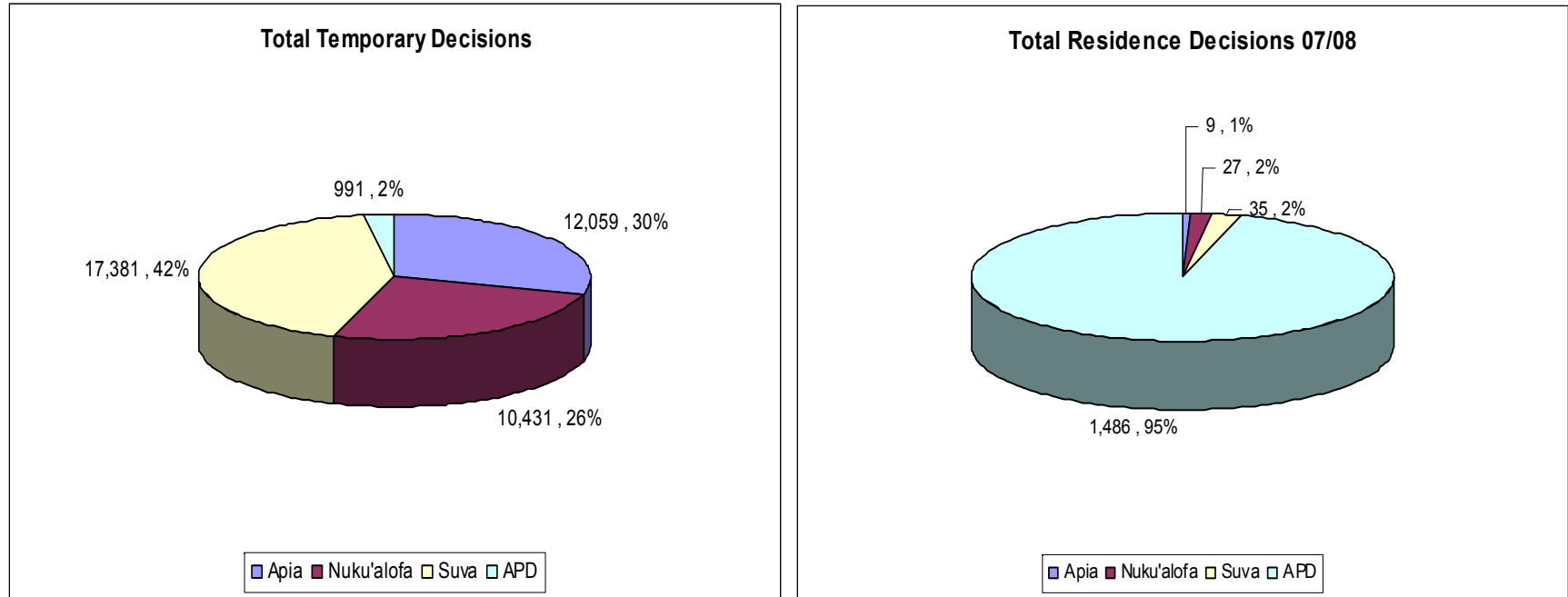
It needs to be noted that:

- ▶ Timeliness standards vary between branches; and
- ▶ Auckland Pacific Division numbers apply to residence applications while Suva, Apia and Nuku'alofa apply to temporary applications.

## Key findings

### 3.1.2 Branch business results

Figures 5 and 5a - Total decisions and approval analysis by category by branch



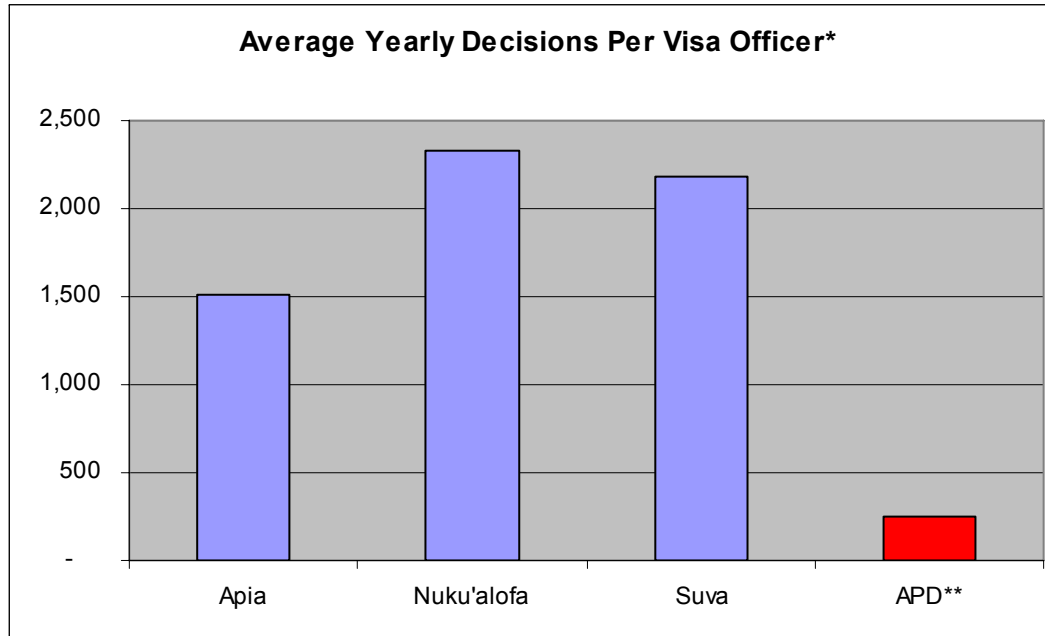
Figures 5 above show a consistent picture in terms of comparative branch performance (decisions represent both Approved and Declined applications).

- ▶ Auckland Pacific Division made 1,486 residence and 991 temporary decisions in 07/08. (Approximately 60%-40% split). Residence decisions are more time intensive than temporary decisions and took approximately 90% of the total employee hours.
- ▶ The offshore branches make very few residence decisions and are focused on temporary decision-making.
- ▶ Suva makes the highest number of decisions, processing 41% of all Pacific Division temporary decisions.

When these results are matched against average number of visa officers, the following picture in Figure 6 emerges:

## Key findings

Figure 6 –Average decisions 07/08 per visa officer



\* Calculation based on total decisions over average visa officer numbers as indicative measure only. Does not factor in that different temporary application types can be more time consuming than others.

\*\* Auckland Pacific Division is shown in red as focused primarily on residence decisions, which take longer to process and decide and are not directly comparable to decisions made in relation to temporary applications.

Figure 6 shows:

- ▶ Nuku'alofa would appear to be the highest performing branch, making the highest number of decisions per visa officer employed; and
- ▶ Apia, under this analysis, appears to be underperforming with an average of 1,500 decisions per employee compared to 2,400 for Nuku'alofa and 2,200 for Suva.

## Key findings

Figure 7 (below) analyses the total decisions made per branch against the overtime hours worked for the period January 2008 to June 2008.

Figure 7 – Total decisions vs. overtime hours worked

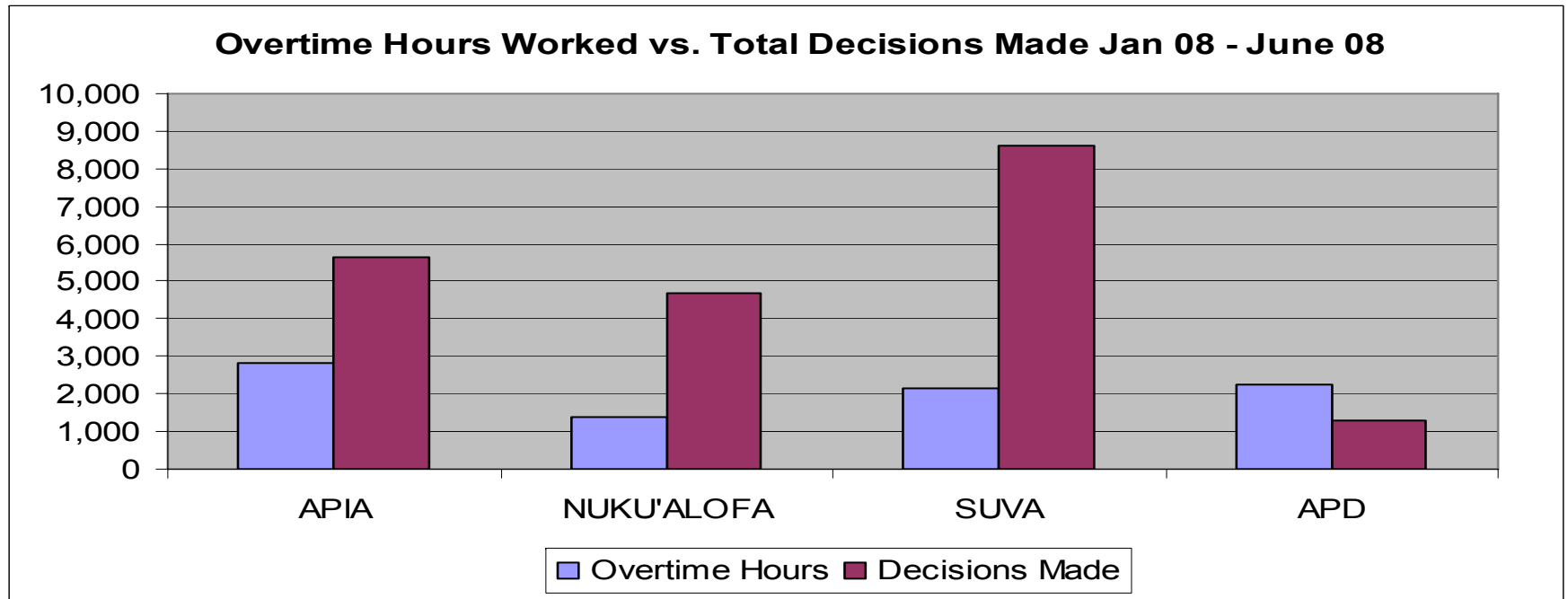


Figure 7 illustrates:

- ▶ Nuku'alofa branch had the lowest number of overtime hours worked during the six-month period reviewed;
- ▶ Suva worked the second lowest number of overtime hours, however it also made the most decisions. Suva has the highest number of employees with decision-making accountability;
- ▶ The onshore Auckland Pacific Division branch has high levels of overtime hours worked over this period compared to the decision outputs;

Our assessment (continued)

- ▶ The Apia Branch has relatively high overtime hours compared to the number of decisions made per visa officer, implying less effective use of overtime than other branches; a

## Key findings

- ▶ Additional analysis undertaken by the Department showed that in comparison to other areas of Service Delivery, overtime expense per average employee is much higher in the Pacific Division branches (especially Auckland Pacific Division).

Figure 8a & 8b – Ability to manage applications received and the backlog queue

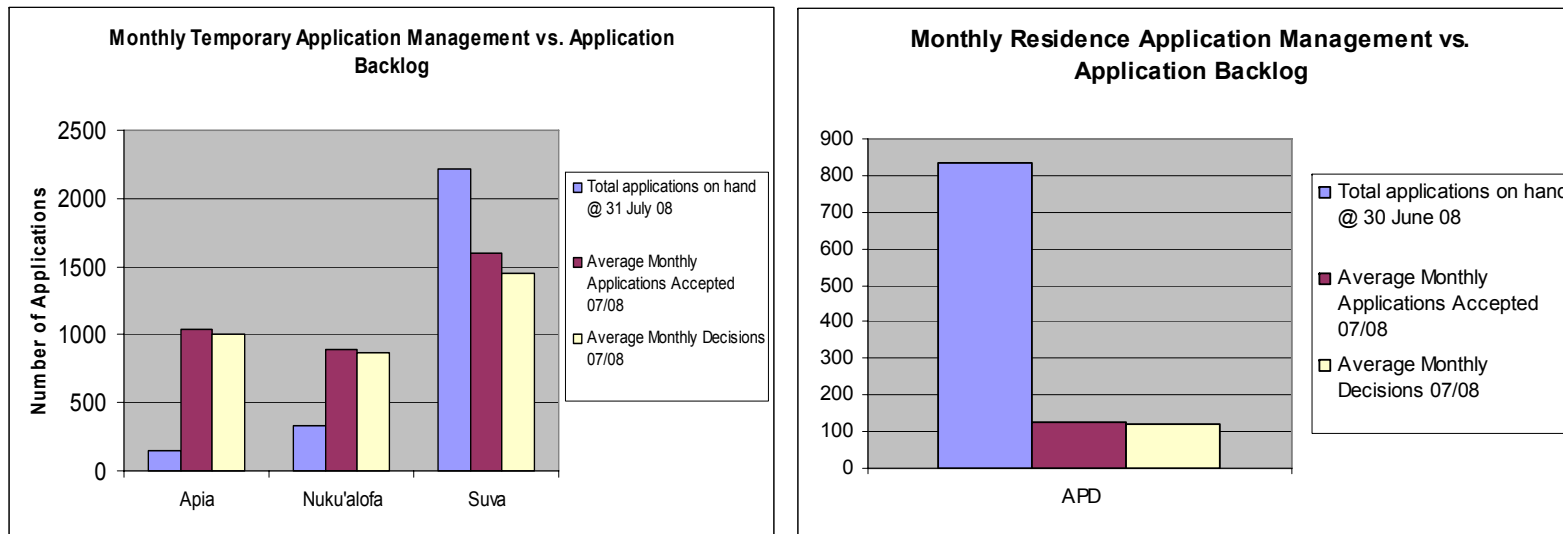


Figure 8 shows the level of all undecided applications on hand at 31 July 2008 (both accepted not allocated and allocated not decided), and identifies the ability (or inability) of the branches, given the historical processing rate, to make meaningful inroads into the queue levels and to manage these effectively. This illustrates the ability to manage the workflows on a branch by branch basis.

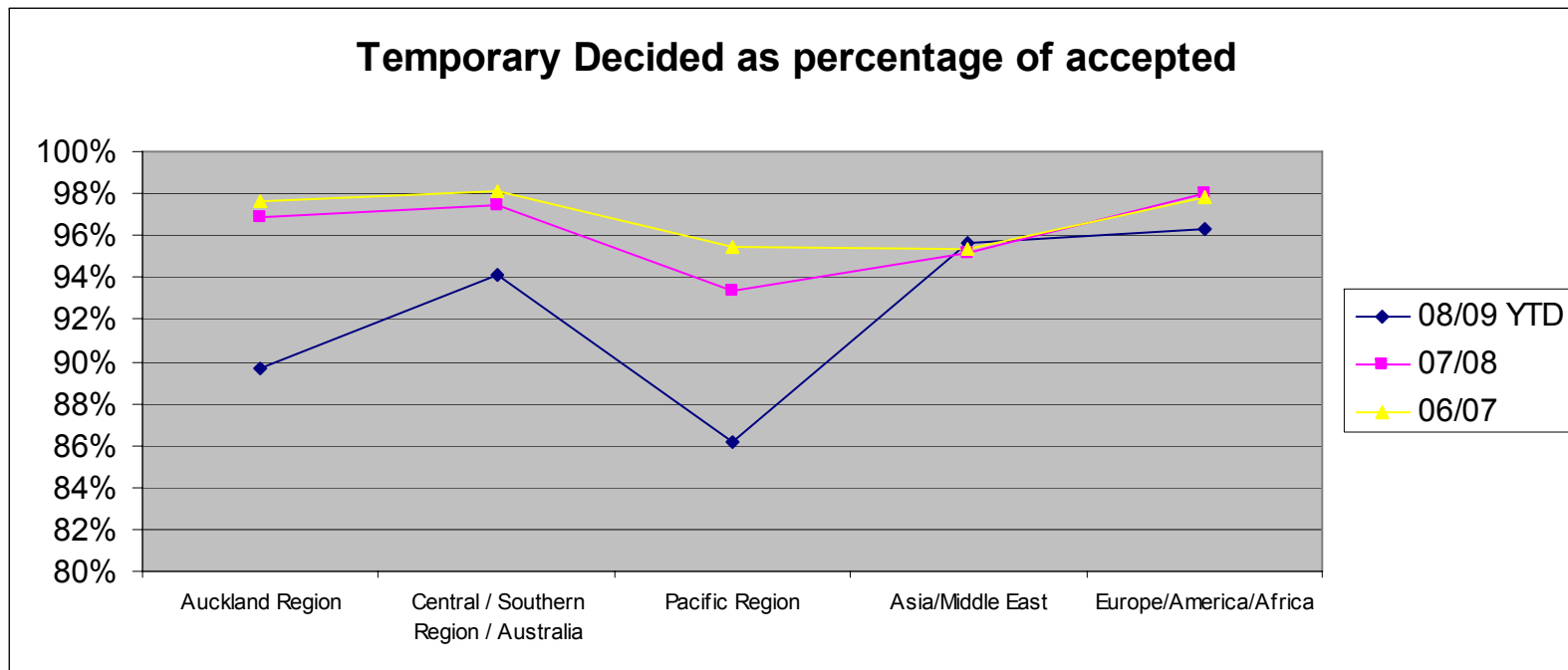
Figure 8 highlights:

- ▶ The concerns raised around the workflow in the Suva branch. It shows that the backlog queue at 31 July 2008 is approximately 2,200 applications (with approximately 1,600 of those yet to be allocated to Visa Officers). This is a significant process bottleneck, unique to the Suva Branch;
  - ▶ The average monthly processing rate in Suva cannot meet the level of applications received per month, let alone allow any reasonable focus on the queue;

## Key findings

- ▶ Interviews with staff confirm that staff morale in Suva is low as a direct result of the size of the backlog queue and the inability to make meaningful inroads into the backlog; and
- ▶ This is in contrast to the other two offshore branches, which (partially through staffing levels and/or high overtime hours) are able to decide, on average, at a rate similar to applications coming in, and as a result manage their queues better.
- ▶ The Auckland Pacific Division, on average, is able to make the same number of decisions as those applications coming in. Whilst it has a large queue in comparison, a number of those in the queue are awaiting key documentation to be provided or represent previous year's quota applications, retained as a result of quotas being filled.

Figure 9 – Workforce wide comparisons



## Key findings

Figure 9 looks at the applications decided (both approved and declined) as a percentage of accepted and compares Pacific Division performance with that of other regions of the Immigration Service and shows that for the past three years:

- ▶ The Pacific Division has consistently had the lowest percentage of decided applications as a percentage of all incoming applications; and
- ▶ Pacific Division performance is declining, as its ratio of decided applications as a percentage of all incoming applications is decreasing, indicating larger backlog queues and general operating issues requiring closer analysis.

*NB: this result is largely a consequence of Suva backlog issues.*

## 3.2 Strategic direction

### Key focus

Description/analysis of:

- ▶ Context for Pacific Immigration;
- ▶ Rationale, mandate and decision path for the creation of Pacific Division; and
- ▶ Strategic direction and priorities for Pacific Division and assessment of performance.

### Overall assessment: serious concerns – immediate action required

- ▶ Pacific Division does not have a clear and agreed strategic direction that sets out role, responsibilities and mandate. The absence of this direction leads to assumptions and misunderstandings internally and externally.

### Key findings

#### 3.2.1 The Pacific context

Operating in the Pacific is different to the rest of the world. The three critical areas of difference relate to:

- ▶ International Relations;
- ▶ Immigration Context; and
- ▶ Operating Environment.

#### International relations

- ▶ New Zealand is a member state of the Pacific region. The Pacific Island countries are among our closest neighbours and we have deep and long standing historical, political, social and economic connections to the Pacific including:
  - ▶ Citizens of Niue, Tokelau and the Cook Islands have New Zealand citizenship; and
  - ▶ New Zealand has a Treaty of Friendship with Samoa that was entered into following a direct period of New Zealand administration from 1914 to 1962.

## Key findings

- ▶ New Zealand is a significant provider of development assistance to the Pacific region. NZAID assistance to the Pacific totals over \$120 million.
- ▶ New Zealand-based Pacific communities are very large in relation to the populations of the Pacific states themselves, for example, the New Zealand Samoan population is approximately 160,000 – only 20,000 fewer than the population of Samoa itself.
- ▶ New Zealand's international standing and our ability to have a significant influence and say on the "world stage" in part depends on how effectively and fairly New Zealand operates and acts in its own immediate sphere of influence.
- ▶ For many Pacific states their closest and most significant international relationship is with New Zealand. They have very close economic links through financial remittances, tourism, employment and immigration.
- ▶ New Zealand takes an active leadership role in various regional organisations and in the Pacific Forum.
- ▶ New Zealand has particular security interests in the Pacific.
- ▶ The Pacific region has changing relationships with global powers. There is growing aid and support in the Pacific from China and Asian countries as well as the United States.
- ▶ Weak and underdeveloped social infrastructure in the Pacific will mean New Zealand will continue to grow as a source of education and health services.
- ▶ The above Pacific dimensions have led to the development of a strong interconnected approach to the Pacific. Immigration Policy is an integral and key part of New Zealand's wider trade security and development policies and approaches in the Pacific.

## Immigration context

- ▶ The SQ was established in 1970 as part of the Treaty of Friendship and the PAC Quota was established in July 2002 – these quotas are unique to the Pacific and represent New Zealand's commitments to countries with close cultural and historical ties.
- ▶ A Residual Places policy is in place allowing unfilled places under the SQ and PAC to be offered to Pacific people legally in New Zealand. The Residual Places policy has similar criteria to that of the SQ and PAC. Again, this is unique to the Pacific.
- ▶ The RSE policy is implemented both to help meet the labour requirements of the New Zealand horticulture and viticulture industry and to support development goals for the Pacific. Once an employer has been accredited under the RSE policy, they can recruit workers from offshore, with priority given to Pacific Island Forum nations (except Fiji). Kiribati, Samoa, Tonga, Tuvalu and Vanuatu are supported to be "kick start" countries.

## Key findings

- ▶ The Pacific makes up a large proportion of migrants coming to New Zealand. Between 1997/98 and 2006/07 the proportion of migrants from the Pacific ranged between 11% and 17% of the total number of approvals of the New Zealand Residence Programme (NZRP) (Reference – Annual Migration Trends Publications, DoL website).
- ▶ Approximately 10% of the annual temporary visas issued are for visitors from Pacific countries (46,800 out of a total of 511,500 in 2006/07).
- ▶ The 2006 Census shows that Pacific peoples make up 6.9% of the population (265,974). This is compared with 14.6% Maori. This population maintains close cultural and family ties with the Pacific as evidenced through financial remittances from New Zealand to the Pacific and the frequency and high number of temporary visa visitors travelling to New Zealand from Pacific countries (ranging from approximately 38,000 to 54,000 visitors per annum over the period from 2001 – 2007).
- ▶ In 2004 overstayers from Samoa, Tonga and Fiji made up 35% (7,146) of the total estimated number of overstayers (Cab 100/2002/1, DoL Reference C74).
- ▶ Immigration to New Zealand is a major political issue and it is not uncommon for management and staff in the Pacific branches to have close and regular contact with senior government ministers and officials.
- ▶ Standard documentation required for visa applications may not be available and verification of these is even more challenging.

## Operating environment

- ▶ Pacific states have small populations with close knit communities. This means management and staff live in a social context where:
  - ▶ Their actions in and out of work are subject to high levels of scrutiny and comment;
  - ▶ There can be significant pressure on staff to fulfil family and cultural obligations; and
  - ▶ Staff are required to adhere to New Zealand public sector standards, which can contrast significantly with the cultural norms of the society in which they are working.
- ▶ There is a very strong connection and communication between the Pacific Island populations living in New Zealand and in the Pacific.
- ▶ Face-to-face communication is required for all aspects of visa processing owing to cultural preferences, language, limited customer understanding of policies and processes and poor local infrastructure (for example, in some cases weak or non existent mail, phone, IT and email).

## Key findings

- ▶ Because rural areas are relatively inaccessible (accessible sometimes only by boat) people queue for hours as there are restricted options for alternative contact or return if additional information is required.
- ▶ The population health profile of many Pacific people, who have high rates of obesity and chronic disease, mean exclusions are inevitable, or applications require costly medical assessments.

