



PUBLIC SERVICE COMMISSION  
**NUKU'ALOFA, TONGA**

21 June, 2019

Hon Samuela 'Akilisi Pohiva  
Hon Prime Minister of Tonga  
Prime Minister's Office  
**NUKU'ALOFA**

Dear Hon Prime Minister

I am pleased to present the annual report of the 2017/2018 financial year for the Public Service Commission and its Office.

This report has been prepared in accordance with the requirements under Section 13F (2) & (3) of the Public Service Act 2002 as amended and is submitted herewith for Your Honour's information and consideration prior to progressing for consideration by Cabinet and Parliament.

It is submitted herein with acknowledgement of the collated efforts of the Public Service Commissioners, CEO of the Commission, the PSC Office staff and all related stakeholders of the Public Service Commission.

Faka'apa'apa atu

  
Mr Simione Sefanaia  
Acting Chairman, Public Service Commission

17/06/2019

Endorsed by;

  
Hon Samuela 'Akilisi Pohiva  
Prime Minister of Tonga

24/06/2019





Government of Tonga

# ANNUAL REPORT 2017 - 2018

## Office of the Public Service Commission

**Vision:** *To be a trusted, respected and internationally reputed Public Service*

**Mission:** *To deliver quality services with passion, integrity and efficiency in enabling platforms*



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## LIST OF ABBREVIATIONS

<b>ADB</b>	Asia Development Bank
<b>APRA</b>	Annual Performance Reward Assessment
<b>AYAD</b>	Australian Youth Ambassador for Development
<b>CEO</b>	Chief Executive Officer
<b>CHRIS</b>	Central Human Resources Information System
<b>COLA</b>	Cost of Living Allowance
<b>DFAT</b>	Department of Foreign Affairs and Trade
<b>FTE</b>	Full Time Employee
<b>FY</b>	Financial Year
<b>HR/HRM</b>	Human Resources/Human Resources Management
<b>ICT</b>	Information Communication Technology
<b>IIP</b>	Internal Implementation Plan
<b>IMER</b>	Implementation, Monitoring, Evaluation and Reporting
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MAFF</b>	Ministry of Agriculture, Food and Forests
<b>MCCTIL</b>	Ministry of Commerce, Consumer, Trade, Innovation and Labour
<b>MDAs</b>	Ministries, Departments and Agencies
<b>MEIDEC</b>	Ministry of Energy, Information, Disaster Management, Environment, Climate Change and Communications
<b>MET</b>	Ministry of Education and Training
<b>MFAT</b>	Ministry of Foreign Affairs
<b>MFNP</b>	Ministry of Finance and National Planning
<b>MIA</b>	Ministry of Internal Affairs
<b>MLNR</b>	Ministry of Lands and Natural Resources
<b>MOF</b>	Ministry of Fisheries
<b>MOH</b>	Ministry of Health
<b>MOI</b>	Ministry of Infrastructure
<b>MOJ</b>	Ministry of Justice
<b>MOT</b>	Ministry of Tourism
<b>MPE</b>	Ministry of Public Enterprise
<b>MRC</b>	Ministry of Revenue and Customs
<b>NBS</b>	National Bureau Statistics
<b>OAG</b>	Office of the Attorney General
<b>OCPR</b>	Office of the Commissioner for Public Relations
<b>OPSC</b>	Office of the Public Service Commission
<b>PAL</b>	Palace Office
<b>PDD</b>	Performance Development Division
<b>PMO</b>	Prime Minister's Office
<b>PMS</b>	Performance Management System
<b>PSC</b>	Public Service Commission
<b>RA</b>	Remuneration Authority
<b>TA</b>	Technical Assistance
<b>THOGMA</b>	Tonga Heads of Government Ministries and Agencies
<b>TIOE</b>	Tonga Institute of Education
<b>TIST</b>	Tonga Institute of Science and Technology
<b>TMPI</b>	Tonga Maritime Polytechnic Institute
<b>TNQAB</b>	Tonga National Qualification and Accreditation Board
<b>TOR</b>	Terms of Reference
<b>TSDF II</b>	Tonga Strategic Development Framework II 2015 - 2025
<b>WDR</b>	Workforce Development and Remuneration

## A. FOREWORD STATEMENT

### Prime Minister, and Minister of the Public Service Commission

I am pleased to present the Annual Report for the 2017/2018 financial year (i.e. July, 2017 to June, 2018) for the Office of the Public Service Commission.

This report highlights outputs progressed by the PSC that contributes to “A more efficient, effective, affordable, honest and transparent Public Service, with a strong commitment to improved performance and able to deliver the required outputs of government to all people”. Importantly, this report provides a self-assessment scale on how PSC’s divisions performed as outlined in this year’s annual management plan, with evidence provided to support its progress against the key outputs and milestones. The report also includes analysis of PSC’s performance trend over the last three years.

I take this opportunity to acknowledge the contribution and leadership of the Acting Chairperson of Commission Mr. Simone Sefanaia and the rest of the of the Public Service Commissioners, CEO of the Commission Dr Lia Maka and the staff in ensuring that PSC Office continues to deliver its core functions as mandated by the Public Service Act.

Likewise, I am grateful to the contributions of Chief Executive Officers from line ministries, Public Servants and all relevant stakeholders in supporting the Commission’s efforts to build government institutions that demonstrate “more inclusive, sustainable, responsive good-governance and strengthened rule of law”.

The Office of the Public Service Commission will continue to support the Government reform programs and act as an advisor to Government on the management of the Public Service. It will continue to implement performance improvement and performance management plans to ensure and maintain a competent workforce that is able to deliver quality services.

Respectfully



Hon Samuela Ákilisi Pohiva  
Prime Minister of Tonga



## Acting Chairman, Public Service Commission

It has been a great privilege to serve as the Acting Chairman of the Public Service Commission under the leadership of the Prime Minister, Hon Samuela 'Akilisi Pohiva whom I acknowledge for the overall strategic guidance he has provided for the Public Service Commission.

Furthermore, I acknowledge the contribution of the members of Cabinet, and fellow Commissioners for their dedication and commitment, and likewise, Chief Executive Officers of line ministries for their commitment and delivery of their core services. Lastly, I thank the CEO of the Commission Dr. Lia Maka and staff who continue to provide strong, competent leadership, commitment and zeal in delivering the core functions of the Commission despite the ongoing challenges.

This report highlights the progress of key public sector reform areas as approved by Cabinet such as the completion of the second year of the government wide performance management system for 26 Government Ministries and Agencies inclusive of the Ministry of Education and Training, and Ministry of Police; and the launch of the first Tonga Public Service day and Public Service Month and the Tonga Business Excellence Initiative in June 2018. The report continues to analyze the state of the Public Service as a whole, and the work of the Office of the Commission as a central Human Resource agency whose function is to build *“a more efficient, effective, affordable, honest and transparent Public Service”*, with a strong commitment to improvements in systems and processes; in performance, capability, and professionalism to deliver the core services of government to all people.

The year has not been without its challenges. The PSC premises including the old Cabinet room was seriously damaged by Cyclone Gita in February with substantive damage to the paper files and office exterior. This led to a relocation to the Tungi Colonnade Building; with the relocation disrupting both the operational as well as the budget commitments of the PSC. Other challenges to operational and strategic matters have been dealt with through continued engagements and dialogue.

I am confident that through working together with all relevant stakeholders, the Commissioners and the PSC Office will continue to deliver quality outputs to line ministries and the country as a whole.

Respectfully

  
Mr. Simone Sefanaia  
Acting Chairman, Public Service Commission



## B. EXECUTIVE SUMMARY

The PSC's mandate covers (fifteen) Ministries and (4) agencies and under the Public Service (Amendment) Act 2010 lists 20 functions that include development of HR employment policies, standards & practices, and oversight of their implementation; determination of the respective designations of employees, and other terms and conditions of employment, including the remuneration; the appointment, promotion & discipline of public servants; the resolution of disputes & grievances; and the policy for and oversight of public service performance, both institutional and individual.

PSC's 2017/2018 performance is assessed against the achievement of its SIX outputs as outlined in its 2017/2018 Annual Management Plan.

### **Output 1: Leadership and Program Administration**

Efficient, responsive, quality, high performing policy and technical advice and support is provided to the Commissioners, PM, Cabinet, CEOs and whole of government through the ICT CHRIS system – external) and Commissioners' Unit

### **Output 2: Workforce Development**

*Increased pool of competent, disciplined and qualified public service employees in key managerial and technical areas to improve efficiency and effectiveness of service delivery*

### **Output 3: Performance Development**

*Performance Based Systems established for developing, managing and improvement of Public Service Performance.*

### **Output 4: Human Resource Management (HRM)**

*An effective HR Management System is implemented with phased delegation in functions to line Ministries*

### **Output 5: Oversight**

*Clear mechanisms and improved data collection to monitor, review and strengthen core functions, coordination and service delivery across the government machinery.*

### **Output 6: Remuneration**

*A fair, equitable and affordable remuneration and incentive framework to attract, retain, and motivate public servants is established.*

The key result areas (milestones) under these 6 outputs to be progressed in the PSC Annual Workplan for 2017 – 2018 are

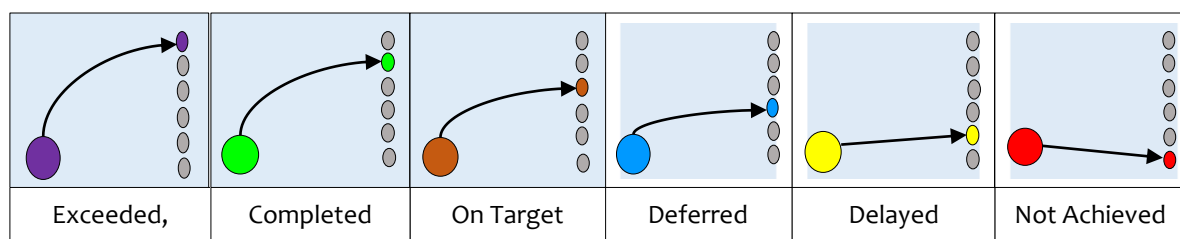
<b>i.</b> Fair, Impartial, effective and efficient Public Service Decisions	<b>vii.</b> Organizational Review of two Ministries
<b>ii.</b> Effective CEO Recruitment and performance Management	<b>viii.</b> External (Stakeholder) surveys of Line Ministries Performance
<b>iii.</b> Deputy CEO Recruitment and Contract Management	<b>ix.</b> Annual Ministry PMS Performance Assessment
<b>iv.</b> Public Service Workforce Framework implemented	<b>x.</b> Annual salary review
<b>v.</b> Public Service Prime Ministers Excellence Award launched	<b>xi.</b> Annual Cost of Living Review
<b>vi.</b> Pilot of HR delegation function with two Ministries	<b>xii.</b> HR Policy reviews
	<b>xiii.</b> Annual PSC Report 2016/2017

The completion dates for some were spread throughout the year; some with phased targets to be completed in the next financial year. These milestones include contribution to Whole of Government matters related to Human Resources management to do with performance development, employment and remuneration.



A self-assessment scale has been used to evaluate the performance of each division against their key performance indicators and a trend analysis is also provided on performance relative to baselines or targets over the last two financial periods. The rating was based on averaging the achievement status of targets/outputs for the year.

The following scale has been used:



## 1. PSC work contributing to whole of Government objectives

The contributions to whole of government work include performance management, remuneration, and employment related matters.

The Commission leads two public sector reform priorities – i) the government wide new remuneration Hay system and ii) the performance management system which is linked to performance pay. Both were implemented in July 2016 (2016/2017 FY) as part of the joint development partners budget support.

### Output 3 - Performance Management

Performance based systems established for developing, managing, and improvement of Public Service Performance



### Results for the 2017/2018 implementation of the PMS

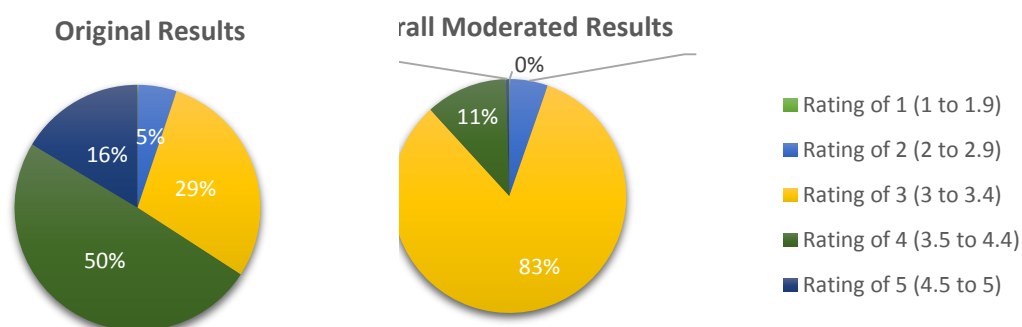
All 26 Ministries from schedule 1 and 2 (excluding Legislative Assembly) participated in the PMS for this period compared to the 22 Ministries in the 2016/2017 period. The Ministry of Education and Training and Ministry of Police participated for the first time. A total of 3767 PMS inclusive of 6 CEOs were received as in Table 1. Around 12% exceeded performance and the majority (83%) of public servants performed to expectations, with 5% of underperformers. One thousand and ninety-seven (1297) employees did not have a performance review. Of these, were 863 employees who were not eligible due to various reasons (probations, less than 9 months of service, leave), and 434 employees including 7 CEOs who had incomplete submissions or did not submit any results.

The Commission has been able to meet the agreed triggers for donors' budget support under this reform initiative.

**Table 1: Overall results 2017/2018 – Original vs Moderated**

Results	Rating of 1 (1 to 1.9)	Rating of 2 (2 to 2.9)	Rating of 3 (3 to 3.4)	Rating of 4 (3.5 to 4.4)	Rating of 5 (4.5 to 5)	TOT
<b>Original Results</b>	4 (0.1%)	189 (5%)	1085 (29%)	1852 (49.5%)	614 (16.4%)	<b>3744</b>
<b>Overall Moderated Results</b>	4 (0.1%)	197 (5.2%)	3122 (82.9%)	426 (11.3%)	18 (0.5%)	<b>3767</b>

**Figure 1: Overall results 2017/2018 – Original vs Moderated**



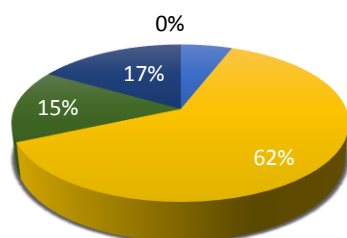
There is a slight improvement in both the results and administration of the PMS in this second year. However, the results of the Ministry of Education and Training reflect the need for PSC's substantive support and greater collaboration between the two agencies given that they did not benefit from the substantive support provided to all other Ministries on PMS awareness and administration trainings.

External review of the PMS implementation in the first year was completed by the World Bank in the last quarter of 2018, and recommendations for improvement have been progressively implemented by the Commission.

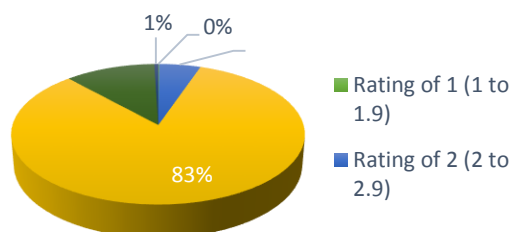
**Table 2: PMS results 2016/2017 vs 2017/2018**

PMS Year	Rating of 1 (1 to 1.9)	Rating of 2 (2 to 2.9)	Rating of 3 (3 to 3.4)	Rating of 4 (3.5 to 4.4)	Rating of 5 (4.5 to 5)
2016/2017	0	7%	75%	18%	0.2
2017/2018	0.1%	5.2%	82.9%	11.3%	0.5%

**PMS Results 2016/2017**



**PMS Results 2017/2018**



There is no significant difference in the results for these two periods. There is a slight increase in the number with outstanding ratings (5) and that of rating 3 which are those who meet expectations and a slight drop of those in the 'exceed' category; but overall, the majority of public servants perform to expectations. Those underperforming are managed under a performance improvement program. Two most aligned Ministries with no changes were His Majesty Armed Forces and the Public Service Commission.

#### **Payment of Performance Rewards for the Public Service**

The amount utilized for the performance rewards for the 2017/18 FY was \$1.19 million Pa'anga, well below the approved budget of \$2.2 million Pa'anga for the 2017/2018 performance reward. The spending for the 2016/2017 was **\$780,040.88** well below an approved reward budget of \$2 million. The change in value is due to the participation of the Ministry of Education and Training, and the Police in this year's PMS cycle.

### Output 6 - Remuneration

*A fair, equitable and affordable remuneration and incentive framework to attract, retain and motivate public servants is established*



Job sizing new positions from the PSC line Ministries continued with the PSC remuneration division taking up the sole responsibility for job sizing from the Remuneration Authority for positions banding M to S (below graduates) as part of the transitional handover of the job evaluation responsibility from RA to PSC. The annual reevaluation exercise conducted by RA from November – February included the reevaluation of 1200 staff of the Ministry of Education and Training. RA continues to have oversight in endorsing the sizing work of the PSC with high level of agreement ratio for the sizing results between RA and PSC. Plans to continue the review of the Classification of Posts were deferred due to the delay in securing technical assistance.

There was no COLA recommendation for this period.

The subcommittee to manage the wage bill recommended 134 critical positions for 2017/2018 costing 2.288,540 million.

### Output 4 – Human Resources Management

*An effective HR Management system is implemented with phased delegation in functions to line Ministries*



Management of the HR services and standards has continued with revisions work in policy instructions and closer engagements with CEOs and line Ministries. June 2018 was launched as the public service month (a new initiative) which will be recognized annually and involved promotions (poetry competitions) at secondary schools, logo competition across MDAs, and public service day exhibitions. This was to promote a **spirit of service** and a new **vision of 'being a trusted, respected, and internationally reputed public service'** to be achieved by a new **mission: 'to deliver quality services with passion, integrity and efficiency using enabling platforms'**.

In addition, a **new initiative, the Tonga Public Service Excellence Framework** to improve systems or Ministry level performance was launched by the Hon Prime Minister on June 20<sup>th</sup> 2018, with baseline excellence self- assessment scoreboard for PSC established.

## 2. PSC Office results against the Annual Management Plan 2017/2018

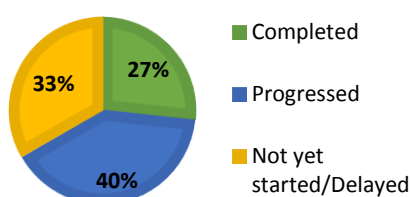
The PSC performed as per its annual management plan against

- i) Key milestones (result areas)
- ii) Specific divisional outputs

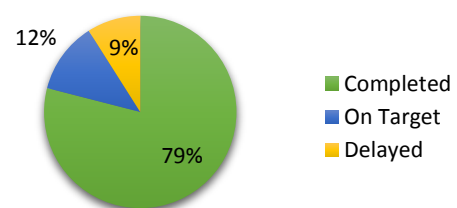
### i) Key milestones for the 2017/2018 to 2019/2020

Sixteen (16) key milestones activities over three years show some progress. Four (25%) have been completed for this period; 6 (38%) have been progressed and 5 (31%) have not yet started and delayed.

**Key milestones 2017/2018  
2019/2020**



**FY2017 - 2018 PSC's Divisional Output  
Performance**



## ii) FY 2017 – 2018 PSC Divisional Output performance

PSC completed 79% of its planned outputs, 12% were on target (phased) rolling to next Financial year, 9% were delayed. In sum, 91% were completed and on target. Nine percent of delays was spread across the divisions mostly in Remuneration (work on the Classification of Positions), Leadership (policy review, contracting deputy CEOs), Oversight (2 planned organisational (Ministry) reviews) and stakeholder surveys (public service polling); and in the HRM division due to the delay in the pilot of the Human Resource Management devolution Framework.

The best performing Division was Performance Development who delivered most of its planned outputs.

## iii) Three (3) years Ouput performance 2015/2016 – 2017/2018

From July 2015 to June 2018, the PSC has improved in its completion of annual outputs progressively from 80% in 2015/16; 87% in 2016/2017 to 91% in 2017/2018.

## iv) PSC Financial performance 2017 – 2018

PSC's budget estimates in 2017/2018 was at \$1,840,200 (recurrent). This is an increase of \$240,200 or 13% from the 2016/2017 budget estimates. \$1,600,000.00. With in-kind and development funds, the total PSC estimates for 2017/2018 was **\$3,815,600.00**.

PSC's financial performance continues to be **above average** in terms of budget performance at 89% which is the expenditure against forecast; and total expenditure at 99% at the end of June 2018. Performance on procurement is on average at 75%. Budget transfers improved with 21 **budget transfers** made by the end of June 2018; compared to 34 in the previous Financial Year.

Expenditure by Output (Divisions) shows the Leadership & Program administration Division as having the highest allocation and expenditure, including transfers at 56%. This Division includes the administration of the affairs of the Commissioners. The HRM division (output 4) is the second largest (16%) followed by the performance Development Division (12%). Two divisions share the budget for Output 2.

## Financial performance over three years

Budget performance against forecast **has improved from 82% to 89% over the last two years**. Likewise, expenditure continues to be **above average** with incremental improvement of 2% over the last two financial periods. However, **procurement performance has not improved regressing by 20% from 95% in 2015/2016 to 75% in the current FY**. The reason for this regression was a lack of clarity around procurement requirements for ongoing legal contracts regarding a tribunal case that are not determined by financial year but by courts schedules.

Budget (\$m)	2017/18 Original Budget	Actual Expenditure spent
<b>Expenditure/Payments</b>	<b>1,840,200</b>	<b>2,206,286</b>
Established Staff (10xx)	1,125,200 (61%)	1,021,277.86 (46%) (55.5%)
Unestablished Staff (11xx)	30,000	18,011.22
Travel, Communication (12xx)	106,700	106,098.99
Maintenance, Operations (13xx)	27500	84,780.21
Purchase Goods Services (14xx)	368200	756,694.47
Grants and Transfer (15xx)		
Assets (20xx)	74600	219423.70
<b>Recurrent Payments</b>	<b>1,840,200</b>	<b>1,814,009.95</b>
Established Staff (10xx)	1,215,200	1,021,277.86
Unestablished Staff (11xx)	30,000	18,011.22
Travel, Communication (12xx)	106,700	106,098.99
Maintenance, Operations (13xx)	27,500	35,953.71
Purchase Goods Services (14xx)	368,200	456,694.47
Grants and Transfer (15xx)	-	-



Assets (20xx)	74600	175,973.70
<b>Development Expenditure</b>	<b>1,051,939</b>	<b>392,276.50</b>
Maintenance, Operations (13xx)	58,199	48826.50
Purchase Goods Services (14xx)	300,000	300,000
Assets (20xx)	657,194	43,450.00

#### v) PSC's Overall PMS results

PSC overall staff performance results for 2017/2018 was as follows: Thirty-two (32%) exceeded their performance; 59% performed to expectations totaling 91%; and 9% underperformed. The 2017/2018 results performed better with 11 or 32% in exceed compared to the 6 or 22% of 2016/2017.

#### vi) Strategic and Operational challenges and risks

For this period, challenges and risks include:

##### Extraneous

- Cyclone GITA visited Tonga on 12<sup>th</sup> February and the PSC building was severely damaged with around 700 plus personal files and 400 plus standard files wet or damaged. The relocation efforts as well as attempt to retrieve damaged files took up most of the last months of Quarter 3. The rental costs of \$11,074.39 per month for occupation at Tungi Colonnade excluding utility charges was an unforecast expenditure and some of our salary savings helped to cover these costs without having to request a CF to Cabinet.
- Managing relations with the Ministers and those in political positions within the auspices of the Public Service Act and its principles of political neutrality will always be an ongoing strategic challenge.

