



Improved Public Sector Efficiency

Overview

The purpose of this programme is to identify policy options to strengthen and improve functions, systems and structures of the Public Sector through greater collaboration between Government agencies to make the sector more responsive to our customers' needs and expectations and provide value-for-money services.

Government is seeking to engage external technical assistance to perform a functional review of the whole of government structure¹ to identify overlaps and duplications in services and functions, in order to identify a more efficient model with better and improved services. Indirect benefits are likely to include cost efficiencies simply through a better structure, however this is not the goal of the review.

Funding for this programme may become available from Cook Islands funding partners however the project is included in the Economic Recovery Roadmap (ERR).

Context

The Cook Islands Government has operated largely unchanged since the dramatic changes of 1996, with gradual growth of services and functions resulting in an accrual of responsibilities primarily to existing Government Departments (Agencies).

The various categorisations of the Cook Islands 'Machinery of Government' (MoG) are displayed in Table 1.

The Public Service are under the control of the Government (known as the Executive), with the Ministries reporting to the Public Service Commissioner and a Minister, whilst Statutory Agencies report to a board and to a Minister. The ten Island Administrations report to the Island Government Mayors, Councilors and the Chief of Staff for the Office of the Prime Minister.

State Services refer to the Crown Agencies that report directly to Parliament, Ministerial Support Offices and the House of Ariki, and Parliament itself. State Services includes State Owned Enterprises on the basis these are wholly owned by Government through the Cook Islands Investment Corporation.

¹ Excluding State Owned Enterprises

Table 1 – Agencies in the Machinery of Government

Agency Group	Level of Government Inclusion	Public Service	State Services	Public Sector	MoG
Government Ministries	Public Service	14		14	14
Statutory Agencies	Public Service	10		10	10
Island Governments	Public Service	10		10	10
Crown Agencies	State Services		7	7	7
Parliament & House of Ariki	State Services		1	1	1
Ministerial Support Offices	State Services		6	6	6
State Owned Enterprises	State Services		5	5	5
Island Councils	Machinery of Government				10
Totals		34	19	53	63

Whilst it is necessary for governments to respond to changing community needs, the imposition of new legislative and policy or functional responsibilities can often result in overlaps in responsibilities between different Agencies that result in inefficient delivery of services to the public.

Inefficient government structures result in needless bureaucracy, which may in turn result in various services becoming difficult to access or navigate. Economically this can have the effect of stifling growth or cause new opportunities to be redirected to other easier to navigate jurisdictions.

It is therefore logical to periodically review the structure of Government to ensure that these inefficient structures are minimized and that Government is optimally arranged to support its stakeholders, including private sector businesses.

Project

The overall objective is to improve the efficiency and effectiveness of the Public Service supported via:

1. a comprehensive Public Service Functional Review to be performed by an external Technical Advisor focusing on the Ministries, and Statutory and Crown Agencies, and
2. a phased change management plan – reflecting a whole of Government organizational framework, restructure and processes of the public service to better align its systems and processes with the changing economic environment, aligned with the National Sustainable Development Agenda, Economic Development Strategy, and the ERR.

The Public Service Functional Review will:

- a) clarify institutional arrangements: examine the legislative framework including regulations of managing the operations of the various Ministries and Agencies to determine their relevance and whether they are fit for purpose;
- b) clarify the organizational or structural design: examine the vertical and horizontal structures to determine whether their structures support these functions and responsibilities adequately.
- c) clarify the functional responsibilities: examine the different functions to determine relevance. This may include identifying the specific tasks that each Ministry and Agency implements and how it aligns with their respective mandates.

- d) examine the scope for centralizing cross-cutting support functions such as human resource management, information technology and administration to enable Cook Islanders to complete their transactions with the Government in a digital environment
- e) examine the suitability of incorporating State Owned Entities into centralised cross-cutting support functions, including extension of the Government salary structure to cover SOE's. A New Zealand style 'State Services' model incorporating SOE's should be considered as a component of this recommendation.
- f) recommend policies for Public Service accountability.

The phased change management plan will, noting the tight fiscal environment, prepare proposals for implementation plans for gradual or incremental implementation of recommendations identified by the Public Service Functional Review.

Engagement

This project will be led by the Office of the Public Service Commissioner with the support of the Ministry of Finance and Economic Management. A Governance Group will provide overall oversight of this review and will be made up of Heads of Central Agencies: Public Service Commissioner, Financial Secretary, Solicitor General and Chief of Staff.

No public forum engagement is presently proposed however consultation with non-government organisations (NGO's) is planned, however public consultations may be considered by the Technical Advisor and if so, will be advertised.

Expected Cost

External funding support is under discussion for this programme. Other costs associated with any recommendations from the Functional Review will be identified in time.

For further information contact

Economic Planning Division
Ministry of Finance and Economic Management
PO Box 120, Avarua, Rarotonga, Cook Islands
Telephone: +682 29511 ext. 7208
Email: mfem.economics@cookislands.gov.ck
Website: www.mfem.gov.ck

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