### 3.2.2 The situation prior to the establishment of the Pacific Division

Prior to 2005 immigration services in the Pacific were managed by the Service Delivery Group (SDG). There were a number of significant performance issues during this time including:

- ▶ **Failure to fill the Quotas:** There had been a failure to fill quotas for Pacific migrants (refer to Figure 1 in section 3.1);
- ▶ **Insufficient focus on the Pacific:** Within the Immigration Service, the Pacific was considered a low priority and Pacific immigration issues were not given focus and attention. The view of the Pacific as a 'poor cousin' was confirmed by a number of branch managers who had previously worked in the Pacific; and
- ▶ **Inadequate Offshore Branches:** Offshore Pacific branches were not adequately resourced and structured to address the challenges of operating in the Pacific.

These issues reached a critical point in 2004 at the Pacific Leaders Forum where Pacific Island Governments raised significant concerns to the New Zealand Government regarding:

- ▶ Current poor immigration performance; and
- ▶ The importance of creating more immigration opportunities to New Zealand.

This resulted in a number of Cabinet directives that addressed specific issues including:

- ▶ The directive to establish relationship manager positions to better match Pacific migrants with employers;
- ▶ The establishment of the Residual Places Policy;
- ▶ The provision of more settlement information to Pacific migrants; and
- ▶ The requirement for a communications campaign in New Zealand and in Pacific countries to improve the nature of the relationships between New Zealand and the Pacific.

## Key findings

Refer to Appendix A for a list of key Cabinet decisions.

### 3.2.3 Establishment of the Pacific Division

The Division's establishment was a significant part of the Department's response to give effect to the Cabinet decisions to address performance issues relating to Pacific immigration. The Division's establishment occurred as part of a significant restructure of the Department of Labour, which was led by then Chief Executive Officer (CEO) Dr James Buwalda.

In the "Making Workforce Work - Consultation document" (1 October 2004, DoL Reference A1), the then Deputy Secretary for Workforce outlined her rationale for establishing the Pacific Division:

- ▶ "New Zealand's immigration policy is being seen as an important expression of New Zealand's relationship with its Pacific neighbours. It is Government's expectation that the Department is to play a key role in managing these relationships through its immigration policy (that is, both SQ and PAC)". Pacific Division was to be established as a response to reflect the intent of the Government's special relationship with the Pacific.

The same document outlines the purpose of the Division, which was to:

- ▶ Specialise and lead our work with the Pacific which will include our offshore offices in Apia, Nuku'alofa, and Suva. The Division will need to work closely with relevant public and private sector agencies/organisations to facilitate those balloted through the SQ and PAC to find employment in New Zealand for Pacific Migrants.

Some of the submissions in response to that consultation paper were concerned that the establishment of a Pacific Division would isolate Pacific immigration from the broader service delivery function. However, in June 2005 then CEO Dr Buwalda announced the new Workforce structure, which established Service International Group (SIG) and the Pacific Division within SIG (Workforce Leadership Structure, 27 June 2005, DoL Reference A24).

This document also noted that "the new Deputy Secretary (Workforce) will be responsible for defining an appropriate management structure to meet his/her accountabilities." This document also outlined the unique deliverables of Service International Group:

- ▶ Ensure that relationships with Pacific Countries in respect of immigration services and issues are to be managed effectively; and
- ▶ New Zealand meets its obligations under the SQ and PAC agreements.

The document states that the Pacific Division "straddles a range of work areas within the Workforce Group" and "its most urgent directive from the Deputy Secretary Workforce was to ensure that unfilled places for both the SQ and PAQ over the past few years are filled (residuals)."

Following the conclusion of the consultation process, the decision was taken to establish the Pacific Division.

## Key findings

### 2005 Pacific Division review

In mid-2005 a review of the Pacific Division was undertaken to determine what should be the nature and scope of DoL/NZIS presence and services in the Pacific. It recommended two phases of change.

#### Phase One

- ▶ Centralise residence decision-making in New Zealand.
- ▶ Establish requirements for excellent customer services.
- ▶ Establish border security and intelligence functions capability.
- ▶ Establish two New Zealand-based managers to lead offshore branches.
- ▶ Establish new functions in offshore branches (outreach, pre-settlement etc).

#### Phase Two

- ▶ Establish improved arrangements for Ministry of Foreign Affairs and Trade agency post functions, monitoring and auditing.
- ▶ Centralise high risk and long term temporary visa decisions.

As a result of the above review, a Business Case for change was developed that anticipated an implementation cost of \$137,000 and ongoing costs of \$1.7m/year. (Pacific Change Phase I Business Case, DoL reference B18). Key decisions were to:

- ▶ Centralise residence decision-making in NZ;
- ▶ Make Auckland Pacific Branch permanent and add staff;
- ▶ Establish two New Zealand-based managers in offshore branches;
- ▶ Establish a Regional Verification Officer and a Regional Liaison Officer based in the Pacific to enhance border security; and
- ▶ Enhance (non-processing) functions in offshore branches (community outreach, lodgement assistance, employer engagement, pre-departure settlement advice, local stakeholder management and targeted marketing).

## Key findings

The expected benefits of the Pacific Change Business Case (Phase I) for applicants and the Pacific community were:

- ▶ More frequent, accessible and timely information about immigration policy, requirements and opportunities (including policy changes);
- ▶ More frequent, accessible and timely information about how different aspects of the residence and temporary immigration policy work including registration for SQ and PAC, the reasons why particular information is sought on application forms and the importance of providing it, and what happens after ballots are conducted;
- ▶ Targeted assistance (that applicants do not have to pay a third part for) in meeting application/lodgement requirements;
- ▶ Enhanced arrangements for matching people who have been successful in the SQ/PAQ ballots with suitable qualifying employment in New Zealand; and
- ▶ Practical and useful information about what they can expect when they travel and settle in New Zealand and where/how to access additional information or assistance.

Based on our review of the documentation provided to us by the Department, no formal Strategic or and/or Operational Plans were developed for the Pacific Division until 2007/08. The 2007 Service International Strategic Plan included a section on the Pacific Division that was in a partially complete state (DoL Reference B1). It noted the decision to suspend some activities owing to budget constraints including:

- ▶ Facilitative activities such as outreach;
- ▶ Delivery of pre-departure settlement information;
- ▶ Education through radio and other media; and
- ▶ Reduced monitoring and support at MFAT Agency Posts.

The document noted new initiatives to improve service delivery in the Pacific including:

- ▶ Introduction of temporary entry specialisation;
- ▶ Streamlining of verification activities; and
- ▶ Strengthening of MFAT Agency Post governance.

## Key findings

The document appears to contradict itself by stating there would be reduced monitoring and support at MFAT Agency Posts but governance of MFAT Agency Posts would be strengthened.

This document noted that the Division was providing unfunded services including:

- ▶ Onshore temporary permits associated with quotas;
- ▶ Family stream residency applications;
- ▶ Residual applications; and
- ▶ A high volume of S35A requests.

It also notes that services performed by Northern Region Document Branch and CVU were withdrawn and are now done by Pacific Division Auckland as unfunded activities.

A Service International Group Business Plan for 2007/08 (DoL Reference B26) dated 3 April 2007, outlines the Pacific Division functions as:

- ▶ Policy advice;
- ▶ Visa and permit services and settlement advice for PAC, SQ and RSE; and
- ▶ General immigration issues in the Pacific region.

It notes the Division's responsibility for managing connections with Pacific Forum states on RSE policy and implementation. Identified deliverables for 2007/08 are:

- ▶ 1,750 residence decisions under SQ and PAC and a target of 2,500 permits (50%) of RSE scheme;
- ▶ Building extensions and refurbishment work in offshore branches to be completed in 2007/08; and
- ▶ Including introduction of temporary entry specialisation, streamlining of verification activities, strengthening of MFAT Agency Post governance and development of information resources.

## Key findings

From the feedback received and the analysis undertaken the key issues regarding the establishment of the Pacific Division include:

- ▶ **A strategic direction, including clear role and accountabilities, that was not comprehensively documented, agreed and communicated:** The Strategic Direction of Pacific Division was never comprehensively documented, articulated and agreed. In interviews reference was often made to speeches, briefings and presentations made (in particular by the then Deputy Secretary Workforce), which outlined to groups of staff and managers across the department:

- ▶ The rationale for the creation of Pacific Division;
- ▶ The political imperative to act quickly; and
- ▶ The value that Pacific Division would add.

The review was unable to find where this rationale was ever properly documented. The direction of Pacific Division evolved quickly leading to assumptions and misunderstandings regarding role and mandate. Undocumented and/or unclear aspects of the mandate included addressing overstaying through the use of Section 35A, settlement support and pastoral care, relationships with Pacific States and “trouble shooting.” Evolving/emerging aspects included the Residual Places Policy and RSE.

- ▶ **Speed of establishment and subsequent changes:** The Pacific Division was set up very quickly and with limited consultation and communication with staff and other business units. As a consequence:

- ▶ Effective governance structures were not put in place;
- ▶ Operational planning was not effectively carried out;
- ▶ Processes to ensure quality were not robustly established;
- ▶ There was little clarity regarding how the Pacific Division should work with the rest of the Department; and
- ▶ There was a low level of understanding and buy-in to the Pacific Division’s objectives by the wider Department.

Once established, the Pacific Division operated in a siloed manner without the level of engagement, understanding and support with and from the wider Department that it required. In 2005/06 the Central Verification Unit and Northern Region Documentation Centre services were withdrawn (as they were not funded for Pacific Division activity) and this had a significant impact on workloads and quality. Subsequently, service delivery quality dropped (the Residence Review Board found a significantly higher error rate compared with of all Workforce). In addition, new policies, such as the “Residual Places” Policy and the RSE scheme, absorbed management time and attention – at a cost to operational leadership.

## Key findings

- ▶ **Evolving role of the Pacific Division and unfunded activity:** The role of the Pacific Division evolved almost immediately following its creation. Emerging activities included:
  - ▶ Roadshows, seminars and clinics;
  - ▶ Outreach activities in the Pacific and in New Zealand;
  - ▶ Settlement support (residents) and pastoral care (RSE workers);
  - ▶ “Trouble-shooting” in the Pacific and in New Zealand (primarily RSE-related); and
  - ▶ Post-settlement support for “engaged employers”.
- ▶ Unfunded Residual Policy activity – the Auckland Pacific Division branch manager cites unfunded Residual Policy activity and “managing expectations and service delivery standards from a poorly written Residual Policy with applications considered high risk” as contributing factors to the Residence Review Board findings.
- ▶ Section 35A requests: the Auckland Pacific Division business case in January 2008 highlights the high volume of s35A requests from Pacific communities and notes that this is unfunded activity.
- ▶ The RSE policy came into effect in April 2007. While this was a whole-of-Department policy, the Pacific Division played a significant role in developing and implementing this largely successful programme. The RSE policy was rapidly developed and implemented and again there was insufficient clarity regarding roles and responsibilities (and associated funding) within the Department.

### 3.2.4 Strategic direction recommendations

#	Title	Description
1	Seek clarification, direction and agreement from Cabinet	<p>Seek clarification, direction and agreement from Cabinet on the Government's:</p> <ul style="list-style-type: none"> <li>▶ Policy on immigration in the Pacific (including quotas, temporary visas/permits and RSE) including the links between immigration policy and wider economic, development, security policies;</li> <li>▶ Expectations for the objective, role and functions of the immigration service in the Pacific;</li> <li>▶ Expectations regarding working relationships with other government agencies; and</li> <li>▶ Role and use of Section 35 A.</li> </ul>
2	Complete a Department-wide Pacific Strategy	To ensure consistency across the Department, an organisation-wide Strategy and Plan for Pacific should be completed.
3	Develop a Pacific immigration strategy	<p>Based on these Cabinet decisions, the Department should develop a clear Pacific Immigration Strategy that:</p> <ul style="list-style-type: none"> <li>▶ Is clearly linked to and consistent with wider immigration strategy;</li> <li>▶ Is clear about who will deliver this strategy and how they will deliver it;</li> <li>▶ Sets out clear roles, responsibilities and accountabilities;</li> <li>▶ Includes expected levels of customer service and stakeholder engagement; and</li> <li>▶ Sets out clearly the key internal and external relationships.</li> </ul>

### 3.3 Operational effectiveness and efficiency

#### Key focus

Review and analysis of:

- ▶ How effective and efficient are the core operational immigration processes of the Division?
- ▶ What improvements can be made to improve efficiency and effectiveness?

#### Overall assessment: urgent development area – remedial action required as soon as possible to address issues and gaps

Pacific Division branches face significant operational efficiency and effectiveness issues, which impact performance. Some can be addressed immediately, e.g., those relating to queue management, while others should be addressed as soon as practically possible.

#### Key findings

Key to the success of the Pacific Division is the ability to undertake core immigration processes in an efficient and effective manner that promotes compliance and accurate decision-making.

The workflow tables below clearly identify areas of the core workflow process issues and identify where performance gains can be realised (for both a temporary and a residence decision-making model).

### 3.3.1 Residence visa process – branch specific processing issues

Residence process model					
Process step	Step description	Branch-specific processing issues			
		Auckland	Suva	Apia	Nuku'alofa
Register	Potential applicants register their interest.		Despite various communication approaches, potential applicants remain confused about quota process requirements and timeframes. High volumes of applications to process: PAC (Suva, Nuku'alofa) and SQ (Apia). Lodgement of ballot registrations is extremely time consuming.		
Run ballot	Random draw of registered applicants made.		Poor or no local mail/telephone infrastructure makes communication with successful ballot applicants difficult and lengthy.		
Lodge	Application submitted.	There is unclear and ineffectively communicated process regarding the entitlements of applicants who in previous years have submitted valid but unsuccessful applications (owing to quota applications being filled). The number of applications sought in subsequent years is not adjusted for the applications from the previous years.		Information forms to support applications are in English. As a consequence branch staff have to work with many applicants to help them understand and complete applications.	
Accept	Branch verifies that all required data has been submitted.	Considerable rework and "conflict" with offshore branches re completeness of applications. Unclear lines of communication between Auckland Pacific Division, offshore branches and applicants.		Considerable rework and "conflict" with Auckland Pacific Division regarding completeness of residence applications and requests for further information. Unclear lines of communication between Auckland Pacific Division, offshore branches and applicants.	
Allocate	Application allocated to visa officer.				
Assess	Application assessed against immigration criteria.	Substantial overtime hours being worked. Application queue not prioritised – problem for applications dependent on job offer (PAC/SQ). Fee waivers made not reviewed consistently.			
Verify	Verification undertaken.	Verification queue not well managed. No ownership.		Insufficient core focus from verification officer, with respect to residence application verification requests from Auckland Pacific Division.	
Decide	Decision made on application.	Second person checks not being performed within timeliness standards. Decision criteria and decision rationale are not adequately recorded in AMS.			
Issue	Visas/permits issued to successful applicants.	Labels waiting to be issued. Queue not well managed.		Difficulties communicating decisions in a timely manner as a result of inherent communications limitations in islands. Residence labels not being issued in a timely manner.	
Oversight Function	Direction and support from above throughout the process.	Insufficient focus on importance of timely second person checks. Focus needs to be on building a stronger overall branch and management competence		Residence application lodgement and ongoing support does not appear to be built into the performance monitoring and reporting of the branches. This leads to understaffing and underfunding.	

Our assessment (continued)

Residence process model			
		in immigration decision-making financial management.	

### 3.3.2 Temporary visa process – branch-specific processing issues

Temporary process model					
Process step	Step description	Branch-specific processing issues			
		Auckland	Suva	Apia	Nuku'alofa
Lodge	Application submitted.		Information forms to support applications are mainly in English. As a consequence branch staff have to work with many applicants to understand and complete applications. As a result of ineffective customer and queue management, applicants are required to queue for substantial periods of time (e.g., in Apia passport pickup and form drop off can take all day).		
			Front desk officers are not appropriately qualified to: Check the quality and completeness of applications; Make key decisions; and Allocate applications.	Customer management issues exist, but to a lesser extent compared to Suva as a result of more experienced staff placed to support the front office. Having more experienced staff results in fewer incomplete applications being accepted and faster allocation to visa officers. Placing experienced staff on the front desk, however, results in delays in processing applications and subsequent demands for overtime work.	
				Inefficient waiting room size compared to front office attendants.	Upstairs location not adequate (there is stair access only).
Accept	Branch verifies that all required data has been submitted.				
Allocate	Application allocated to visa officer.		Ineffective filing and tracking procedures means that applications have been misplaced or lost.		Ineffective filing and tracking procedures means that applications have been misplaced or lost.
Assess	Application assessed against immigration criteria.		Quality, consistency and timeliness of decision-making is affected by difficulties in accessing and referencing policies and procedures owing to technological limitations and time constraints. Large number of applications are referred upwards to immigration managers for decisions. Substantial overtime hours being worked.		
			Fee waivers made not reviewed reasonably and/or consistently. Insufficient meeting rooms and room for data storage.		Fee waivers made not reviewed reasonably and/or consistently. Insufficient space – one interview room that doubles as data storage.
Verify	Verification undertaken.		Insufficient core focus from verification officer on core verification tasks. Backlogs as a result of delays in receiving information from local authorities, e.g., from the Police.		

Temporary process model				
Decide	Decision made on application.		<p>Insufficient and inconsistent staff training results in poor decision-making and insufficient consideration of alternative options for the applicant.</p> <p>Decision criteria and decision rationale are not adequately recorded in AMS (NB: this has been improved in 2008).</p> <p>Decision guidelines, staff toolkit and CRISM are under-utilised owing to incomplete training and technology difficulties.</p> <p>Complex and high-risk applications are often not dealt with and placed in a “too hard” pile with no priority for resolution/decision.</p>	
Issue	Visas/permits issued to successful applicants.	The labels waiting to be issued queue not well managed.	<p>Difficulties communicating decisions in a timely manner as a result of inherent communications limitations in islands.</p>	
Oversight Function	Direction and support from above throughout the process		<p>Lack of technical advisor to support decision-making and provide guidance to staff around more complex and high-risk applications.</p>	
			<p>Need to increase the level of management and staff engagement and communication on issues, branch direction, performance and morale.</p>	<p>New branch manager will need to focus on developing overall branch competence in:</p> <ul style="list-style-type: none"> <li>▶ Immigration decision-making;</li> <li>▶ Use of monitoring and reporting tools and information, financial and staff management.</li> </ul> <p>Immigration manager has been overloaded with previous branch manager functions.</p>

## Key findings

### 3.3.3 Further operating effectiveness and efficiency findings

#### Physical layout and branch premises

The physical conditions within which employees work have an important impact on overall efficiency and effectiveness as well as on culture and morale.

Physical conditions send important messages about:

- ▶ What really matters to an organisation and its management;
- ▶ How staff and customers are valued; and
- ▶ Work practices and standards.

The standard of branch premises in the Pacific would also seem to be of importance owing to:

- ▶ The significance of immigration to our wider international relations; and
- ▶ Many Pacific peoples' first impression of New Zealand is based on their dealings with the immigration service.

The review has highlighted a number of concerns with the quality of the branches including;

- ▶ Front office layout and the adequacy of customer service facilities;
- ▶ Cramped working conditions;
- ▶ Not enough desks and computers available for all staff;
- ▶ Limited filing and storage space resulting in considerable clutter;
- ▶ Availability of interview and meeting rooms;
- ▶ Secure facilities and the ability to meet Department control requirements for these; and
- ▶ Branch managers not visible and/or appear shut away from the rest of the branch.

## Key findings

### Customer service and queue management

In the Pacific, large numbers of customers physically come to the branch to get information and forms, lodge visa applications and pick-up processed passports. This is owing to:

- ▶ A culture of face-to-face contact/discussion;
- ▶ Weak postal and telecommunications infrastructure;
- ▶ Low levels of understanding of visa requirements and processes; and
- ▶ Variable understanding of and confidence using English.

Customers are managed through queuing and queue numbering. Approaches to queue management and the facilities for customers varied across the branches and depend on:

- ▶ Physical location of the premises (i.e., what floor the branch is on);
- ▶ Whether adequate waiting rooms are available to seat waiting customers; and
- ▶ The number of customer service counters available.

In general, we did not see appropriate approaches taken to the effective management of queues and customers. In particular, we are concerned about:

- ▶ Front line service being predominantly undertaken by less experienced and less trained staff who are not able to:
  - ▶ Effectively deal with issues and problems;
  - ▶ Make initial assessments of the quality and completeness of applications and identify issues;
  - ▶ Lodge and allocate applications quickly so as to avoid delays;
- ▶ Closing the counter for staff lunch breaks (Apia only);
- ▶ Different customer needs not being met through segmented queue lines and/or dedicated service times;

Our assessment (continued)

- ▶ Abandoned and inconsistent use of drop boxes and information display stands;

## Key findings

- ▶ Inappropriate actions and behaviours from security guards; and
- ▶ Limited training in and understanding of customer service approaches and skills.

### Branch resourcing levels

As part of the operating efficiency and effectiveness review we wanted to understand the basis on what Pacific Division (and Service Delivery) determined the level and composition of staff resources found in its branches.

In particular, we wanted to understand what numbers and factors determined the appointment of (additional) immigration manager positions, visa officers, technical advisors, dedicated finance positions, verification officers etc.

From the responses given in different discussions it would appear Pacific Division does not have an agreed or commonly understood and applied way of determining staffing numbers. Where staff increases have occurred they appear to have occurred outside of approved budgets and/or without an assessment of relative need and performance.

Within Service Delivery the level of staff resources in branches is determined using:

- ▶ Crown funding to establish a minimum resourcing level to deliver core services; and
- ▶ Fee income funding from visa applications to establish additional positions.

In addition, an internal tool can be used to calculate the expected number of full-time equivalents (FTEs) based on the budgeted applications inputs and decision outputs for a given period.

The tool budgets FTEs based on applications and decisions to be processed or made, therefore the budgeted staffing levels generated should only represent the staff core to the process and decision-making, not those in oversight and support roles, such as the Branch Manager, Immigration Manager, Accounts Officer & Security Officer.

Our observations and discussions indicate this tool is not widely known about or understood within the Department and, as a result, is not utilised effectively to influence branch staffing.

The status and use of this tool needs to be clarified. If it is an agreed departmental approach then we recommend it is used to assess current Pacific Division staffing levels and determine their adequacy. If it is not an agreed or recognised approach then the Department needs to develop a valid way of assessing the adequacy of branch staffing levels in relation to application volumes and local conditions.

## Key findings

### 3.3.4 Fee income approach

A fee income approach to determining staff resourcing levels is not unique and is often found in the private sector (where fees = sales). The approach is less common in the public sector.

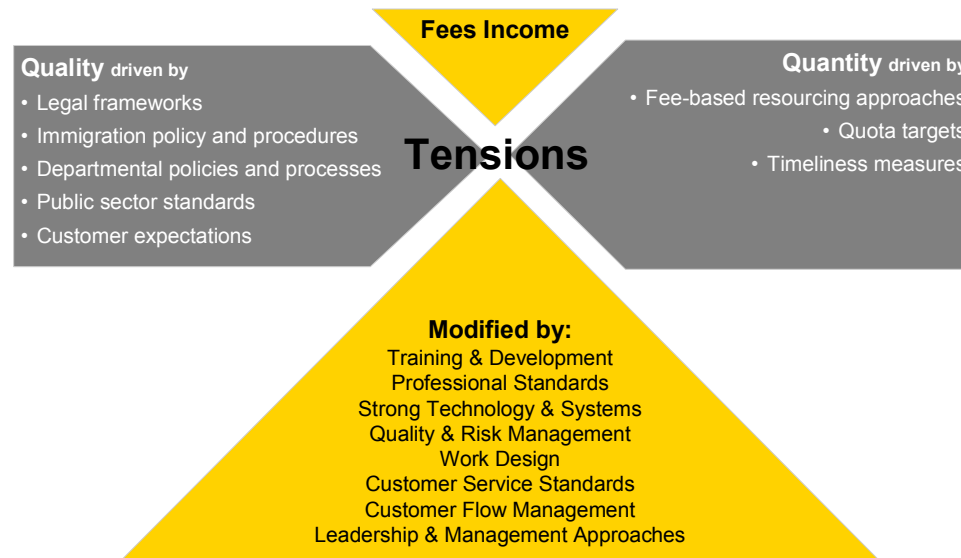
Fee (sales) resourcing models when combined with targets (monthly and annual visa application processing) can create significant quality/quantity tensions and require sophisticated approaches to successfully moderate and manage tensions.