##### Within PSC

- There are still ongoing challenges in procedural matters regarding the performance management of CEOs and public service employees. There is a need for clarity in delineating responsibilities, functions and processes; and ensuring these are well communicated and clear to all stakeholders.
- Voluminous administrative HR work that marginalises the more important oversight role of the Commission
- Greater need for senior experienced policy analysts and IT database capability

## 1. OVERVIEW OF THE OFFICE OF THE PUBLIC SERVICE COMMISSION

### 1.1 Introduction

Since its establishment on the 1<sup>st</sup> of July, 2003, the Public Service Commission (PSC) has continued to focus on reforming the public service. In 2017/2018, the PSC continued to ensure reform programs supported the revised National Impact under the Tonga Strategic Framework II which calls for, “A progressive Tonga supporting a higher quality of life for all” and were in line with the National Outcome of “a more inclusive, sustainable and responsive good governance with strengthen rule of law”.

As a major contributor to the Political Institution Pillar, the PSC focuses on progressive improvement to make the Public service respected, and trusted nationally and internationally. This means fostering a more performance based civil servants’ workforce, a spirit of service, and an efficient and transparent service delivery to achieve the following outcome of:

***“A more efficient, effective, affordable, honest and transparent Public Service with a clear focus on priority needs, working both in the capital and across the rest of the country, with a strong commitment to improved performance and better able to deliver the required outputs of government to all people” (TSDFI 2015 – 2025)***

The previous PSC Annual report 2016/2017 summarized the results up to December 2017, however this report again fully summarizes the results delivered by the PSC Office from July, 2017 to June 2018.

### 1.2 Legislation, Mandate, Stakeholders

The PSC and its Office operated under the following Public Service legal mandates and guiding principles;

#### Legal Mandates

- Public Service Act 2002;
- Public Service (Amendment) Act 2018 (Act No.13 of 2018);
- Public Service (Amendment) Act 2018 (Act No.20 of 2018).
- Public Service (Amendment) Act 2010, 2012,2014, 2015 and 2016;
- Public Service (Disciplinary Procedures) Regulations 2003;
- Public Service (Disciplinary Procedure) (Amendment) Regulations 2010;
- Public Service (Grievance and Dispute Procedures) Regulations 2006;
- Public Service (Grievance and Dispute Procedures) (Amendment) Regulations 2010;
- Public Service Policy 2010;
- Public Service Policy and Instructions 2010 as amended in 2013, and 2016;
- Code of Ethics and Conduct 2010.

#### Guiding Principles

- a) perform their functions in an impartial and competent manner;
- b) ensure employment decisions are based on merit;
- c) ensure equality of opportunity in employment;
- d) provide a workplace that is free from discrimination and recognizes the diverse background of employees;
- e) be accountable for their actions;
- f) deliver services fairly, effectively, impartially and courteously to the public and to visitors to Tonga;
- g) establish a co-operative workplace relations based on consultation and communication;
- h) observe the law; and
- i) ensure there is transparency in the performance of their functions.

### 1.2.1 Functions of the Commission

The Public Service Commission (PSC) is the central agency responsible for the effective management of the Tonga Public Service. The principal functions of the PSC as defined in the Public Service (Amendment) Act 2010 are as follows;

- a) Develop systems, standards and procedures for the continual performance improvement and performance management of the Public Service;
- b) Act as adviser to Government on the management of the Public Service;
- c) Consult with the Prime Minister on a regular basis regarding the performance of the Public Service;
- d) Advise the Prime Minister on, and monitor the implementation of, public employment policies;
- e) Ensure that the Public Service upholds the Public Service Principles;
- f) Appoint, promote, confirm, discipline and dismiss employees and resolve employment disputes;
- g) Determine the respective designations and other terms and conditions, including the remuneration, for employment for employee's subject to the approval of Cabinet;
- h) Promote, uphold and ensure adherence to the merit principle in the selection of persons as, and the promotion and transfer of, employees;
- i) Determine practices and procedures relating to the recruitment and appointment of persons as employees, the promotion of employees and the employment, transfer, secondment, redeployment, discipline and termination of employment of employees and any other matters relating to human resource management;
- j) Consult with and advise Chief Executive Officers in relation to the development and application of appropriate human resource practices and procedures in their respective Ministries;
- k) Consult with Chief Executive Officers in relation to the application of public employment policies in their respective Ministries;
- l) Co-ordinate training, education and development programs regarding the Public Service in conjunction with Chief Executive Officers;
- m) Assist as appropriate Chief Executive Officers in evaluating the performance of employees employed in their Ministries;
- n) Consult with Chief Executive Officers on the development of appropriate standards and programs of occupational health and safety;
- o) Conduct or cause to be conducted inquiries and investigations into, and reviews of, the management practices of Ministries;
- p) Assist as appropriate Chief Executive Officers in the performance of their functions relating to the management of their Ministries;
- q) Manage and mitigate disputes and grievances;
- r) Regularly consult stakeholders on matters regarding the interests of the employees;
- s) Assess or undertake, in consultation with the relevant Minister, an annual performance review of the Chief Executive Officers;
- t) And such other functions as are imposed by or under this or any other Act, or as directed by the Prime Minister.

The outputs of the work of the Commission are cascaded from and directed by these functions.



## 1.2.2 Stakeholders

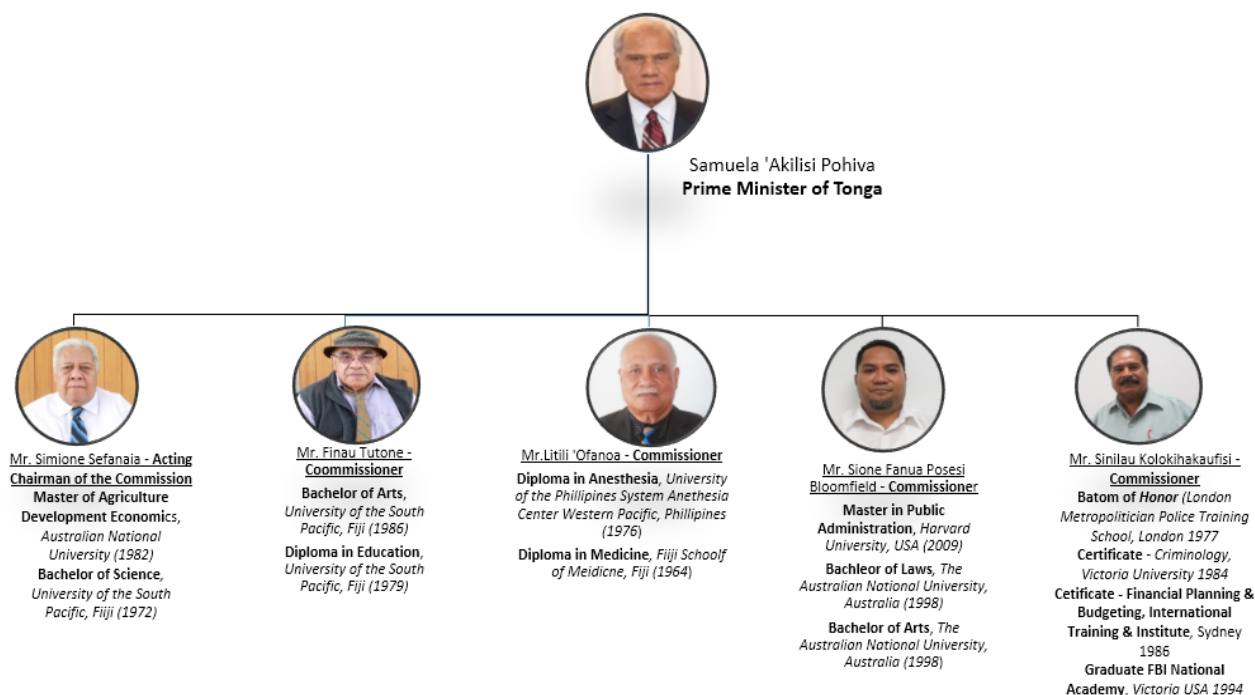
The Public Service Commission serves as a central agency that provides human resource services to MDAs under schedule I. As such our main customers are the 20 MDAs with oversight from Cabinet. However, PSC's oversight on Public Service performance management, requires it to work with 6 Schedule 2 Ministries (Police, Fire, HMAS, Audit, Ombudsman, Prisons).

**Table 3. Stakeholder's relationship with PSC**

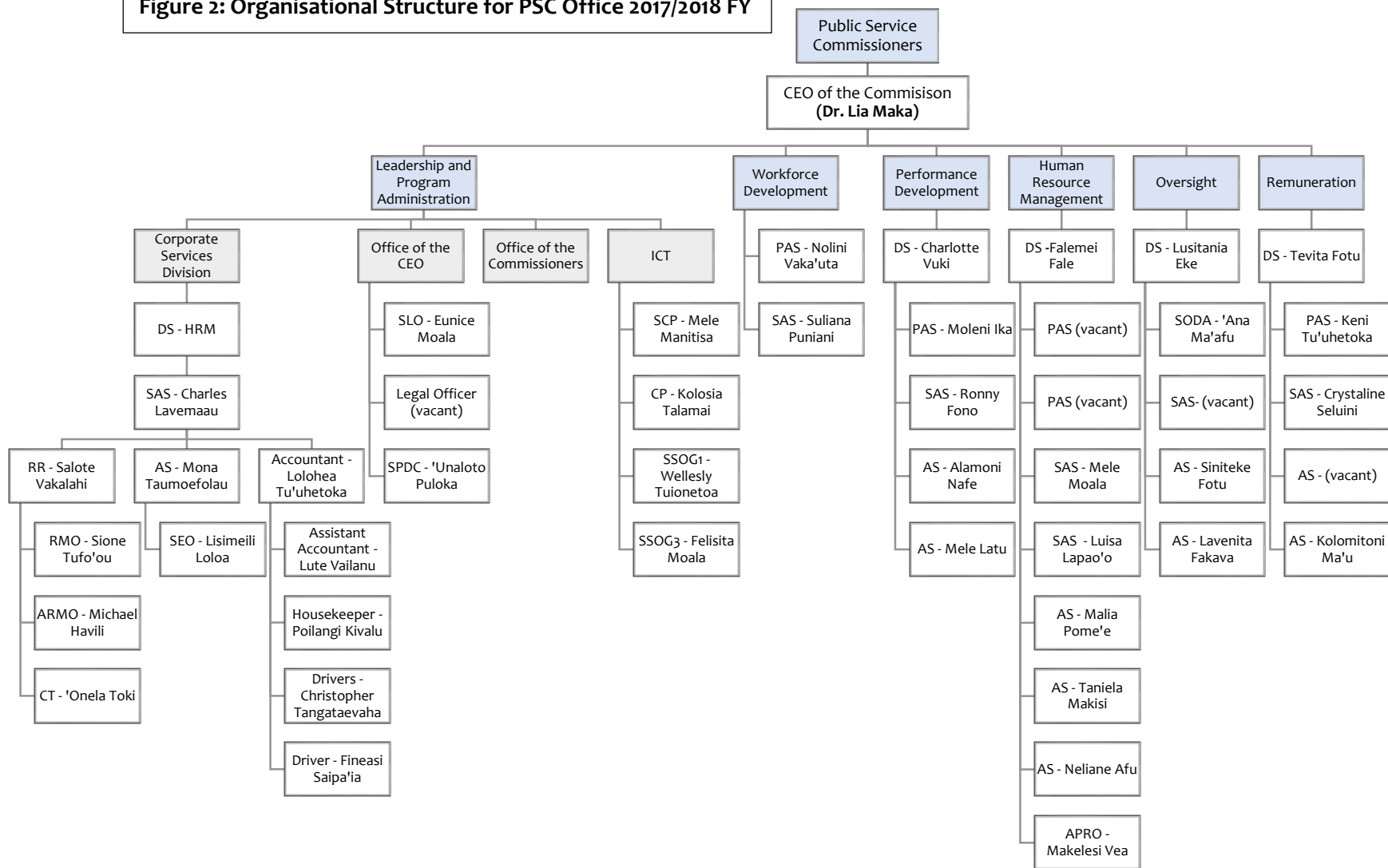
Stakeholder	Customer of [PSC]	Supplier to [PSC]	Partner with [PSC]	Oversight of [PSC]
Cabinet	Advice, Recommendations, Information	Decisions	Operating Effectiveness of Government	Direction
LA	Advice, Recommendations, Information	Decisions, Legislation	ditto	Direction
MDAs	Direction, Advice, Guidance, Instructions, Services, Information	Services Information/Reports	ditto	
Public Service Tribunal	Information	Decisions	ditto	Employee rights, Disputes & Grievances.
Public Enterprises	Advice, Information	Services	ditto	
Employee association (PSA), (FITA), Nurses & Doctors Association)	Advice, Guidance, Information	Services Information/Reports	Ditto, employment conditions.	Employee rights, Disputes and Grievances.
Businesses	Advice, Guidance, Information	Commercial Goods, Services, Fees, Charges	Support of the TSDF, Economic Development	
NSA, CSO, Churches	Advice, Guidance, Services, Information			
General Public	Advice, Guidance, Instructions, Services, Information			Grievances Petition
Development Partners	Advice, Guidance, Instructions, Services, Information	Development Assistance & Advice	Delivery of Aid Funded Programs – Public sector reform – PMS and Remuneration; HR/ICT reforms	Oversight - use of Development Funds



The Public Service Commission operates under the direction of the Hon Prime Minister, with policy directions implemented under the oversight of the Chairman of the Public Service, supported by four Commissioners. For most of the 2017/2018 FY, the Commission comprised only three (3) part time Commissioners with Mr. Simone Sefanaia as part time Chairman and Mr Finau Tutone and Dr Litili 'Ofanoa as part time Commissioners. It was not until 16<sup>th</sup> March, 2018 that two (2) part time Commissioner positions were filled by Mr. Sinilau Kolokihakaufisi and Mr. Sione Posesi Fanua Bloomfield.



**Figure 2: Organisational Structure for PSC Office 2017/2018 FY**



## 1.4 PSC's Performance Management Framework

The following is PSC's results log frame over a three-year period 2017/2018 – 2019/2020.

**Table 4:** PSC's results log frame

National Impact "A more progressive Tonga supporting higher quality of life for all"							
National Outcome: "A more inclusive, sustainable and responsive good governance with strengthen rule of law"							
PSC Strategic Output	Priority area	Sub outputs	KPI/Measure	Baseline: Target 2016/2017/2018	Impact Link to national and corporate outcomes	Risk	Risk Management
<b>1. Leadership and Program Management</b>  Efficient, responsive and high-quality service to the Commissioners, Prime Minister, Cabinet and PSC Staff (internal)  And to the whole of government (through the ICT – CHRIS system – external)	CEO performance appraisal	Aligned executive management to approved performance management  CEO and senior leadership capability development	CEO quality (staff engagement survey or organisational climate survey)  CEO performance - % who meet the performance expectations	Baseline: NA Target:  100% CEOs participation 80% meet performance expectation 10% exceed	Streamlined, efficient, transparent and accountable service delivery through  - Improved regulations (3.1d)  - More effective leadership  - Improved staff PMS (3.1 d)  - Evidence-based decision on PSC reform, M&E & PMS (3.1g)	Political interference  High rate of referrals	Proactive engagement and planning with Hon Ministers and Commission, CEOs, PSC staff and development partners
	Internal policies and processes	Internal policies and processes regularly reviewed for functionality, efficiency and alignment with national policies and legislations etc.	% Adherence to financial, procurement, and housing policies and regulations	Baseline: NA % progressive reduction in processing time and complaints cases  80% staff satisfaction		Huge policy gaps – expensive tribunals	Proactive policy review and development
	Individual Staff performance planning and appraisal (new)	% Staff satisfaction – culture/organisational survey  Secure and OHS compliant Workstations	Percentage of procurement Compliance  100% Fixed asset register updated quarterly	80% staff performance effective  100% procurement compliance  Fixed asset stocktakes June 2017/2018/2019		Lack of staff ownership	Increased staff engagement  Daily paid staff for archiving work  Recruit AVI or AYAD volunteers or TA from COMSEC or PICPA/ADB to support process
	Strengthen CHRIS  Archiving/Digitisation of files	Approved ICT policy  Secure and modern network/IT infrastructure in place	E-government unit and ICT unit workplans aligned  TA/Funding available for an integrated ME/reporting system	Baseline: N/A  Targets – 2016: 40% of PF digitised 2017 – 60% 2018 – 100% 2016 - 30% of Ministries use the CHRIS;		No funding – poor budget prioritisation  Low commitment from CEOs	

				2017 – 60% 2018 – 80%			
<b>2. Workforce Development</b>  Increased pool of competent, disciplined and qualified Public Service staff in key managerial and technical areas to improve efficiency and effectiveness of service delivery	Management & technical skills development/ deployment  Demand driven Government wide capacity development/ training plan  Proactive engagement with TNQAB & training provider  Fully equipped Training facility	Pool of Qualified Staff deployment in areas of demand  New workforce framework  Mechanism for recognition and accreditation of short-term trainings in place	Immediate and medium-term funding secured  % pool of Technical and professional staff in place  TNQAB approved process or PSC Decision secured	Baseline: 2014/2015 training report Target: pool of talent increases by 2 % annually  80% Formal recognition of qualifications	Middle to senior Leadership/ management/ specialists' pipeline  Confident, qualified and effective workforce	No committed funding  Increased migration/exits of management / specialist staff	PSC Training plan submitted for scholarships – in country and external  More targeted in-house succession planning, shadowing opportunities and training  Active resources mobilisation from development partners
<b>3. Performance Development</b>  Performance Based Systems established for developing, managing and improvement of Public Service Performance.	PMS Oversight  Business Excellence	Public Service Performance M&E  Performance Moderation and Quality Check  Tonga Business Excellence Program	% of underperformers with improved performance across a FY  No of Ministries implementing Tonga Business Excellence initiatives  No. of Best Practices shared  No of Game Changer Projects recognized	Reduce by 60% from previous FY  2 Ministries  1 Best Practice initiative disseminated  At least 2 Game Changer Projects	Ongoing performance improvement in the Public Service  Improved efficiency and effectiveness of Public Service	Weak enforcement  Lack of participation in Excellence Program	Hold CEOs accountable for Public Service performance  Intensive Awareness Programs at all levels and to gain full support from Cabinet and CEOs
<b>4. Human Resource Management</b>  An effective HR Management	Devolving HR management functions to Ministries	Approved delegation areas for pilot  Ministries HR systems strengthened	% of Ministries in compliance with HR policies and procedures	Baseline: NA  Target:  Efficiency gains %?	High quality and efficient Public service delivery	Weak HR capacity in line agencies  Poor ME & supervision	Attachment opportunities to PSC, ongoing training HR Manager post to each Ministry



System is implemented with phased delegation in functions to line Ministries	Revision of regulations and policies	Approved roll out of HR schedule	% of Ministries trained in HR systems  % in pilot HR delegation – HR function readiness	% alignment of Ministry HR system/processes to PSC's policies		Not a government priority	Ongoing engagement with Minister and MFNP
<b>5. Oversight</b>  Clear mechanisms & improved data collection to monitor, review and strengthen core functions, coordination and service delivery across the government machinery.	M&EL results matrix and learnings fed into performance improvement framework/PMS  Strengthening organisational review/assessment capacity  Stakeholder Communications and Engagement	1. Robust M&E Matrix translated to high level results dashboard developed for PSC & MDAs  2. MDA Organizational Review within FY for conducted & with recommendations progressed  Stakeholder Communication and Engagement plan	% of PSC or MDA sub-outputs exceeded / achieved / on target % of PSC or MDA outputs exceeded / achieved / on target  No. of Functional Reviews conducted as per target % of recommendations progressed (x R/total R)  Surveys/Public service polling results	80%  80%  4  20%  Baseline – 0 % of support/complaints Increase in Website hits/visits	PSC contribute to high level TSDFII outcome due to: - Improved data for tracking performance (3.1f) - Improved MDAs performance from organizational review's recommendations - Improved management of government wage bill - Improved efficiency and effectiveness  - PSC is a highly respected leader of the public service	Lack of political will  Lack of organized data in MDAs	High level of engagement at Ministerial & CEO level  Ongoing In-house training for M&E within the PSC and to HR staff from MDAs
<b>6. Remuneration</b> A fair equitable and affordable remuneration and incentive framework to attract, retain and motivate public servants is established.	New COP  New CF  Job Evaluation and Re-evaluation	Research and Consultations  Establish job evaluation & re-evaluation DB	Phase 2 Completed Phase 1 Completed  On-going	Baseline: 0.143m New COP- utilisation of 10% for scoping and framing of the new CF	Improve trustworthy, accountability and transparency of remuneration services	Rejection of New COP & CF  Judgement based remuneration system	Frequent consultations and public awareness of new COP & CF  Verification with external source [Hay Group]

## 2. PERFORMANCE OF THE OFFICE OF THE PUBLIC SERVICE COMMISSION

This section is twofold. First, it reports on the status of the public service under Schedule 1 as it relates to Human Resources Matters. This is followed by HRM matters of the Office of the PSC.

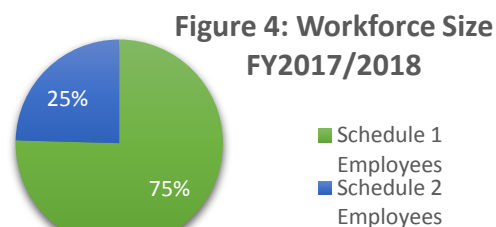
### 2.1 HRM – State of Schedule 1 Ministries

Figure 3: Public Service Workforce snapshot June 2018.



### 2.1.1 Total Public Service workforce size (Group 1 and Group 2)

The Tonga Public Service operates under two (2) schedules. Schedule I comprise fifteen (15) government ministries and six (6) government agencies governed under the Public Service Commission; Schedule II comprise the Ministry of Police, Fire and Prisons, His Majesty's Armed Forces and Office of the Auditor General which are under the jurisdiction of the Legislative Assembly (LA). A total of 5051 employees as at 30 June 2018; comprising 3810 (75%) for Schedule 1 Ministries and 1241 (25%) for Schedule 2. This is a decrease of 76 (1.5%) employees from 5127 in the 2016/2017 period.