These issues are illustrated in the following diagram which shows:

- ▶ The tension between:
  - ▶ Quality and its drivers (legal frameworks, professional standards and guidelines, policies and procedures, customer expectations); and
  - ▶ Quantity and its drivers (sales, fee-based resourcing decisions and targets).
- ▶ The need to moderate between this tension through effective organisational processes and systems including:
  - ▶ Training and development;
  - ▶ Technology;
  - ▶ Quality and risk management;
  - ▶ Work design;
  - ▶ Customer service standards and customer flow management; and
  - ▶ Management capability.

## Key findings

Figure 10 – Resourcing model quality/quantity tensions



If these moderating processes do not exist (in whole or in part) or are weak and ineffective then the quality/quantity conflict will escalate and significantly affect performance usually to the detriment of quality. This would very much appear to be the case in Pacific Division.

In our view, the appropriateness, use and implications of a fee income resourcing approach in the Immigration Service needs to be fully assessed. This assessment should look at:

- ▶ Background to the development of the current approach;
- ▶ Changed circumstances and/or developments impacting its use, e.g., volumes, staff numbers policy frameworks etc.;
- ▶ Issues and consequences with its use including:
  - ▶ Appropriate balance of crown and variable fee funding;
  - ▶ Regional variations and issues; and
  - ▶ Treasury guidance and other departmental practice.

## Key findings

### 3.3.5 Technology

AMS is the core application used by the whole of the Immigration Service. It is the critical tool used to support workflow and management of decisions throughout the Immigration Service. Through this application staff:

- ▶ Lodge and allocate applications;
- ▶ Assess applications;
- ▶ Review previous decisions and compliance with visas and permits;
- ▶ Record the decision-making process; and
- ▶ Link with border security and other databases.

In addition to AMS, staff use the Department's internal intranet to access:

- ▶ The Staff Toolkit (which contains Department policy guidance); and
- ▶ The Operations Manual (which contains immigration policy guidance).

The offshore branches of Pacific Division face significant problems accessing and using both AMS and the Department's intranet. This causes delays in accessing the information they need to perform their jobs. These issues are mainly owing to weak technology infrastructure in the Pacific Islands but not helped by old and outdated technology (including servers and PCs) found in the offshore branches.

These delays reduce the ability of staff to access templates, policy guidance, FAQs and other tools and lead to further performance issues including:

- ▶ Over-reliance on own and others' institutional knowledge and practice to make immigration decisions;
- ▶ Delays in the overall decision-making process;
- ▶ Incomplete recording and tracking of decisions in the system;
- ▶ Inability to respond to customer (and other branch) queries regarding the status of applications;
- ▶ Over-reliance on the escalation of applications to managers for decisions, particularly complex decisions;
- ▶ An over-reliance on overtime; and
- ▶ Reduced ability to undertake one-on-one coaching and/or training.

## Key findings

The following figure compares technology response times between offshore branches of Pacific Division and onshore branches of the Immigration Service.

**Figure 11 – Technology response times**

Task	Onshore	Average offshore*	Offshore response delay
Open Staff Tool Kit	0:12	1:02	0:50
Open Operations Manual	0:02	1:54	1:52
Open AMS	0:12	2:36	2:24
Open AMS Workflow	0:04	0:17	0:13
Open Application	0:05	0:27	0:22
Open AMS Health Section	0:05	0:26	0:21
Create PPI Letter Template	0:30	3:33	3:03

*\* Based on information where available. Not all averages contain data from all three offshore branches.*

Comparable delays were observed as part of our review process in all three offshore branches, with Samoa appearing the slowest of all in terms of performance.

### 3.3.6 Operational effectiveness and efficiency recommendations

#	Title	Branch	Description
1	Residence applications and second person checks.	Auckland Pacific Division	Bring in an appropriately qualified employee to clear the backlog of 2PCs on hand. Ensure 2PCs are performed in a timely manner going forward by making them the key responsibility of the immigration managers (Immigration Manager).
2	Backlog queue – prioritisation of Pacific Access Quota (PAC) & SQ applications.	Auckland Pacific Division	“First in, first served” is not an appropriate workflow model for these types of applications. Prioritise PAC/SQ applications as they arrive. Where possible set processing timeframes in line with the expiry of the job offer on hand.
3	Backlog queue –prior years SQ applications on hand.	Auckland Pacific Division	Getting Cabinet agreement that the prior year applicants on hand will have priority for this year’s quota. Consider reducing the level of current year applications sought to clear the backlog. Seek a reduced number of applications in the current year to use the priority on hand balances allowing the Division to start at a zero balance in the next fiscal year.
4	Backlog queue – verification jobs on hand.	Auckland Pacific Division	The verification queue should be assigned to the verification officer’s caseload and be followed up in a timely manner.
5	Backlog queue – temporary applications.	Fiji	Ring-fence the backlog and bring in 2-3 staff from other INZ branches on a temporary basis to go to Suva and clear the backlog.
6	Issuing of Residence Labels.	All	Ensure the timely issuing of labels for approved residence applications, to avoid a backlog. For labels to be issued into passports held offshore, communicate the decisions promptly to the offshore branches and use the appropriate means of communication – i.e. e-visa system.
7	Waivers.	Tonga	Provide additional support for the Branch Manager, to ensure the timely clearance of the backlog of waivers.
8	Residence Work: offshore branches.	Offshore	Systematically assess and build the requirements of the residence process into the performance expectations and resourcing levels of the offshore branches.

Other operational effectiveness and efficiency recommendations		
#	Title	Description
1	Improve Branch Premises	<p>Priority should be given to finding more suitable space and/or better premises for the branches that are reputationally enhancing and allows for:</p> <ul style="list-style-type: none"> <li>▶ More adequate working space for staff;</li> <li>▶ Improved customer service space and facilities;</li> <li>▶ Secure reception space;</li> <li>▶ Interview and meeting rooms;</li> <li>▶ File storage; and</li> <li>▶ Visibility of management.</li> </ul> <p>In the interim, branches need to ensure that where minimum department requirements cannot be met, control waivers are sought and retained on file.</p>
2	Improve Customer Service & Queue Management	<p>Customer service and queue management should be addressed by:</p> <ul style="list-style-type: none"> <li>▶ Improving Pacific Division branch and Department-wide understanding of and training in customer service approaches and standards;</li> <li>▶ Scheduling more experienced Pacific Division staff onto the front counter to support better decision-making and management of workflows; and</li> <li>▶ Ensuring all branches are open during core business hours.</li> </ul>
3	Branch Resourcing Levels	<p>The status and use of the Branch resourcing tool needs to be clarified.</p> <p>If it is an agreed Departmental approach then we recommend it is used to assess current Pacific Division staffing levels and determine their adequacy.</p> <p>If it is not an agreed or recognised approach then the Department needs to develop a valid way of assessing the adequacy of branch staffing levels in relation to application volumes and local conditions.</p>
4	Fees Income Model	<p>The appropriate use and implications of a fee income resourcing approach in the Immigration Service needs to be fully assessed. This assessment should look at:</p> <ul style="list-style-type: none"> <li>▶ Background to the development of the current approach;</li> <li>▶ Changed circumstances and/or developments impacting its use, e.g., volumes, staff numbers, policy frameworks etc;</li> <li>▶ Issues and consequences with its use including: <ul style="list-style-type: none"> <li>▶ Appropriate balance of crown and variable fee funding;</li> <li>▶ Regional variations and issues; and</li> <li>▶ Treasury guidance and other departmental practice.</li> </ul> </li> </ul>
5	Technology Issues	<p>Within the limitations of the technology infrastructure in the Pacific, the Department needs to find ways to improve speed and response times of staff access to AMS and the Department's Intranet resources.</p> <p>As an interim measure consider extracting the Operations Manual on a CD, updated as necessary. This way the staff can download onto PCs and access faster than using the network.</p>

## 3.4 Performance management and budgets

### Key focus

- ▶ Overview the budget setting process.
- ▶ Analysis and verification of budget sources and expenditure.
- ▶ Coherence and application of performance management framework and approach.

### Overall assessment: development area – remedial action required to address issues and gaps

Our review of the Pacific Division’s budget process noted no serious concerns, however, we do note the need for:

- ▶ Further analysis of the relative level of budget and the source of that budget held within the National Office office relative to that allocated to the branches; and
- ▶ Improved monitoring of key budget items and, in particular, some areas of budgetary over/under spend.

#### 3.4.1 Overview of budget-setting process

The Pacific Division’s funding comes from the Vote Immigration appropriation. This Vote is funded by both fee revenue and Crown revenue, with approximately a 60% Fees/40% Crown split over recent years.

The activities funded by Crown and Fees are set out in a table attached to the Fees Principles paper, which was agreed by Cabinet in November 2006. In summary, they are:

100% Crown Funded	<ul style="list-style-type: none"> <li>▶ Policy, research and evaluation</li> <li>▶ Security and foreign relations functions of immigration branches including bilateral fee waivers</li> <li>▶ Refugee services</li> <li>▶ Ministerial appeals, reviews, deportations and revocations</li> </ul>
100% Fee Funded	<ul style="list-style-type: none"> <li>▶ Visa and permit services</li> <li>▶ Marketing</li> </ul>
Split between Crown and Fees	<ul style="list-style-type: none"> <li>▶ Migrant settlement – 50% fee-funded</li> <li>▶ Border security and clearance – 25% fee-funded</li> <li>▶ Border compliance – 40% fee-funded</li> </ul>

## Key findings

### Allocation of funding to the Pacific Division

Once the funding is secured, resources are allocated to Pacific Division using a standard DoL/Workforce process model (the “model”) of visa forecasting, which translates into division-specific indicative budgets.

Variables considered during the budgeting process include:

- ▶ Change in volume of temporary and residence visas to be processed;
- ▶ Estimated revenue streams;
- ▶ Estimated cost of processing;
- ▶ Estimated standard processing times;
- ▶ Manager requests for extra resources or initiatives;
  - ▶ E.g. RSE in 06/07 – An additional \$665k was secured and 500k in 07/08;
- ▶ Business plans setting out other initiatives and projects; and
- ▶ Senior management prioritisation of projects and change.

For the 08/09 financial period, the Pacific Division is 88% fee funded, 11% Crown funded and 1% Department funded (via reallocations across Service International:

- ▶ The Crown funding is 100% allocated to Pacific Seasonal Labour cost centre; and
- ▶ As a result all other cost centres including the National Office – Directors’ Office are 100% fee funded.

## Key findings

### Allocation of Pacific Division funding to a branch level

Once the Pacific Division budget is agreed, the Director of the Division then has discretion to allocate to the branch level based on local needs and issues.

Figure 12: Breakdown of 08/09 Pacific Division budget by office

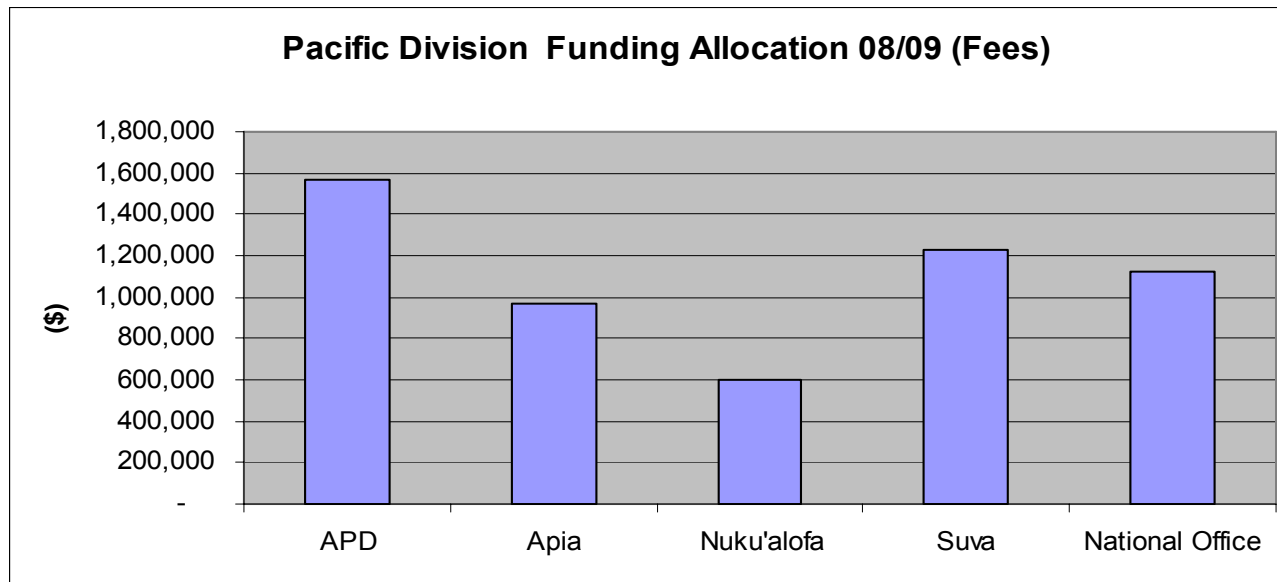
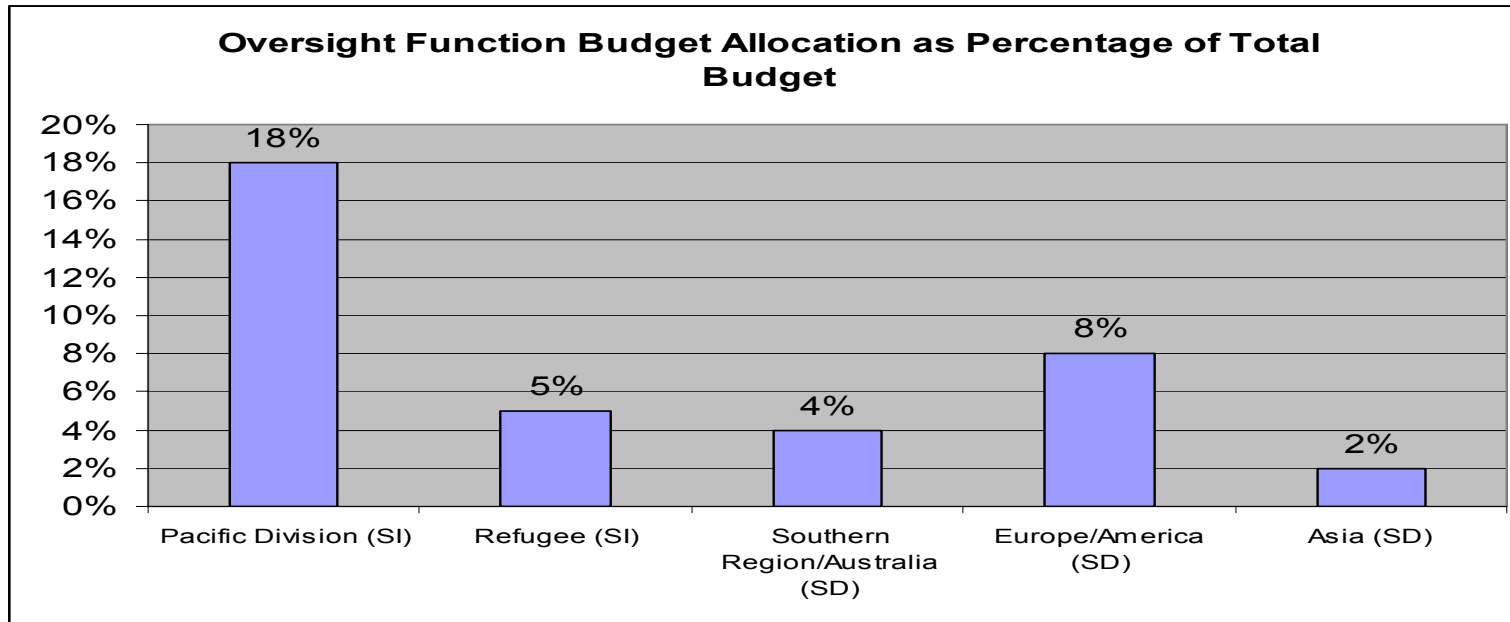


Figure 12 shows:

- ▶ That Auckland Pacific Division receives the highest proportion of the funding, which is to be expected given the number of staff and New Zealand dollar salaries; and
- ▶ The National Office funding accounts for 18% of the total Pacific Division budget allocation (NB: 60% of this is salary expense). This is in contrast to other comparable operating units within both Service International and Service Delivery. Figure 13 indicates the percentage of the 08/09 budget allocation that funds the oversight role for each of these comparable operational units using the manager cost centre as the proxy for oversight function.

## Key findings

Figure 13: Operational unit comparison – budget allocation for oversight function



This comparison indicates that a substantial proportion of the Pacific Division budget (18%) is being spent on an oversight and monitoring role, at the expense of the processing branches operational effectiveness. A further review needs to be undertaken internally to understand why such a level of funding is focused at the oversight function within the Pacific Division and whether this could be reduced with a reallocation to the operational branches or are there specific characteristics of the Pacific Division that require the current funding structure.

## Key findings

### Analysis and verification of budget sources and expenditure

Figure 14: Three years budgetary spend analysis – Pacific Division

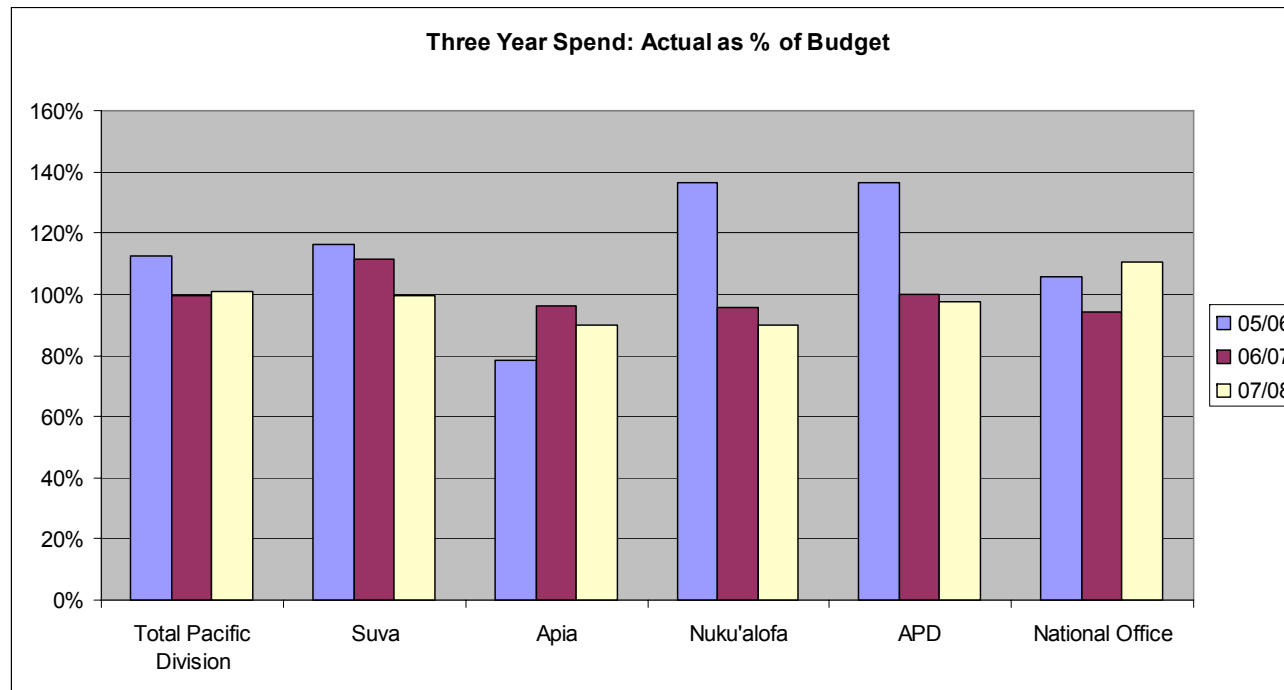


Figure 14 shows the budget performance of each branch of the Pacific Division over the past three years. It shows:

- ▶ There was significant overspend in the 05/06 financial year;
- ▶ Since the 05/06 year the Pacific Division has been on or around the overall budgets; and
- ▶ Underspend in Apia and Nuku'alofa are mainly owing to the underinvestment in training and non-expenditure on casual wages.

## Key findings

The figure below summarises the key budgetary over and underspend over the past three years at a divisional level.

**Figure 15: Areas of significant over and underspend against budget.**

Significant underspend	Average underspent 05/06 – 07/08	Significant overspend	Average overspent 05/06-07/08
Training	-52%	Overtime	+43% (Suva +314%)
Casual wages	-85%	Contract staff	+74%
Consultants and external contractors	-28%	Meetings (not conferences)	+111%
Travel – (International)	-30%	Sundry expenses	+172%
		Travel – (domestic)	+41%
		Advertising and promotion	+130%

Figure 15 shows:

- ▶ The underspend in staff training and wages has resulted in large overtime hours being worked and the significant use of staff employed on fixed term contracts;
- ▶ Sundry expenses, as well as meetings and conferences, are risk areas for fraudulent and/or expenditure outside reasonable department policy and should be monitored closely; and
- ▶ Domestic travel is overspent, whilst international travel is underspent on budget. We identified as part of our controls and compliance work a number of instances where international travel was coded to domestic travel in the last year. Domestic travel accounts are often subject to less scrutiny than international travel, so incorrect coding enhances the risk that certain travel expenditure will not get the appropriate level of review.

## Key findings

### 3.4.2 Coherence and application of performance management framework and approach

- ▶ Timely monitoring of performance is critical to the successful achievement of core outcomes within any organisation.
- ▶ The Pacific Division has a large amount of reporting resources and tools at its disposal to monitor performance including:
  - ▶ Monthly Scorecard reports;
  - ▶ Monthly Financial reports;
  - ▶ Specialised AMS reports;
  - ▶ Workflow reports;
  - ▶ Queue/backlog reports;
  - ▶ Waiver reports; and
  - ▶ Pivot table reports generated from the IT department of Workforce.

The use of available performance monitoring tools needs improvement within the Division. Key concerns include:

- ▶ There is a lack of understanding by staff as to what tools are available and how to interpret these, both at a divisional level and a branch level;
- ▶ The information that is available is often inconsistent with other reports, leading to different interpretations; and
- ▶ The information is often too complicated and difficult to understand and is not easily able to be used to assess performance.

We suggest a simple Scorecard approach should be adopted and used within the Division to ensure the effective oversight and performance monitoring of the branches. The proposed Scorecard would pull together the Key datasets that would prove most useful to a manager to identify performance.

An illustrative scorecard example, identifying potential specific areas of focus, is presented below.

## Key findings

Figure 16 – Scorecard example

Pacific Division – Scorecard	
Customer Service	Stakeholder
Timeliness of technical waiver decisions and communications Average waiting time Complaints made Feedback from customer surveys	Community meetings/outreach Community engagement Feedback from key stakeholders
Operations	Staff
Applications received Decisions made by case officer Backlog queue size vs. previous month Decision speed vs. timeliness standards Ageing of backlog queue	Adequacy of personal development plans Training and development spend (actual vs. budget) Changes in staff competency levels Overtime hours worked and decisions made Staff engagement survey results

### 3.4.3 Performance management and budget recommendations

#	Title	Description
1	Funding allocation and budget setting	Further analysis should be undertaken by Finance to identify whether the appropriate level of budgetary funding within the Pacific Division is allocated to the National Office oversight function and whether there is a need going forward for such a level.
2	Oversight of key department accounts	Closer monitoring of budgets is needed in key expenditure areas. Where large variances are identified, follow up is needed to identify why, and appropriate corrective actions taken. Reallocate valid areas of underspend to necessary areas where appropriate. Where needed, changes in requirements need to be reflected in future years' budgeting processes.
3	Performance monitoring information and tools	The collection of performance monitoring information needs to be rationalised and standardised to ensure the most relevant and important performance information is available at both branch and National Office level. Pacific Division management and staff need to build greater competence in: <ul style="list-style-type: none"> <li>▶ Their use of performance monitoring tools; and</li> <li>▶ In the way they use performance information as a core part of their management decision-making, particularly in relation to work allocation, flows and staff utilisation.</li> </ul>
4	Development of a performance monitoring scorecard	We suggest a simple scorecard approach should be adopted and used within the Division to ensure the effective oversight and performance monitoring of the branches. The proposed scorecard would pull together the key datasets that would prove most useful to a manager to identify performance bottlenecks and to take the appropriate corrective action.

## 3.5 Internal stakeholder engagement

### Key focus

Views of internal stakeholders (based on a large number of workshops and interviews held across the Department) in relation to Pacific Division overall and in relation to:

- ▶ Clarity of mandate and role;
- ▶ Relationship management and communication;
- ▶ Quality and consistency of core immigration processes;
- ▶ Staff capability;
- ▶ Financial and management controls; and
- ▶ Understanding of and engagement on core departmental and public sector policies and processes.

### Overall assessment: urgent development area – remedial action required immediately

Pacific Division needs to significantly improve the quality and focus of its internal relationships

### Key findings

Feedback received confirms regarding mandate and role:

- ▶ Staff within the Pacific Division feel that many areas within the wider Department did not fully understand its mission, operating model and actions and were not supportive of it; and
- ▶ Most internal stakeholders did not have a clear understanding of the mandate and role of the Pacific Division, particularly in relation to settlement initiatives, pastoral care, overstayers and relationships with Pacific States.

## Key findings

Feedback received confirms regarding relationship management and communication:

- ▶ The Pacific Division leadership created a “fiefdom” approach that isolated the Division from any influence from the wider Department. There was little visibility of who did what, why and when. The Workforce Senior Management Group (SMG) and the DoL Strategic Leadership Team (SLT) had little engagement around the Pacific Division’s focus, actions and results;
- ▶ For much of its existence the Pacific Division has acted independently from the centralised Corporate functions. There were several reasons for this including:
  - ▶ Support from the centralised Corporate functions was perceived as not meeting the needs of the Pacific (e.g., Pacific languages for communications);
  - ▶ The speed of support from the Corporate function was perceived as not matching the rapid, entrepreneurial style set-up of the Pacific Division; and
  - ▶ The Corporate functions was newly established in 2005 at the same time as the Pacific Division, so clear processes for interactions has not been bedded-in.

Where the Corporate function did engage with the Pacific Division (particularly through the Internal Audit work programme and Human Resource advice on management appointments), the advice provided was often not acted upon.

As a result of bypassing the centralised Corporate functions, the Pacific Division:

- ▶ Has become isolated;
- ▶ Has not been able to be monitored closely for compliance with corporate policies (e.g., HR/Finance);
- ▶ Has not access specialised skills and support; and
- ▶ Has created inefficiencies through duplication of roles.

### 3.5.1 Internal stakeholder recommendations

#	Title	Description
1	Rebuild strong and effective working relationships across the Department.	<p>A focus for the leadership of the Pacific Division should be to rebuild strong and effective working relationships right across the Department. These relationships need to be based on:</p> <ul style="list-style-type: none"> <li>▶ A clearly agreed and articulated role and mandate for the Pacific Division (see recommendation 5);</li> <li>▶ Transparency and communication around performance;</li> <li>▶ Appropriate support and service standards from other areas of the Department (particularly with the Corporate functions); and</li> <li>▶ A change in attitudes from the wider Department regarding the Division and its work.</li> </ul>
2	Set clear expectations of collaboration, effective engagement and service standards.	<p>Clear expectations of collaboration, effective engagement and service standards need to be developed and communicated across the Department. This should be supported by internal governance and openness among senior leadership and management to hold each other accountable for engagement, behaviours and performance.</p>

## 3.6 External stakeholder engagement

### Key focus

Summary of the views of external stakeholders (based on extensive interviews and workshops) in relation to Pacific Division overall and in relation to:

- ▶ Reputation;
- ▶ Relationship management and communication;
- ▶ Mandate and role;
- ▶ Quality and consistency of core immigration processes;
- ▶ Customer service and responsiveness; and
- ▶ Staff capability.

### Overall assessment: development area – remedial action required to address issues and gaps

Pacific Division has created strong working relationships with some stakeholders, but needs to build its relationships with others and take advantage of significant opportunities available to it.

### Key findings

#### Stakeholder engagement

Part of the rationale for the creation of the Pacific Division was to improve relationships with external stakeholders particularly with the governments of the Pacific States.

To this end the Division placed a strong emphasis on:

- ▶ Building relationships with Pacific Island Government ministers and officials;
- ▶ Initial outreach activities with Pacific communities in the Islands and in New Zealand;
- ▶ Cultural competence as the key requirement for management positions in Pacific Division branches;

## Key findings

- ▶ Outreach activities including seminars, and broadcasts; and
- ▶ Developing a strong working relationship with MFAT and with New Zealand including representatives in the islands.

### Reputation

All stakeholders were specifically asked about knowledge of or perception of corruption or inappropriate dealings by the New Zealand Immigration Service. All responded that to their knowledge there was none.

### Feedback from Pacific Governments confirmed the following findings:

Pacific Division has significantly achieved its aim of establishing effective relationships with Pacific Governments, ministers and officials.

Ministers and officials interviewed in Samoa and Tonga spoke favourably about:

- ▶ Their relationship with Pacific Division at both the local level and with New Zealand officials;
- ▶ The work undertaken by Pacific Division to communicate more directly with Pacific communities about immigration opportunities and requirements;
- ▶ The level of engagement and information provided on policy issues and developments, including the effective collaboration in the development and implementation of RSE; and
- ▶ The value of working with New Zealand staff competent in working in a Pacific context and committed to achieving outcomes for Pacific countries as well as for New Zealand.

## Key findings

In both countries, ministers and officials did express a desire to be kept more fully updated on operational policy and procedural changes and on overall results being achieved at the local branches e.g. overall numbers of applications, approvals, time frames etc.

Feedback from the Ministry of Foreign Affairs and Trade (MFAT) confirmed the following findings:

MFAT officials in New Zealand and the Pacific expressed their support for the work, focus and level of engagement with Pacific Division branches and staff. In particular they emphasised:

- ▶ The creation of a specific division focused on the Pacific has reinforced and supported the special relationship New Zealand has with the Pacific;
- ▶ Pacific Division has contributed a significant understanding of the Pacific to discussion on regional initiatives, such as RSE; and
- ▶ The effectiveness of collaboration with their offshore representatives.

Feedback from employers confirmed the following findings:

A small number of employer representatives were interviewed in Auckland and Christchurch. The majority expressed a very positive experience bringing Pacific Island workers to New Zealand through either the quota system or through the RSE scheme. Strong support was also expressed for the work of Pacific Division, particularly in relation to working with employers:

- ▶ To visit the Pacific and meet with prospective workers; and
- ▶ On pastoral care issues once workers arrived in New Zealand.

All employers agreed that closer working relationships between themselves and the Department would be beneficial to:

- ▶ Share good practice and learnings;
- ▶ Ensure stronger coordination between the work of relationship managers in Auckland Pacific Division and staff in the Pacific branches; and
- ▶ Create stronger initial education and induction processes for prospective workers.

## Key findings

Feedback from Ministry of Pacific Island Affairs (MPIA) confirmed the following findings:

There were high expectations that Pacific Division and MPIA would build a close and collaborative working relationship particularly in relation to:

- ▶ Strategy development and new policy directions/initiatives e.g. RSE;
- ▶ Shared understanding of Pacific issues, and needs;
- ▶ Engagement with Pacific communities (especially in New Zealand);
- ▶ The effective management and filling of quotas; and
- ▶ Induction and pastoral care for Pacific workers coming to New Zealand.

A positive and collaborative working relationship was not established with MPIA and this was a lost opportunity for the development of a stronger whole of Government approach to policy development and implementation for Pacific peoples in New Zealand.

Feedback from communities in the Pacific confirmed the following findings:

From its establishment the Pacific Division embarked on initiatives to:

- ▶ Raise the profile of the Immigration Service; and
- ▶ Provide information and increase understanding of quota and other immigration opportunities and requirements.

Early initiatives included outreach to remote rural areas and communication strategies using local media (radio, television and print). These initiatives were well received because they were fronted by DoL staff who demonstrated fluency in Pacific languages and knowledge of local customs and culture.

There was an initial improvement in the customer service experience in the Pacific and new offices in Apia and Tonga. There was noticeable improvement in capability with an additional New Zealand staff member seconded to each branch and changes to visa processing designed to improve verification processes and strengthen risk management.

However, the raised expectations generated by Pacific Division stakeholder engagement exceeded the improvement in operational capability.

## Key findings

Customer services did not improve and queues and delays in visa processing increased. In Apia, people were required to queue for an entire day to pick up a form and this had the unintended consequence of a marked increase in the use of travel or immigration agents, some of whom employed a person simply to stand in the queue. In Fiji, on some days up to 100 people queued outside in what one interviewee referred to as the “queue of shame”. In Tonga, it was noted people would begin queuing from 4am, standing outside in all types of weather, and it was difficult for elderly people to negotiate the steep stairs. Common issues included phones not being answered, poor or non-existent communication about progress of applications, delays in visa processing – sometimes for years without credible explanation, inconsistent decision-making – which could be changed by the intervention of Pacific Government officials and appeals. Many Review Board decisions, which reversed operational decisions, led to a loss of confidence in staff capability and competence.

The positive messages delivered through outreach activities left the impression that everyone could travel to New Zealand on the quotas and there was inevitable disappointment and disillusionment when reality did not meet expectations.

In recent years, outreach initiatives have been scaled back mainly owing to:

- ▶ Funding issues;
- ▶ Concerns about the skill levels needed to effectively undertake the work and manage potential risk created through confused and contradictory messages;
- ▶ Concern that outreach activities can:
  - ▶ Place staff in high pressure and potential conflict of interest situations, and
  - ▶ Create false expectations about “entitlements” to immigration opportunities;
- ▶ Concerns that the Pacific Division’s approach to working with overstayers and the use of section 35A provisions was inconsistent with the approach and practice of the rest of the Department.

Pacific community leaders expressed disappointment at the perceived failure of the Pacific Division to continue many of the initial outreach activities and deliver on the “expectations” of improved engagement and customer service created by the initial engagement.

Despite this, the strong foundation of goodwill created remains and there is universal support for maintaining a Pacific Division.

## Key findings

The Review Team found it was able to utilise existing community leadership networks for effective engagement with local Pacific communities. The Division had not used existing community leadership networks and instead demonstrated a preference for implementing new initiatives for stakeholder engagement. There was no apparent attempt to map and utilise existing networks even though such an approach was likely to have been more cost-effective and sustainable. In Tonga, the Review team's engagement through this mechanism resulted in 28 District Officers responding to an invitation sent through the Tongan Prime Minister's Department. This group was willing to continue regular information sessions with INZ, in support of their roles assisting with validation of visa documents and recruitment of RSE workers.

Similarly in Samoa, the Review Team met with existing networks including heads of churches, doctors associations, airline and immigration agents who also requested regular meetings with INZ staff to discuss issues, share information and gain better understanding of policy.

Feedback from Pacific communities in New Zealand confirmed the following findings:

Pacific communities in New Zealand also expressed early support for the focus a Pacific Division would bring to their needs and issues. Early communication initiatives, including roadshows, outreach services, media (print and radio) raised expectations. Initiatives to encourage overstayers, especially long-term overstayers, to come forward to discuss their immigration status and options put pressure on the capability and capacity of the Auckland office.

The complexity of consultation with diverse Pacific communities, many marginalised and unable to access official processes, and the almost limitless need for information to support better understanding of immigration services, was apparent. This was a common theme of feedback received by the Review Team in community meetings held in Manukau, Wellington and Christchurch.

Despite the commitments made by the Pacific Division, few attendees at the community meetings had had any contact since the roadshows held when the Division was first established in 2005. In Christchurch, the stated commitment of a staff member to work with Pacific communities in the South Island did not eventuate. Community groups noted that the long-term overstayer issues remained, there continued to be limited understanding of section 35A and the need for ethnic specific information was unfulfilled.

Pacific ethnic groups, such as those from Tuvalu and Kiribati, reported an improved focus since establishment of Pacific Division. In the Kiribati Islands an onshore office was established for the first time.

Community groups also noted the potential gains that could be made had natural leadership networks been fully utilised.

Despite this, the strong foundation of goodwill created remained and there is universal support for maintaining a Pacific Division.

## Key findings

Feedback from immigration agents confirmed the following findings:

Workshops were held with immigration agents in Samoa, Tonga and Auckland.

There is natural tension in the relationship between immigration agents and the Pacific Division. On the one hand, the agents are a key stakeholder providing valuable assistance to potential migrants, on the other hand, the potential for exploitative practices required the implementation of a facilitation strategy designed to reduce the need for reliance on third-party assistance.

Immigration agents' views:

- ▶ Included criticisms of the low frequency of engagement, distant relationships, absence of proactive and targeted communication and services to agents' needs;
- ▶ Affirmation of the views of community stakeholders in relation to offshore service levels;
- ▶ A belief that the specialised nature of the Pacific Division's New Zealand-based service should have resulted in higher quality customer service than the DoL norm; and
- ▶ Identification of perceived negative decision-making by the Henderson Branch in matters where discretionary decision-making was required.

Overall, the immigration agents supported the need for a dedicated Pacific Division in order to ensure mainstream service understanding and responsiveness to Pacific issues.

### 3.6.1 External stakeholder recommendations

#	Title	Description
1	External stakeholder relationship approach	<p>Develop an external stakeholder relationship approach that:</p> <ul style="list-style-type: none"> <li>▶ Maintains and builds on existing strong and positive relationships (e.g., Pacific Island Government ministers and officials);</li> <li>▶ Takes advantage of a number of significant opportunities to develop stronger relationships (e.g., employers, community leaders); and</li> <li>▶ Significantly improves weak and/or non-existent relationships (e.g., MPIA).</li> </ul>
2	Governance/consultation mechanism	Develop a governance/consultation mechanism with key external stakeholders (e.g., whole-of-Government, employers and community leaders).

## 3.7 Leadership

### Key focus

Assessment of the leadership style, competence and practices of the leaders (National Office and branches) in the Division relative to:

- ▶ New Zealand public sector leadership expectations; and
- ▶ Department of Labour Manager Responsibilities.

### Overall assessment: serious concerns – immediate and urgent remedial action required

- ▶ Pacific Division needs to significantly and urgently lift its overall leadership capability and approach.

### Key findings

In our view leadership is about the way a person or group of people influences the thoughts, attitudes and actions of others through their own thoughts, attitudes and actions.

Strong leadership energises people toward a common goal. It has the ability to get people to do something significant that they might not otherwise do. Strong leadership not only sets direction and vision, it reinforces boundaries and provides a model of desired behaviour and action.

#### Leadership of Pacific Division

In the many interviews and discussions held as part of this review, strong and often polarised comments were made about the leadership style and practices evident in Pacific Division.

Feedback on positive features of the leadership of Pacific Division included:

- ▶ Passion for the Pacific and for achieving better outcomes for Pacific peoples;
- ▶ In-depth understanding of the needs of Pacific peoples and the barriers they face;
- ▶ Motivation to get things done and respond quickly to opportunities;
- ▶ Entrepreneurial zeal; and
- ▶ Strong cultural competence to gain the trust and confidence of Pacific Island leaders.

## Key findings

These positive features have been overshadowed by feedback received on more negative features. These negative features were seen by many stakeholders to have significantly affected the reputation, operating and management performance of the Division. Negative features highlighted by stakeholders to the Review Team include:

- ▶ “Us and them” style of working based on the belief that other parts of the Department are not interested in and don’t understand the Pacific (based on past poor performance). This style of working created and reinforced silos around and toward Pacific Division;
- ▶ “End justifies the means” – an operating practice that emphasised the achievement of weakly understood and loosely defined outcomes (improved relationships with Pacific States, filling of PAC/SQ quotas) over the requirements to understand and comply with legal, public sector and/or departmental frameworks and procedures;
- ▶ A perceived belief that the leadership of Pacific Division was treated differently (referred to a number of times as “untouchable”) and that they were accountable only to the then Deputy Secretary and under that person’s protection and patronage;
- ▶ Insufficient operational experience and focus. Following the creation of Pacific Division there was a large amount of activity initially focused on:
  - ▶ Filling the PAC/SQ quotas;
  - ▶ Centralising residence decision-making onshore;
  - ▶ Establishing Auckland Pacific Division;
  - ▶ Appointing new branch managers with changed roles in Apia and Nufa’lofa; and
  - ▶ Establishing new functions in offshore branches (outreach and pre settlement).

Despite this focus, there was insufficient operational planning and management to ensure these activities and the ongoing operation of the Division could be effectively managed. The focus of the leadership of the Division was on relationship management in the Pacific at the expense of operational management such as service delivery performance, quality decision-making, resource requirements, performance measurement and management. Despite the stated focus on improving customer service, Branch Managers appear to have received limited support in relation to core service delivery and service performance improvement.

- ▶ Accompanying the low level of operational experience and focus, the leadership of the Division also showed a low level of core management experience and focus (e.g., financial management, contract management) particularly in relation to public sector standards and requirements.

## Key findings

### Leadership of the Pacific Division Branches

The culture and performance of a branch is critically shaped by the leadership style and behaviours of the Branch Manager and to a lesser extent by that of the Immigration Manager (2IC).

Many of the Branch Managers interviewed with experience in the Pacific commented on the degree to which the performance of staff and the branch is a product of the respect that staff have for the manager's expertise and experience and way of engaging with them.

Many within the Department talk of the need for a manager to have both technical and cultural competence:

- ▶ Technical competence refers to the expertise of the manager in immigration policy decision-making; and
- ▶ Cultural competence refers to a combination of factors, including empathy with and understanding of culture, history and current issues as well as language ability.

Initial emphasis within Pacific Division was placed on cultural competence with the appointment of managers with Pacific Island heritage. A 2005 Pacific Division presentation emphasised the importance of appointing new managers who were "... savvy about local issues, networks, cultures and relationships".

While this approach has positively impacted the ability of Pacific Division to build strong relationships with Pacific governments and/or communities, it has significant consequences for the overall performance of those branches owing to the manager's limited experience and expertise in immigration policy and decision-making (particularly in a Pacific context) and other key management roles, including financial and staff management.

The physical isolation of some Branch Managers from their staff was surprising, with staff commenting on the low level of accessibility and a perceived lack of:

- ▶ Engagement with and interest in them; and
- ▶ Concern about operational issues.

While both technical and cultural competence are important aspects of the role of Branch Management, two further areas would also seem to be of importance, namely:

- ▶ Customer and workflow management competence; and
- ▶ Staff management competence.

## Key findings

In our view, customer and workflow management competence refers to skills in being able to understand, plan and organise:

- ▶ Customer peaks and queues;
- ▶ Segmentation of customer/work types (e.g. low risk, high risk);
- ▶ Flows of work and tracking of flows;
- ▶ Work design based on local issues (staff capability, physical layout, technology etc);
- ▶ Management of backlogs, blocks and delays; and
- ▶ Staff resource allocation; and staff utilisation.

In our view, staff management competence refers to a range of core human resource management skills including:

- ▶ Motivation and engagement;
- ▶ Coaching and development;
- ▶ Capability assessment;
- ▶ Performance management; and
- ▶ Effective management of staff issues/tensions.

In our review of the Pacific branches and in our discussion with other managers in Service Delivery we did not see within the Department:

- ▶ An understanding of the importance of these competencies; and
- ▶ Appropriate levels of support and/or training for Branch Managers in their use.

## Key findings

### The Role of Branch Managers

Discussion with Branch Managers in Pacific Division and in Service Delivery highlighted a number of concerns including:

- ▶ A confusion between the operational management responsibilities of the Immigration Manager vs. the Branch Manager; and
- ▶ Insufficient clarity over the relative focus of Branch Managers on management and leadership in the branch vs. external relationship management.

We were also concerned by the effectiveness of the current induction process for new offshore Branch Managers in both Pacific Division and Service Delivery. A number of Managers commented on how they “were largely left to their own devices and just expected to know” how to induct themselves and get briefings and/or information about:

- ▶ The office, its issues, performance and context;
- ▶ External stakeholders and the strength of the relationship and issues; and
- ▶ Important cultural requirements and expectations.

### 3.7.1 Leadership recommendations

#	Title	Description
1	Emphasise operational management.	Ensure the future leadership of the Pacific Division and branches have a deep understanding of and experience in operational management i.e. immigration policy and decision-making (preferably with an understanding of and experience in the Pacific context).
2	Develop a leadership and management approach.	Develop a leadership and management approach that emphasises comprehensive development in and competence of: <ul style="list-style-type: none"> <li>▶ Technical skills;</li> <li>▶ Cultural understanding;</li> <li>▶ Customer and workflow management; and</li> <li>▶ Staff management.</li> </ul>
3	Set and communicate clear expectations for the leadership approach.	Ensure the future leadership of the Pacific Division and leadership of all other areas within Service Delivery and the wider Department have clear expectations of the Department's leadership approach and behaviours, including the importance of collaborative internal working.
4	Clarify the roles and responsibilities of Branch Managers and Immigration Managers.	Clarify and set clear expectations of the roles and responsibilities of Branch Managers and Immigration Managers.
5	Set expectations for Branch Managers regarding engagement and communication with staff.	Ensure Branch Managers are aware of expectations regarding regular proactive engagement and communication with their staff on both strategic and operational issues.
6	Review the effectiveness of the current induction process for Branch Managers.	Develop and implement a more robust and comprehensive induction process for new Branch Managers.

## 3.8 Capability, learning and development

### Key focus

- ▶ Assessment of the capability of employees to meet the objectives of the Pacific Division.

### Overall assessment: urgent development area – immediate remedial action required

Pacific Division needs to immediately address the underinvestment in staff, including training and development, engagement, support and facilities.

### Key findings

The Pacific Division is heavily dependent on the skills, dedication and alignment of its staff in order to achieve its objectives. The capability of staff directly impacts upon the achievement of targets, quality decision-making and processing and customer and stakeholder satisfaction.

It was originally envisaged that this review would undertake an assessment of existing staff capability within Pacific Division and compare that to the core competencies required to do the work. However, owing to insufficient information and the unavailability of resource within the Department to support this work, we have not been able to undertake this assessment. We would recommend this assessment should be undertaken.

Despite this a number of conclusions can still be made. These are based upon:

- ▶ Discussions with Pacific Division staff and management;
- ▶ Review of operating processes and procedures;
- ▶ Review of performance agreements;
- ▶ Discussion with Department training providers; and
- ▶ Quality Initiative reports.

### Overall staff capability

Staff in the Pacific branches consistently demonstrated to us passion, enthusiasm and commitment to their work. Many openly showed enormous pride in working for New Zealand.

## Key findings

The difficulties they face should not be underestimated. These include:

- ▶ Ineffective and inconsistent management and leadership;
- ▶ Unresolved grievances, particularly in relation to pay and development opportunities;
- ▶ Insufficient and untimely training;
- ▶ Limited guidance provided or available;
- ▶ Limited access to core systems and responsive and appropriate technology;
- ▶ Poor facilities;
- ▶ Living and working in a “fish bowl” environment where the small size of the communities, the importance attached to immigration and the need to constantly manage conflicts of interest places enormous potential demands on staff; and
- ▶ Isolation from the support and technical expertise of other parts of the Department.