### 2.1.2 Group 1 or PSC Employees

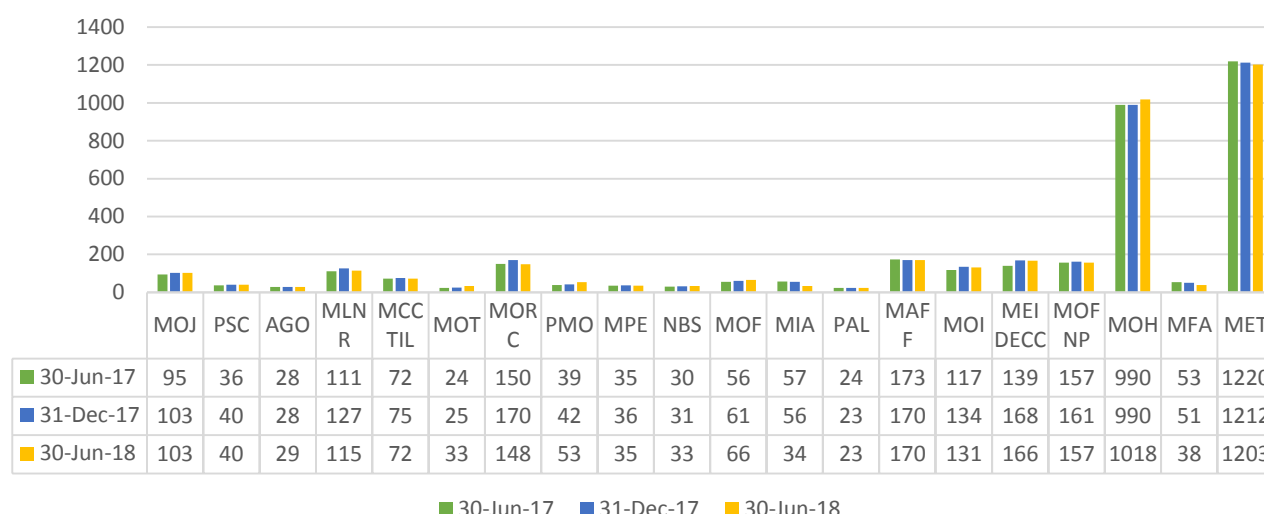
The total number of employees under Schedule I continues to grow each financial year from 3,575 in the 2015/16 to 3,606 in the 2016/17 FY and growing another 5.4% in the 2017/18 FY to 3,810. The Ministry of Education and Training and the Ministry of Health accounted for 32% and 27% respectively of the total number of public servants under Schedule I. Both of these Ministries have been the two largest over the past three consecutive years. The distribution of employees by Ministry is shown in Table 5.

- ❖ Largest Ministry – MET (32%)
- ❖ 2<sup>nd</sup> Largest Ministry – MOH (27%)
- ❖ Fastest growing Ministry – Tourism (22%), Fisheries (10%)
- ❖ Biggest reduction in staffing – MPE & MIA (-6%)
- ❖ Smallest Ministry – Palace Office (1%)

**Table 5: Distribution of Employees by Ministry and % of Employee Growth from 30 June, 2016 to 30 June, 2018**

Ministry	30-Jun-16	31-Dec-16	30 Jun, 2017	31-Dec-17	30-Jun-18	Distribution (%) at 30 June 2018	Growth (%) June 17 – Jun 18	Female	Male	Total 30-Jun-18
MET	1189	1178	1221	1212	1217	32	-2%	775	438	1213
MOH	999	984	988	990	1023	27	1%	714	309	1023
MAFF	185	172	173	170	173	5	0%	71	102	173
MFNP	133	131	157	161	160	4	0%	106	58	164
MRC	154	153	151	170	179	5	3%	86	93	179
MEIDECC	111	118	139	168	176	5	-2%	73	103	176
MOI	112	101	116	134	142	4	-1%	51	91	142
MLNR	112	110	111	127	131	3	3%	44	87	131
MOJ	100	97	95	103	116	3	0.40%	71	45	116
MCCTIL	76	75	73	75	85	2	1.20%	48	37	85
MIA	63	65	57	56	56	1	0%	33	23	56
MOF	50	57	56	61	73	2	0.30%	30	43	73
MFAT	55	56	53	51	52	1	-0.10%	33	19	52
PMO	42	42	41	42	41	1	0%	25	16	41
OPSC	33	34	35	40	42	1	0%	28	14	42
MPE	33	33	35	36	37	1	0%	25	12	37
NBS	28	29	29	31	32	1	0%	23	9	32
AGO	31	29	28	28	28	1	-0.10%	19	9	28
MOT	20	30	21	25	24	1	0%	12	11	23
PAL	37	32	24	23	23	1	-0.10%	13	11	24
	<b>3575</b>	<b>3545</b>	<b>3603</b>	<b>3703</b>	<b>3810</b>	<b>100</b>		<b>2280</b>	<b>1530</b>	<b>3810</b>

**Figure 5: Size of the Public Service from June 2017 to June 2018**

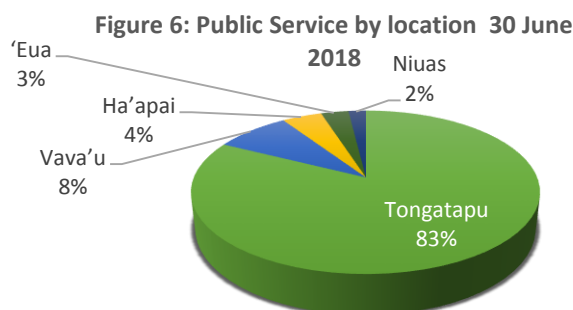


### 2.1.3 Total number of employees in each island group as of 30 June 2018

The majority (82.5%) of the Public Service are in Tongatapu. The remaining are shared between the government sub-branches located in Vava'u, Ha'apai, 'Eua and the two Niuas. It is anticipated that the Vava'u services will increase in the next three years with employee numbers to grow based on a number of investment projects.

**Table 6: Employees by locations**

Islands	Number of Employees
Tongatapu	3133
Vava'u	313
Ha'apai	166
'Eua	115
Niuas	73
TOTAL	3810



## 2.2 Public Service Occupation features

Public Service staff are employed in Ministries, Departments and Agencies that provide a wide range of activities including policy advice and customer services for social welfare, health, education, employment, market regulation, economic growth, security, taxation, administration of the law, transport infrastructure, immigration, citizenship, public records, natural resources management, and communications. Services range from clerical administration, to analytical, technical, policy, managerial, monitoring and information related activities across different occupations.



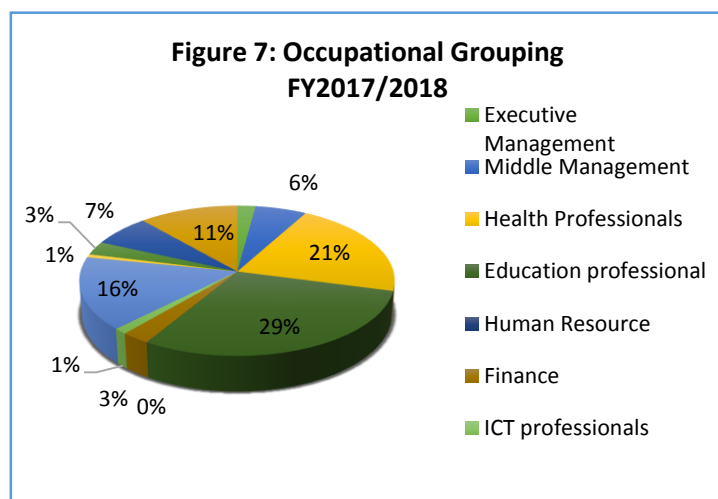
## 2.2.1 Occupational Grouping as of 30 June 2018

Largest Occupational Group  
Teachers (30%)  
Nurses (14%)

The two largest groups of established staff are from Education and Health sectors which account for around 44% of the Public Service workforce. There is no change in the % of occupational grouping from 2016/2017 for the largest groups. Teachers continue to be the largest occupations retaining its 30% composition in this period followed by nurses at 14%. Composition at the occupation level, show very low % of female employees in highly technical, scientific sectors (MAFF/MEIDECC/MLNR) as opposed to service

sectors (Education/Health).

These occupational groups are still very broad and were relevant in the old Remuneration Structure which has since become redundant as of 01 July, 2016. Until the new Classification of Post and Competency Framework are in place the table below represents the job clusters in the Public Service although this does not reflect the diverse nature of the Public Service today.



**Table 7: Occupational grouping June 2018**

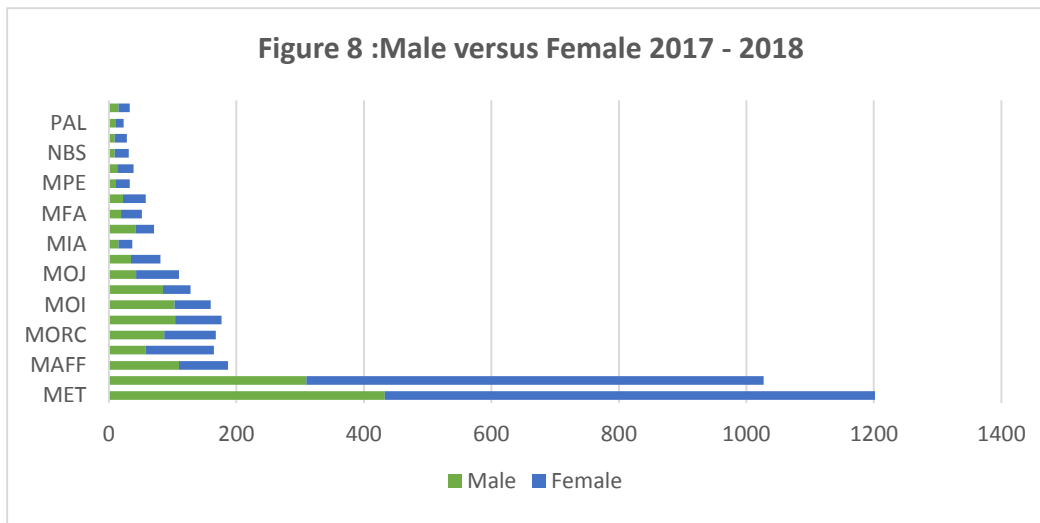
Executive Management	80
Middle Management	227
Health Professionals	802
Education professional	1124
Human Resource	1
Finance	100
ICT professionals	46
Administrative and Clerical	598
Legal	26
Agriculture & Fisheries	111
Technical	259
Others	436
<b>TOTAL</b>	<b>3810</b>

## 2.2.2 Gender distribution in the public service

At the end of June 2018, there were 2,193 female employees and 1,474 male employees. Female employees continue to outnumber male employees at 59%:41%, which is an increase in the female: male composition by 7% (59%:40%) from the previous Financial Year. The Ministry of Health continues to hold the highest % of female employees at 70%; followed by the Bureau of Statistics at 69% and the Office of the Attorney General at 69%. Female composition at MET is maintained at 62%. However, in terms of headcount, MET and MOH continue to have the highest number of female employees at a collective total of 69% of the total females in this period.

There is an increase in representation of males in MAFF, MOI and MLNR for this FY and this is across the technical, infrastructure, environment, natural resources, and scientific areas as shown in Figures 7 and 8.

Figure 8 :Male versus Female 2017 - 2018



Gender ratio  
Female to  
59:41%

The biggest growth for females in this period is with MEIDDEC, followed by Revenue and Customs, and Fisheries; with largest drop in Internal Affairs. For males, the biggest growth has been Infrastructure, followed by MEIDDEC and Lands and Survey. The biggest drop in males has been with Education.

Table 8: Gender Distribution by Ministry as at 30 June 2018

Ministry Code	Tot Female 30 June 2017	Tot Female 30 June 2018	Growth Jun, 2017 - June, 2018	Female (%) June, 2018	Tot Male 30 June 2017	Tot Male 30 June 2018	Growth Jun, 2017-Jun, 2018	Male (%) June, 2018	Tot at 30 June 2018
1. MET	753	751	-2	62%	467	452	-14	38%	1203
2. MOH	695	710	8	70%	295	308	4	30%	1018
3. MAFF	71	69	-2	40%	102	101	0	60%	170
4. MFNP	100	100	-3	62%	57	57	3	38%	157
5. MRC	69	73	12	47%	81	75	9	53%	148
6. MEIDDEC	53	65	15	41%	86	101	11	59%	166
7. MOI	52	52	0	40%	65	79	13	60%	131
8. MLNR	38	43	5	34%	73	72	10	66%	115
9. MOJ	55	63	4	60%	40	40	0	40%	103
10. MCCTIL	42	41	1	54%	30	31	6	46%	72
11. MIA	31	21	-9	42%	26	13	5	58%	34
12. MOF	21	29	8	43%	35	37	4	57%	66
13. MFAT	31	25	2	61%	22	13	-1	39%	38
14. PMO	21	30	1	52%	18	23	2	48%	53
15. OPSC	24	27	3	68%	12	13	1	33%	40
16. MPE	20	23	2	65%	15	12	-3	35%	35
17. NBS	19	22	3	69%	11	11	-1	31%	33
18. OAG	20	19	0	69%	8	10	1	31%	29
19. MOT	13	18	4	53%	11	15	4	47%	33
20. PAL	12	12	0	55%	12	11	-2	45%	23
<b>Total</b>	<b>2140</b>	<b>2193</b>	<b>52</b>	<b>59%</b>	<b>1466</b>	<b>1474</b>	<b>52</b>	<b>41%</b>	<b>3810</b>

At the senior management and leadership level, there is an increase by 7% in female CEOs in 2018 at 50% and a decrease by 6% of females at the Deputy CEO level from 54% to 50%.

#### Female CEOs

- ❖ 2015 – 31%
- ❖ 2016 – 48%
- ❖ 2017 – 43%
- ❖ 2018 – 50%

#### Female Deputy CEOs

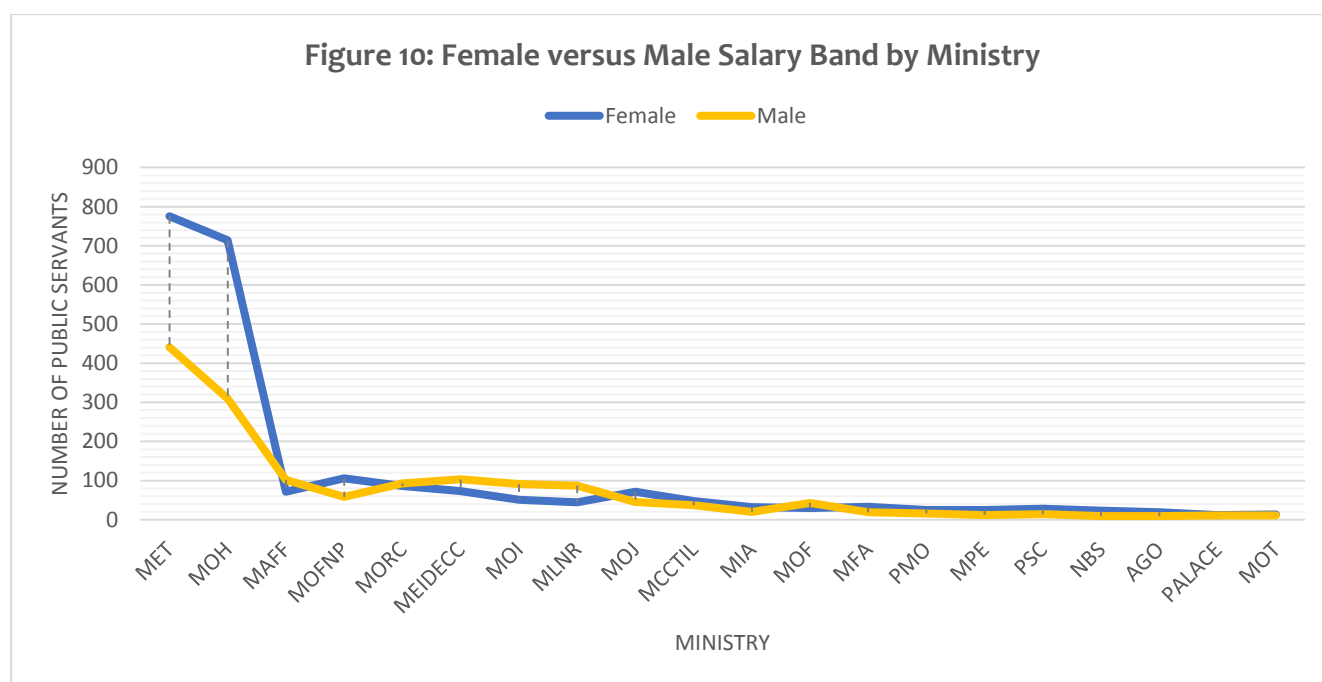
- ❖ 2016 – 49%
- ❖ 2017 – 54%
- ❖ 2018 – 50%

### 2.2.3 Gender Parity

As displayed in Figure 9, women in the public service are the largest salary earners in comparison to men with a huge increase from the 2015/2016 period. In other words, the gender pay parity continues to be maintained at around 60:30% ratio, a slight drop for women from last year. There are more women in the higher paid bands (H, I, J, K, L, M). The largest number are in Bands L and M which can be attributed to a higher concentration of female employees at Health (Nurses) and Education (teachers).

#### Gender Pay Parity Female (60%): (30%) Male

Figure 10: Female versus Male Salary Band by Ministry



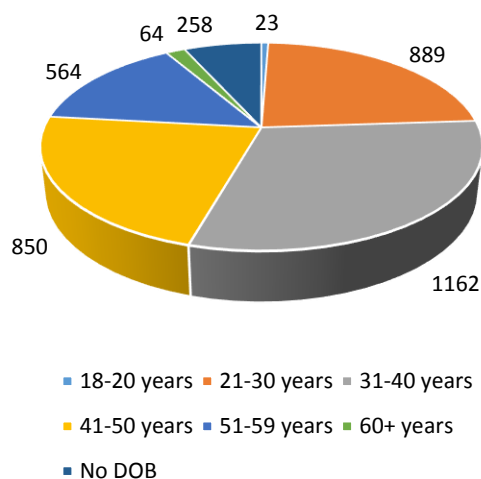
Females take home a bigger pay collectively at bands H – M compared to males at 75%:62% ratio showing that there are more women in positions that require a minimum qualification of a diploma (M) or above.

## 2.2.4 Public Service Age group

The public service is still **young with ages 18 – 40 accounting to 54%** of the total workforce. Thirty nine percent (39%) are from the ages 41 – 60. Twenty two percent (22%) are in the ages of 41 – 50. There are 628 (around 17%) who are at ages 51 – 60+; of which around 77% are from the Ministry of Education and Health. Extensions have been granted to a few who are over 60, mostly to Health and Education due to exigencies in services.

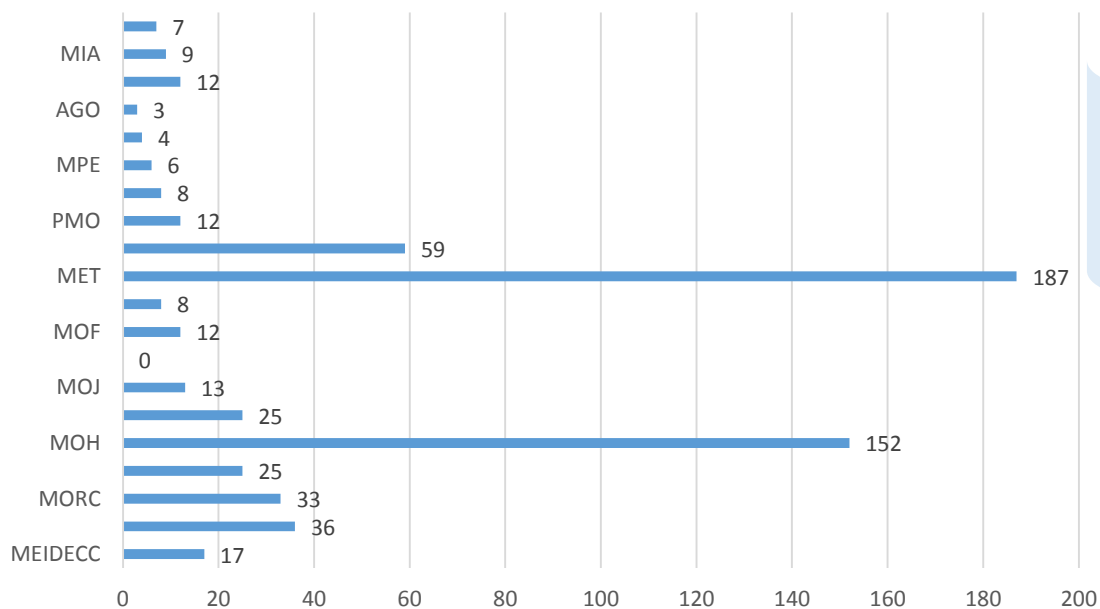
- ✓ A young workforce Ages 19 - 40 (54%)
- ✓ Ages 41 – 60 (39%)
- ✓ Ages 51 – above (17%)

**Figure 11: Age Group as of June 2018**



Compared to 2016/2017, there is a reduction in the number of those ages 18 – 40 whilst there is an increase by 7% of those in the 51-60 years category. Focus on replacement and succession especially to this 17% is part of the PSC's workforce strategy with Ministries requiring to provide succession planning and more proactive recruitment while PSC supports targeted capacity building for leaders and managers. There are 258 employees with no date of birth in records. This is being addressed for the next FY report.

**Figure 12: Staff at ages 51 and above by Ministry 30 June 2018**



Ages 51 – 60yrs  
MAFF – 34%  
MOI – 25%  
MORC – 18%

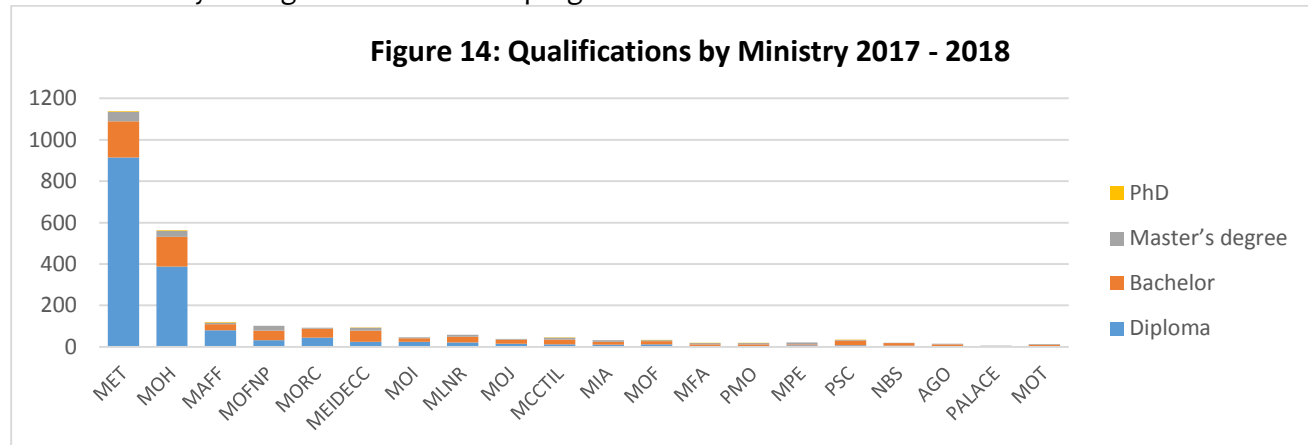
Numerically, Education registered the highest in terms of those nearing retiring age at ages 51 and above at 187 (15%), followed by Health at 152 (14.9%). However, Agriculture has the highest % of those near retirement age (51 – 60 yrs) at 34%, followed by Infrastructure (25%), Revenue and Customs (18%), as well as Finance (15%). This calls for careful succession planning and proactive management of the retirement age policy.