In addition, staff have faced increasing volumes of applications, demands for higher levels of risk analysis and verification and increased demands to deliver new programmes and initiatives, e.g., RSE.

As a consequence of these factors, the overall level of staff capability is challenged by the practical requirements. In particular, staff show a low level of confidence in their ability to make and/or recommend decisions, particularly where higher levels of risk and complexity are involved.

### Staff roles and responsibilities

In all Pacific Division branches we found that the roles and responsibilities of staff were often confused and unclear. While there are a relatively small number of positions (Support, Customer Services Officers, Visa/Immigration Officers, Verification Officers, Relationship Managers, Immigration Managers) most staff were undertaking mixed roles. This is owing to:

- ▶ The need to provide additional support to certain roles during peak times;
- ▶ The need to provide support for less experienced staff;
- ▶ The need to provide development opportunities and keep experienced staff motivated; and
- ▶ Ineffective staff planning and staff utilisation for certain roles.

## Key findings

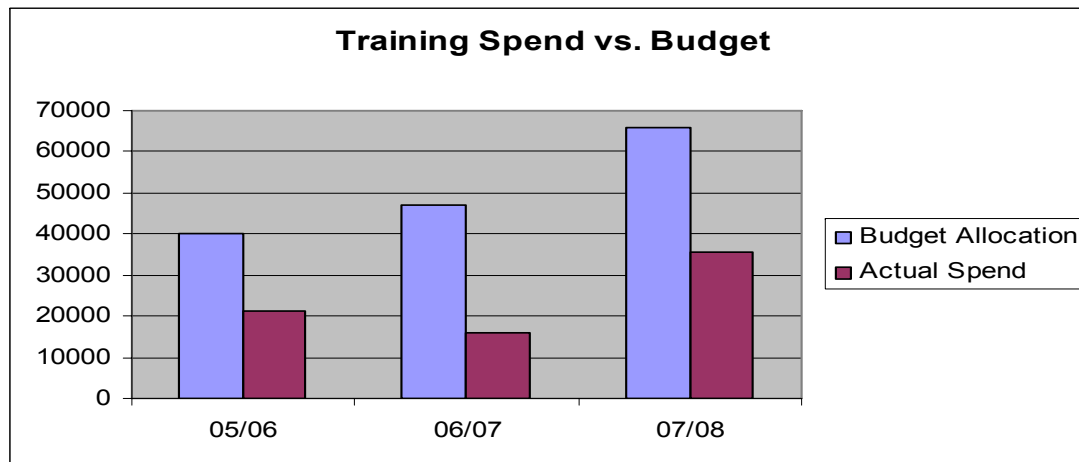
The lack of role clarity and the confused boundaries between jobs has a number of concerning consequences, including:

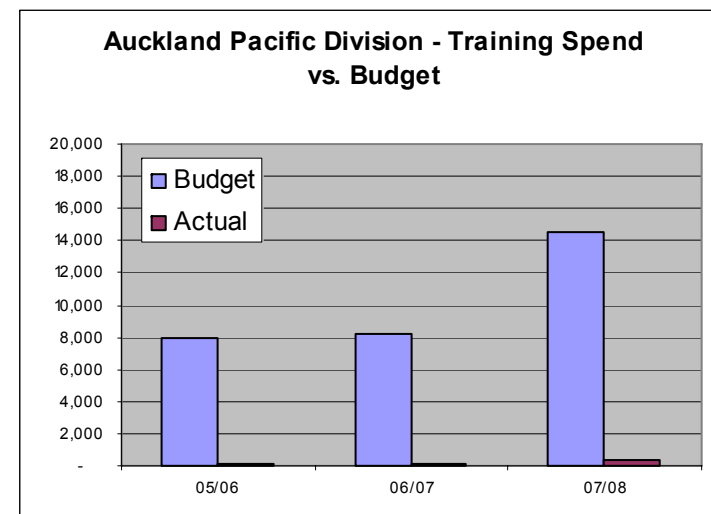
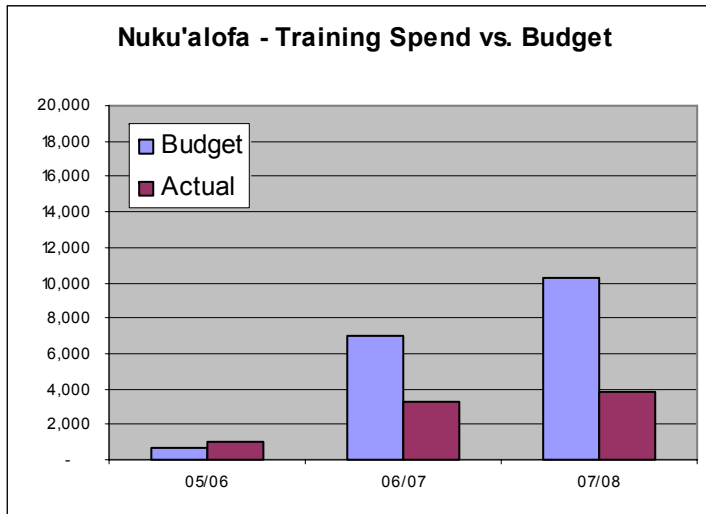
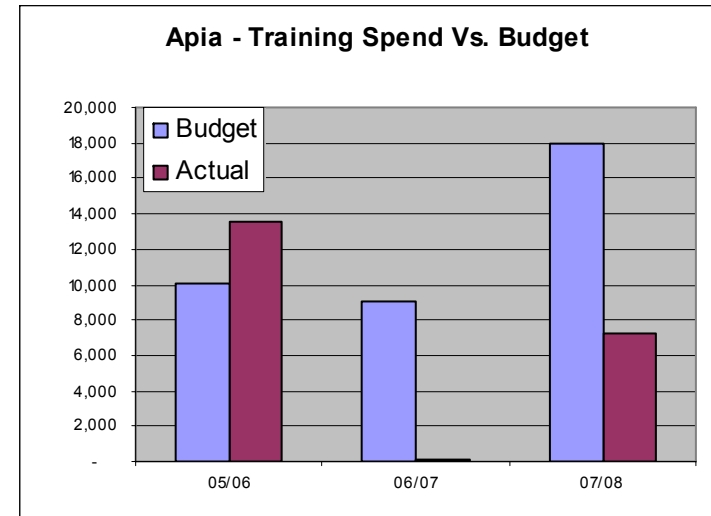
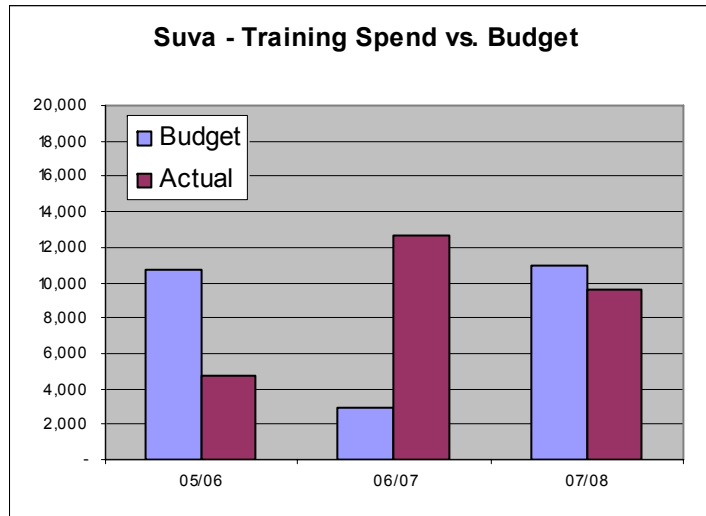
- ▶ Confusion over delegations;
- ▶ Lack of prioritisation;
- ▶ Staff being unclear as to where to focus their time (distraction from main role);
- ▶ Lack of ownership of some functions/responsibilities; and
- ▶ Lack of ownership of some applications (particularly complex and difficult applications).

### Training

There has been a significant underinvestment in the training and development of staff in the Pacific branches. The graphical evidence below shows the low level of actual training undertaken in comparison to budget since 2005.

Figure 17 – 17d: Analysis of training spend to budget





## Key findings

The low level of training is a result of a number of issues including:

- ▶ Insufficient operational focus of Pacific Division leadership and management;
- ▶ The siloed nature of the Pacific Division resulting in a low level of engagement between Pacific Division, HR, and Service Delivery; and
- ▶ Pressure of increasing work volumes.

It would appear the low level of training for and investment in Pacific branch staff is not new. Former Pacific Branch Managers all commented on the underinvestment in the Pacific and the difficulty of getting attention and resources, including access to training.

Nor would it appear that this situation is unique to the Pacific. A number of Service Delivery offshore Branch Managers commented on the difficulty of accessing training, inducting their staff and keeping them trained and up-to-date with policy and procedural changes.

In the last 15 months, changes in the leadership of the Department and of the Division has seen Pacific Division significantly increase its focus on quality and on the training of its staff. A quality initiative has been launched and at the Chief Executive's instruction a training programme has been undertaken for each branch and further training is planned for the rest of the financial year.

The value of this training (already undertaken and scheduled) should not be underestimated and it is providing a much needed up-skilling of some staff. However, a number of concerns exist:

1. The value of the training will not be fully realised unless:
  - ▶ More active steps are taken to share and discuss the learnings and integrate changes and improvements into the actual work of the branch;
  - ▶ Formal training is supported by effective coaching (particularly by the manager); and
  - ▶ All staff can access training and an effort is made to work with those staff who appear to be reluctant to accept changes and improvement;
  - ▶ Improvements are made in the response times and availability of the Department's core systems; and
  - ▶ Improvements are made in time management and the understanding of and use of core applications.

## Key findings

2. The current training being provided is very “bottom-up” driven and is focused on improving staff core skills and the understanding of immigration processes and requirements. Core training consists of half to one-day modules on letter writing, delegations, interviewing skills, official information act/privacy training, decision-making etc. This core training needs to be complemented with a broader and planned “top-down” training based on a needs and role analysis and focused on building management and staff understanding of and competence in:

- |  |   |
|--|---|
| ▶ Immigration decision-making          | ▶ Immigration policy and legal frameworks         |
|  | ▶ Decision-making and risk management             |
|  | ▶ Quality   |
| ▶ Customer and workflow management     | ▶ Quality and process improvement                 |
|  | ▶ Work design                                     |
|  | ▶ Customer service                                |
|  | ▶ Stakeholder engagement and management           |
| ▶ Staff management                     | ▶ Engaging staff                                  |
|  | ▶ Team work                                       |
|  | ▶ Coaching and developing staff                   |
| ▶ Working for the Department of Labour | ▶ Strategic Direction – who we are and what we do |
|  | ▶ Policies, processes and procedures              |
|  | ▶ Management roles and responsibilities           |

## Key findings

### Performance management

A review of performance agreements for branch staff showed that this tool is ineffectively used within the Division as a means of:

- ▶ Setting clear performance expectations and roles and responsibilities;
- ▶ Engaging staff and linking them to the objective of the Division and the branch;
- ▶ Monitoring performance and providing feedback; and
- ▶ Agreeing development needs and establishing development plans.

### Staff issues and grievances

As part of this review we held sessions with Pacific Division staff to identify and talk about key concerns and issues. Many of the issues raised in these sessions are commented on in other sections of this report including:

- ▶ Training and development;
- ▶ Staffing levels;
- ▶ Absence of a technical analyst;
- ▶ Technology;
- ▶ Premises and working environment; and
- ▶ Queue management.

However, there are a range of other issues raised by staff that need to be dealt with by management. In a number of cases these are long-standing grievances, which either:

- ▶ Have been raised with management in the past and “promises made” but never effectively dealt with;
- ▶ Not raised owing to the consequences of doing so.

## Key findings

These issues include:

- ▶ **Pay:** Rates paid to branch staff are perceived by them to be significantly behind local market rates. Despite assurances that a pay review would be undertaken (including comparison with a local salary survey) no progress has been made;
- ▶ **Extra tasks/responsibilities:** Staff have been asked to take on extra duties without additional compensation;
- ▶ **Engagement with local management:** Staff consistently expressed concern about the level of engagement and communication with local management;
- ▶ **Conflicts of Interest:** A great deal of emphasis is placed on staff understanding of and avoiding potential conflicts of interest. While the importance of this policy is understood, staff feel confused by how to effectively apply the policy and declare conflicts of interest when they live in and work in close knit communities;
- ▶ **Contract Status:** Some staff have been employed on temporary contracts for long periods. Despite assurances their employment status would be made permanent no action has been taken; and
- ▶ **Belonging to the Department:** Staff consistently expressed the view that they feel isolated from, and lack a sense of engagement with and connection to, the Department as their employer.

### 3.8.1 Capability, learning and development recommendations

#	Title	Description
1	Staff grievances and issues.	Take actions to clarify, document and, where appropriate, resolve staff grievances particularly in relation to pay and contract status.
2	Staff training.	Undertake a skill assessment for staff in the Pacific Division and ensure development of a training plan based on: <ul style="list-style-type: none"> <li>▶ Skill gaps and needs;</li> <li>▶ Customer service standards; and</li> <li>▶ Wider organisational requirements to strengthen understanding of and/or compliance with organisational direction, core policies and procedures and effective staff engagement approaches.</li> </ul> <p>Ensure the value of current and future training is realised through management and staff taking active steps to share learnings, integrate changes into the work of the branch, and provision of more proactive coaching.</p>
3	Performance management.	Ensure management and staff are fully trained in the use of performance management and performance agreements.
4	Staff roles and responsibilities.	Clarify the core roles and responsibilities of staff in the branches and ensure these are aligned through: <ul style="list-style-type: none"> <li>▶ Job descriptions;</li> <li>▶ Performance agreements; and</li> <li>▶ Delegations.</li> </ul>

## 3.9 Compliance/control

### Key focus

- ▶ One of the fundamental aspects to building and maintaining an effective organisation is the ability to develop and maintain an effective control environment.
- ▶ As a result of the importance of a strong control environment our review has incorporated a strong focus on identifying control exceptions and providing meaningful and practical control environment improvements and recommendations for the Pacific Division.
- ▶ Our review of the control and compliance environment focuses on the following key areas:

Control environment focus area	Control and compliance indicators
<b>A. Expenditure process include:</b> (page 84) <ul style="list-style-type: none"> <li>▶ General invoice expense payments</li> <li>▶ MasterCard Payment</li> <li>▶ Personal Expense reimbursements</li> </ul>	<b>Indicators assessed and reviewed include:</b> <ul style="list-style-type: none"> <li>▶ Appropriateness of expenditure.</li> <li>▶ Appropriateness of approval within the department framework.</li> <li>▶ Expenditure recognition and general accounting compliance and competence.</li> </ul>
<b>B. Payroll and employee management processes include:</b> (page 88) <ul style="list-style-type: none"> <li>▶ Employee contracts and employment files</li> <li>▶ Salary and overtime calculations</li> <li>▶ Approval of payments and contracts</li> </ul>	<b>Indicators assessed and reviewed include:</b> <ul style="list-style-type: none"> <li>▶ Appropriateness of authorisation.</li> <li>▶ Timeliness of payments and evidence of review.</li> <li>▶ Security of process, opportunities for control over-ride.</li> </ul>
<b>C. Other processes include:</b> (page 91) <ul style="list-style-type: none"> <li>▶ Fee waivers</li> <li>▶ Maintenance of the fixed asset register</li> <li>▶ Security of premises/layout</li> <li>▶ Cash and labels security</li> <li>▶ Financial, positional and functional delegations</li> </ul>	<b>Indicators assessed and reviewed include:</b> <ul style="list-style-type: none"> <li>▶ Appropriateness and timeliness of review.</li> <li>▶ Appropriate delegations made and adhered to.</li> <li>▶ Access to secure facilities.</li> </ul>

## Overall assessment: urgent development area – urgent and immediate remedial action required

Pacific Division needs to immediately address a number of compliance and control deficiencies

### Key findings

We have allocated a rating for each control environment focus area based upon the following assessment framework.

Rating	Description
Serious Concerns	Serious concerns about the current capability and/or performance. Intervention is required to address current weaknesses and secure improvement immediately.
Urgent Development Area	Significant weaknesses in capability and/or performance that require urgent action.
Development Area	Some weaknesses in capability requiring remedial action. Action is required to close those gaps and deliver improvement over the short to medium term.
Well Placed	Sound current capability and/or performance.
Strong	Strong current capability and/or performance. Considered best practice example amongst comparable industries.

### Expenditure control environment

Our general impression of the expenditure control environment, based on testing and observations, is that it is an Urgent Development Area.

**Offshore:** The expenditure process is relatively non-complex in the offshore branches. Invoices are received into the branches and passed on for review, approval and coding (with the exception of Suva, where coding is performed at a National Office level). All payments are made by manual cheques. Manual cheques are stored in a locked safe and are required to be countersigned by two delegated employees from a pool, usually consisting of four employees. Whilst the delegated signatories are not responsible for the maintenance/posting to the general ledger, they do include the Branch Manager and Immigration Manager who are responsible for authorising the majority of invoices. The general ledgers for all branches are updated within the Dolphin system by National Office, as access is not available offshore.

**Onshore:** Invoices are received in by Auckland Pacific Division and reviewed/approved by the Branch Manager or Immigration Manager. A payments batch is then created and sent to National Office for payment. The majority of this process is electronic. National Office is responsible for updating the General Ledger. IT is also responsible for posting to the General Ledger (GL) for all offshore branches. All MasterCard and personal expense claims, except medical and optical claims, as included in some of the offshore employee contracts, are reviewed and paid out of the National Office office.

## Key findings

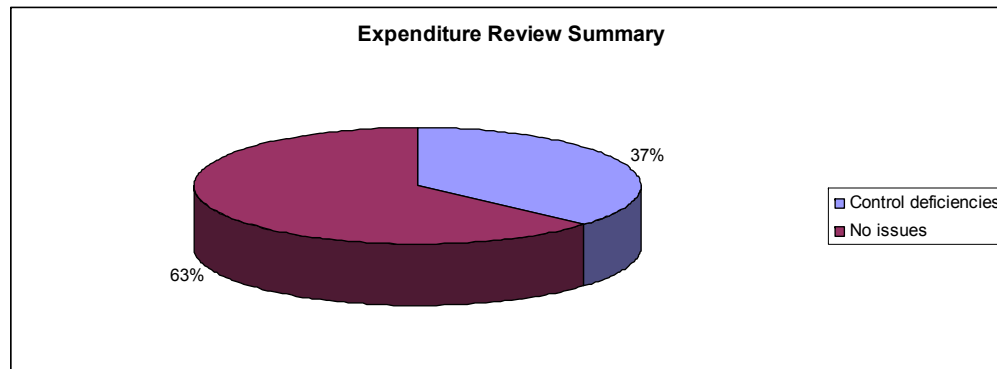
Offshore branches pay their own medical and optical claims through their own payroll. Claims are approved by the Branch Manager or Immigration Manager and are monitored for each employee via a spreadsheet that tracks spend against allowance.

We tested a sample of expenditure items, including personal expense and MasterCard claims incurred during the 07/08 FY, with a focus on:

- ▶ Expenditure with personal benefits;
- ▶ Review and approval process and consistency with Department policy and guidelines; and
- ▶ GL coding appropriateness.

The figures below summarise our key observations relating to the expenditure control environment.

Figure 18 – Expenditure sample overall results analysis



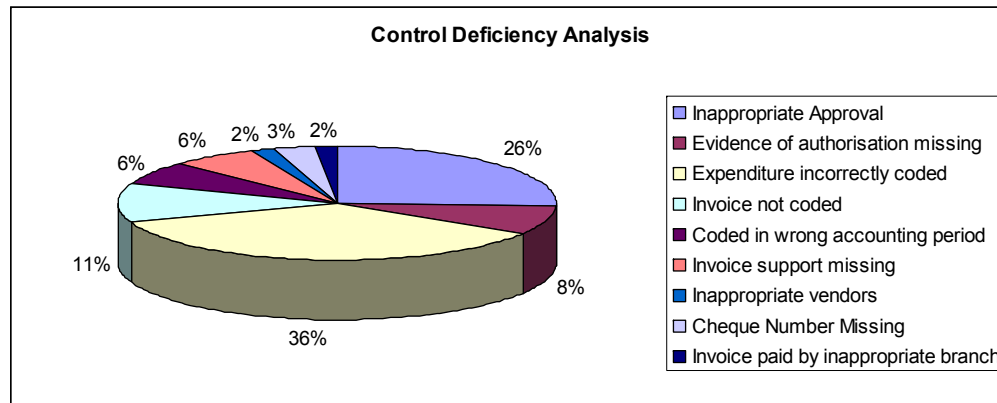
Of our expenditure sample tested, 37% exhibited some degree of control deficiency requiring improvement.

It is difficult to compare this result with other organisations, in particular because of the offshore branch setup of the Pacific Division. However, we regard this result as unusually high in comparison to our experience with large public sector organisations with established internal control frameworks.

The table below analyses the items that exhibited control deficiencies into specific categories.

## Key findings

Figure 19 – Expenditure control deficiency analysis



### 1. Inappropriate approval

This category is defined as approvals made outside of Department guidelines and generally approvals that have the potential to expose the Department to a degree of public risk.

Of the control deficiencies noted within this category, the following were considered significant to warrant specific mention:

- ▶ Department credit card used for personal shopping and groceries and the expenditure was coded to office expenses within the general ledger. The personal expenditure was reimbursed, however, firstly, it should not have been incurred on the Department credit card and secondly, expenditure should not have been coded to office expenses as these are not company expenses.
- ▶ Two transactions were entered into in the 05/06 FY with an external provider. The directors of this company are the (former) Director of the Pacific Division and the wife of the Group Manager Service International. Approval for payment has been given by the Group Manager of Service international, which would appear to be a conflict of interest. NB: These transactions were the subject of an external review (Chemis Report May 2008). This report found there was no conflict of interest.
- ▶ Expenditure controls around staff farewells appears relaxed. The Staff Gifts, Rewards & Farewell policy sets a specific per head spend with a maximum ceiling of \$200. Pre-approval is required by a manager one level above, detailing the number of people attending, to be filed with the invoice upon payment. This does not appear to be consistently applied.

## Key findings

- ▶ 4,311 Samoan Tala approved as expenditure items for Branch Manager's leaving function, all invoices have been approved by the Group Manager of Service International. Expenditure items included:
  - ▶ Dinner 65% of total invoice;
  - ▶ Alcohol 17% – Alcohol should have been approved by the Deputy Secretary;
  - ▶ Live band being hired 10%; and
  - ▶ Gifts 7%.
- ▶ Branch Manager approving invoices for expenditure incurred by themselves.
- ▶ Authorisation by the Branch Manager for a gym membership for staff and family use. This is outside the terms of employee contracts and Department policy.
- ▶ Personal expenditure paid for by branch with no evidence of reimbursement:
  - ▶ Branch Manager & Immigration Manager purchased personal consumables from an external supplier, using diplomatic avenues, through the New Zealand High Commission, with invoices being paid by the branch.
- ▶ Approval outside of delegations. For example, the Immigration Manager approving travel invoices for the Branch Manager. This approval should be one up delegation per Department policy.

### 2. Invoice paid by inappropriate Branch

This control deficiency category is defined as invoices appearing to belong to one Pacific Division Branch, however, payment made out of a separate branch within Workforce.

Of the control deficiencies noted within this category, the following were considered significant to warrant specific mention:

- ▶ Speakers were purchased for the Wellington Office @ \$294 each, however, the invoice was sent to a separate office for payment.

### 3. Coding in the wrong accounting period

This control deficiency category is defined as payment and coding of invoices in a separate accounting period to which the expenditure actually related. Prepayments and accrual expectations are not well understood by the responsible branch staff.

## Key findings

Of the control deficiencies noted within this category, the following were considered significant to warrant specific mention:

- ▶ An invoice for radio announcements was paid in April 2008 relating to a transaction in October 2006. The degree of late payment raises the risk of double payment and accounting in the incorrect period. We were unable to ascertain if this had been paid for previously.
- ▶ The full invoice for a newspaper subscription was paid in advance and expensed up front, rather than treated as a prepayment and allocated across the periods the invoice subscription related to. Prepayments and accrual expectations do not appear to be well understood by the responsible branch staff.