Table 9: Age group as of 30 June, 2018

Ministry	18-20 yrs	21-30 yrs	31-40 yrs	41-50 yrs	51-59 yrs	60+ yrs	No DOB	Tot Employees 30 June 2018
MEIDECC	1	56	49	50	15	2	3	176
MOI	0	27	32	44	35	1	3	142
MORC	0	57	53	24	28	5	12	179
MLNR	1	44	28	29	23	2	4	131
MOH	20	366	295	171	130	22	19	1023
MOFNP	0	44	52	33	25	0	10	164
MOJ	1	44	25	25	13	0	8	116
PSC	0	20	10	9	0	0	3	42
MOF	0	19	20	21	11	1	1	73
MCCTIL	0	14	26	32	7	1	5	85
MET	0	129	449	269	171	16	183	1217
MAFF	0	16	33	65	55	4	0	173
PMO	0	6	10	13	11	1	0	41
NBS	0	6	11	6	8	0	1	32
MPE	0	10	14	4	6	0	3	37
MOT	0	8	6	6	4	0	0	24
AGO	0	15	7	3	2	1	0	28
MFA	0	2	19	16	8	4	3	52
MIA	0	5	15	23	8	1	0	52
PALACE	0	1	8	7	4	3	0	23
<b>TOTAL</b>	<b>23</b>	<b>889</b>	<b>1162</b>	<b>850</b>	<b>564</b>	<b>64</b>	<b>258</b>	<b>3810</b>

## 2.2.5 Qualifications as of 30 June 2018

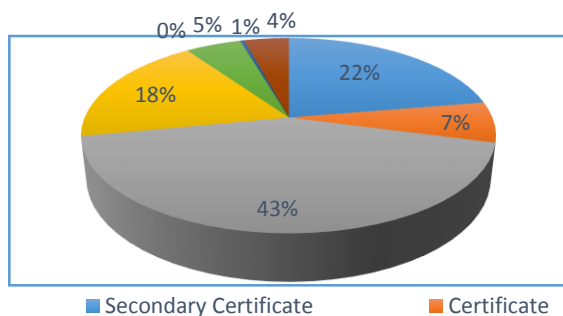
This is being reported for the first time as the qualification's component was excluded from the PSC CHRIS features three years ago. Work has been progressed to include this.



The majority of the Public Service employees were Diploma holders with 1630 (43%), followed by Secondary School certificate - 851 (22%) and then, third place were first-degree holders with 697 (18%).



**Figure 13: Total number of Public Service's Qualification as of September 2018**



Overall, sixty-seven (67%) of the workforce holds a Diploma, or higher degree; 24% hold a degree or higher.

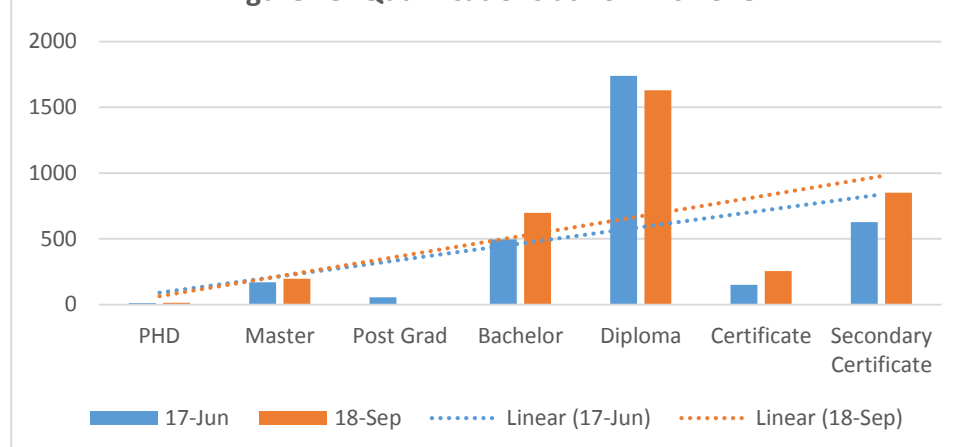
At Ministry level, around 43% of those with diploma and above are from Education and Health with the majority (68%) from Education.

**Table 11: Breakdown by Qualifications per Ministry as of June 2018**

Ministry	Secondary Certificate	Certificate	Diploma	Bachelor	Master's degree	PhD	No Qualification	Total No. of Staff as of 30 June 2018
MET	41	21	915	174	47	3	16	1217
MOH	194	116	388	144	29	3	149	1023
MAFF	47	6	81	29	7	3	0	173
MOFNP	46	7	32	47	23	0	9	164
MORC	68	6	45	43	5	0	12	179
MEIDECC	56	22	24	55	14	1	4	176
MOI	68	26	25	16	6	0	1	142
MLNR	54	15	22	27	9	0	4	131
MOJ	70	0	15	21	2	0	8	116
MCCTIL	30	5	13	23	8	1	5	85
MIA	15	4	11	13	9	0	0	52
MOF	29	10	13	15	4	1	1	73
MFA	19	2	4	8	7	1	11	52
PMO	21	0	2	11	5	2	0	41
MPE	9	3	7	6	9	0	3	37
PSC	4	1	7	24	3	1	2	42
NBS	10	2	6	12	1	0	1	32
AGO	12	1	0	13	2	0	0	28
PALACE	17	1	3	1	1	0	0	23
MOT	7	3	2	9	3	0	0	24
<b>TOTAL</b>	<b>817</b>	<b>251</b>	<b>1615</b>	<b>691</b>	<b>194</b>	<b>16</b>	<b>226</b>	<b>3810</b>

As shown in Figures 15 and table 12, there is a small increase in the entrance of those with degrees or higher from June 2017 to September 2018 and in those with Certificates; with a decrease in those with diplomas.

**Figure 15: Qualifications at 2017 vs 2018**



It is not possible to evaluate whether these qualifications necessarily mean a better performing public service. Behavioral competencies such as leadership, teamwork, communications clarity, diligence and strong work experience are equally important as qualifications.

With Tonga holding a very high PhD per capita, only a small number (15) PhD

holders are employed by Government.

The Government faces ongoing difficulties in the recruitment of its executive management levels (CEO and D/CEO positions) with very limited interests. There is a need to strategically manage the scholarship bonds and awards against needs of government and costs to the public service effectiveness. Jobs requiring no qualifications are usually driving, cleaning work and daily semi-skilled work with minimum requirement of having received some years of secondary schooling.

**Table 12: Qualifications in the Public Service in June 2017 and September 2018**

June 2017 versus September 2018								
	PHD	Master	Post Grad	Bachelor	Diploma	Certificate	Secondary Certificate	No Qualification
Jun-17	11	170	55	495	1739	151	627	556
Sep-18	15	197	0	697	1630	256	851	158

## 2.2.6 Public Service Entrants versus Exits to and from the Public Service 2017/2018

There has been more entrance to the Public Service than exits with highest entrance at 8:3% ratio. MOH continues to lead in the highest entries, followed by MEIDDEC, MOI, and MORC. These three latter Ministries continue to increase in entrance with little offsets.

In terms of exit, MET and MOH continues to lead.

Overall, there is little offset in this period except for MET and PMO with 100% or above offset. This needs to be proactively managed as this has an impact on the wage bill.

**More Exits than Entrance**  
**Tot entrance vs exit- 8:3%**  
**Highest entrance:** MOH,  
 MEIDDEC, MOI, MORC  
**Highest exit:** MET, MOH

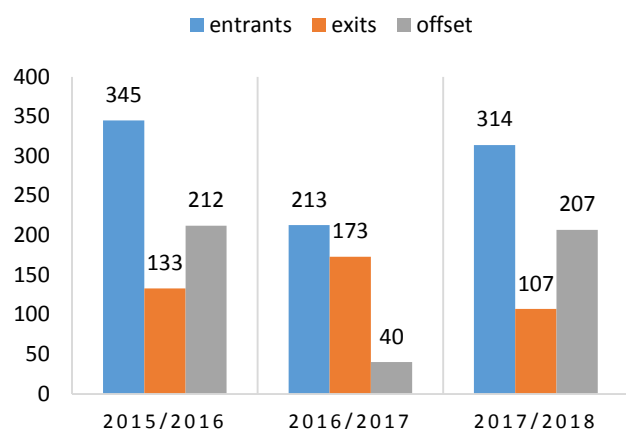
MEIDDEC with its several portfolios manages a number of multimillion projects, hence there is an anticipated increase in entrance, likewise for Infrastructure (MOI);

Revenue and Customs continue to increase due to increase tax related responsibilities.

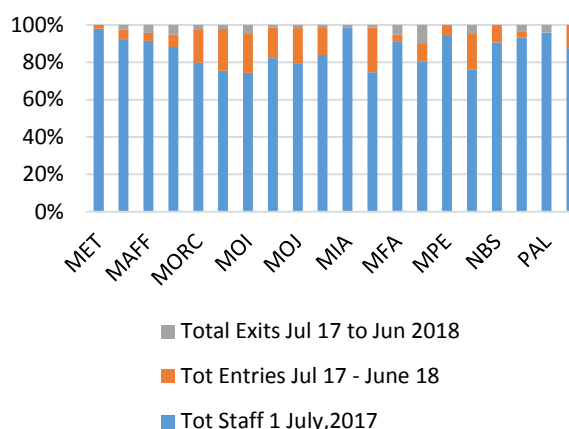
Other increases across the Ministries are often related to development projects.

Over the past three years, the previous financial year (2016/2017) provided the best offset.

**FIG 16: ENTRANCE VS EXITS 2015 - 2018**



**Fig 17: Total exit and entries 2017 - 2018**



**Table 13: Total entries vs exits Jul 2017 – June 2018**

	Tot Staff 1 Jul 2017	Tot Entries Jul 17 - June 18	Total Exits Jul 17 to Jun 2018	Tot Staff 30 June 2018
MET	1221	25	29	1217
MOH	988	61	26	1023
MAFF	173	8	8	173
MOFNP	157	12	9	164
MORC	151	33	5	179
MEIDECC	139	41	4	176
MOI	116	33	7	142
MLNR	111	22	2	131
MOJ	95	23	2	116
MCCTIL	73	13	1	85
MIA	57	0	1	56
MOF	56	18	1	73
MFA	53	2	3	52
PMO	41	5	5	41
MPE	35	2	0	37
PSC	35	9	2	42
NBS	29	3	0	32
AGO	28	1	1	28
PAL	24	0	1	23
MOT	21	3	0	24
<b>TOTAL</b>	<b>3603</b>	<b>314</b>	<b>107</b>	<b>3810</b>

## 2.2.7 Public Transfer, Promotions, Redeployment to and from the Public Service 2017/2018

A total of 42 employees were transferred between Ministries in the 2017/2018 FY. The highest transfers were at the MOFNP (3) and MoRC (3). However, MOH registered the highest number of staff (16 staff) transferring into the Ministry (1 transfer and promotion and 15 lateral transfers), followed by MEIDECC (1 transfer and

promotion, 2 redeployments and 1 lateral transfer) and MoFNP (2 transfers and promotions and 2 lateral transfers). Transfers are primarily to do with a personal need for a change of work environment and change in career focus.

**Table 14: Internal Movement of staff within the Public Service 1 July, 2017 - Jun, 2018**

	Transfer/Promotion		Redeploymnt		Lateral Transfer			
Ministry	From Ministry	To Ministry	From Ministry	To Ministry	From Ministry	To Ministry	Total From	Total To
MAFFF	2	2	0	0	1	1	3	3
MCCTIL	0	1	0	0	0	1	0	2
MEIDECC	1	1	0	2	0	1	1	4
MET	1	0	0	0	1	0	2	0
MFA	0	1	0	1	1	1	1	3
MFNP	3	2	0	0	2	2	5	4
MIA	2	0	0	0	0	0	2	0
MLNR	0	1	0	0	0	0	0	1
MOH	2	1	0	0	15	15	17	15
MOI	1	0	1	0	0	0	2	0
MOJ	0	0	1	0	0	0	1	0
MPE	0	0	1	0	1	0	2	0
MRC	3	1	0	0	1	1	4	2
NBS	0	0	1	0	0	0	1	0
OAG	0	1	0	0	0	0	0	1
OCPR	0	0	0	0	0	0	0	0
PSC	0	1	0	0	0	0	0	1
PAL	0	0	0	0	0	0	0	0
PMO	0	1	0	0	1	0	1	1
Fisheries	0	2	0	0	0	1	0	3
Tourism	0	0	0	1	0	0	0	1
<b>Total</b>	<b>15</b>	<b>15</b>	<b>4</b>	<b>4</b>	<b>23</b>	<b>23</b>	<b>42</b>	<b>41</b>

## 2.2.8 Public Service Remuneration

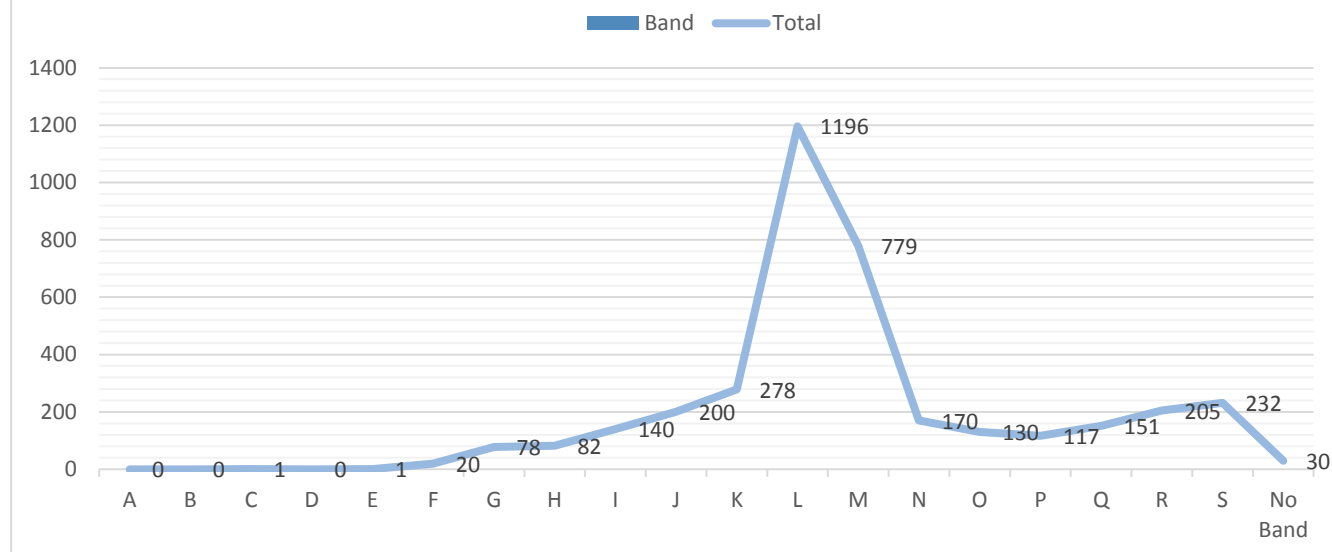
The implementation of the new remuneration framework for all the public service as of 1 July 2016 involved ongoing sizing of new positions as they come in; and a re-evaluation process agreed to be undertaken annually from November to February for sized positions that have faced major changes during the year. This is to ensure a smooth transition from the old remuneration structure to the new structure, and the transition to a performance-based reward system (PMS).

❖ 1424 concerns from 10 Ministries addressed (Table 17)

The majority of the Public service are salaried at band L- 1196 (31%), followed by those at Band M at 779 (20%); with 1996 (52%) paid at Band L and higher. A total of 1814 (48%) were paid at Band M or lower. Band L is entry level for graduates and also a promotion pathway for those with Diplomas and many years of experience.

Around 58% are in Bands M to K; with band M normally the entry point for teachers and nurses with local diplomas.

**Figure 18: Salary Bands as at 30 June 2018**



**Table 15: Salary band by Ministry**

Band	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	No Band	Tot
Ministry																					
MET	0	0	0	0	0	2	5	15	14	35	112	602	356	11	13	9	9	14	8	12	1217
MOH	0	0	0	0	1	11	12	36	43	57	59	306	196	19	17	12	39	66	144	5	1023
MAFF	0	0	0	0	0	0	6	2	5	11	11	26	58	16	5	6	18	6	3	0	173
MOFNP	0	0	0	0	0	5	2	10	8	21	9	40	34	6	4	7	9	7	2	0	164
MORC	0	0	0	0	0	0	2	6	17	1	19	24	15	29	26	4	17	13	6	0	179
MEIDECC	0	0	0	0	0	0	9	2	7	17	16	34	20	22	5	12	0	18	14	0	176
MOI	0	0	0	0	0	0	5	2	5	8	13	18	24	25	19	12	2	7	2	0	142
MLNR	0	0	0	0	0	0	5	1	6	7	5	31	12	5	2	12	4	25	16	0	131
MOJ	0	0	0	0	0	0	3	0	2	9	2	16	5	6	14	18	16	13	12	0	116
MCCTIL	0	0	0	0	0	0	5	0	9	7	6	13	14	6	7	5	8	3	2	0	85
MIA	0	0	0	0	0	0	7	0	1	3	5	11	6	4	2	6	4	1	2	0	52
MOF	0	0	0	0	0	0	1	3	2	3	9	13	11	6	0	0	5	14	6	0	73
MFA	0	0	0	0	0	0	3	0	2	3	0	9	3	5	8	1	5	0	0	13	52
PMO	0	0	1	0	0	0	4	1	3	3	0	7	6	2	2	3	1	1	7	0	41
MPE	0	0	0	0	0	0	3	1	0	4	5	5	5	2	0	3	2	4	3	0	37
PSC	0	0	0	0	0	0	4	0	3	8	1	15	3	1	2	2	0	2	1	0	42
NBS	0	0	0	0	0	0	1	0	1	2	0	15	6	0	2	2	1	2	0	0	32
AGO	0	0	0	0	0	1	1	1	11	0	0	1	3	3	1	1	1	3	1	0	28
PALACE	0	0	0	0	0	1	0	1	0	1	1	3	1	0	0	1	8	4	2	0	23
MOT	0	0	0	0	0	0	0	1	1	0	5	7	1	2	1	1	2	2	1	0	24
TOTAL	0	0	1	0	1	20	78	82	140	200	278	1196	779	170	130	117	151	205	232	30	3810



## 2.2.9 Evaluation (Job sizing) new positions

Four hundred and fifteen (415) new positions were evaluated for July 01, 2017 to June 30, 2018 (Table 16)

Under the transparency requirements approved by the Cabinet (CD No. 662 of 8<sup>th</sup> July, 2016), each new position has to be independently evaluated by the Remuneration Authority (RA), confirmed by the PSC, and sent to the Ministry of Finance and National Planning (MFNP) for remuneration purposes.

- ❖ 415 new positions sized compared to 434 new positions in previous FY
  - ❖ 181 existing positions reevaluated (concerns) compared to 47 in previous FY.
- Excludes 1220 positions from MET

PSC has begun implementing a transition plan for the transfer of all evaluation and banding of new positions from RA and process by PSC as per Cabinet's decision (CD No. 307 of 31 March, 2017). Since July 2017, PSC has started sizing positions below band L on their own and provided the actual job sizing results to RA for quality checking to confirm the salary band assigned by PSC.

RA continued to size professional contracts, Bands above H and those positions of the PSC Office. The largest submission of new positions to be sized were from Health, followed by Finance, MEIDDEC and Education. Highest are the positions at Bands L to H which usually requires minimum degree or diploma qualification and many years of experience. This reflects an increasing number of new positions at senior level in the public service.

**Table 16: Job Evaluation results of new posts by Ministry per Salary Band, 01/07/2017 to 30/06/2018**

Ministry		SALARY BAND																TOTAL
		D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	
1	MOH			3	2	9	15	9	5	12	2	5		3		6	24	95
2	MEIDDEC					1	3	6	14	12		1	1					38
3	MOI					1		5	10	9								25
4	MORC					2	2		3	3	1	3	3		2	2	2	23
5	MFNP					6	11	12	2	7	1				1			40
6	FISH							1	1	4								6
7	MOJ					4	2	4	2	10		2		1	3			28
8	PMO				1		2	2		2						1	1	9
9	PSC						2	6		2		1		3			2	16
10	MET					11	1	6	5	11	1		1					36
11	MLNR						3		1	6	1	4		5		2		22
12	MFA				1		1	2		3								7
13	MAFF					1	3	1	5	3					1			14
14	MOT					2		1	6	8								17
15	MIA						1	1	6	5						4		17
16	MPE						1	1	1	3								6
17	MCCTIL						2	1		2				1	2			8
18	NBS						1	1	1	1								4
19	PAL																	0
20	AGO			1	1		2											4
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>5</b>	<b>37</b>	<b>52</b>	<b>59</b>	<b>62</b>	<b>103</b>	<b>6</b>	<b>16</b>	<b>5</b>	<b>13</b>	<b>9</b>	<b>15</b>	<b>29</b>	<b>415</b>

Source: Remuneration Authority, 2017-2018; PSC records

## 2.2.10 Re-evaluation (Job sizing) existing positions

As approved by Cabinet in 2016, the Public Service Commission (PSC) and the Remuneration Authority (RA) was required to provide an annual opportunity to allow any civil servant to submit their concern, if there is further assessment/appeal on their current JD subject the followings:

- (i) changes to the job description,
- (ii) Re-structuring Ministry organizational structure; or
- (iii) Current remuneration scale unfairly applied to their current JD

During this annual process, public servants must submit their concerns directly to PSC, if under *Public Service Commission Act* (for vetting before submission to RA), and directly to the RA if under the *Remuneration Authority Act*. All concerns were to be submitted between November, 2017 and April, 2018. All concerns must be accompanied by a JD (if new), approved organizational structure (if new), RA questionnaire, and any other relevant document. Results of the reevaluation must be endorsed by Cabinet.

### Results:

Concerns from 181 public servants representing 9 Government Ministries were received. Of these 181 positions, 34 positions were recommended to have their salary bands moved up, while 142 positions' salary bands remained unchanged. One (1) position's concern was referred to PSC because it was a policy issue, two positions were not re-evaluated because the position holder had retired and the other position holder had resigned.

The estimated cost of additional funding required to cover the costs of salaries for those recommended into a higher band was \$15,203.

The Ministry of Education and Training (MET) submitted concerns for the first time as a Ministry in 2017 with a total of 1210 for vetting, under a special agreed process with the PSC and the RA. MET did not take part in the 2016 submission of concerns due to internal re-structuring. MET accordingly revised their JD's in late 2016, and gradually submitted these for revaluation under the 2017-2018 process with a total of 1210 submitted on 16 April 2018.

**Table 17: Summary of Concerns (Reevaluations), by Ministry**

Date Received by RA	MINISTRY	No. of Concerns	Evaluated by	No. evaluated	Band Moved up	Band Unchanged	*Other
18-Oct-17	Health	50	13-Nov-17	50	5	45	
19-Jan-18	Public Enterprises	2	2-Feb-18	2		2	
19-Jan-18	Revenue and Customs	3	2-Feb-18	3		2	1
19-Jan-18	Fisheries	2	2-Feb-18	2		2	
22-Jan-18	MEIDECC	11	2-Feb-18	11	7	4	
24-Jan-18	Justice	4	2-Feb-18	4		4	
31-Jan-18	Lands and Natural Resources	1	2-Feb-18	1		1	
31-Jan-18	MCCTIL	23	2-Feb-18	23	3	20	
20-Feb-18	Health	55	5-Mar-18	53	13	38	2
26-Mar-18	Finance and National Planning	30	12-Apr-18	30	6	24	
	<b>TOTAL CONCERNS RECEIVED</b>	<b>181</b>		<b>179</b>	<b>34</b>	<b>142</b>	<b>3</b>

**\* Other**

Ministry of Revenue and Customs

- One position's concern was a policy issue and has been referred to PSC.

Ministry of Health

- One position was not re-evaluated because the position holder has retired in September 2017.

- One position was not re-evaluated because the position holder has resigned in June 2017.