### 4. Expenditure incorrectly coded

This control deficiency category is defined as expenditure being coded to inappropriate general ledger codes or one general ledger code where a more accurate alternative exists.

This is the most prevalent of the control exceptions identified and stems from a low level of training and understanding by the responsible branch accounting staff. At an oversight level, incorrect coding impedes good budgeting and performance monitoring. Examples of control deficiencies noted within this category include:

- ▶ International travel coded to domestic travel; and
- ▶ Staff functions being coded to various accounts.

### 5. Missing evidence of invoice support authorisation, coding and cheque number

These control deficiency categories are defined as missing key expenditure control characteristics that would be reasonably expected.

- ▶ Koha (or a cash gift) paid, with no evidence or correspondence to support the payment. Cash payments are inherently risky and therefore should be documented appropriately.

### 6. Inappropriate vendors

This control deficiency category is defined as expenditure being made to vendors that do not appear to be the best option.

- ▶ Milk purchases are being made through a restaurant in the food court at elevated prices compared to the supermarket. Given there is a supermarket in the mall, this would appear to be a better option for Department consumable purchases.

## Key findings

Whilst this is not a significant concern as such, it does represent a general lack of thought concerning purchasing policy, vendor selection and focus on value for money.

### Overall expenditure conclusion

Our review of the expenditure control environment has highlighted a number of control deficiencies that require corrective measures to be implemented. The key findings can be summarised into the following categories linking into related recommendations:

- ▶ Appropriateness of expenditure;
- ▶ Approval of expenditure in line with Department policy;
- ▶ Expenditure with a personal nature; and
- ▶ Inaccurate coding of expenditure, availability of supporting documentation and timeliness of filing.

### A. Payroll and employee management control environment

Our general impression of the payroll control environment, based on our testing and observations, is that it is an urgent development area.

We reviewed the payroll process, payroll files and contracts for all current staff members across the Pacific Division Branches. It should be noted that Payroll in the Offshore Branches is undertaken by the Branches themselves. For Onshore Branches Payroll is provided by the Department's Corporate functions. Our key findings, concerns and improvements areas are summarised below:

#### 1. **Salary payment process**

This section makes observations surrounding the core process of computing and making payroll payment.

- ▶ Five employees are being remunerated at a higher rate (10%) than their most recent pay review letter on file.
- ▶ Payroll computation sheets are not as robust as would be expected. Payroll is computed on an unprotected excel spreadsheet in which all fields can be changed, including salary and bank details.
- ▶ Overtime hours are tracked on individual employee overtime sheets. The following concerns have been noted:
  - ▶ Duplicate overtime hours on file and signed off – risk double payment;

## Key findings

- ▶ Overtime sheet not authorised – risk fraudulent payment;
- ▶ Manual calculation of overtime hours worked often incorrect – risk/over or underpayment;
- ▶ Hours worked incorrectly summarised for payment, e.g., 1h and 50 min being recorded as 1.5 hours; and
- ▶ Branch managers approve the foreign currency conversion rate for their own salary payments.

### 2. Employee contracts & terms

This section makes observations surrounding the completeness of employee files and records and the consistent application of employment guidelines.

- ▶ Contracts are based on the Department standard template, however, locally engaged staff need to comply with the local labour law.
  - ▶ Maternity leave available at any time (no minimum) after commencement of employment.
- ▶ One contract had an unclear status of employment (casual vs. permanent).
- ▶ Salary relativity:
  - ▶ Remuneration rates are not consistent with level of experience/authority;
  - ▶ Contracted hours are not consistent between different Visa Officer contracts. No additional delegated responsibilities are clear for the Visa Officer with higher contracted hours;
  - ▶ New Visa Officer starting on higher salary than key experienced staff; and
  - ▶ Two casual staff are remunerated at higher hourly rates than permanent staff.
- ▶ Application of probation period:
  - ▶ New contracts contain a three month probation clause, requiring the employee to be reassessed at the end of this period and either offered full time employment or let go. Formal documentation should be retained on the file at the end of the probation period supporting the decision reached. This has not happened in any of the files reviewed. Employees are not allowed to claim medical allowance whilst under the probation period; and
  - ▶ One probation period was extended, which is not in line with policy.

## Key findings

- ▶ Employee understanding of contracts and adherence to terms of employment;
  - ▶ Neither the cleaner nor the security guard knew they were on temporary contracts. This appears to be owing to a low level of communication, coupled with a low level of understanding of contract terms by employees; and
  - ▶ The Security officer has no provision for overtime in his contract, however is being paid it.
- ▶ Contract authorisation:
  - ▶ Two contracts had no evidence of approval from an appropriate Department person;
  - ▶ One contract had no evidence of approval from the employee; and
  - ▶ Lack of understanding of who should be, and is, approving employee contracts. Varying observations made from local Branch Manager through to the Group Manager of Service International.

### 3. Performance and salary reviews

This category makes observations surrounding the oversight of employee performance and recognition of performance:

- ▶ Inconsistent use of the performance management process;
- ▶ Where used, performance objectives are often not linking to specific goals and outcomes for individual employees;
- ▶ Performance reviews not undertaken on a timely basis; and
- ▶ Four employees' salaries are set at a level greater than 120% on the 80/120 performance matrix scale.

### 4. Hiring policy

This category makes observations surrounding the initial assessment of staff and the ability to recruit appropriate personnel:

- ▶ One employee hired with a significant criminal history;
- ▶ Approval was given by the former Director of the Pacific Division to retain outside of Department policy;
- ▶ Two employees on a final written warning; and

## Key findings

- ▶ Favouritism and conflicts of interest were raised by some staff in one branch in relation to hiring and promotions.

### Overall payroll and employee management control environment conclusion

Our review of the payroll and employee management control environment has highlighted a number of control deficiencies that require corrective measures to be implemented. The key findings can be summarised into the following categories, linking into related recommendations that should be read in conjunction with recommendations made in section 3.8 of this report.

- ▶ Salary relativity and contract realignment.
- ▶ Payroll processes and security.
- ▶ Overtime levels.
- ▶ Completeness of employee files, documentation and adherence to contract terms.

### B. Other control environment considerations

- ▶ Our general impression of the payroll control environment, based on our testing and observations, was that it is a development area:

Our review of the expenditure and payroll control environment and our observations of the operating environment in sections 3.3 and 3.8 have highlighted a number of supporting control findings that will prove critical to the efficient and effective operations of the Pacific Division.

The following items represent additional control observations across the Division that also need to be addressed.

#### 1. **Maintenance of fixed asset register**

- ▶ Fixed asset items purchased for the Branch Manager residence, including whiteware and generators, whilst being appropriate expenditure items, belong to the branch, but have not been recorded within the branch fixed asset register.
- ▶ Fixed asset items purchased for the branch, such as DVD players and cameras, whilst being appropriate expenditure items, belong to the branch, but have not been recorded within the branch fixed asset register.

#### 2. **Fee waiver monitoring**

- ▶ Large volumes of fee waivers represent a significant loss of income for the branches.

## Key findings

- ▶ Fee waiver reports are available to all branch managers from AMS, detailing who made the waivers and for what purpose, although in many instances staff did not know how to run these reports.
- ▶ Timely and consistent review of these reports is not happening. Whilst some branches are better than others, improvements across the entire Division could be made.

### 3. Departmental operational environment (functional and security adherence)

- ▶ The Department has minimum standards with respect to the core operational environment. For example, the reception counter must be secured to a reasonable standard. Physical limitations within many of the branches mean standards are not adhered to. Where this is the case, operational waivers must be sought and approved for areas where compliance cannot be met. This process is not happening on a consistent or timely basis.

### 4. Prepayments and accruals

- ▶ Employees responsible for finances in the branches appear to have an insufficient knowledge and understanding of core accounting concepts, critical to effective business reporting.

### 5. Treatment of terminated staff

- ▶ Terminated employees have not had their access to AMS terminated in a timely manner.
- ▶ We observed one example of a terminated Branch Manager accessing AMS inappropriately post their termination and moving data around in what appears to be an attempt to hide unperformed work during their tenure.

### Overall control environment assessment

Overall, our review of the control environment highlighted a number of improvement points the Pacific Division should implement to improve the way it operates and delivers its desired outcomes and services both internally and externally.

These findings can often be indicative of larger Departmental deficiencies, all of which combine to hinder operational performance and the achievement of key Departmental outcomes.

### 3.9.1 Control and compliance recommendations

#	Title	Description
1	Expenditure – personal nature.	Ensure the guidelines are communicated to the branch staff regarding expenditure of a personal nature. Follow up and obtain reimbursement for past transactions where appropriate.
2	Expenditure –policy adherence and approval appropriateness.	Ensure expenditure policies are adhered to and that authorising staff are aware of policies and place a higher focus on the quality and appropriateness of approval. Ensure the risks of expenditure with a perceived personal benefit are well communicated.
3	Expenditure – quality of documentation.	Ensure that all invoices show evidence of review and approval. File all invoices in a structured manner.
4	Employees –terminated staff.	Remove employee access immediately once employment is terminated.
5	Employees – contracts 1.	Undertake a structured review of employee contracts focusing on the alignment of remuneration levels, responsibilities and contract terms. Benchmarking of salaries to those in comparable industries and where possible to staff with comparable experience and performance. Clearly define job responsibilities.
6	Employees – contracts 2.	Use the standard Department template for all employee contracts across the Division. Include a unique supplement for each branch relating to local labour laws. Contract variations should be available to employees during their tenure.
7	Employee – Contracts – 3.	Review and reorganise all current employee files and ensure that all relevant documentation is retained and filed.
8	Employees – Contract terms.	Ensure terms and conditions of contracts are appropriately adhered to and decisions, where necessary, documented on the employee files.
9	Employees – unauthorised salary increases.	The Department needs to further investigate how these pay increases occurred and to take corrective action as necessary.
10	Employees – payment process and overtime.	A more robust payment system should be developed, at a minimum a protected excel file. Training needs to be undertaken to support calculation of overtime hours and submission for payment.
11	Fee waiver reports.	Branch Managers should generate a waiver report on a monthly basis and review for appropriateness of waivers, staff authorisations and any unusual trends. A sample of at least 10% should be retested back to supporting documentation and documented on the waiver report. Completed reports should be signed off by the Branch Manager and filed.
12	Overall control environment.	As far as possible ensure the core separation of duties is maintained within branches, especially with regard to cash and payment processes including keeping separate approval of invoices and ultimate payment.

### 3.10 Branch summaries

Auckland Pacific Division	
What the branch does	<ul style="list-style-type: none"> <li>▶ Process and make decisions on Pacific residence applications.</li> <li>▶ Assist offshore branches with queries.</li> <li>▶ Community engagement (workshops, visits, etc.)</li> <li>▶ Manage relationships with employers.</li> <li>▶ Settlement assistance and pastoral care for Pacific workers in New Zealand.</li> </ul>
Business results	<ul style="list-style-type: none"> <li>▶ Since the establishment of the Pacific Division the quota targets have been met in 2005/06 and 2007/08.</li> <li>▶ There has been an increase in the backlog queue since 2005.</li> </ul>
Strategic direction	<ul style="list-style-type: none"> <li>▶ The branch's activities are not guided by a clear mandate. Non-processing activities include: RSE relationship management and pastoral support, settlement support, offshore branch support, dealing with Section 35A overstayers.</li> <li>▶ Further complicating Auckland Pacific Division's mandate is the Branch Manager's title – "Director of Pacific Settlement"</li> </ul>
Internal stakeholder engagement	<ul style="list-style-type: none"> <li>▶ Some tensions exist in the relationships with the offshore branches regarding the processing of quota applications.</li> <li>▶ Generally weak relationships with the rest of DoL and an absence of clear communication channels.</li> </ul>
External stakeholder engagement	<ul style="list-style-type: none"> <li>▶ Generally sound relationships with the local Pacific community.</li> <li>▶ Good relationship with a range of employers.</li> </ul>
Leadership	<ul style="list-style-type: none"> <li>▶ Focus of leadership and management needs to be on developing stronger competence in:                             <ul style="list-style-type: none"> <li>▶ Immigration decision-making; and</li> <li>▶ Managing an operational branch, including use of monitoring and reporting tools and information and financial management.</li> </ul> </li> </ul>
Performance monitoring and budgets	<ul style="list-style-type: none"> <li>▶ Performance metrics not effectively used.</li> <li>▶ Key processing metrics are not defined and communicated.</li> </ul>
Operational effectiveness and efficiency	<ul style="list-style-type: none"> <li>▶ Key staffing resources are not effectively organised for the most efficient processing of applications. For example job-dependent PAC/SQ applications are not prioritised.</li> <li>▶ Second person checks for decisions not made in timely manner, resulting in approved applications not being valid any more and requiring a new set of documents from applicants.</li> <li>▶ High overtime spend.</li> <li>▶ Auckland Pacific Division makes on average one residence decision per Visa Officer per day.</li> </ul>
Capability, learning and development	<ul style="list-style-type: none"> <li>▶ Over the last three years Auckland Pacific Division has spent below 5% of its allocated training budget.</li> <li>▶ Insufficient focus on role specialisation.</li> </ul>
Compliance/control	<ul style="list-style-type: none"> <li>▶ Application fee waivers procedures not followed.</li> </ul>

Suva	
What the branch does	<ul style="list-style-type: none"> <li>▶ Accepts and processes decisions for temporary visas, including RSE from MFAT Agency Posts.</li> <li>▶ Accepts the lodgement of residence applications, but does not make decisions.</li> </ul>
Business results	<ul style="list-style-type: none"> <li>▶ 2007/08 total decisions – 17,416 (41% of total Pacific Division decisions).</li> <li>▶ Significant backlog of applications in the backlog queue.</li> </ul>
Strategic direction	<ul style="list-style-type: none"> <li>▶ Branch activity in relation to facilitation/outreach are not guided by a clear mandate and understanding of the role and requirements for this work. NB: facilitation/outreach activity is currently not being undertaken in Suva.</li> </ul>
Internal stakeholder engagement	<ul style="list-style-type: none"> <li>▶ Tensions in the relationships with the Auckland Pacific Division regarding the processing of quota applications.</li> <li>▶ Weak relationship between Immigration Managers and other branch staff.</li> <li>▶ Infrequent contact with other Pacific Division offshore branches.</li> <li>▶ Variable relationship with National Office.</li> </ul>
External stakeholder engagement	<ul style="list-style-type: none"> <li>▶ Not able to be assessed owing to political climate in Fiji.</li> </ul>
Leadership	<ul style="list-style-type: none"> <li>▶ Need to increase the level of management and staff engagement and communication on issues, branch direction, performance and morale.</li> </ul>
Execution and delivery	<ul style="list-style-type: none"> <li>▶ Performance metrics either not used or inconsistent with other branches.</li> </ul>
Operational effectiveness and efficiency	<ul style="list-style-type: none"> <li>▶ 2,200 applications in backlog waiting to be processed. Next closest backlog is 350 in Nuku'alofa.</li> <li>▶ Application lodgement, document drop-off/pick-up are not managed well with applicants having to queue for hours in lines outside the immigration office.</li> <li>▶ Process lacks workflow management resulting in significant rework and delays.</li> <li>▶ Key processing metrics are not defined and communicated.</li> <li>▶ Ineffective filing and tracking procedures results in misplaced or lost applications</li> <li>▶ Delays in information from local authorities (e.g., Police) increases the processing time.</li> <li>▶ Complex and high-risk applications are often not dealt with and placed in a “too hard” pile with no priority for resolution/decision.</li> <li>▶ Inconsistent business results metrics with other branches.</li> <li>▶ Overcrowded branch premises not fit for purpose.</li> </ul>
Capability, learning and development	<ul style="list-style-type: none"> <li>▶ Over the last three years Suva has spent most of its allocated training budget.</li> <li>▶ Generally poor access to wider DoL support structures.</li> <li>▶ Front desk officers are not properly trained for their roles.</li> <li>▶ Insufficient and inconsistent staff training results in poor decision-making and insufficient consideration of alternative options for the applicant.</li> <li>▶ No access to a technical advisor for complex applications.</li> <li>▶ Inexperienced Immigration Managers.</li> <li>▶ Insufficient focus on role specialisation.</li> </ul>
Compliance/control	<ul style="list-style-type: none"> <li>▶ Decision rationale is not adequately recorded in ASM (this has been improved in 2008).</li> </ul>

Apia	
What the branch does	<ul style="list-style-type: none"> <li>▶ Accepts and processes decisions for temporary visas, including RSE.</li> <li>▶ Accepts the lodgement of residence applications, but does not make decisions.</li> </ul>
Business results	<ul style="list-style-type: none"> <li>▶ 2007/08 total decisions – 12,068 (28% of total Pacific Division decisions).</li> </ul>
Strategic direction	<ul style="list-style-type: none"> <li>▶ Branch activity in relation to facilitation/outreach are not guided by a clear mandate and understanding of the role and requirements for this work.</li> <li>▶ Impact of RSE on branch activity and workload needs to be fully assessed.</li> </ul>
Internal stakeholder engagement	<ul style="list-style-type: none"> <li>▶ Tensions in the relationships with the Auckland Pacific Division regarding the processing of quota applications.</li> <li>▶ Infrequent contact with other Pacific Division offshore branches.</li> <li>▶ Variable relationship with National Office.</li> </ul>
External stakeholder engagement	<ul style="list-style-type: none"> <li>▶ Strong relationships with Government ministers and officials.</li> <li>▶ Potentially strong relationships possible with community leaders.</li> </ul>
Leadership	<ul style="list-style-type: none"> <li>▶ High turnover of Branch Managers has unsettled staff.</li> <li>▶ Immigration Manager has had a very heavy workload with many previous Branch Manager functions.</li> <li>▶ New Branch Manager will need to focus on developing overall branch competence in:                             <ul style="list-style-type: none"> <li>▶ Immigration decision-making; and</li> <li>▶ Use of monitoring and reporting tools and information, financial and staff management.</li> </ul> </li> </ul>
Execution and delivery	<ul style="list-style-type: none"> <li>▶ Performance metrics either not used or inconsistent with other branches.</li> </ul>
Operational effectiveness and efficiency	<ul style="list-style-type: none"> <li>▶ Significantly lower number of decisions per Visa Officer (1,500 per year, compared to 2,200 for Suva/Nuku'alofa).</li> <li>▶ Largest amount of overtime hours worked.</li> <li>▶ Application lodgement, document drop-off/pick-up are not managed well with applicants having to queue for hours in lines outside the immigration office.</li> <li>▶ Key processing metrics are not defined and communicated.</li> <li>▶ Insufficient waiting room space in office.</li> <li>▶ Delays in information from local authorities (e.g., Police) increases the processing time.</li> <li>▶ Complex and high-risk applications are often not dealt with and placed in a “too hard” pile with no priority for resolution/decision.</li> <li>▶ Inconsistent business results metrics with other branches.</li> <li>▶ Poor or no local mail/telephone infrastructure.</li> </ul>
Capability, learning and development	<ul style="list-style-type: none"> <li>▶ Over the last three years Apia has generally underspent its allocated training budget.</li> <li>▶ Generally poor access to wider DoL support structures.</li> <li>▶ Insufficient and inconsistent staff training results in poor decision-making and insufficient consideration of alternative options for the applicant.</li> <li>▶ No access to a technical advisor for complex applications.</li> <li>▶ Mixed job roles and functions mean there is an insufficient focus on role specialisation.</li> </ul>
Compliance/control	<ul style="list-style-type: none"> <li>▶ Decision rationale is not adequately recorded in AMS (this has been improved in 2008).</li> </ul>

Nuku'alofa	
What the branch does	<ul style="list-style-type: none"> <li>▶ Accepts and processes decisions for temporary visas, including RSE.</li> <li>▶ Accepts the lodgement of residence applications, but does not make decisions.</li> </ul>
Business results	<ul style="list-style-type: none"> <li>▶ 2007/08 total decisions – 10,458 (25% of total Pacific Division decisions).</li> </ul>
Strategic direction	<ul style="list-style-type: none"> <li>▶ Branch activity in relation to facilitation/outreach are not guided by a clear mandate and understanding of the role and requirements for this work.</li> <li>▶ Impact of RSE on branch activity and workload needs to be fully assessed.</li> </ul>
Internal stakeholder engagement	<ul style="list-style-type: none"> <li>▶ Tensions in the relationships with the Auckland Pacific Division regarding the processing of quota applications.</li> <li>▶ Infrequent contact with other Pacific Division offshore branches.</li> <li>▶ Variable relationship with National Office.</li> </ul>
External stakeholder engagement	<ul style="list-style-type: none"> <li>▶ Strong relationships with Government ministers and officials.</li> <li>▶ Potentially strong relationships possible with community leaders.</li> </ul>
Leadership	<ul style="list-style-type: none"> <li>▶ New Branch Manager will need to focus on developing overall branch competence in:                             <ul style="list-style-type: none"> <li>▶ Immigration decision-making; and</li> <li>▶ Use of monitoring and reporting tools and information, financial and staff management.</li> </ul> </li> <li>▶ Branch layout and the physical isolation of the Branch Manager will require a strong focus on engagement and communication with staff on performance and operational issues.</li> </ul>
Execution and delivery	<ul style="list-style-type: none"> <li>▶ Performance metrics either not used or inconsistent with other branches.</li> </ul>
Operational effectiveness and efficiency	<ul style="list-style-type: none"> <li>▶ Largest number of decisions per Visa Officer coupled with very large overtime spend.</li> <li>▶ Application lodgement, document drop-off/pick-up are not managed well with applicants having to queue for long periods of time in lines outside the immigration office.</li> <li>▶ Key processing metrics are not defined and communicated.</li> <li>▶ Poor access to immigration office – only stairs access.</li> <li>▶ Insufficient space – one interview room that doubles as data storage.</li> <li>▶ Ineffective filing and tracking procedures results in misplaced or lost applications.</li> <li>▶ Delays in waiting on information from local authorities (e.g., Police) increases the processing time.</li> <li>▶ Complex and high-risk applications are often not dealt with and placed in a “too hard” pile with no priority for resolution/decision.</li> <li>▶ Medical/character/special direction backlog goes back to 2005.</li> <li>▶ Poor or no local mail/telephone infrastructure.</li> </ul>
Capability, learning and development	<ul style="list-style-type: none"> <li>▶ Over the last three years Nuku'alofa has underspent its allocated training budget.</li> <li>▶ Poor access to wider DoL support structures.</li> <li>▶ Insufficient and inconsistent staff training results in poor decision-making and insufficient consideration of alternative options for the applicant.</li> <li>▶ No access to technical advisor for complex applications.</li> <li>▶ Mixed job roles and functions mean there is an insufficient focus on role specialisation.</li> </ul>
Compliance/control	<ul style="list-style-type: none"> <li>▶ Decision rationale is not adequately recorded in AMS (this has been improved in 2008).</li> </ul>

National Office (National Office)	
What the branch does	<ul style="list-style-type: none"> <li>▶ Strategic direction – setting the strategic direction for the Pacific Division.</li> <li>▶ Leadership and operations management – monitoring of outputs, QA for policy interpretation/implementation, process improvement, Pacific business planning and reporting.</li> <li>▶ Policy advice – Pacific thought leadership, Pacific policy alignment (RSE, SQ and PAC), Fiji sanctions, providing a Pacific lens to wider DoL policy.</li> <li>▶ Relationship management – Pacific Island Governments and officials, community engagement through clinics with Border Security Group and with the New Zealand Government on Pacific issues.</li> <li>▶ Communications – Producing publications, providing media statements for Pacific publishers in multiple languages, relationship management with MFAT on consistency of messages, branding advice.</li> <li>▶ Programme evaluation – RSE.</li> </ul>
Business results	▶ No performance measures are in place for National Office activities.
Strategic direction	▶ Unclear strategic direction for the Pacific Division.
Internal stakeholder engagement	▶ Isolation of the Pacific Division resulted in it not accessing the support structures within the broader Department.
External stakeholder engagement	▶ On the whole good relationships have been built with Pacific Governments, MFAT and employers. However, a positive and collaborative working relationship was not established with MPIA and, as a consequence, there has been a lost opportunity for the development of a stronger whole-of-Government approach to policy development and implementation for Pacific peoples in New Zealand.
Leadership	<ul style="list-style-type: none"> <li>▶ Positive features of the leadership of Pacific Division included passion, motivation, entrepreneurial zeal, language and cultural competence, and the ability to gain the trust and confidence of Pacific Island leaders.</li> <li>▶ National Office management will need to address a number of clearly expressed significant negative leadership and management features that have affected the reputation, operating and management performance of the Division. These features include: <ul style="list-style-type: none"> <li>▶ “Us and them” style of working;</li> <li>▶ “End justifies the means”;</li> <li>▶ A perceived belief that the leadership of Pacific Division were treated differently; and</li> <li>▶ Insufficient operational experience and focus.</li> </ul> </li> </ul>
Performance management and budgets	▶ No performance measures are in place for National Office activities.
Operational effectiveness and efficiency	
Capability, learning and development	<ul style="list-style-type: none"> <li>▶ Reliance on contractors.</li> <li>▶ Unclear roles and responsibilities for a number of National Office staff.</li> </ul>
Compliance/control	▶ Some issues around credit card use and approval of contracts where there was a potential conflict of interest.