## 2.2.11 Workforce Development

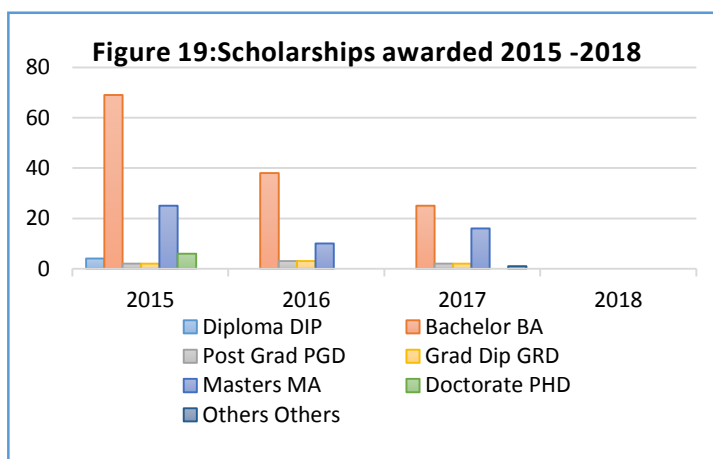
As reported in the 2016/2017 annual report, the establishment of the new Public Service Workforce Framework directs activities that are to be provided in order to secure training opportunities for the Public Service (both formal and informal). In order to secure formal training opportunities through linkage of line ministry priority needs to scholarship allocations, the PSC Office is required to implement an annual training needs analysis survey. This annual survey informs the allocation of scholarships by development partners and the Government of Tonga. The outcome of the annual survey in 2018 saw sixty-six (66) scholarships awarded which is an increase from 43 in 2017 and 58 in 2016. The year 2015 still registers the largest number of scholarships awarded of 99 in the past four (4) years, with many of these scholars already back to serve Tonga.

Sixty six percent (66%) of scholarships awarded in 2018 are undergraduate degree programs; followed by Post graduate/Masters programs at 34%. Over the 2017 – 2018 period, a total of 112 scholarships were awarded.

**Table 18: Summary of scholarships 2015 - 2018**

### 2018 Scholarships Award per Development Partners

Opportunities for advanced training over the last three years were provided for by the Tonga Government with 27 awards, followed by the Government of Australia and New Zealand. The value of these scholarships cannot be determined at this stage.

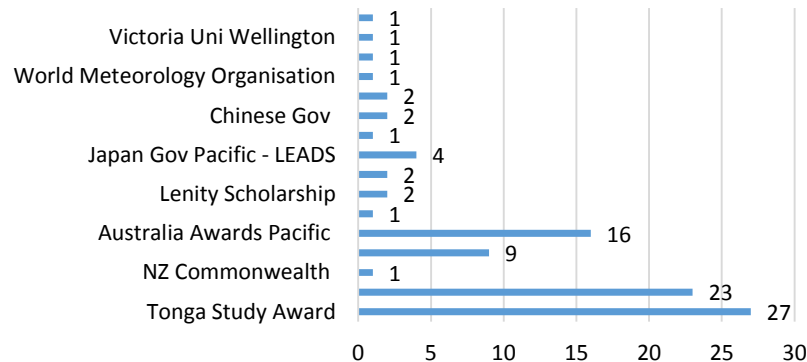


		2015	2016	2017	2018
Diploma	DIP	4	0	0	1
Bachelor	BA	69	38	25	43
Post Grad	PGD	2	3	2	6
Grad Dip	GRD	2	3	2	0
Masters	MA	25	10	16	16
Doctorate	PHD	6	0	0	0
Others	Others	0	0	1	0
	<b>TOT</b>	<b>108</b>	<b>54</b>	<b>46</b>	<b>66</b>

The Chinese Government has started to offer a number of undergraduates awards open to all school leavers and likewise graduate awards to public servants. Japan has also continued to provide a few undergraduates and Postgraduate scholarship at an average of less than 5 annually. However, the public service and the Ministry of Education Scholarship committee has no monitoring and management oversight over the Chinese and Japanese scholarships particularly with

enforcement of bonds or study contracts. It is anticipated that China will offer more than 100 scholarships in the 2019 calendar.

**Figure 20 - Awards by Development Partners 2015 - 2018**



However, there are accreditation and recognition issues for qualifications from China and some other countries like Cuba where Tongan students have studied in.

In terms of informal training opportunities, the PSC Office funded from its recurrent budget, the following;

- (1) a First Aid certified training for select public servants in Vava'u which was run by the Tonga Red Cross
- (2) a Customer Service training for front line employees in the Public Service (Tonga only) which was run by the Tonga Chamber of Commerce (through Tonga Business Enterprises Centre (TBEC))
- (3) Quarterly Induction Trainings for the new appointees to the Public Service with the support of the Retirement Fund Board, Ministry of Finance and Ministry of Revenue and Customs. Outer island inductions were held on a bi-annual basis.

#### 2.2.12 Funerals from July 2017 – 2018

Sixteen (16) serving employees passed way during service, a slight drop from the eighteen who passed away in the 2016/2017 financial year. Twenty-seven (27) retired employees also passed away, a decline from the forty-one (41) retired employees who passed away in the 2016/2017 period. Due entitlements were carried out accordingly in recognition of their dedicated service to the Government of Tonga and the people of Tonga including preparation/reading of letter of condolence, arrangement of wreathes, Police/Defense band and flag. Five (5) employees ceased services on medical grounds during this financial year.

**Table 19: Employees Who Died During Service from July 2017 – June 2018**

Name	Post	Ministry	Month
1. Siofilisi Pulupaki	Technical Officer Grade II	Agriculture	July'17
2. Keuli Malakai	Revenue Officer Grade I	Revenue & Customs	July'17
3. 'Eaneta Fakasi'I'eiki	Education Officer	Education	Aug'17
4. Sateki Lousi Vi	Marine Construction Tradesman	Infrastructure	Aug'17
5. Siale Teulilo	Driver	Agriculture	Aug'17
6. Eneasi Palanite	Assistant Pharmacist Grade I	Health	Nov'17
7. Kalisolaite 'Eti	Assistant Teacher Diplome	Education	Nov'17
8. Sione T. Latu	Tradesman Leadinghand	Palace Office	Dec'17
9. Lu'isa M. Pongia	Senior Lecturer	Education	Feb'18
10. Sosefo Loloa	Senior Assistant Teacher Diplome	Education	Feb'18
11. Sione Feo Lau'i	Dental Officer	Health	Feb'18
12. Vaiangina Sili	Assistant Senior Lecturer	Education	Mar'18
13. Susana Faletau	Chief Executive Officer	Justice	Mar'18
14. Seneti Fakahua	Senior Nursing Sister	Health	Apr'18
15. Loketi 'Eukaliti	Technical Officer Grade II	Agriculture	Apr'18
16. Leonaitasi Fe'iloaki	Mechanical Overseer	Infrastructure	Jun'18

**Table 20: Retired Employees/ Pensioners**

Name	Position upon Retirement	Ministry	Month
1. Lakai Koloamatangi	Senior Education Officer	Education	Aug'17
2. Solomone Tafeuni	Senior Assistant Teacher	Education	Aug'17
3. Viliami Pakalani	Principal Medical Scientist	Health	Oct'17
4. 'Isileli Maile	Senior Technician	Agriculture	Oct'17
5. Niu Fifita	Building Tradesman	Works	Oct'17
6. 'Aleki Vaha'i	Building Tradesman	Works	Dec'17
7. Kaluseti Loketi	Senior Assistant Teacher Diplome	Education	Dec'17
8. Mavae Ikahihifo 'Ofa	Infant Mistress	Education	Dec'17
9. Kafo'atu Luani	Chief Nursing Officer	Health	Jan'18
10. Sione Mone	Principal Assistant Secretary	Ombudsman	Jan'18
11. Mele Nau Tonga	Senior Nurse Midwife	Health	Jan'18
12. 'Alokihakau Matoto	Building Tradesman Leadinghand	Infrastructure	Feb'18
13. Pauliasi Kienga	Principal Internal Auditor	Finance	Feb'18
14. Paulo Kupa Tu'ivai	Principal Works Supervisor	Works	Mar'18
15. 'Aisea Hingano	Assistant Senior Education Officer	Education	Mar'18
16. Launga'eiki Takau	Junior Principal	Education	Mar'18
17. 'Isileli Ula	Senior Fisheries Assistant	Agriculture	Mar'18
18. Mele 'O. Palu	Senior Nurse Midwife	Health	Mar'18
19. Lolo Kafa	First Assistant Teacher	Education	Apr'18
20. Paula Ma'utea Lasalo	Chief Computer	Lands	Apr'18
21. Sosaia Ve'ehala	Caretaker/Handyman	Education	Apr'18
22. Masao Soakai	Senior Agriculture Officer	Agriculture	Apr'18
23. Siaso Taimani 'Aho	Tonga's High Commission Office, NZ	Foreign Affairs	Apr'18
24. Tevita Manisela 'Ali	Assistant Cook	Health	May'18
25. Dr. Sione Tapa	Hon. Minister of Health	Health	May'18
26. 'Etuini Fa'asolo	Senior Supervisor	Printing Department	Jun'18
27. Siale 'Ataongo Puloka	Deputy Secretary	Palace Office	Jun'18

**Table 21: Employees whom ceased service on Medical Grounds**

Name	Post	Ministry	Month
1. Feleti Hopoate	Revenue Officer Grade II	Revenue & Custom	Aug'17
2. Pitasoni Soape	Driver	Health	Nov'17
3. Lupe Goulton	Chief Education Officer	Education	Mar'18
4. Naimila Mafi	Assistant Teacher Diplome	Education	Apr'18
5. Melenaite Vea	Senior Assistant Teacher	Education	May'18

### 2.2.13 Commissioners Unit on Staffing (HR) matters

The Public Service Commission convened thirty-six (36) meetings throughout the 2017/18 financial year where they considered and deliberated on matters relating to Human Resource Management and Public Service Policies. Of the thirty-six (36) Commission meeting and twenty-two (22) paper circulations to the Commission in 2017/18 FY, a total of 764 cases were included in the meeting agendas for the Commissions information and consideration. Of the 764 cases, the Commission approved 681 cases in 2017/2018 FY.

- ❖ Approx. 23% Appointment related Decisions;
- ❖ 18% Leave related Decisions



A breakdown of the 764 cases is provided in the table below;

**Table 22: Submissions to the Public Service Commission for July, 2017 – June, 2018**

Type of Case	Jul – Sept 2017 Q1	Oct – Dec 2017 Q2	Jan – Mar 2018 Q3	April – June 2018 Q4	TOTAL Cases submitted
Appointment	31	28	34	52	145
Re-appointment	5	3	1	4	13
Extension of Contract daily paid	9	11	25	1	46
Promotion	22	15	18	30	85
Appointment/Promotion	0	0	1	0	1
Re-designation/Appointment	0	0	1	0	1
Termination of Appointment	3	0	1	3	7
Transfer/Promotion	0	3	2	6	11
Lateral Transfer	2	3	3	4	12
Redeployment	1	1	3	1	6
Reclassification	1	0	0	0	1
Professional Contract	0	0	0	4	4
Resignation	14	12	12	20	58
Retirement	3	5	9	2	19
Extension of Services	5	1	5	2	13
Extension/Retirement	0	5	9	2	16
Medical Grounds	2	3	2	1	8
Disciplinary Case	2	1	7		10
Dismissal	5	1	0	2	8
Suspension	3	0	0	1	4
Completion of CEO contract	3	0	0	0	3
Extension of Contract	0	3	0	0	3
Extension of CEO Contract	0	0	3	1	4
Grievance	1	0	0	0	1
Defer Annual Leave	3	23	9	3	38
Cash Payment of Salary in Lieu of Leave	1	5	3	2	11
Special leave without pay	12	15	8	9	44
Cases Deferred by Commission	1	0	4	8	13
Sporting Tour Leave	8	13	3	3	27
Secondment	3	0	1	2	6
CEO Matters	0	3	0	0	3
CEO Moderation	1	1	1	0	3
CEO recruitment	2	0	1	1	4
Remuneration related	0	0	1	4	5
Tribunal	0	0	0	1	1
Amendment PSC Decision	7	5	2	4	18
Amendment Performance Development Framework (PDF)	0	0	0	1	1
Rescind	0	3	2	1	6
Policy related		1	1	1	3
Special leave with pay (Gov. Board Meeting)	0	0	1	0	1
PMS related	5	3	2	2	7

Court Ruling	0	0	1	0	1
Complaint	0	0	1	0	1
APRA	0	0	0	1	1
Public Service Excellence Initiative	0	0	0	1	1
Appointment not approved	1	0	0	0	1
ICT Guideline	0	0	0	1	1
Workforce	1	0	0	0	1
Recognition of Years	1	0	0	0	1
Completion of Contract (PA)	1	0	0	0	1
Instruction (Candidacy)	1	0	0	0	1
Termination of Contract	0	1	0	0	1
Government Vehicle Accident	0	0	0	0	0
<b>TOTAL</b>	<b>155</b>	<b>168</b>	<b>177</b>	<b>181</b>	<b>681</b>

## 2.2.14 Public Service Tribunal

The following tribunal cases or cases were brought to the Ombudsman.

1. Ruling of Appeal No.3/2017: Seimili Fonua (PSC was unsuccessful)
2. Complaint from Ombudsman: Siaosi Paula Fifita, Ministry of Internal Affairs (MIA to deal with)
3. Court Ruling on CV 52 OF 2015, Ringo Fa'oliu v Public Service Commission (unsuccessful)
4. Complaint from Ombudsman: Chris Allan Sipiliano Sili, Ministry of Infrastructure (No case)
5. Complaint from Ombudsman: Ma'ungakolua Falevai: Ministry of Education (successful)
6. Appeal by Samuela Fakatou No.1 of 2018, Ministry of Finance (pending)

## 2.2.15 Chief Executive Matters

### Contractual Appointments of Chief Executive Officers

Three (3) Chief Executives were appointed during the period of July 2017 to June 2018. These were

1. Mrs. Emeline Tuita, CEO for Tourism (September, 2017)
2. Mr. Edgar Cocker, CEO for Commerce, Consumer, Trade, Innovation and Labour (October, 2017).
3. Mr Mahe 'Uli'uli Sandhurst Tupouniua, Secretary for Ministry of Foreign Affairs (June, 2018).

❖ 3 CEO Appointments  
❖ 1 CEO passed

### Cease of Contractual Appointments

Six (6) Chief Executive Officer Contracts ended their contracts during July, 2017 to June, 2018:

1. Mr. Viliami Va'inga Tone, Secretary for Foreign Affairs, Ministry of Foreign Affairs (August, 2017)
2. Mrs. 'Ana Bing Fonua, CEO for Internal Affairs, Ministry of Internal Affairs (September, 2017)
3. Mr. Kulufeinga 'Anisi Bloomfield, CEO for Revenue and Customs, Ministry of Revenue and Customs (September, 2017)
4. Ms Susana Faletau, CEO for Justice (March, 2018)
5. Mrs. Emeline Tuita, CEO for Tourism (July, 2018)
6. Dr Palenitina Langa'oi Tuieti, Chief Secretary and Secretary to Cabinet (July, 2018)

One CEO passed away during service (Ms Susan Faletau, MOJ); two CEOs resigned because of planned candidacy for the Parliamentary elections (Ms 'Ana B Fonua; MIA; Mr Kulufeinga A Bloomfield MORC) and Dr Palenitina Langa'oi Tuieti, Chief Secretary and Secretary to Cabinet resigned due to personal reasons.

## Chief Executive Officers Forum

Four CEO forums were held in this period where policy and operational matters were tabled for discussions; and best practices and knowledge shared. Chief Executive Officers also took the opportunity to present on their respective portfolios enabling better appreciation of whole of government work by CEOs. The chair is rotated and presided by the hosting Ministry. The following forums were held in 2017/18 as follows;

- 5 October 2017 hosted by the Ministry of Public Enterprises
- 23 February 2018 hosted by the Ministry of Justice
- 22 March, 2018 hosted by the Ministry of Agriculture and Forestry
- 1<sup>st</sup> May, 2018 hosted by the Statistics Department

Key policy matters included an agreement to develop a formal Terms of Reference for the forum to give some legal weight to the Forum's decision making and to consider how to incorporate decisions upstream to the Commission and Cabinet.



## 2.3 Human Resource Management – Office of the PSC

### 2.3.1 Staffing

As of the end of June 2018, the PSC Office had a total of thirty-nine (39) staff; of which, thirty-four (34) were established, and five (5) were daily paid. Of the established staff, twenty-four (24) were senior and ten (10) were junior staff.



*Figure 21: Staff of the Office of the PSC*

- Absentees:** Mrs. Lu'isa Lapao'o, Mrs. Mele M. Fatai, Mrs. Salote Vakalahi, Ms. Charlotte Vuki, Mrs. Suliana P. Wolfgram, Ms. Crystalline Seluini, Mr. Kolomitoni Ma'u, Ms. Kolosia Talamai, Ms. 'Ana Ma'afu.
- Back Row:** Mr. Taniela Makisi, Mr. Vilisolo Finau, Mr. Sefita Fa'aoa, Mr. Sione Ta'ufo'ou, Mr. Wellesley Tu'i'onetoa, Mr. Ronny Fono, Mr. Michael J V. Havili, Mrs. Fusi N L. Vaka'uta.
- Third Row:** Mrs. Lisimeili Loloa, Mrs. 'Anitoneti Nofo'akifolau, Mr. Charles Lavemaau, Mr. Tevita Fotu, Mr. Franz K. Tu'uhetoka, Mr. Christopher Tangataevaha, Ms. Mele P. Latu, Ms. Neliane Afu, Mrs. Eunice T. Moala, Mr. Fineasi F. Saipa'ia.
- Second Row:** Mr. Moleni Ika, Mrs. Florence Eke, Ms. Mele Manitisa, Ms. Lute Vailanu, Mrs. Falemei Fale, Mrs. Makelesi Vaea, Mrs. Lolohea Tu'uhetoka, Mrs. Kato'one M. Fa'aoa, Ms. Mona Taumoefolau, Mrs. Felisita M. Fe'ao, Ms. Lavenita Fakava, Mr. 'Unaloto Puloka, Ms. Siniteke Fotu.
- Front Row:** Ms. Milika Fifita, Ms. Malia Pome'e, Mr. Finau Tutone, Dr. Lia Maka, Mr. Sinilau Kolokihakaufusi, Mr. Sione P. Bloomfield, Ms. 'Alamoni Grace Nafe, Ms. 'Onelea Toki.

Staffing and human resources matters of the PSC Office for the 2017/2018 financial period is as follows:

- Ten (10) new appointments
- 3 internal promotions; 1 external transfer/promotion

**Table 23: New Appointments at the PSC Office**

No.	Name	Post	Division	Assumption of duty
1.	Mr. 'Unaloto Puloka	Senior Performance Dev. Coordinator	Leadership	3 July 2017
2.	Ms. Siniteke Fotu	Assistant Secretary	Oversight	28 August 2017
3.	Ms. Kolosia Talamai	Computer Programmer	ICT	31 August 2017
4.	Mr. Kolomitoni Ma'u	Assistant Secretary	Remuneration	30 October 2017
5.	Ms. Crystalline F. Seluini	Senior Assistant Secretary	Remuneration	30 October 2017
6.	Mr. Tevita Fotu	Deputy Secretary	Remuneration	1 December, 2017
7.	Ms. Neliane Sandy Afu	Assistant Secretary	Human Resources	29 <sup>th</sup> January, 2018
8.	Ms. Lavenita Fakava	Assistant Secretary	Oversight	19 <sup>th</sup> March, 2018
9.	Ms. Mona Taumoefolau	Assistant Secretary	Corporate Services	3 <sup>rd</sup> April, 2018
10.	Ms. Kato'one Mateialona	Assistant Records Grade III	Corporate Services	26 <sup>th</sup> November, 2018

**Table 24: Promotion**

No.	Name/ current position	Post	Division	Date of Assumption of duty
1.	Ms. Mele Sikimeti Manitisa, Computer Programmer	Senior Computer Programmer	Information System	9 February, 2018
2.	Mrs. Lolohea Tu'uhetoka, Computer Operator Grade 1	Accountant (Re-designate to Accounting Officer)	Corporate Services	19 March, 2018
3.	Ms. Lute Vailanu	Assistant Accountant	Corporate Services	4 May, 2018

**Table 25: Transfer and Promotion**

No.	Name and current position	Post	Division	Date Assumption of duty
1.	Mrs. Fusi Nolini Lemoto Vaka'uta, Senior Education Officer, Ministry of Education and Training.	Principal Assistant Secretary, Workforce Division, PSC Office	Workforce Development	March, 2018

**Table 23: Exit**

No.	Name	Post	Division	Exit Date	Nature of Exit
1.	Ms. Lynette Foliaki	Legal Officer	Leadership	6 October 2017	Termination
2.	Mr. Poilangi Kivalu	Housekeeper	Corporate Services	1 <sup>st</sup> June, 2018	Resignation

**Table 24: Appointment of daily paid labour**

No.	Name	Position	Duration of Contract
1.	Mrs Feauini Tamale	Office Assistant	4 September, 2017 – 19 December, 2017.
2.	Mrs. Florence Lasike	Office Assistant	6 February – 5 June, 2018
3.	Ms. Milika Fifita	Office Assistant	5 February – 4 June, 2018
4.	Ms. Anna Jane Vea	Office Assistant	5 February – 4 June, 2018
5.	Mr. Vilisolo Finau	Office Assistant	5 February – 4 June, 2018
6.	Mr. Sefita Fa'aoa	Office Assistant	5 February – 4 June, 2018
7.	Ms. Kato'one Mateialona	Office Assistant	12 February – 11 June, 2018



**Table 25: List of Deputy Secretaries who were appointed as Acting CEO for PSC Office**

Name	Acting Appointment Duration
1. Mrs. Falemei Fale, Deputy Secretary, PSC Office	10 July to 14 July 2017
	26 February to 1 March 2018
	7 March to 12 March 2018
2. Ms. Charlotte M. Vuki, Deputy Secretary, PSC Office	24 November to 8 December, 2017
	4 June to 8 June 2018
	11 June to 12 June 2018
3. Mrs. Lusitania Eke, Deputy Secretary, PSC Office	11 December to 19 December, 2017
	25 June to 29 June 2018

### 2.3.2 Capacity Development

The PSC Office provided in house trainings as well as opportunities for professional developments for its staff as part of its capacity building and development plan.

**Table 28: Trainings and professional development in 2017 – 2018 for PSC Staff**

In house Trainings	Participants	Dates
First Aid training stakeholder Appreciation	15 PSC staff	11-13 September 2017
Microsoft Excel	3 PSC Staff	11 October 2017
JD Writing	21 PSC Staff	19 January 2018
Evidence Management	15 PSC Staff	6 March 2018
Leadership	5 Senior PSC Staff	20 March 2018
Service Delivery	9 Junior PSC Staff	20 March 2018
Reactive vs Proactive	18 PSC Staff	27 March 2018
Selective Listening	14 PSC Staff	29 March 2018
Creative and Innovative	21 PSC Staff	17 April 2018
File Management Policy	21 PSC Staff	9 May 2018
Public Service Legal Framework	12 PSC Staff	10 May 2018
Good Ethics and Values	21 PSC Staff	14 May 2018
Entitled Employees	14 PSC Staff	18 May 2018
Self-Esteem & Self-Confidence	11 PSC Staff	23 May 2018
Emotional Intelligence	9 PSC Staff	24 May 2018
Public Service Legal Framework	9 PSC Staff	29 May 2018
Self-Esteem & Self-Confidence	13 PSC Staff	31 May 2018
Gender Audit	36 PSC Staff	12 June 2018
<b>Generic Trainings</b>		
Capacity strengthening on Gender	33 PSC Staff	12 June 2018
Customer Service	2 PSC staff	14 June 2018
<b>Professional Trainings</b>		
<b>Job Sizing</b>	<b>7 PSC Staff</b>	<b>6 &amp; 7 March 2018</b>
Job Size Evaluation Training	PSC Senior Staff	15 June 2018
<b>Overseas Workshop/ Trainings</b>		
Study visit Ministry of Education to Study the NZ's Prime Minister Education Excellence Awards Program, Government of NZ, Wellington.	Dr Lia Maka and Mr Moleni Ika	12 – 14 July, 2017.

Good Governance in a Complex World, Singapore Capacity Building for ICT Project (Singapore)	Ms. Salote Vuki	5 <sup>th</sup> – 16 <sup>th</sup> October, 2017
Commonwealth 3rd Country Training on Leading in a VUCA (Versatile, Uncertain, Complex & Ambiguous) Environment, Brunei Darussalam	Mrs. Falemei Fale	22 – 25 November 2017
Attachment at State Service Commission (SSC), Government of NZ, Wellington.	Dr Lia Maka & Mr Moleni Ika	23 <sup>rd</sup> November – 8 <sup>th</sup> December, 2017.
Study visit on the Fiji Excellence Award processes (Fiji)	Dr Lia Maka & Ms. Salote Vuki	24 February – 01 March 2018
Attend Asia Pacific Career Conference (Hawaii)	Dr Lia Maka	7 – 10 March 2018
Public Service 2030 and beyond (Singapore)	Mr. Tevita Fotu	09 - 16 April 2018
Transformational Leadership for the 2030 Agenda (Singapore)	Mrs. Falemei Fale	21 - 25 May 2018
Pacific Public Service Commissioners Conference (Noumea, New Caledonia)	Dr Lia Maka	4 - 8 June 2018
Women Capacity Building for Developing Countries (China)	Ms. 'Alamoni Nafe	4 - 28 June 2018
Work visit to Samoa Remuneration Tribunal Committee on Samoan Classification of Posts and other Remuneration packages (Samoa)	Dr Lia Maka Mr. Tevita Fotu Mr. Keni Tu'uhetoka	25 - 29 June 2018



### 3. RESULTS MANAGEMENT – PUBLIC SERVICE COMMISSION OUTPUTS (RESULTS)

PSC's 2017/2018 performance is assessed against the achievement of its SIX outputs as outlined in its 2017/2018 Annual Management Plan.

#### **Output 1: Leadership and Program Administration**

Efficient, responsive, quality, high performing policy and technical advice and support is provided to the Commissioners, PM, Cabinet, CEOs and whole of government through the ICT CHRIS system – external) and Commissioners' Unit

#### **Output 2: Workforce Development**

*Increased pool of competent, disciplined and qualified public service employees in key managerial and technical areas to improve efficiency and effectiveness of service delivery*

#### **Output 3: Performance Development**

*Performance Based Systems established for developing, managing and improvement of Public Service Performance.*

#### **Output 4: Human Resource Management (HRM)**

*An effective HR Management System is implemented with phased delegation in functions to line Ministries*

#### **Output 5: Oversight**

*Clear mechanisms and improved data collection to monitor, review and strengthen core functions, coordination and service delivery across the government machinery.*

#### **Output 6: Remuneration**

*A fair, equitable and affordable remuneration and incentive framework to attract, retain, and motivate public servants is established.*

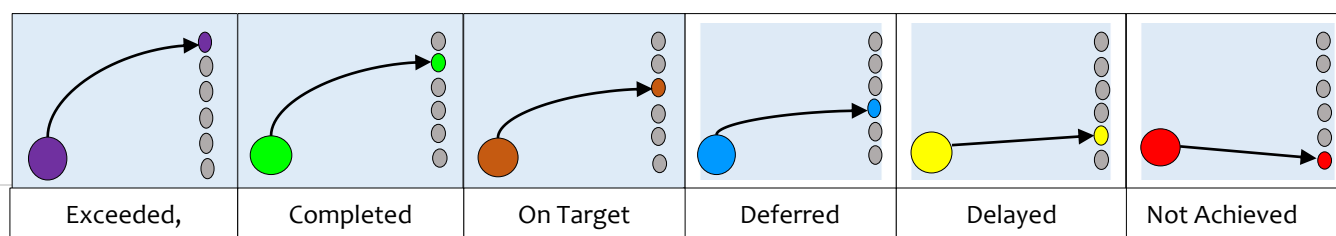
Key Milestones with a three-year target under these 6 outputs for the PSC Annual Workplan for 2017 – 2018 are:

i)	Fair, Impartial, effective and efficient Public Service Decisions	vii)	Organisational Review of two Ministries
ii)	Effective CEO Recruitment and performance Management	viii)	External (Stakeholder) surveys of Line Ministries Performance
iii)	Deputy CEO Recruitment and Contract Management	ix)	Annual Ministry PMS Performance Assessment
iv)	Public Service Workforce Framework implemented	x)	Annual salary review
v)	Public Service Prime Ministers Excellence Award launched	xi)	Annual Cost of Living Review
vi)	Pilot of HR delegation function with two Ministries	xii)	HR Policy reviews
		xiii)	Annual PSC Report

The completion dates for these are spread throughout the year; some with phased targets for the next two years. These milestones include contribution to Whole of Government matters related to performance development, employment and remuneration.

A self-assessment scale (below) was used to evaluate the performance of each division against their key performance indicators. The rating was based on averaging the achievement status of targets/outputs for the year. A trend analysis is also provided on performance relative to baselines/targets over two to three-year periods.

**Figure 22: PSC Infographic rating scale**



The discussion of the results for the year are twofold: First, it will discuss PSC's contributions to whole of Government priorities, which reflect a major part of the annual work of the Commission. Second, it will discuss the specific divisional outputs.

### 3.1 PSC work contributing to whole of Government contributions

The contributions to whole of government work include performance management, remuneration, and employment related matters.

The Commission leads two public sector reform priorities – the government wide new remuneration Hay system and the performance management system which is linked to performance pay, both were implemented in July 2016 (2016/2017 FY) and part of the joint development partners' budget support.

#### 3.1.1 Output 3 - Performance Management

Performance based systems established for developing, managing, and improvement of Public Service Performance



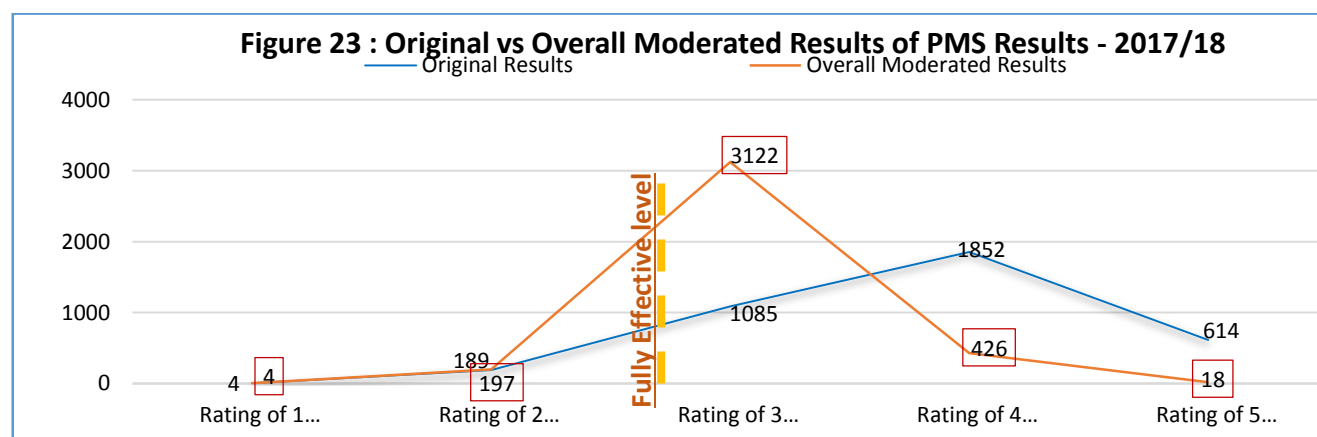
#### Results for the 2017/2018 implementation of the PMS

All 26 Ministries from schedule 1 and 2 (excluding Legislative Assembly) participated in the PMS for this period compared to the 22 Ministries in the 2016/2017 period. The Ministry of Education and Training and Ministry of Police participated for the first time. A total of 3767 PMS were received as in table 27. Results show that Ministries in their original submissions continue to be heavily skewed towards the right suggesting exceeding and outstanding performance (almost 70% of employees), 29% performing to expectations and 5% of underperformers.

Following moderation to ensure that standards of performance assessment criteria have been consistently applied across the Ministries, only around 12% exceeded performance and the majority (83%) of public servants performed to expectations, with 5% of underperformers.

**Table 28.: Overall results 2017/2018 – Original vs Moderated**

	Rating of 1 (1 to 1.9)	Rating of 2 (2 to 2.9)	Rating of 3 (3 to 3.4)	Rating of 4 (3.5 to 4.4)	Rating of 5 (4.5 to 5)	TOTAL
Original Results	4 (0.1%)	189 (5%)	1085 (29%)	1852 (49.5%)	614 (16.4%)	3744
Overall Moderated Results	4 (0.1%)	197 (5.2%)	3122 (82.9%)	426 (11.3%)	18 (0.5%)	3767



The result includes 6 CEOs performance review.

One thousand and ninety-seven (1297) employees did not have a performance review. Of these, were 863 employees who were not eligible due to various reasons (probations, less than 9 months of service, etc), and 434 employees including 7 CEOs had incomplete submissions or did not submit any results.

**1297 with no performance review**

- 863 (not eligible)
- 434 not submitted

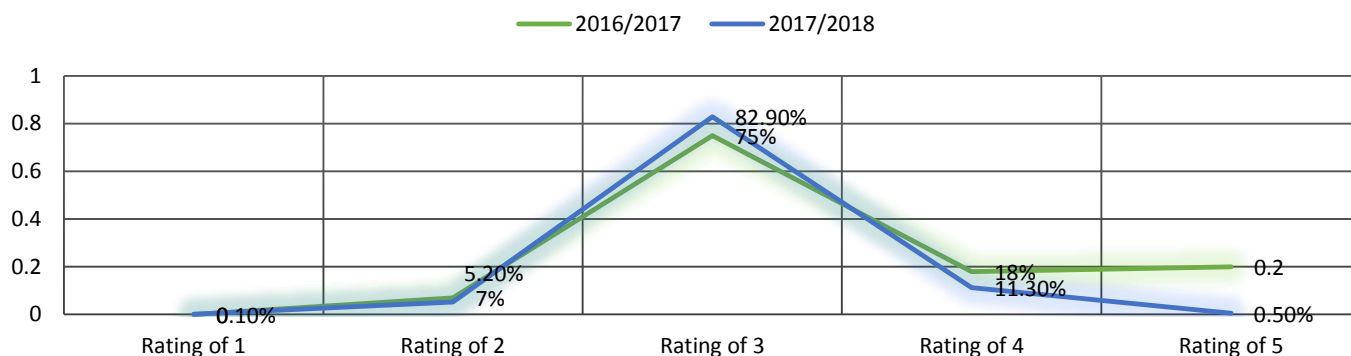
There is a slight improvement in both the results and administration of the PMS in this second year. However, the results of the Ministry of Education and Training reflect the need for PSC's substantive support and greater collaboration between the two agencies given that they did not benefit from the substantive support provided to all other Ministries over the period on PMS awareness and administration trainings.

External review of the PMS implementation in the first year was completed by the World Bank in the last quarter of 2018, and recommendations for improvement have been progressively implemented by the Commission.

**Table 29: PMS results 2016/2017 vs 2017/2018**

PMS Year	Rating of 1 (1 to 1.9)	Rating of 2 (2 to 2.9)	Rating of 3 (3 to 3.4)	Rating of 4 (3.5 to 4.4)	Rating of 5 (4.5 to 5)
2016/2017	0	7%	75%	18%	0.2
2017/2018	0.1%	5.2%	82.9%	11.3%	0.5%

**Fig 24: PMS result for All of Government 2016/2017 vs 2017/2018**

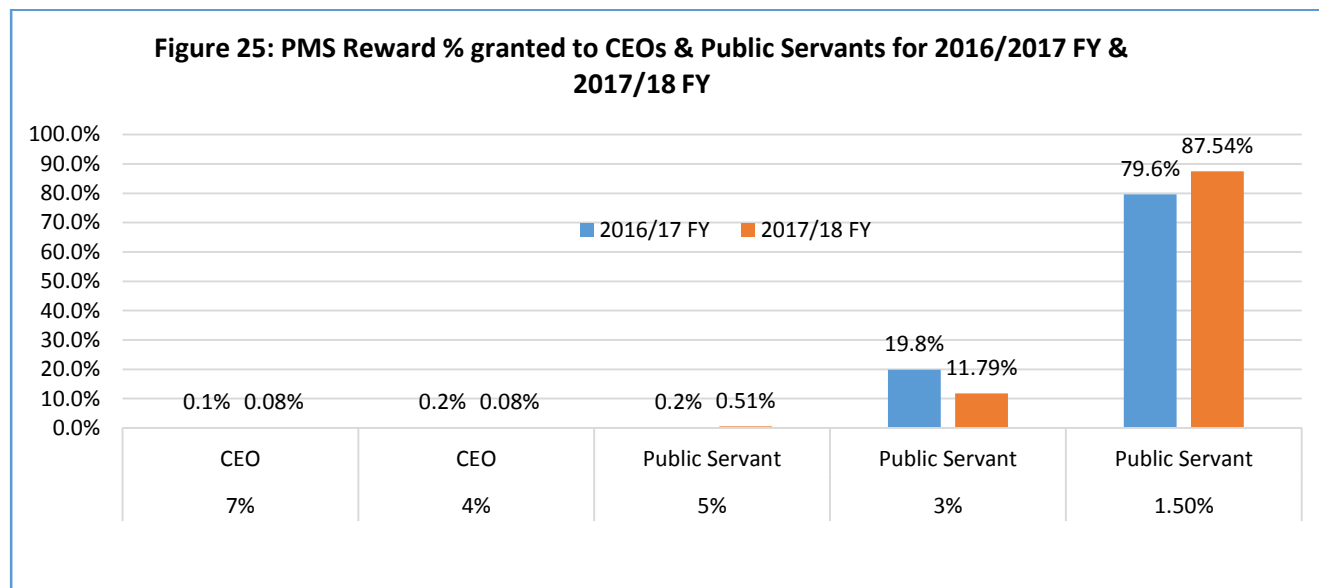


Given the differences in the numbers participating in the PMS for 2016/2017 and this FY; there is **no significant difference** in the results for these two periods. There is a slight increase in the number with outstanding ratings (5) and that of rating 3 which are those who meet expectations and a slight drop of those in the 'exceed' category; but overall, the majority of public servants perform to expectations. Those underperforming are managed under a performance improvement program.

Two most aligned Ministries with no changes were His Majesty Armed Forces and the Public Service Commission. Clear improvements were seen in 14 Ministries (Justice, Infrastructure, MIA, MORC, MOH, MEIDDEC, MCTILL, MPE, MOT, Tonga Prisons, Audit, Tonga Fire, Palace). Eight Ministries need to be further supported to improve (MET, Police, Statistics, MNFP, PMO, MLNR, AGO).

## Payment of Performance Rewards for the Public Service

As per table 28, the amount utilized for the performance rewards for the 2017/18 FY was \$1.19 million Pa'anga, well below the approved budget of \$2.2 million Pa'anga for the 2017/2018 performance reward. The spending for the 2016/2017 was **\$780,040.88** well below an approved reward budget of \$2 million. The change in value is due to the participation of the Ministry of Education and Training, and the Police in this year's PMS cycle.



**Table 30: Overall performance rewards amount 2016/2017 vs 2017/2018**

Description (2017/2018)	% rewards	Reward Amount	%
3 Chief Executive Officers	7%	\$ 12,940.69	1.7%
3 Chief Executive Officers	4%	\$7,870.24	
18 Public Servants	5%	\$ 23,500.55	2%
420 Public Servants	3%	\$ 273,244.91	23%
3,119 Public Servants	1.5%	\$ 874,980.28	73.3%
	Tot estimated cost (\$)	\$ 1,192,536.67	100%
Description (2016/2017)	% rewards	Reward Amount	%
3 Chief Executive Officers	7%	\$ 12,470.22	3.2%
5 Chief Executive Officers	4%	\$12,125.84	
5 Public Servants	5%	\$ 3,812.95	0.5%
451 Public Servants	3%	\$ 185,974.08	23.8%
1,812 Public Servants	1.5%	\$ 565,657.79	72.5%
	Tot estimated cost (\$)	<b>\$780,040.88</b>	<b>100%</b>

As shown in the tables and graphs, the bulk of the payment was paid out to those meeting expectations (rating of 3).

### 3.1.2 Output 6 - Remuneration

A fair, equitable and affordable remuneration and incentive framework to attract, retain and motivate public servants is established





Job sizing new positions from the PSC line Ministries continued with the PSC remuneration division taking up the sole responsibility for job sizing from the Remuneration Authority for positions banding M to S (below graduates) as part of the transitional handover of the job evaluation responsibility from RA to PSC. The reevaluation exercise conducted by RA included the reevaluation of 1200 staff of the Ministry of Education and Training. RA continues to have oversight in endorsing the sizing work of the PSC with high level of agreement ratio for the sizing results between RA and PSC. Plans to continue the review of the Classification of Posts was deferred due to the delay in securing technical assistance.








There was no COLA recommendation for this period.


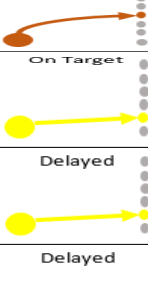

The subcommittee to manage the wage bill recommended 134 critical positions for 2017/2018 costing 2.288,540 million.

### 3.2 PSC Office results against the annual management plan 2017/2018

The following results dashboard indicates progress against these three-year milestones (2017/2018 – 2019/2020) under each of these six outputs.

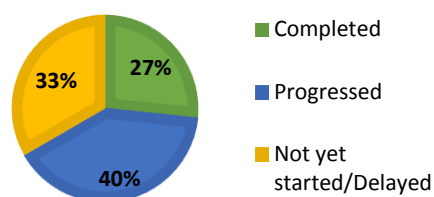
**Table 31: Summary of progress against milestones**

<b>Output 1 Leadership &amp; Program Administration</b>	<u>Commissioners</u> ➤ CEO Performance Assessment	Of the 11 CEO performance assessment due, only 6(55%) submitted as required in this FY - 50% exceeded, 50% met expectations.	 On Target
	<u>Office of CEO</u> ➤ Review Public Service Policies (i.e. leave, remuneration, etc.)	Additional improvements to instructions were required to add to those already	 On Target
	➤ <u>Corporate Governance</u>	Annual report 2016/2017 submitted on time to Cabinet Corporate plan 2018/2019 – 2021/2022 approved	 Completed
	➤ <u>ICT Network infrastructure and digital archiving</u>	New record management policy endorsed All 700 damaged files digitized/captured	 Completed
<b>Output 2 Workforce Development</b>	➤ Demand driven workforce development framework, talent pool development	<u>Framework endorsed by Commission with clear targets and measures</u>	 Completed
<b>Output 3 Performance Development</b>	➤ PMS formal implementation and review, launching the Public Service Excellence awards, Awareness and information sharing,	Second year PMS completed PM launched PS Excellence Framework Awareness and information sharing plan completed	 Completed
	➤ Capacity development (Training of trainers)	TOT Deferred to new FY	 Deferred

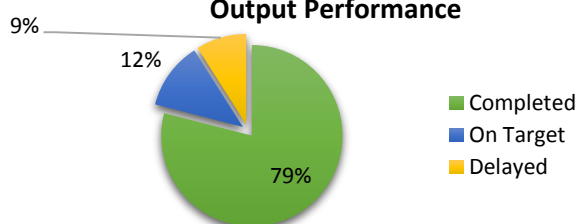
<b>Output 4 Human Resources Management</b>	<ul style="list-style-type: none"> <li>➤ Set up of a contracts management unit</li> <li>➤ Review of recruitment process</li> <li>➤ Devolvement of certain HR functions – capacity building, pilot to line ministries</li> </ul>	<p>The approved funds for the new positions were not yet available</p> <p>Review of Recruitment for CEOs and senior executives started</p> <p>Devolution framework was drafted but not yet endorsed.</p>	
<b>Output 5 Oversight (M&amp;E and Communications)</b>	<ul style="list-style-type: none"> <li>➤ Tracking/collection Ministry performance data on HR compliance;</li> <li>➤ Organizational Reviews</li> <li>➤ Engaging key stakeholders</li> </ul>	<p>This has started and will be updated annually</p> <p>Organizational review was completed for 1 Ministry only and others are delayed</p> <p>Planned first public service polling was delayed due to non-availability of the Statistics staff</p>	
<b>Output 6 Remuneration</b>	<ul style="list-style-type: none"> <li>➤ Remuneration activities returned to PSC</li> <li>➤ Incentive frameworks– transition tasks, pilots, Information sharing, capacity development</li> <li>➤ Review of Classification of Posts (COP)</li> </ul>	<p>First phase completed with Bands S – M sized by PSC team</p> <p>Transition tasks and performance rewards work through APRA completed and ongoing</p> <p>COP planned review Phase 2 delayed due to non-availability of TA expertise</p>	

As in the graphs below, 27% of the three year milestones have been completed, with 33% progressed. It is anticipated that this 33% and the 40% that were not started will be completed and progressed in the next financial period.

**Figure 26: Key PSC Milestones 2017 - 2020**



**Figure 27: FY2017 - 2018 PSC Divisional Output Performance**



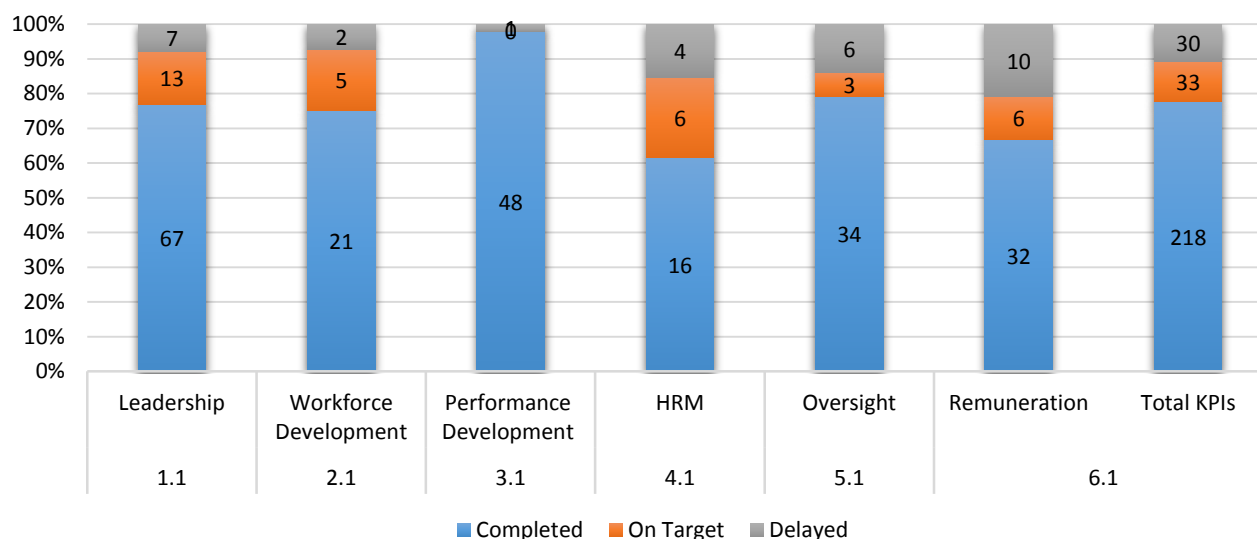
### 3.3 FY 2017 – 2018 Output performance

As per Figures 26/27, PSC completed 79% of its planned outputs, 12% were on target (phased) rolling to next Financial year) and 9% were delayed. In sum, 91% were completed and on target. Nine percent of delays was spread across the divisions mostly in Remuneration (work on the Classification of Positions), Leadership (policy review, contracting deputy CEOs), Oversight with 2 planned organisational (Ministry) reviews and stakeholder surveys (public service polling); and in the HRM division due to the delay in the pilot of the Human Resource Management devolution Framework.