## 4. Longer-term recommendations – organisational structure

Once the non-structural recommendations have been actioned, the Department needs to consider the “best fit” organisational structure to deliver Pacific immigration services. Effective organisational design integrates structure, governance, relationship management, operational processes and people/culture in order to deliver outcomes.

The non-structural recommendations need to be actioned and significant progress made before structural decisions are acted on. Should a decision be made to move and/or integrate all or any part of Pacific Division into another part of the organisation, the Department needs to ensure that the receiving area of the Department is itself functioning effectively and efficiently.

In many of the interviews and discussions held across the Department as part of this review, a large number of people expressed the view that the branch operation of the Pacific Division should be integrated into Service Delivery Group. Typical reasons provided included:

- ▶ Greater alignment, consistent understanding of, and adherence to, core policies and procedures;
- ▶ Common and consistent quality and timeliness standards;
- ▶ More integrated and effective communication and understanding of Department-wide messages, priorities and initiatives;
- ▶ More integrated Department-wide approaches to external relationships;
- ▶ Common approaches to training needs assessment and delivery;
- ▶ Enhanced potential for access to information, sharing of good practice and training to support customer management approaches; and
- ▶ Enhanced potential for access to resources and support.

While this review was focused on the performance and effectiveness of the Pacific Division, it also gathered wide-ranging views and information about wider performance issues and capability within the Department, including Service Delivery Group. From those views and information it would appear Service Delivery Group has performance issues of its own in relation to:

- ▶ The level of staff training and capability (particularly in offshore branches);
- ▶ A bottom-up approach to training rather than one based on organisational objectives and assessed training needs;
- ▶ Use of performance data for monitoring and management purposes;
- ▶ Quality issues driven by the conflict between the pursuit of targets, fee-based resourcing levels and staff capability;
- ▶ A focus on, and understanding of, customer management and workflow;

- ▶ A focus on process and compliance rather than professional decision-making – i.e., a low level of staff confidence and capability to make judgements and immigration decisions;
- ▶ Level of understanding, access to, and use of guidance and decision tools;
- ▶ Quality relationships and relationship management strategies; and
- ▶ The effective leadership and management of a geographically spread operational service.

As well as ensuring that the non-structural remedial actions recommended in respect to the Pacific Division are addressed, the Department needs to ensure itself that Service Delivery Group or any other receiving area of the Department, is itself functioning effectively and efficiently before making any integration decisions.

#### 4.1.1 Structural options

The following tables analyse three structural options:

- ▶ **Option 1:** Separate Pacific Division (i.e., the status quo or similar).
- ▶ **Option 2:** Mainstream core application processing but retain a Pacific Division/Group to undertake some activities, such as Strategy, Policy and Stakeholder Relationships.
- ▶ **Option 3:** Mainstream all Pacific immigration activities (into Service Delivery Group, Policy, Corporate etc).

Each of these options is assessed and rated using a number of dimensions, grouped by:

- ▶ Business results;
- ▶ Customer service management;
- ▶ External stakeholder relationships;
- ▶ Internal stakeholder relationships and collaboration;
- ▶ Compliance with operating policy and procedures;
- ▶ Visibility of the Pacific within the Department;
- ▶ Effective resourcing; and
- ▶ Service delivery in the context for Pacific immigration.

A 1-5 rating scale is used (1 = very low impact, 5 = very high impact).

	Option 1: Enhanced separate Pacific Division	Option 2: Mainstream core application processing but retain a Pacific Division focused on relationship and policy	Option 4: Mainstream all Pacific activities
Business results			
Delivery on core business results. Quotas. Temp visas. Timeliness. Quality.	<p>Advantages: Potential for stronger focus on managing and filling quotas through the ability to tailor processes and establish standards and procedures based on an indepth understanding of local issues and context.</p>	<p>Advantages: Integrated branch network/application processing enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Common and consistent processes and procedures;</li> <li>▶ Common and consistent quality and timeliness standards;</li> <li>▶ Common approaches to communication with staff and stakeholders; and</li> <li>▶ Common approaches to training needs assessment and delivery.</li> </ul>	<p>Advantages: A fully integrated Pacific immigration service enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Common and consistent processes and procedures;</li> <li>▶ Common and consistent quality and timeliness standards;</li> <li>▶ Common approaches to communication with staff and stakeholders; and</li> <li>▶ Common approaches to training needs assessment and delivery.</li> </ul>
	<p>Disadvantages: Could lead to weak connections to the rest of the Immigration Service resulting in:</p> <ul style="list-style-type: none"> <li>▶ Separate and misaligned processing and quality standards;</li> <li>▶ Different interpretations of policy and legal frameworks; and</li> <li>▶ Development of separate and inconsistent processes and procedures.</li> </ul>	<p>Disadvantages: Could reduce the likelihood of:</p> <ul style="list-style-type: none"> <li>▶ Specific and tailored approaches to meeting quotas and visas targets; and</li> <li>▶ The development of procedures and standards tailored and relevant to Pacific and local context.</li> </ul>	<p>Disadvantages: Could reduce the likelihood of:</p> <ul style="list-style-type: none"> <li>▶ Specific and tailored approaches to meeting quotas and visas targets; and</li> <li>▶ The development of procedures and standards tailored and relevant to Pacific and local context.</li> </ul>
	Rating: 4	Rating: 3	Rating: 3
Customer service management			
Customer service standards Customer workflow management	<p>Advantages: Enhanced potential for:</p> <ul style="list-style-type: none"> <li>▶ Leadership and management focus on specific and tailored customer service management relevant to the Pacific and local branch context and circumstance; and</li> <li>▶ Culturally aligned practices and procedures.</li> </ul>	<p>Advantages: Integrated branch network/application processing enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Access to information, sharing of good practice and training to support customer management approaches; and</li> <li>▶ Resources and support.</li> </ul>	<p>Advantages: A fully integrated Pacific immigration service enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Access to information, sharing of good practice and training to support customer management approaches; and</li> <li>▶ Resources and support.</li> </ul>

	Option 1: Enhanced separate Pacific Division	Option 2: Mainstream core application processing but retain a Pacific Division focused on relationship and policy	Option 4: Mainstream all Pacific activities
	<p>Disadvantages:</p> <p>Potential for:</p> <ul style="list-style-type: none"> <li>▶ Isolated approaches to customer service management;</li> <li>▶ Reduced access to information, sharing of good practice and training to support customer management approaches; and</li> <li>▶ Specific and tailored customer service and cultural practices to be in conflict with core legal and policy requirements and agreed quality standards.</li> </ul>	<p>Disadvantages:</p> <p>Potential for reduced understanding of the need for and focus on:</p> <ul style="list-style-type: none"> <li>▶ Leadership and management focus on specific and tailored customer service management relevant to the Pacific and local branch context and circumstance; and</li> <li>▶ Culturally aligned practices and procedures.</li> </ul>	<p>Disadvantages:</p> <p>Potential for reduced understanding of the need for and focus on:</p> <ul style="list-style-type: none"> <li>▶ Leadership and management focus on specific and tailored customer service management relevant to the Pacific and local branch context and circumstance ;and</li> <li>▶ Culturally aligned practices and procedures.</li> </ul>
	Rating: 4	Rating: 3	Rating: 3
External stakeholder relationships			
<p>Pacific Island Governments: Ministers and officials. Pacific Communities. Pacific Islands. New Zealand</p> <p>NZ Government agencies.</p>	<p>Advantages:</p> <p>Enhanced potential for:</p> <ul style="list-style-type: none"> <li>▶ Leadership and management focus on the importance of external relationships especially in the Pacific (government and communities);</li> <li>▶ Tailored and appropriate outreach activities;</li> <li>▶ Greater understanding of and connection to Pacific issues, needs, language and culture;</li> <li>▶ Significant contribution to wider whole-of-Government policy development in relation to the Pacific; and</li> <li>▶ Reinforces wider Government and department commitments to the significance, importance and uniqueness of the Pacific.</li> </ul>	<p>Advantages:</p> <p>Dedicated policy/strategy unit for the Pacific enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Leadership and management focus on the importance of external relationships especially in the Pacific (Government and communities);</li> <li>▶ Greater understanding of, and connection to, Pacific issues, needs, language and culture;</li> <li>▶ Significant contribution to wider whole-of-Government policy development in relation to the Pacific; and</li> <li>▶ Reinforces wider Government and Department commitments to the significance, importance and uniqueness of the Pacific.</li> </ul>	<p>Advantages:</p> <p>A fully integrated Pacific immigration service enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ More integrated Department-wide approaches to external relationships; and</li> <li>▶ More integrated and effective communication and understanding of department-wide messages, priorities and initiatives.</li> </ul>

	Option 1: Enhanced separate Pacific Division	Option 2: Mainstream core application processing but retain a Pacific Division focused on relationship and policy	Option 4: Mainstream all Pacific activities
	<p>Disadvantages: Potential for:</p> <ul style="list-style-type: none"> <li>▶ Inconsistent, incomplete and misaligned communication of Departmental messages, priorities and initiatives;</li> <li>▶ Misaligned relationship management approaches; and</li> <li>▶ Creation of false expectations of entitlements and opportunities.</li> </ul>	<p>Disadvantages: Potential for:</p> <ul style="list-style-type: none"> <li>▶ Inconsistent, incomplete and misaligned communication of Departmental messages, priorities and initiatives;</li> <li>▶ Misaligned relationship management approaches;</li> <li>▶ Creation of false expectations of entitlements and opportunities; and</li> <li>▶ Pacific Government and communities believing the New Zealand Government and the Department has reduced its commitment to/emphasis on the Pacific.</li> </ul>	<p>Disadvantages: Potential for:</p> <ul style="list-style-type: none"> <li>▶ Reduced leadership and management focus on the importance of external relationships especially in the Pacific (Government and communities);</li> <li>▶ Reduced understanding of, and connection to, Pacific issues, needs, language and culture; and</li> <li>▶ Pacific Government and communities believing the New Zealand Government and the Department has reduced its commitment to/emphasis on the Pacific.</li> </ul>
	Rating: 3	Rating: 3	Rating: 3
Internal stakeholder relationships and collaboration			
	<p>Advantages: Enhanced potential for:</p> <ul style="list-style-type: none"> <li>▶ Dedicated champions within the department for the Pacific – needs, issues, opportunities.</li> </ul>	<p>Advantages: Dedicated policy/strategy unit for the Pacific enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Dedicated champions within the Department for the Pacific – needs, issues, opportunities;</li> <li>▶ Sharing of good practice and learnings; and</li> <li>▶ Access to resources, expertise, support and services.</li> </ul>	<p>Advantages: A fully integrated Pacific immigration service enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Sharing of good practice and learnings; and</li> <li>▶ Access to resources, expertise, support and services.</li> </ul>
	<p>Disadvantages: Potential for:</p> <ul style="list-style-type: none"> <li>▶ Siloed working and approaches; and</li> <li>▶ Isolation from wider Departmental resources, expertise, support and services.</li> </ul>	<p>Disadvantages: Potential for a lack of clarity regarding responsibility for Pacific immigration issues.</p>	<p>Disadvantages: Reduced Potential for:</p> <ul style="list-style-type: none"> <li>▶ Pacific champions.</li> </ul>
	Rating: 3	Rating: 4	Rating: 4
Compliance with operating policy and procedures			

	Option 1: Enhanced separate Pacific Division	Option 2: Mainstream core application processing but retain a Pacific Division focused on relationship and policy	Option 4: Mainstream all Pacific activities
Legal frameworks. Immigration policy and procedures. Public sector standards. Departmental policies and processes. Performance monitoring and management.	<p>Advantages:</p> <p>Enhanced potential for</p> <ul style="list-style-type: none"> <li>▶ Tailoring of core policies and procedures to local need, circumstance and environment.</li> </ul>	<p>Advantages:</p> <p>Integrated branch network/application processing enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Aligned and consistent understanding of, and adherence to, core policies and procedures;</li> <li>▶ Integrated approaches to corporate policies, services and support; and</li> <li>▶ Consistent information and approaches to performance monitoring, reporting and management.</li> </ul>	<p>Advantages:</p> <p>A fully integrated Pacific immigration service enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Aligned and consistent understanding of, and adherence to, core policies and procedures;</li> <li>▶ Integrated approaches to corporate policies, services and support; and</li> <li>▶ Consistent information and approaches to performance monitoring, reporting and management.</li> </ul>
	<p>Disadvantages:</p> <p>Potential for:</p> <ul style="list-style-type: none"> <li>▶ Different interpretations and inconsistent application/use of core policies and procedures;</li> <li>▶ Isolation from wider Department corporate policies, services and support; and</li> <li>▶ Inconsistent information and approaches for performance monitoring, reporting and management.</li> </ul>	<p>Disadvantages:</p> <p>Potential for:</p> <ul style="list-style-type: none"> <li>▶ Local performance issues because of the application of standardised policies and procedures inappropriate and unworkable in local environments.</li> </ul>	<p>Disadvantages:</p> <p>Potential for:</p> <ul style="list-style-type: none"> <li>▶ Local performance issues because of the application of standardised policies and procedures inappropriate and unworkable in local environments.</li> </ul>
	Rating: 4	Rating: 4	Rating: 4
Visibility of the Pacific within the Department			
Strategic Direction. Departmental governance and decision-making.	<p>Advantages:</p> <p>Dedicated focus on Pacific immigration enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Leadership and ownership of a clear strategic direction for immigration in the Pacific; and</li> <li>▶ Pacific immigration needs to be at forefront of Department governance and decision-making.</li> </ul>	<p>Advantages:</p> <p>Dedicated policy/strategy unit for the Pacific enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Leadership and ownership of a clear strategic direction for immigration in the Pacific; and</li> <li>▶ Pacific immigration needs to be at forefront of Department governance and decision-making.</li> </ul>	<p>Advantages:</p> <p>A fully integrated Pacific immigration service enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Strategic direction for the Pacific to be integrated into wider immigration and Departmental strategic directions and priorities.</li> </ul>

	Option 1: Enhanced separate Pacific Division	Option 2: Mainstream core application processing but retain a Pacific Division focused on relationship and policy	Option 4: Mainstream all Pacific activities
	<p>Disadvantages: Potential for:</p> <ul style="list-style-type: none"> <li>▶ Pacific immigration issues to be seen as the concern of the PD and are not owned by the rest of the organisation.</li> </ul>	<p>Disadvantages: Potential for:</p> <ul style="list-style-type: none"> <li>▶ Pacific immigration issues to be seen as the concern of the PD Policy/Strategy unit and not owned by the rest of the organisation.</li> </ul>	<p>Disadvantages: Potential for</p> <ul style="list-style-type: none"> <li>▶ Strategic direction for Pacific immigration needs to be overlooked; and</li> <li>▶ Pacific immigration needs overlooked and not be at forefront of Department governance and decision-making.</li> </ul>
	Rating: 4	Rating: 3 or 4	Rating: 3
Effective resourcing			
	<p>Advantages: Dedicated focus on Pacific immigration enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Dedicated budget for Pacific; and</li> <li>▶ Resourcing decisions to be based on indepth understanding of local immigration needs/requirements.</li> </ul>	<p>Advantages: Integrated branch network/application processing enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ More equitable resourcing (capital and operating) based on immigration service-wide analysis of need.</li> </ul>	<p>Advantages: A fully integrated Pacific immigration service enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ More equitable resourcing (capital and operating) based on immigration service-wide analysis of need.</li> </ul>
	<p>Disadvantages: Potential for:</p> <ul style="list-style-type: none"> <li>▶ Isolation from resourcing decision-making; and</li> <li>▶ Resource constraints and lack of access to adequate resources.</li> </ul>	<p>Disadvantages: Potential for:</p> <ul style="list-style-type: none"> <li>▶ Use of a one-size-fits-all resourcing model, which doesn't allow for Pacific issues and needs; and</li> <li>▶ Pacific competing with the demands of other areas of the Immigration Service for resources.</li> </ul>	<p>Disadvantages: Potential for:</p> <ul style="list-style-type: none"> <li>▶ Use of a one-size-fits-all resourcing model, which doesn't allow for Pacific issues and needs; and</li> <li>▶ Pacific competing with the demands of other areas of the Immigration Service for resources.</li> </ul>
	Rating: 4	Rating: 4	Rating: 4

The following table presents a different view and analysis of the options, based on the factors that are different about operating in the Pacific such as:

- ▶ International relations;
- ▶ Immigration context; and
- ▶ Operating environment.

	Option 1: Enhanced separate Pacific Division.	Option 2: Mainstream core application processing but retain a Pacific Division focused on relationship and policy	Option 4: Mainstream all Pacific activities.
Service delivery in the context for Pacific immigration			
International relations. Immigration context. Operating environment.	<p>Advantages: Dedicated focus on Pacific immigration enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Leadership and ownership of a clear strategic direction for immigration in the Pacific based on an understanding of, and connection to, Pacific context;</li> <li>▶ Tailored processes, standards and procedures based on an in-depth understanding of local issues and context;</li> <li>▶ Leadership and management focus on the importance of external relationships, especially in the Pacific (Government and communities);</li> <li>▶ Tailored and appropriate outreach activities;</li> <li>▶ Greater understanding of, and connection to, Pacific issues, needs, language and culture; and</li> <li>▶ Clear message to Pacific communities and Government about the importance the Department and the Government attaches to immigration with the Pacific.</li> </ul>	<p>Advantages: Integrated branch network/application processing enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Common and consistent quality and timeliness standards, approaches to communication with staff and stakeholders and approaches to training needs assessment and delivery;</li> <li>▶ More equitable resourcing (capital and operating) based on immigration service-wide analysis of need;</li> <li>▶ Access to resources, expertise, support and services and increased potential to share good practice and learnings; and</li> <li>▶ Consistent information and approaches to performance monitoring, reporting and management.</li> </ul> <p>Dedicated Policy/Strategy unit for the Pacific enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Leadership and ownership of a clear strategic direction for immigration in the Pacific based on an understanding of, and connection to, Pacific contexts; and</li> <li>▶ Leadership and management focus on the importance of external relationships especially in the Pacific (Government and communities).</li> </ul>	<p>Advantages: A fully integrated Pacific immigration service enhances the potential for:</p> <ul style="list-style-type: none"> <li>▶ Strategic direction for the Pacific to be integrated into wider immigration and Departmental strategic directions and priorities;</li> <li>▶ Pacific immigration issues are addressed and owned by the wider organisation and not seen as just a Pacific Division problem;</li> <li>▶ Common and consistent quality and timeliness standards, approaches to communication with staff and stakeholders and approaches to training needs assessment and delivery;</li> <li>▶ More equitable resourcing (capital and operating) based on immigration service-wide analysis of need;</li> <li>▶ Access to resources, expertise, support and services and increased potential to share good practice and learnings; and</li> <li>▶ Consistent information and approaches to performance monitoring, reporting and management.</li> </ul>

	Option 1: Enhanced separate Pacific Division.	Option 2: Mainstream core application processing but retain a Pacific Division focused on relationship and policy	Option 4: Mainstream all Pacific activities.
	<p>Disadvantages: Potential for:</p> <ul style="list-style-type: none"> <li>▶ Pacific immigration issues to be seen as the concern of the PD and are not owned by the rest of the organisation; and</li> <li>▶ Siloed activity.</li> </ul>	<p>Disadvantages: Potentially reduce the likelihood of:</p> <ul style="list-style-type: none"> <li>▶ Specific and tailored approaches relevant to Pacific and local contexts; and</li> <li>▶ The development of procedures and standards tailored and relevant to Pacific and local context.</li> </ul>	<p>Disadvantages: Potentially reduce the likelihood of:</p> <ul style="list-style-type: none"> <li>▶ Specific and tailored approaches relevant to Pacific and local contexts;</li> <li>▶ The development of procedures and standards tailored and relevant to Pacific and local contexts; and</li> <li>▶ Potentially adversely affect New Zealand relationship with Pacific nations and communities.</li> </ul>
	Rating: 4	Rating: 3 or 4	Rating: 3

## 5. Appendices

### 5.1 Appendix A: Summary of all recommendations

Strategic direction recommendations		
#	Title	Description
1	Seek clarification, direction and agreement from Cabinet.	<p>Seek clarification, direction and agreement from Cabinet on the Government's:</p> <ul style="list-style-type: none"> <li>▶ Policy on immigration in the Pacific (including quotas, temporary visas/permits and RSE) including the links between immigration policy and wider economic, development, security policies;</li> <li>▶ Expectations for the objective, role, and functions of the Immigration Service in the Pacific;</li> <li>▶ Expectations regarding working relationships with other Government agencies; and</li> <li>▶ Role and use of Section 35 A.</li> </ul>
2	Complete a Department-wide Pacific Strategy.	To ensure consistency across the Department an organisation-wide Strategy and Plan for Pacific should be completed.
3	Develop a Pacific Immigration Strategy.	<p>Based on these Cabinet decisions, the Department should develop a clear Pacific Immigration Strategy that:</p> <ul style="list-style-type: none"> <li>▶ Is clearly linked to, and consistent with, wider immigration strategy;</li> <li>▶ Is clear about who will deliver this strategy and how they will deliver it;</li> <li>▶ Sets out clear roles, responsibilities and accountabilities;</li> <li>▶ Includes expected levels of customer service and stakeholder engagement; and</li> <li>▶ Sets out clearly the key internal and external relationships.</li> </ul>

Operational effectiveness and efficiency recommendations			
#	Title	Branch	Description
1	Residence applications and second person checks.	Auckland Pacific Division	Bring in an appropriately qualified employee to clear the backlog of 2PCs on hand. Ensure 2PCs are performed in a timely manner going forward by making them the key responsibility of the Immigration Managers (Immigration Manager).
2	Backlog queue – Prioritisation of Pacific Access Quota (PAC) & SQ applications.	Auckland Pacific Division	“First in, first served” is not an appropriate workflow model for these types of applications. Prioritise PAC/SQ applications as they arrive. Where possible set processing timeframes in line with the expiry of the job offer on hand.
3	Backlog queue –Prior years SQ applications on hand.	Auckland Pacific Division	Getting Cabinet agreement that the prior year applicants on hand will have priority for this year’s quota. Consider reducing the level of current year applications sought to clear the backlog. Seek a reduced number of applications in the current year to use the priority on hand balances allowing the Division to start at a zero balance in the next fiscal year.
4	Backlog queue – verification jobs on hand.	Auckland Pacific Division	The verification queue should be assigned to the verification officer’s caseload and be followed up in a timely manner.
5	Backlog queue – temporary applications.	Fiji	Ring-fence the backlog and bring in 2-3 staff from other Immigration New Zealand branches on a temporary basis to go to Suva and clear the backlog.
6	Issuing of Residence Labels.	All	Ensure the timely issuing of labels for approved residence applications to avoid a backlog. For labels to be issued into passports held offshore, communicate the decisions promptly to the offshore branches and use the appropriate means of communication, i.e., e-visa system.
7	Waivers.	Tonga	Provide additional support for the Branch Manager, to ensure the timely clearance of the backlog of waivers.
8	Residence work: offshore branches.	Offshore	Systematically assess and build the requirements of the residence process into the performance expectations and resourcing levels of the offshore branches.