Table 32: Summary of progress by Suboutputs as of June 2018

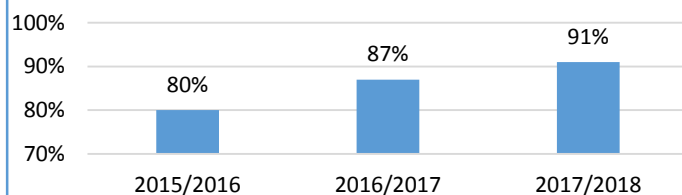
Summary of Sub output Status by Output 2017/2018													
	Quarter 1			Quarter 2			Quarter 3			Quarter 4			
	Completed	On Target	Delay	Completed	On Target	Delay	Completed	On Target	Delay	Completed	On Target	Delay	Tot
1.Leadership	21	54	12	27	50	10	8	11	1	69	13	2	84
2.Workforce Development	1	30	0	1	30	0	3	28	0	21	5	2	28
3.Performance Development	1	47	1	3	46	0	11	38	0	48	0	1	49
4.HRM	2	23	7	2	23	7	8	18	6	16	6	4	26
5.Oversight	2	29	12	5	36	2	9	32	2	34	3	6	43
6.Remuneration	7	31	10	10	32	6	7	34	7	32	6	10	48
Total KPIs	34	214	42	48	217	25	46	161	16	220	33	25	278
Total %	12%	77%	15%	17%	78%	9%	17%	58%	6%	79%	12%	9%	

Figure 25: PSC output performance by Division 2017 - 2018



The best performing Division was Performance Development who delivered most of its planned outputs.

Figure 29: PSC 3 year Output Performance 2015 - 2018



### 3.4 Three (3) years Output performance 2015/2016 – 2017/2018

Over the three years from 2015 to June 2018, the PSC has improved in its completion of targeted outputs. These include outputs considered 'on target' under the three year plan but would be further completed in the next financial year.

### 3.5 PSC's Overall PMS results

PSC overall staff performance results were fully compliant with moderation requirements so there was no change in the original results submitted for 2017/2018. These are as follows:

Thirty-two present (32%) exceeded their performance; 59% performed to expectations totaling 91%; and 9% underperformed.

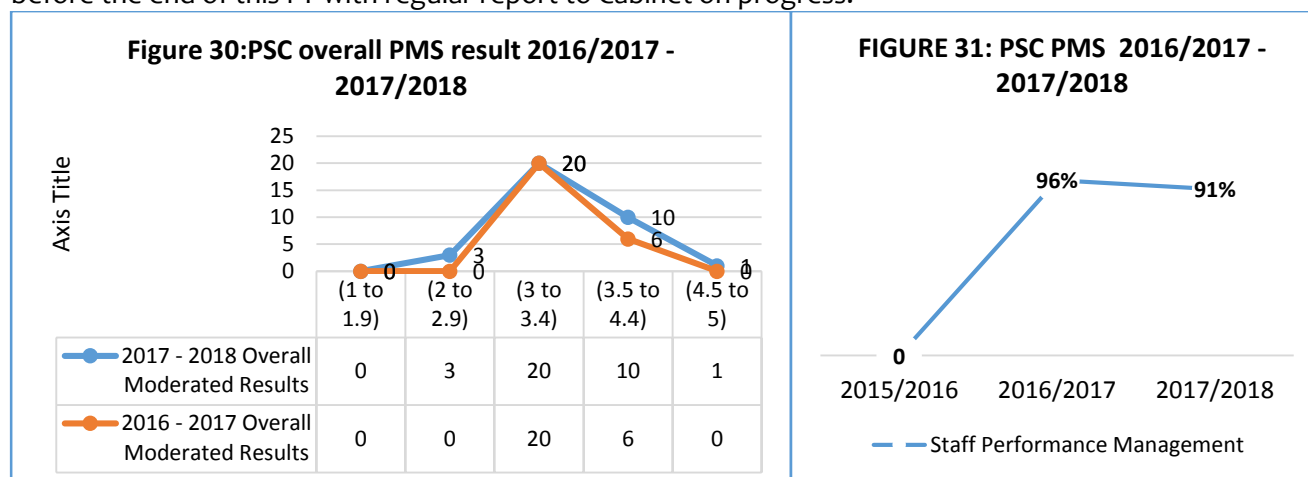
32% Exceed  
59% meet  
expectations  
9% need to

**Table 33: PSC PMS results 2016/2017 – 2017/2018**

2017/2018	Rating of 1 (1 to 1.9)	Rating of 2 (2 to 2.9)	Rating of 3 (3 to 3.4)	Rating of 4 (3.5 to 4.4)	Rating of 5 (4.5 to 5)	TOTAL
Original Results	0 (0%)	3 (9%)	20 (59%)	10 (29%)	1(3%)	34
Final Moderated Results	0 (0%)	3 (9%)	20 (59%)	10 (29%)	1(3%)	34
2016/2017						
Original Results	0 (0%)	1 (4%)	12 (44%)	14(52%)	0(0%)	27
Final Moderated Results	0 (0%)	0 (0%)	20 (74%)	6 (22%)	0 (0%)	26

Compared to the previous FY, there were 7 less staff who submitted PMS results and the original results were further amended from moderation leading to 22% exceeded performance, and 74% performed to expectations totaling 96%, with 4% who . The 2017/2018 results performed better with 11 or 32% in exceed compared to the 6 or 22% of 2016/2017.

The World Bank completed an external review of the PMS implementation in March 2018, commending the strong track of implementations and also came up with several recommendations to improve processes. PSC also identified a number of areas for improvements and had started addressing the recommendations before the end of this FY with regular report to Cabinet on progress.



### 3.6 Chief Executive Officers with PMS assessment received

As of June 2018, there were 15 substantive CEOs; eleven (11) eligible for the performance assessment while four were still on probation. There were 5 vacant CEO positions.

Out of eleven (11) CEOs who were required to submit their performance assessments for 2017/2018, six (6) or 54% were received by the extended date of 24<sup>th</sup> August 2018, two (2) at a later date. Fifty percent (50%) of these six exceeded their performance and fifty percent performed to expectations.

### 3.7 CEOs with no PMS assessments received

Three (3) CEOs assessment have not been received despite an extended deadline to **24 August 2018**. Five (5) CEO posts were still vacant by July 2018. These were:

CEO, Ministry of Internal Affairs

CEO, Ministry of Tourism

CEO, Ministry of Justice

Chief Secretary and Secretary to Cabinet, Prime Minister's Office

Private Secretary, Palace Office



## 4. PSC FINANCIAL MANAGEMENT

### 4.1 Statement of responsibilities

The CEO of the Commission, including the accountant and relevant staff are responsible for the prudent management of the financial affairs of the Commission in close working partnership with the Ministry of Finance in the preparation of the budget documents, monthly forecasts and acquittals. The Ministry of Finance provides the final statement of cash receipts and payments (Table 34) which should be subject to annual audits.

### 4.2 PSC Budget Estimates

PSC's budget estimates in 2017/2018 was at \$1,840,200. This is an increase of \$240,200 or 13% from the 2016/2017 budget estimates (1,600,000).

**Table 34: Actual versus Original budget estimates**

PSC	FY2015/16 Actual	FY2016/17 Original Estimate	FY2016/17 Actual	FY2017/18 Original Estimate	FY2017/18 Actual
Cash(Recurrent)	\$1,241,995.00	\$1,600,000.00	\$1,500,512.00	\$1,840,200.00	\$1,814,010.00
In-kind (Donor)	\$0.00	\$1,460,000.00	\$100,000.00	\$1,760,000.00	\$300,000.00
Cash (Donor)	\$0.00	\$190,000.00	\$70,295.00	\$215,400.00	\$92,277.00
<b>Total</b>	<b>\$1,241,995.00</b>	<b>\$3,250,000.00</b>	<b>\$1,670,808.00</b>	<b>\$3,815,600.00</b>	<b>\$2,206,286.00</b>

### 4.3 Statement of Cash Receipts and payments

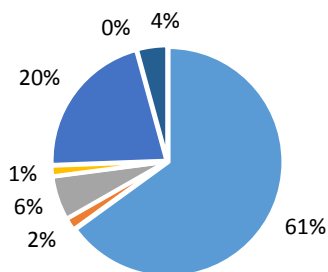
Table 35 shows the original and actual expenditure spent. This is discussed in detail in the following pages.

**Table 35: Statement of Cash Receipts and Payments**

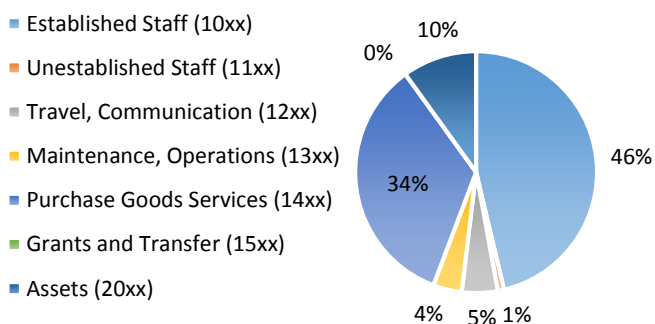
Budget (\$m)	2017/18 Original Budget	Actual Expenditure spent
<b>Expenditure/Payments</b>	<b>1,840,200</b>	<b>2,206,286</b>
Established Staff (10xx)	1,125,200	1,021,277.86
Unestablished Staff (11xx)	30,000	18,011.22
Travel, Communication (12xx)	106,700	106,098.99
Maintenance, Operations (13xx)	27,500	84,780.21
Purchase Goods Services (14xx)	368,200	756,694.47
Grants and Transfer (15xx)		
Assets (20xx)	74,600	219,423.70
<b>Recurrent Payments</b>	<b>1,840,200</b>	<b>1,814,009.95</b>
Established Staff (10xx)	1,215,200	1,021,277.86
Unestablished Staff (11xx)	30,000	18,011.22
Travel, Communication (12xx)	106,700	106,098.99
Maintenance, Operations (13xx)	27,500	35,953.71
Purchase Goods Services (14xx)	368,200	456,694.47
Grants and Transfer (15xx)	-	-
Assets (20xx)	74,600	175,973.70
<b>Development Expenditure</b>	<b>1,051,939</b>	<b>392,276.50</b>
Maintenance, Operations (13xx)	58,199	48,826.50
Purchase Goods Services (14xx)	300,000	300,000
Assets (20xx)	657,194	43,450.00

Table 35 and figures 32 & 33 show that staffing took up almost two thirds or around 66% of the PSC's total recurrent budget with 34% for operations. For the first time, provision was made for six unestablished staff to speed up the digitization of the damaged files from cyclone GITA. A development fund for strengthening PSC's ICT system with a balance of 1,051,939 was rolled over from 2016/2017 FY.

**Figure 32: % for 2017/18 Original Budget - Expenditure payments**



**Figure 33: % Actual expenditure spent - Expenditure payments**

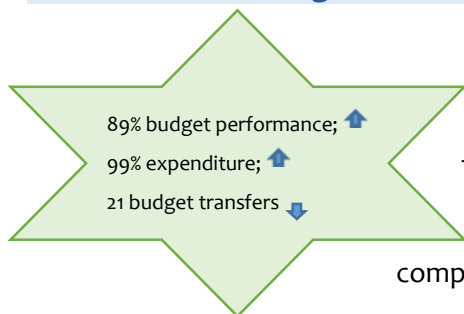




**Table 36: Statement analysis - Actual versus Expenditure**

Budget (\$m)	2017/18 Original Budget	% for 2017/18 Original Budget	Actual Expenditure spent	% Actual expenditure spent
<b>Expenditure/Payments</b>	<b>1,840,200</b>	-	<b>2,206,286</b>	-
Established Staff (10xx)	1,125,200	61%	1,021,277.86	46% (-15)
Unestablished Staff (11xx)	30,000	2%	18,011.22	1% (-1)
Travel, Communication (12xx)	106,700	6%	106,098.99	5% (-1)
Maintenance, Operations (13xx)	27,500	1%	84,780.21	4% (+3)
Purchase Goods Services (14xx)	368,200	20%	756,694.47	34% (+14)
Grants and Transfer (15xx)	-	-	-	-
Assets (20xx)	74,600	4%	219,423.7	10% (+6)
<b>Recurrent Payments</b>	<b>1,840,200</b>	-	<b>1,814,009.95</b>	-
Established Staff (10xx)	1,215,200	66%	1,021,277.86	56% (-10)
Unestablished Staff (11xx)	30,000	2%	18,011.22	1% (-1)
Travel, Communication (12xx)	106,700	6%	106,098.99	6% (0)
Maintenance, Operations (13xx)	27,500	1%	35,953.71	2% (+1)
Purchase Goods Services (14xx)	368,200	20%	456,694.47	25% (+5)
Grants and Transfer (15xx)	-	-	-	-
Assets (20xx)	74,600	4%	175,973.70	10% (+6)
<b>Development Expenditure</b>	<b>1,051,939</b>	-	<b>392,276.50</b>	-
Maintenance, Operations (13xx)	58,199	6%	48,826.5	12% (+6)
Purchase Goods Services (14xx)	300,000	29%	300,000	76% (+53)
Assets (20xx)	657,194	62%	43,450.00	11% (-51)

#### 4.4 PSC Budget Performance



PSC's financial performance continues to be **above average** in terms of budget performance at **89%** which is the expenditure against forecast; and total expenditure at **99%** at the end of June 2018. Performance on procurement is on average at 75%. Budget transfers improved with 21 **budget transfers** made by the end of June 2018; compared to 34 transfers in the previous financial year.

**Table 37: Summary of performance**

ITEM	FINANCIAL YEAR	ORIGINAL ESTIMATE	Forecast (SPENDING ) Jul – Jun	Actual (SPENDING) Jul – Jun	VARIANCE	% utilized Jul – Jun	Performance (%)	BALANCE June
EXPENDITURE	2016/17	\$1,600,000	\$1,418,317.64	\$1,500,492	(83,454.70)	94%	106%	\$99,508
EXPENDITURE	2017/18	\$1,840,200	\$2,121,615	\$1,815,378	\$306,237	99%	89%	\$24,822

**Table 38: PSC Office Financial Position for 2017/18**

Expenditure per division	Original Budget 2017/18	Budget Transfers	Revised Budget 2017/18	Forecast (SPENDING)	Actual (SPENDING)	Variance (Forecast – Actual)	Performance (%)	Balance at the end of this FY
Commissioners	\$203,500	\$(61,303)	\$142,197	\$230,422	\$139,077	\$91,345	60%	\$3,120
CEO	\$208,600	\$(26,671)	\$181,929	\$178,448	\$179,992	\$(1,544)	101%	\$ 1,937
Corporate	\$416,100	\$220,859	\$636,959	\$761,465	\$628,329	\$133,136	83%	\$ 8,630
ICT	\$112,100	\$(30,946)	\$81,154	\$82,085	\$80,920	\$1,165	99%	\$234
Workforce and Remuneration	\$263,900	\$(65,187)	\$198,713	\$221,996	\$194,955	\$27,041	88%	\$3,758
Performance Development	\$196,700	\$18,858	\$215,558	\$226,187	\$211,692	\$14,494	94%	\$3,866
Human Resource	\$296,300	\$5,243	\$301,543	\$318,432	\$299,472	\$18,961	94%	\$2,071
Oversight	\$143,000	\$(60,853)	\$82,147	\$102,580	\$80,941	\$21,639	79%	\$1,206
<b>Total PSC Budget</b>	<b>\$1,840,200</b>	<b>\$ -</b>	<b>\$1,840,200</b>	<b>\$2,121,615</b>	<b>\$1,815,378</b>	<b>\$306,237</b>	<b>89%</b>	<b>\$24,822</b>

#### 4.4.1 Analysis of expenditure – Overall

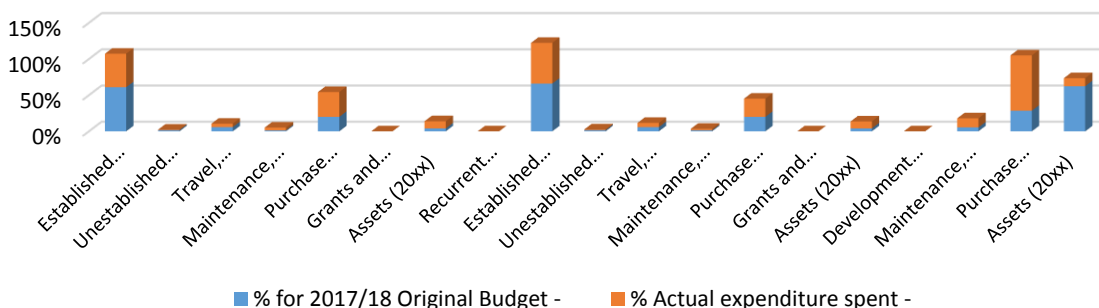
Overall performance per category shows underspending in two divisions - the Commissioners item due to two vacant positions which were not filled until Quarter 3 of the FY and to a delay in a long drawn out legal case re Mr Busby Kautoke meant that the committed funds for legal fees were not spent. It should be noted that four subdivisions (Commissioners, CEO, Corporate, ICT) are all part of the Leadership and program administration division which collectively in terms of performance is 83%. For the Oversight division, performance at 79% was due to the delay in the completion of two organization reviews, the public service polling and filling in of a senior position (Senior Assistant Secretary) on study leave.

The **staffing** category registered the highest underspent at (-10%) under the recurrent budget due to difficulties in filling 9 vacant positions; and **assets** at -51% under the development budget due to difficulties in procuring replacement servers and associated IT resources especially in the difficult context of relocation to a temporary location.

#### 4.5 Analysis of expenditure by Category

Analysis by line item shows that expenditure (76%) exceed actual amount (29%) in this period for goods and services and assets, including maintenance and operations. These include costs for rental of Tungi Colonnade premises due to cyclone GITA, purchase of furniture and assets to accommodate the relocation; and the purchase of a new vehicle. Underspending was made in the staffing category by around 11% due to delays and difficulties in filling nine vacant positions. Savings from vacancies were transferred to address the additional unforecast costs for goods, services and assets required for the Office relocation due to GITA.

**Figure 34: Estimate versus Actual Expenditure**



## 4.6

## Analysis of Expenditure by Outputs

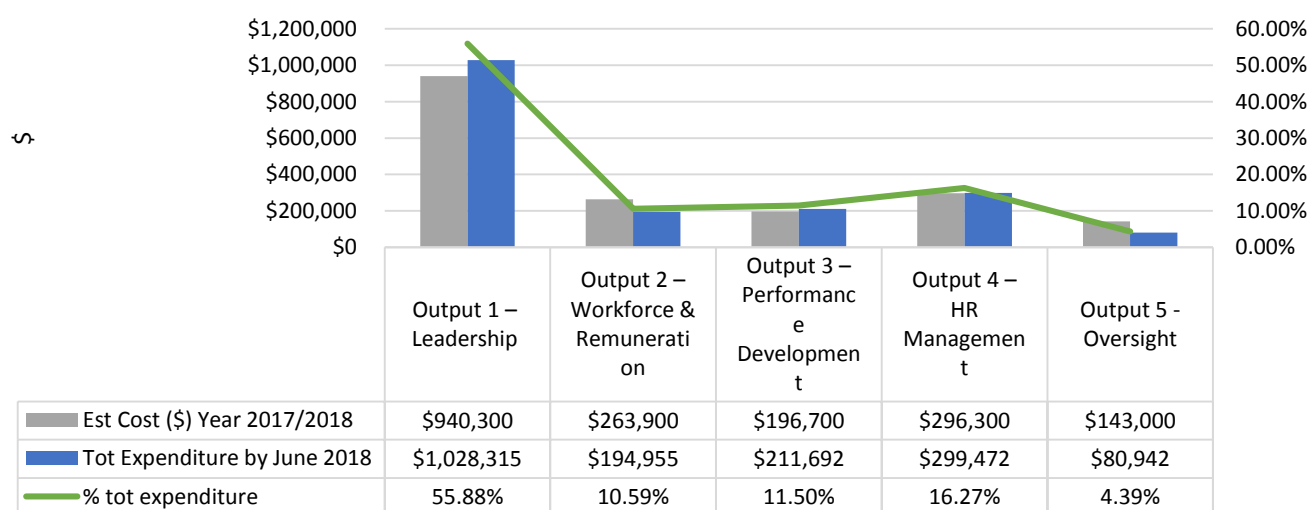
Spending by outputs was above average for the six outputs at around 99%. The Leadership and program administration Division (Commissioners, CEO, Corporate, ICT) had the highest allocation and expenditure, including transfers at 56%. The HRM division (output 4) is the second largest (16%) followed by the performance Development Division (12%). Two divisions share the budget for Output 2.

**Table 39: Summary of Expenditure by Outputs**

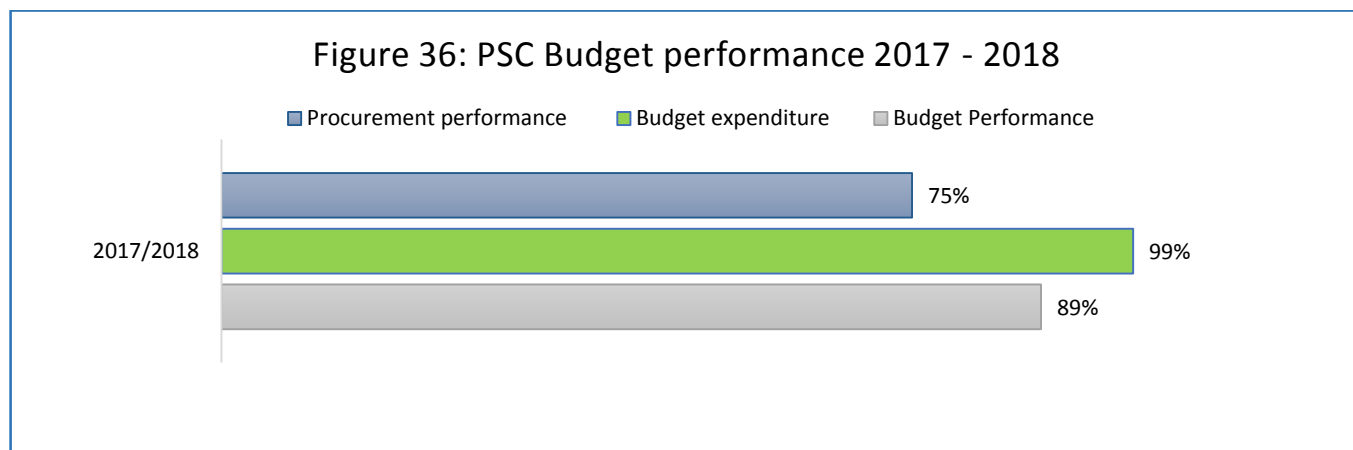
Expense(s)	Est Cost (\$) Year 1 2017/2018	Tot Budget + Transfer 2017/2018	Tot Expenditure June 2018	Tot % of Expenditure June 2018	Donor Fund	Balance end of June
Output 1 – Leadership, Program Admin(Commission, CEO, Corporate, ICT)	\$940,300	\$1,042,239	\$1,028,315	99%	\$88,968.82	\$13,924
Output 2 – Workforce Dev, Remuneration & Incentives	\$263,900	\$198,713	\$194,955	98%		\$3,758
Output 3 – Performance Management Division	\$196,700	\$215,558	\$211,692	98%		\$3,866
Output 4 – Human Resource Management	\$296,300	\$301,543	\$299,472	99%		\$2,071
Output 5 - Oversight	\$143,000	\$82,147	\$80,942	99%		\$1,205
<b>Total</b>	<b>\$1,840,200</b>	<b>\$1,840,200</b>	<b>\$1,815,376</b>	<b>99%</b>	<b>*\$88,968.82</b>	<b>\$24,824.00</b>
	<b>*Infrastructure upgrade</b>					

A balance of \$24,824 (i.e. 1% of Original Estimate 2017/18) was left in the 2017/2018 budget. Ten percent (10%) of expenditure was not forecast (89% budget performance). This was due to the sudden relocation and rental costs incurred after Cyclone Gita incurred substantial damages to the PSC premises including 700 plus files. Approximately 4% of this 10% unforecast went to rental costs for the period; 4% to the replacement of the PSC more than 10 year old shuttle which broke down; and 2% was spent on technical assistance to develop and promote the new public service business excellence framework.

**Figure 35: PSC Cost Estimate, Total Expenditure by Output/Division 2017 - 2018**

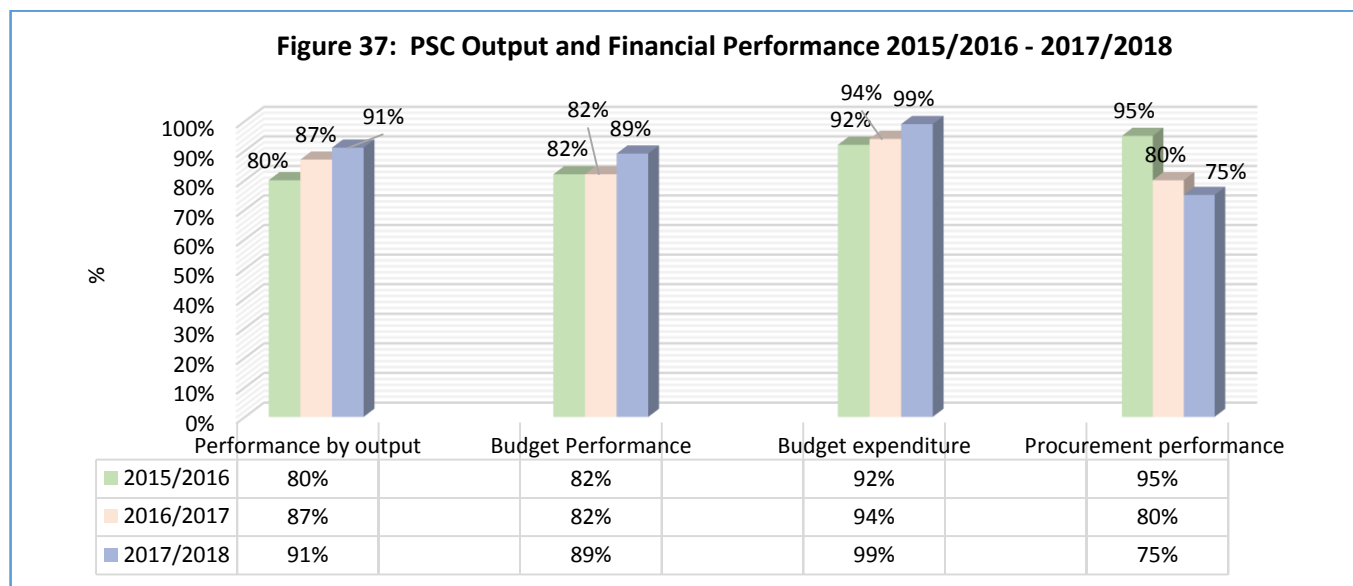


Overall as highlighted in Figure 36, PSC's budget performance for 2017 – 2018 was an improvement from the previous year, and considered above average.



#### 4.7 Financial performance over three years

Budget performance against forecast has improved from 82% to 89% over the last two years. Likewise, expenditure continues to be above average with incremental improvement of 2% over the last two financial periods. However, procurement performance has not improved regressing by 20% from 95% in 2015/2016 to 75% in the current FY. The reason for this regression was a lack of clarity around procurement requirements for ongoing legal contracts regarding a tribunal case that are not determined by financial year but by courts schedules.



In 2017/2018, the number of transfers was lower than the previous year from 34 to 21 showing improved budget planning and management. The majority of the budget transfers were made into the Corporate division from other divisions' allocations, mainly to cater for rental and relocation expenses related to the Office's relocation after TC-Gita's to Tungi Colonnade. However, despite these unforeseen expenses, the Office still managed to keep its total spending well within its budget allocation for FY2017/18, and resulted in 89% performance.

## 4.8 Procurement

As shown in table 40, a total of 9 proposals were submitted, 8 were endorsed, of which six were approved in compliance. The majority (83%) were under a limited/restricted bidding and 25% with a request for quotation.

**Table 40: Procurement submission for the PSC Office**

Financial Year	No. of Received Proposals	No. of Endorsed Proposals	No. of Compliance	No. of Non-compliance	% of Compliance	% of Non-Compliance
2016 - 2017	6	5	4	1 (Harry Waalkens)	80%	20%
2017 - 2018	9	8	6	2 (Harry Waalkens & Legal)	75%	25%

**Table 41: Procurement Method**

Method of Procurement	2016 – 2017 FY	2017 – 2018 FY
Request for Quotation (RFQ)	4	2
Limited Bidding	-	4
Single Source	1	1
Restricted Bidding	-	1

## 4.9 Asset Management

The Fixed Asset Registry is updated on an ongoing basis according to the purchase orders processed. Once the asset is received it is updated to the following template to account for each specific asset. The following is a summary of the Asset Registry, which is sent to the Ministry of Finance and National Planning at the end of each Financial Year.

**Table 42: Fixed Asset register summary**

Fixed Asset Registry Items	2016/17 FY Cost	2017/18 FY Cost	Notes
Building and Infrastructure	-	-	The PSC Office was damaged from Cyclone GITA and has relocated to Tungi Colonnade Building, paying a monthly rent of \$11, 074.
Vehicles	\$68,936.00	\$121, 294.07	Increase by 75.95% due to the procurement of New Vehicle resulting in four (4) in total.
Computer Software	-	-	Not Applicable
Computer Hardware	\$39648.36	\$60,557.09	This is a result of increased staffing and the related cost of acquisition of computers required together with the ICT infrastructure upgrade.
Other Plant and Equipment (i.e. Printers, Scanners, Office equipment)	\$44,938.73	\$74, 196.60	
Furniture & Fittings (i.e. Desk, Shelves)	\$21,855.88	\$45,033.4	Increase by 51.47% is also a related cost due to the growing number of PSC staff.
<b>Total Cost</b>	<b>\$175,378.97</b>	<b>\$ 301,081.20</b>	<b>Increase by 71.67%</b>

There was an increase of spending in the purchase of assets in this financial year by 72%. A lot of these were due to the relocation from Cyclone Gita, increase in number of new staffs requiring new resources, and the purchase of a new vehicle.



**Figure 38: Damaged files from GITA**



## 5. SIGNIFICANT ISSUES AND CHALLENGES

**Strategic and Operational challenges and risks** for this period included:

### Extraneous

- Cyclone GITA visited Tonga on 12<sup>th</sup> February and the PSC building was severely damaged with around 700 plus personal files and 400 plus standard files wet or damaged. The relocation efforts as well as attempt to retrieve damaged files took up most of the last months of Quarter 3. The rental costs of \$11,074.39 per month for occupation at Tungi Colonnade excluding other normal utility charges was an unforecast expenditure and some of our salary savings helped to cover these costs without having to request a CF to Cabinet.
- Managing relations with the Ministers and those in political positions within the auspices of the Public Service Act and its principles of political neutrality will always be an ongoing strategic challenge.

### Within PSC

- There are still ongoing challenges in procedural matters regarding the performance management of CEOs and public service employees. There is a need for clarity in delineating responsibilities, functions and processes; and ensuring these are well communicated and clear to all stakeholders.
- Voluminous administrative HR work that marginalises the more important oversight role of the Commission
- Greater need for senior experienced policy analysts and IT database capability

Other challenges identified in previous reports below continue to exist such as:

- Lack of capacity to utilise the improved access to information technology and systems
- Monitoring service delivery in the outer islands and systemic whole of government HR operations
- Lack of specialist expertise in areas of HRMIS, data analytics, database management, archiving, strategic HR policy, remuneration and job sizing, and funding for to build capacities and source TAs (experts)
- Stronger enforcement by the Commission for greater accountability by CEOs and Ministries for non-compliance and poor performance of Ministries and Chief Executives.

### 5.1 Issues/challenges

The following are key challenges faced during this financial year by PSC's divisions.

**Table 41: PSC's Issues and Challenges**

Division	Challenges	Mitigation	Specific Way forward
<b>Leadership and Program Administration</b>	<b>Leadership</b> <ul style="list-style-type: none"> <li>- Managing and coordinating reform programs for the Tonga Public Service</li> <li>- Facilitating CEO Performance appraisal process and managing CEO contracts</li> <li>- Huge policy gaps – expensive tribunals</li> <li>- Monitoring service delivery in the outer islands</li> <li>- Maintaining the wage bill threshold of 53%</li> </ul>	<b>Leadership</b> <ul style="list-style-type: none"> <li>- Proactive engagement and planning with Hon Ministers and Commission, CEOs, PSC staff and development partners</li> <li>- Performance appraisal and align with PDF and CEO contracts:</li> <li>- Internal policies and processes reviewed:</li> </ul>	<b>Leadership</b> <ul style="list-style-type: none"> <li>- Strengthened 1-2-1 meetings between Commission and CEOs.</li> <li>- Induction training for CEOs upon appointment</li> <li>- Performance appraisal to be interviewed</li> <li>- TA to be engaged to review Public Service Policy and Instructions</li> </ul>

	<p><b>Support Services</b></p> <ul style="list-style-type: none"> <li>- Contracting procedures do not flow through proper procedure.</li> <li>- TA requests are not timely</li> <li>- Temporary Office location for PSC Office after cyclone GITA</li> </ul> <p><b>ICT</b></p> <ul style="list-style-type: none"> <li>- ICT Infrastructure Upgrade project delays</li> <li>- Internet capacity and stability</li> <li>- Strengthening CHRIS/ Archiving/Digitisation of files</li> <li>- Internet capacity and stability ICT Division's capacity</li> </ul>	<ul style="list-style-type: none"> <li>- Increased staff engagement at the outer islands</li> <li>- Improved coordination with MOFNP regarding maintain of wage bill</li> </ul> <p><b>Support Services</b></p> <ul style="list-style-type: none"> <li>- Better coordination with HODs in the engagement of TAs</li> <li>- Consider a more permanent location for the PSC office</li> </ul> <p><b>ICT</b></p> <ul style="list-style-type: none"> <li>- Engage ICT experts to complete upgrade</li> <li>- Strengthening CHRIS/ Archiving/Digitisation of files</li> <li>- Daily paid staff for archiving work Recruit AVI or AYAD volunteers or TA from COMSEC, ADB, DFAT to support process</li> </ul>	<ul style="list-style-type: none"> <li>- Sub-committee (PSC &amp; MOFNP) established to vet critical positions</li> </ul> <p><b>Support Services</b></p> <ul style="list-style-type: none"> <li>- Improved internal process in requesting TAs</li> <li>- Develop a proposal to renovate the Old PSC building</li> </ul> <p><b>ICT</b></p> <ul style="list-style-type: none"> <li>- Engage AYAD Volunteers</li> <li>- Skills transfer by volunteer to ICT staff</li> <li>- Recruit more staff for the ICT Division</li> <li>- Encourage staff to use Helpdesk and to avoid impromptu requests Prioritize ICT Infrastructure Upgrade Project</li> </ul>
<b>Workforce Development</b>	<ul style="list-style-type: none"> <li>- No Training Center for the Tonga public service</li> <li>- Public service Trainings are not fully coordinated through the PSC</li> <li>- No proper training database system in place</li> <li>- Ineffective trainers</li> <li>- No resources for generic trainings for the outer islands.</li> <li>- Staff not at full capacity for the division</li> <li>- Increased migration/exits of management/specialist staff</li> </ul>	<ul style="list-style-type: none"> <li>- Management &amp; technical skills development and deployment</li> <li>- PSC Training plan submitted for scholarships – in country and external</li> <li>- More targeted in-house succession planning, shadowing opportunities and training</li> <li>- Seek support from development partners (USP, DFAT, MFAT, AVI etc)</li> </ul>	<ul style="list-style-type: none"> <li>- Plan to build a fully equipped Training Centre</li> <li>- Implement the Workforce Development Framework</li> <li>- Training Needs Analysis conducted triennially and develop a Human Resource Capacity Building/Training Plan.</li> <li>- Trainings priorities provided for the Scholarship Committee on time</li> <li>- Finalise Annual Training Plan</li> <li>- Start drafting relevant Workforce development and training legislation.</li> <li>- Identify leadership capability/talent development gaps for executives/senior officials</li> </ul>
<b>Performance Development</b>	<p>PMS</p> <ul style="list-style-type: none"> <li>- Weak enforcement</li> <li>- Realignment o Reward system and related policies</li> <li>- Weak incentive framework</li> </ul>	<p>PMS implemented</p> <ul style="list-style-type: none"> <li>- Performance contracts to include Deputy CEOs and to level 5.</li> <li>- Reward system and related policies</li> </ul>	<ul style="list-style-type: none"> <li>- tailored trainings specific to the Line Ministry.</li> <li>- Seek assistance from Group 1 ministries to ensure compliance with Cabinet directions.</li> </ul>

	<ul style="list-style-type: none"> <li>- Delays of PMS submissions from MDAs</li> <li>- Cabinet direction recalling oversight of Group 1 ministries (HMAF, TFES, Prisons, Police, Ombudsman, Audit) to come under the PSC office for quality check and moderation purposes.</li> <li>- Time, budget and staff constraints to implement Cabinet direction on Group 1 ministry oversight.</li> <li>- Group 1 ministries mind-set regarding PMS is different from those under PSC ministries</li> </ul>	<ul style="list-style-type: none"> <li>- Strengthen rewards/incentives</li> <li>- Continuous engagement with PSA</li> </ul>	<ul style="list-style-type: none"> <li>- Discuss options with Group 1 ministries to build capacity of relevant PMS staff and supervisors.</li> <li>- Continue to dialogue with MET to determine way forward and selection of a PMS for implementation</li> </ul>
<b>Human Resource Management</b>	<ul style="list-style-type: none"> <li>- Devolving HR management functions to Ministries</li> <li>- Weak HR capacity in line agencies</li> <li>- HR Manager post to each Ministry</li> <li>- Poor supervision</li> <li>(i) Increase non-compliance</li> <li>(ii) Weak HR capacity in line ministries</li> <li>- Lack of strategic oversight by the PSC Office over HR matters in line Ministries</li> <li>- Lack of an established minimum requirements database</li> </ul>	<ul style="list-style-type: none"> <li>- Devolving HR management functions to Ministries</li> <li>- Attachment opportunities to PSC, ongoing training</li> <li>- Establish a HR Manager post to each Ministry</li> <li>- Recruit AVI or AYAD volunteers or TA from COMSEC or ADB to support process</li> </ul>	<ul style="list-style-type: none"> <li>- Develop survey to capture Line Ministries HR capacity and capability</li> <li>- Recruitment of more staff</li> <li>- Provide specialized up skill training for HR managers</li> <li>- Scope relevant functions of the Commission to be delegated including capacity and capability of line Ministries to take on delegated functions</li> <li>- Provide more awareness and refresher trainings on HR processes</li> </ul>
<b>Oversight</b>	<ul style="list-style-type: none"> <li>(i) Robust Monitoring, Evaluation and Learning</li> <li>- Lack of political will</li> <li>- Poor data in line agencies</li> <li>- Too much time wasted on policy queries due to vague instructions;</li> <li>- Non responsiveness of line ministries on PSC's request for Roadshow;</li> <li>- M &amp; E Corporate Plan output requires priority from HODs to develop SMART KPI's for matrix;</li> </ul>	<ul style="list-style-type: none"> <li>- High level of engagement at Ministerial, CEO level</li> <li>- Ongoing In house training for ME and HR line agency staff</li> </ul>	<ul style="list-style-type: none"> <li>- A cleanup of the Public Service Instructions is crucial to minimize time spent on policy queries;</li> <li>- To emphasize to line ministries the importance of PSC Roadshow Program;</li> <li>- To assist HOD's on developing SMART KPI's for tracking of progress;</li> </ul>
<b>Remuneration</b>	<ul style="list-style-type: none"> <li>(i) Revamped Classification Of Post</li> <li>- Rejection of New COP &amp; CF</li> <li>- Judgement based remuneration system</li> <li>- Transitioning from the old remuneration system to the new</li> <li>- Anomalies found in the Classification of Positions (COP) and band structure, which is no longer linear with fixed ranges.</li> </ul>	<ul style="list-style-type: none"> <li>(i) Revamped Classification Of Post</li> <li>- Frequent consultations and public awareness of new COP &amp; CF</li> <li>- Verification with external source [Hay Group]</li> </ul>	<ul style="list-style-type: none"> <li>- Continuous consultations with line ministries via presentations and visits to build more awareness on the new band system used.</li> <li>- Finalise the COP and Competency Framework to assist with organising the positions across line ministries.</li> </ul>

## 5.2 Risks and risk management

The following are risks and how they were managed during this financial year.

**Table 43: Risks and risk management**

Case 13: Risks and Risk Management

Risks	Risk level			Risk Management
	High	Med	Low	
Strategic				
Political interference & High rate of referrals	√			Proactive engagement of Ministers and CEOs. Frequent CEO forums with Commission and Ministers
Lack of political & executive management buy in to new initiatives	√			Timely engagement with Ministers to discuss initiatives and get their feedback
Natural Disasters: Disruption due to temporary relocation to another office for major leakage in the PSC building (3mths)	√			Develop a Disaster Management Plan Consultation with key stakeholders especially with policy amendments
Resistance to change	√			Stronger engagement, clear structured communications with CEOs, employees and employer associations
Operational				
Staff turnover in the public service	√			Ministry to develop succession plans and identify potential leaders Stronger workforce monitoring by PSC
A lack of a substantive CEO for almost twelve (12) months	√			Better and timely engagement with Ministers to discuss CEO recruitment issues
Lack of capacity to utilise the improved access to information technology and systems		√		Engage Volunteers with ICT expertise for a period of 12 months
Sudden policy directives without due process		√		Develop understanding with Chief Secretary on processes and matters that needs consultation with PSC Office
Funding for reforms			√	Proactive engagement with donors for reform program that cannot be funded from the recurrent budget
Specific expertise in areas of HRMIS, archiving, reform areas			√	Engagement of a records management expert
Managing the reform initiative (remuneration & performance), grievances, transitional arrangements and communications			√	Establish a robust M&E framework and ensure reporting to Commission and PM are on time

## 6. DISCLOSURES AND LEGAL COMPLIANCE

### 6.1 Audit statements

The PSC has not yet been subjected to an audit. However, the MNFP has provided the audited financial statement for the PSC as per stated in section 2.3.

### 6.2 Detailed key performance indicators information

This has been discussed in sections 2.

### 6.3 Ministerial directives

The Business excellence activities, contracting of deputy CEOs, and some remuneration policies were not approved from Cabinet or were deferred. This has resulted in the delay or non-achievement of some of the work outputs for the period.

### 6.4 Governance disclosures

The drafting of a new Commissioners Code of Conduct commenced in the last quarter and will define specific principles and code of conduct to guide the behaviours and conduct of Public Service Commissioners and their affairs as per required under the principles of political neutrality, fairness, merit, and accountability. Amendments to the procedures of CEO recruitment and CEOs contracts included provision of declaration of conflicts of interests. This applies to all aspects of the PSC operations. It should be noted that the

### 6.5 Government policy requirements

#### Compliance:

Ministries compliance to the Public Service Act requirement especially employment policies, performance management and Code of Ethics are routinely addressed. However, the following summarises key policy achievements:

#### Policy matters completed as follows:

- New record keeping policy approved in January 2018 which has been adopted by several Ministries.
- New ICT Guideline for PSC Office internal use
- Gender Audit of PSC policies and instructions completed by UNDP
- Amendments to the Performance Development Framework and instructions on PMS and CEO performance rewards and performance management
- Public Service Policy and instructions amendments to June 2018 translated and gazetted
- Draft OHS policy completed in Q3 and circulated to CEOs; awaiting finalisation from NEMO
- Some Leave policies approved (in principle) by Commission to be further processed to Cabinet – Sick leave, Bereavement and Sporting tour in Q4
- External review of the PMS first year implementation by ADB completed in Q3 with recommendations to be progressed
- Public Service Excellence Framework and Strategy adopted by Hon Prime Minister
- Scoping paper for a Delegation Framework drafted
- Wage bill management – 51 recommended critical positions approved in Phase 1 Q2; 83 in Q3 totaling 134 positions for 2017/2018 costing 2.288,540 million.
- Common Policy subcommittee for remuneration related matters Schedule 1 & 2 established Q3

### 6.6 Board and Committee remuneration

The Office of the Public Service Commission consist of the following Commission members, which report directly to the Hon. Prime Minister. Meeting fees as determined by the Remuneration Authority, are based on the weekly Commission meetings held on a weekly basis to deal with Human Resource cases. However, two or more meetings can occur in a week given depending on the urgency of a case. These are reflected in the overall results of the number of Commission decisions made over the period.



## 7. CONCLUSION

The norm for PSC's operations is always busy, and demanding in terms of timelines and challenges. The assumption of duty of two Commissioners has enabled the Commission to gain momentum and the Office valued the additional input of wisdom and experience to guide its operations.

This report attempts to follow a proposed new reporting structure for MDA annual reporting and will continue to improve in the next report.

Work focus will be to review and address priorities under the three year milestones and the challenges and risks and have these reflected in the new annual management plan. One challenge has been the delay in approval by Parliament of PSC's reports for the FY 2015/2016; and 2016/2017 even though they were submitted on time. This reflects the highly sensitive role of the Commission in sustaining political neutrality while focusing on improving efficiency and effectiveness of public service delivery.

Policy work on remuneration, code of conduct, the classification of position, the performance management system, and HRM delegation framework will be key work areas for the 2018/2019 financial year.

The Commission gratefully acknowledges the ongoing support and supervision of the Prime Minister, Hon 'Akilisi Pohiva; the Acting Chairman, Mr Simione Sefanaia; Commissioners; the support of Cabinet Ministers, Chief Executive Officers, and their respective staff.