Other operational effectiveness and efficiency recommendations		
#	Title	Description
1	Improve branch premises.	<p>Priority should be given to finding more suitable space and/or better premises for the branches that is reputationally enhancing and allows for:</p> <ul style="list-style-type: none"> <li>▶ More adequate working space for staff;</li> <li>▶ Improved customer service space and facilities;</li> <li>▶ Secure reception space;</li> <li>▶ Interview and meeting rooms;</li> <li>▶ File storage; and</li> <li>▶ Visibility of management.</li> </ul> <p>In the interim, branches need to ensure that where minimum Department requirements cannot be met, control waivers are sought and retained on file.</p>
2	Improve customer service and queue management.	<p>Customer service and queue management should be addressed by:</p> <ul style="list-style-type: none"> <li>▶ Improving Pacific Division branch and Department-wide understanding of and training in customer service approaches and standards;</li> <li>▶ Scheduling more experienced Pacific Division staff onto the front counter to support better decision-making and management of workflows; and</li> <li>▶ Ensuring all branches are open during core business hours.</li> </ul>
3	Branch resourcing levels.	<p>The status and use of the branch resourcing tool needs to be clarified.</p> <p>If it is an agreed Departmental approach then we recommend it is used to assess current Pacific Division staffing levels and determine their adequacy. If it is not an agreed or recognised approach then the Department needs to develop a valid way of assessing the adequacy of branch staffing levels in relation to application volumes and local conditions.</p>
4	Fees income model.	<p>The appropriate use and implications of a fee income resourcing approach in the Immigration Service needs to be fully assessed. This assessment should look at:</p> <ul style="list-style-type: none"> <li>▶ Background to the development of the current approach;</li> <li>▶ Changed circumstances and/or developments impacting its use, e.g., volumes, staff numbers, policy frameworks etc.;</li> <li>▶ Issues and consequences with its use including: <ul style="list-style-type: none"> <li>▶ Appropriate balance of Crown and variable fee funding;</li> <li>▶ Regional variations and issues; and</li> <li>▶ Treasury guidance and other Departmental practice.</li> </ul> </li> </ul>
5	Technology issues.	<p>Within the limitations of the technology infrastructure in the Pacific, the Department needs to find ways to improve speed and response times of staff access to AMS and the Department's Intranet resources.</p> <p>As an interim measure consider extracting the Operations Manual on a CD, updated as necessary. This way staff can download onto PCs and access it faster than using the network.</p>

Performance management and budgets recommendations		
#	Title	Description
1	Funding allocation and budget setting.	Further analysis should be undertaken by Finance to identify why the level of the overall budgetary funding within the Pacific Division is allocated to the National Office oversight function and whether there is a need going forward for such a level.
2	Oversight of key Department accounts.	Closer monitoring of budgets is needed in key areas. Where large variances are identified follow-up is needed to identify why, and appropriate corrective actions taken. Reallocate valid areas of underspend to necessary areas, where appropriate. Where needed, changes in requirements need to be reflected in future years' budgeting processes.
3	Performance monitoring information and tools.	The collection of performance monitoring information needs to be rationalised and standardised to ensure the most relevant and important performance information is available at both branch and National Office level. Pacific Division management and staff need to build greater competence in: <ul style="list-style-type: none"> <li>▶ Their use of performance monitoring tools; and</li> <li>▶ In the way they use performance information as a core part of their management decision-making, particularly in relation to work allocation, flows and staff utilisation.</li> </ul>
4	Development of a performance monitoring scorecard.	We suggest a simple scorecard approach should be adopted and used within the Division to ensure the effective oversight and performance monitoring of the branches. The proposed scorecard would pull together the key datasets that would prove most useful to a manager to identify performance bottlenecks and to take the appropriate corrective action.

Internal stakeholder recommendations		
#	Title	Description
1	Rebuild strong and effective working relationships across the Department.	<p>A focus for the leadership of the Pacific Division should be to rebuild strong and effective working relationships right across the Department. These relationships need to be based on:</p> <ul style="list-style-type: none"> <li>▶ A clearly agreed and articulated role and mandate for the Pacific Division (see recommendation 5);</li> <li>▶ Transparency and communication around performance;</li> <li>▶ Appropriate support and service standards from other areas of the Department (particularly with the Corporate functions); and</li> <li>▶ A change in attitudes from the wider Department regarding the Division and its work.</li> </ul>
2	Set clear expectations of collaboration, effective engagement and service standards.	<p>Clear expectations of collaboration, effective engagement, and service standards need to be developed and communicated across the Department. This should be supported by internal governance and openness among senior leadership and management to hold each other accountable for engagement, behaviours and performance.</p>

External stakeholder recommendations		
#	Title	Description
1	External stakeholder relationship approach.	<p>Develop an external stakeholder relationship approach that:</p> <ul style="list-style-type: none"> <li>▶ Maintains and builds on existing strong and positive relationships (e.g., Pacific Island Government ministers and officials);</li> <li>▶ Takes advantage of a number of significant opportunities to develop stronger relationships (e.g., employers, community leaders); and</li> <li>▶ Significantly improves weak and/or non-existent relationships (e.g., MPIA).</li> </ul>
2	Governance/consultation mechanism.	Develop a governance/consultation mechanism with key external stakeholders (e.g., whole-of-Government, employers and community leaders).

Leadership recommendations		
#	Title	Description
1	Emphasise operational management.	Ensure the future leadership of the Pacific Division and branches have a deep understanding of and experience in operational management, i.e., immigration policy and decision-making (preferably with an understanding of and experience in the Pacific context),
2	Develop a leadership and management approach.	Develop a leadership and management approach that emphasises comprehensive development in, and competence of: <ul style="list-style-type: none"> <li>▶ Technical skills;</li> <li>▶ Cultural understanding;</li> <li>▶ Customer and workflow management; and</li> <li>▶ Staff management.</li> </ul>
3	Set and communicate clear expectations for the leadership approach.	Ensure the future leadership of the Pacific Division and leadership of all other areas within Service Delivery and the wider Department have clear expectations of the Department's leadership approach and behaviours, including the importance of collaborative internal working.
4	Clarify the roles and responsibilities of Branch Managers and Immigration Managers.	Clarify and set clear expectations of the roles and responsibilities of Branch Managers and Immigration Managers.
5	Set expectations for Branch Managers regarding engagement and communication with staff.	Ensure Branch Managers are aware of expectations regarding proactive engagement and communication with their staff on both strategic and operational issues.
6	Review the effectiveness of the current induction process for Branch Managers.	Develop and implement a more robust and comprehensive induction process for new Branch Managers.

Capability, learning and development recommendations		
#	Title	Description
1	Staff grievances and issues.	Take actions to clarify document and, where appropriate, resolve staff grievances particularly, in relation to pay and contract status.
2	Staff training.	<p>Undertake a skill assessment for staff in the Pacific Division and ensure development of a training plan based on:</p> <ul style="list-style-type: none"> <li>▶ Skill gaps and needs;</li> <li>▶ Customer service standards; and</li> <li>▶ Wider organisational requirements to strengthen understanding of and/or compliance with organisational direction, core policies and procedures and effective staff engagement approaches.</li> </ul> <p>Ensure the value of current and future training is realised through management and staff taking active steps to share learnings, integrate changes into the work of the branch, and provision of more proactive coaching.</p>
3	Performance management.	Ensure management and staff are fully trained in the use of performance management and performance agreements.
4	Staff roles and responsibilities.	<p>Clarify the core roles and responsibilities of staff in the branches and ensure these are aligned through:</p> <ul style="list-style-type: none"> <li>▶ Job descriptions;</li> <li>▶ Performance agreements; and</li> <li>▶ Delegations.</li> </ul>

Controls and compliance recommendations		
#	Title	Description
1	Expenditure – personal nature.	Ensure the guidelines are communicated to the branch staff regarding expenditure of a personal nature. Follow up and obtain reimbursement for past transactions where appropriate.
2	Expenditure – policy adherence and approval appropriateness.	Ensure expenditure policies are adhered to and that authorising staff are aware of policies and place a higher focus on the quality and appropriateness of approval. Ensure the risks of expenditure with a perceived personal benefit are well communicated.
3	Expenditure – quality of documentation.	Ensure that all invoices show evidence of review and approval. File all invoices in a structured manner.
4	Employees – terminated staff.	Remove employee access immediately once employment is terminated.
5	Employees – contracts 1.	Undertake a structured review of employee contracts focusing on the alignment of remuneration levels, responsibilities and contract terms. Benchmarking of salaries to those in comparable industries and where appropriate to staff with comparable experience and performance. Clearly define job responsibilities.
6	Employees - contracts 2.	Use the standard Department template for all employee contracts across the Division. Include a unique supplement for each branch relating to local labour laws. Contract variations should be available to employees during their tenure.
7	Employee – contracts 3.	Review and reorganise all current employee files and ensure that all relevant documentation is retained and filed.
8	Employees – contract terms.	Ensure terms and conditions of contracts are appropriately adhered to and decisions, where necessary, documented on the employee files.
9	Employees - unauthorised salary increases	The Department needs to further investigate how these pay increases occurred and take corrective action as necessary.
10	Employees – payment process and overtime.	A more robust payment system should be developed, at a minimum a protected excel file. Training needs to be undertaken to support calculation of overtime hours and submission for payment.
11	Fee waiver reports.	Branch Managers should generate a waiver report on a monthly basis and review for appropriateness of waivers, staff authorisations and any unusual trends. A sample of at least 10% should be retested back to supporting documentation and documented on the waiver report. Completed reports should be signed off by the Branch Manager and filed.
12	Overall control environment.	As far as possible ensure core separation of duties is maintained within branches, especially with regard to cash and payment processes including keeping separate approval of invoices and ultimate payment.

## 5.2 Appendix B: Cabinet decisions

Date	Cabinet Reference #	Title	Summary of key points	Ref
9 July 2001	CAB Min (01) 21/18	Cabinet minute of decision Pacific access category.	<ul style="list-style-type: none"> <li>▶ Establishes Pacific Access Category.</li> </ul>	C50
26 February 2003	EDC Min (03) 2/4	Cabinet economic development committee – minute of decision Pacific access category – Fiji and Kiribati sub quotas.	<ul style="list-style-type: none"> <li>▶ Agreed to a sub quota of 250 places for Fiji (PAC). Agreed to increase Kiribati PAC places from 50 to 75.</li> </ul>	C38
28 June 2004	CAB Min (04) 21/4A	Cabinet minute of decision – Samoan quota and Pacific access categories reviews.	<ul style="list-style-type: none"> <li>▶ Transfer unfilled places from 2002/03 and 2003/04 SQ and 2002/03 and 2003/04 PAC places to 2004/5 SQ (residuals).</li> <li>▶ Noted operational and admin changes to improve uptake of quota schemes.</li> </ul>	C39
19 July 2004	CBC (04) 8/4	Cabinet business committee – minute of decision enhancing outcomes from the Samoan quota scheme.	<ul style="list-style-type: none"> <li>▶ Establish DoL Relationship Manager role focused on identifying employment opportunities for SQ migrants.</li> <li>▶ Changed the June decision on unfilled SQ places (C71) to transfer 1,297 unfilled SQ places from 2002/03 and 2003/04, evenly distributed over three years.</li> <li>▶ Additional settlement information for Samoan migrants to be provided.</li> <li>▶ Unfilled SQ places at end of each financial quarter made available to Samoans with a job offer, who were lawfully in New Zealand.</li> <li>▶ DoL, MFAT, MSD and MPIA to consult on a communications strategy in New Zealand and in Samoa (for this decision).</li> </ul>	C36
19 July 2004	CBC (04) 8/6	Cabinet Business Committee Minute of Decision – Reducing Pacific Overstayer numbers.	<ul style="list-style-type: none"> <li>▶ Noted that the Department will continue to use Section 35A of the Act to restore, in individual cases, lawful immigration status, notably where an overstayer is likely to meet residence criteria.</li> </ul>	C72
19 July 2004	CBC Min (04) 8/5	Cabinet Business Committee minute of Decision – enhancing outcomes from the Pacific access category.	<ul style="list-style-type: none"> <li>▶ As for C36 but for PAC.</li> <li>▶ Establish Relationship Manager.</li> <li>▶ Change number of unfilled places transferred to 684 over 3 years.</li> <li>▶ Unfilled places at the end of each quarter made available to eligible people in New Zealand.</li> <li>▶ DoL, MSD, MPIA and MFAT to develop a communications strategy on the change.</li> </ul>	C76
26 July 2004	CAB Min (04) 24/1A	Cabinet Minute of Decision – reducing Pacific overstayers numbers.	<ul style="list-style-type: none"> <li>▶ No regularisation programme for overstayers.</li> <li>▶ Noted DoL would continue to use S35A to grant temporary permits to overstayers to allow applications under standard policy or ministerial consideration.</li> </ul>	C71
29 July 2004	CAB Min (04) 24/1E	Cabinet minute of decision – enhancing outcomes from the Pacific access category.	<ul style="list-style-type: none"> <li>▶ Agreed that the Department establish a new Pacific Relationship Manager Role to identify employment opportunities for Pacific migrants.</li> <li>▶ Agreed to a reduced minimum income requirement.</li> <li>▶ Agreed that unfilled places in the PAC be made available to people lawfully in New Zealand (subject to certain criteria).</li> </ul>	C33

Date	Cabinet Reference #	Title	Summary of key points	Ref
25 August 2004	POL Min (04) 19/12	Cabinet Policy Committee Minute of Decision - Samoan Quota and Pacific Access Category: Additional Information.	<ul style="list-style-type: none"> <li>▶ Refinements to SQ/PAC.</li> </ul>	C68
2005	CAB Min (06) 17/6	Cabinet – Pacific Overview 2005/06.	<ul style="list-style-type: none"> <li>▶ Report on developments in New Zealand's Pacific policy, including the Pacific Security Strategy, the Pacific Security Fund.</li> <li>▶ Outlines a whole-of-Government approach for implementing New Zealand's Pacific Security Strategy. Includes an environment scan, principles for Pacific engagement, focus on interrelationships between New Zealand's Pacific communities and those in the wider region and agency reports on activities in the Pacific.</li> <li>▶ The DoL report refers to the Pacific Division's contribution to Pacific security through regular liaison with Pacific Island Countries.</li> </ul>	A33
30 May 2005	CAB Min (05) 19/1A	Cabinet – Samoan Quota and Pacific Access Category: Reallocation of Places.	<ul style="list-style-type: none"> <li>▶ Refinement of Residual Policy.</li> </ul>	C32
6 June 2006	CAB Min (06) 20/1B	Cabinet – NA Residence Programme 2006/07.	<ul style="list-style-type: none"> <li>▶ Agreed to a one-off transfer of 500 SQ/PAC places.</li> </ul>	C30
18 October 2006	POL Min (06) 22/18	Cabinet Policy Committee: Temporary work policy: RSE Policy.	<ul style="list-style-type: none"> <li>▶ Agreed to RSE policy.</li> </ul>	C24
13 December 2006	POL Min (06) 28/24	Cabinet Policy Committee Minute of Decision – Current Operation and Further Development of Pacific Residence Quotas.	<ul style="list-style-type: none"> <li>▶ Noted there are potential financial costs to employers and reputational costs to the Department ... if significant numbers of quota migrants do not take up their job offers or do not stay with employers for a reasonable period of time.</li> <li>▶ Noted the Department will: <ul style="list-style-type: none"> <li>▶ Strengthen the existing approach of making "engaged" employers very aware of the relevant issues and risks;</li> <li>▶ Assist employers to identify and respond to the settlement issues that new migrants face; and</li> <li>▶ Make it clear that they are generally expected to take up their job offers they have been offered in good faith and stay for a reasonable period of time.</li> </ul> </li> </ul>	C59
2 July 2007	CAB Min (07) 23/3A	Cabinet – NZ Residence Programme.	<ul style="list-style-type: none"> <li>▶ Agreed to introduce provisions for rolling over Pacific Residuals Places and allocating an additional 580 Pacific Residual Places for 2007/08, to help clear the backlog from 2005 that cannot be lapsed.</li> </ul>	C29
5 September 2007	POL Min (07) 20/21	Cabinet Policy Committee – Recognise Seasonal Employer Strategy.	<ul style="list-style-type: none"> <li>▶ Agreed to institute a transitional RSE work permit policy (TRSE) for 2007/08 and 2008/09 only, to assist employers to transition to RSE.</li> </ul>	C21

### 5.3 Appendix C: Summary of stakeholder interviews

Stakeholder interviews (undertaken as part of phase 1 and phase 2)	
Staff and Management of Pacific Division	Wellington Auckland Suva Apia Nukal'lofa
Key stakeholders within the Department of Labour	Representatives of: <ul style="list-style-type: none"> <li>▶ Human Resources</li> <li>▶ Training</li> <li>▶ Legal</li> <li>▶ Finance</li> <li>▶ Audit</li> <li>▶ Service Delivery Group of the Immigration Service</li> <li>▶ Branch Manager Pool of the Service Delivery Group</li> <li>▶ Service Design</li> <li>▶ Border Security Group</li> <li>▶ Workforce Group</li> <li>▶ Executive Branch</li> </ul>
Government officials	State Services Commission Department of Prime Minister and Cabinet Ministry of Pacific Island Affairs Ministry of Foreign Affairs and Trade New Zealand High commission representatives in Fiji, Samoa, and Tonga Office of the Ombudsman
Ministers and Ministers office staff	Honourable Clayton Cosgrove, Minister of Immigration Honourable Winnie Laban, Minister of Pacific Island Affairs Honourable Shane Jones, Associate Minister of Immigration Honourable Trevor Mallard, Minister of Labour
Pacific community representatives	Auckland Wellington Christchurch
Employer representatives who work with Pacific Division	Auckland Christchurch
Immigration agents in New Zealand	Auckland
Pacific community representatives	Samoa Tonga

Stakeholder interviews (undertaken as part of phase 1 and phase 2)	
Immigration agents	Fiji Samoa Tonga
Airline representatives	Samoa Tonga

## 5.4 Appendix D: Glossary of commonly used terms and acronyms

Accepted	Refers to an application accepted for processing but not yet approved.
AMS	Application Management System. Core application used NZIS for processing and storing information about applications.
Application	An application is a request made for either residence or a temporary visa or permit.
Approval	An approval is an application that has been approved.
CEO	Chief Executive Officer.
Corporate functions	Refers to the centralised finance, human resources, and information technology services and support functions of the Department.
CRiSM	CRiSM is a global automated risk and value profiling system that guides immigration staff during the processing of immigration visa and permit applications by highlighting risk and value and providing support on how to mitigate the identified risk. The automation and the profiling and decision support tools help ensure greater consistency in decision-making.
CVU	Centralised Verification Unit.
Division	Pacific Division.
Department	Department of Labour.
DoL	Department of Labour.
FTE	Full time equivalent.
FY	Financial year.
GL	General ledger.
NZAID	NZAID is the Government's international aid and development agency.
MFAT	Ministry of Foreign Affairs and Trade.
MFAT Agency Posts	Posts of MFAT where MFAT staff process immigration visa applications.

MPIA	Ministry of Pacific Island Affairs.
NZIS	New Zealand Immigration Service.
New Zealand Residence Programme	In planning the level of immigration, the government approves an annual immigration programme (the New Zealand Residence Programme, or NZRP), including the upper limit on the number of persons who may be approved for residence in a financial year. People wishing to migrate to New Zealand may gain residence through the Programme. Residence applications are considered on the basis of whether the principal applicant meets the policy criteria. The principal applicant may include their partner and dependent children in the application. All applicants must meet health and character requirements.
Offshore	Immigration Service branches outside of New Zealand.
Onshore	Immigration Service branches in New Zealand.
Operational competence	Refers to this report to competence in core management including financial management, planning and reporting, contract management, and staff management.
Overstayers	Refers to people unlawfully present in New Zealand.
PAC	Pacific Access Category. The PAC allows up to 250 citizens of Tonga, 75 citizens of Tuvalu and 75 citizens of Kiribati (including the spouses, de facto partners and dependent children of principal applicants) to be granted residence in New Zealand each year. Applicants must have an acceptable offer of employment, be aged 18–45 years and meet minimum income requirements if they have dependants. Places in this quota are balloted.
PPI	Potentially prejudicial information.
Residence	People who wish to migrate permanently to New Zealand must apply through one of the three residence streams of the New Zealand Residence Programme (NZRP). The streams are: <ul style="list-style-type: none"><li>▶ Skilled/Business;</li><li>▶ Family Sponsored; and</li><li>▶ International/Humanitarian (this stream includes PAC and SQ).</li></ul>
Residual Places	If the annual quota of places available under the Samoan Quota and PAC is not filled by applicants drawn from the ballot, these places may be offered as Residual Places.

RRB	Residence Review Board. An independent judicial body established to hear appeals by unsuccessful applicants for residence visas and permits
RSE	Recognised Seasonal Employer. The Recognised Seasonal Employer Work Policy is a policy that facilitates the temporary entry of overseas workers to plant, maintain, harvest and pack crops in the horticulture and viticulture industries to meet labour shortages. The RSE Work Policy is geared towards Pacific states. Employers are currently able to recruit from eligible Pacific Islands Forum member nations
Service Delivery Group	The Service Delivery Group is part of the wider Workforce group within the Department of labour. It has responsibility for the delivery of immigration services onshore and offshore (except in the Pacific).
Service International	The Service international Group within the Department of Labour has responsibility for: <ul style="list-style-type: none"><li>▶ Pacific Division;</li><li>▶ Settlements; and</li><li>▶ Refugees</li></ul>
Section 35A	In special circumstances, a person unlawfully in New Zealand may be granted a permit (a permit allows a person to remain in New Zealand in accordance with the permit's conditions) as a special case under section 35A of the Immigration Act 1987. No person has the right to apply for a permit if they are unlawfully in New Zealand, and neither the Department of Labour nor the Minister is required to consider any request made.
SQ	Samoan Quota. Allows for up to 1,100 Samoan citizens, including partners and dependent children, to be granted residence in New Zealand each year. Applicants must have an acceptable offer of employment, be aged 18–45 years and meet minimum income requirements if they have dependants. Places in this quota are balloted.
Staff toolkit	The Immigration Knowledge Management Tool is provided on the Department's intranet. This tool is used throughout the Department, and provides information for processing applications, including links to information such as lists of accredited employers, New Zealand Standard Classifications of Occupations, and recognised qualifications.
Technical competence	Refers to competence in immigration decision making.
Temporary	Refers to temporary entry into New Zealand. This policy aims are to facilitate the entry of genuine visitors, students and temporary workers, while managing the associated risks, and to contribute to building strong international links, attracting foreign exchange earnings and addressing skills shortages.

	<p>Temporary entry covers:</p> <ul style="list-style-type: none"><li>▶ Visitors;</li><li>▶ Students;</li><li>▶ Work; and</li><li>▶ Work to residence.</li></ul>
Verification Officer	Staff member whose principle role is to provide internal verification service to support decision-making.
Visa Officer	Staff members whose principle role is to provide quality immigration decisions and client service through effective administration of immigration policy in accordance with immigration law.
Workforce Group	The group of the Department of Labour that the delivers immigration, settlement and employment-related services to customers; and information and policy advice on these areas to Government.
2PC	Two person check.
2IC	Second in charge.

5.5 Appendix E: Map of the Pacific

