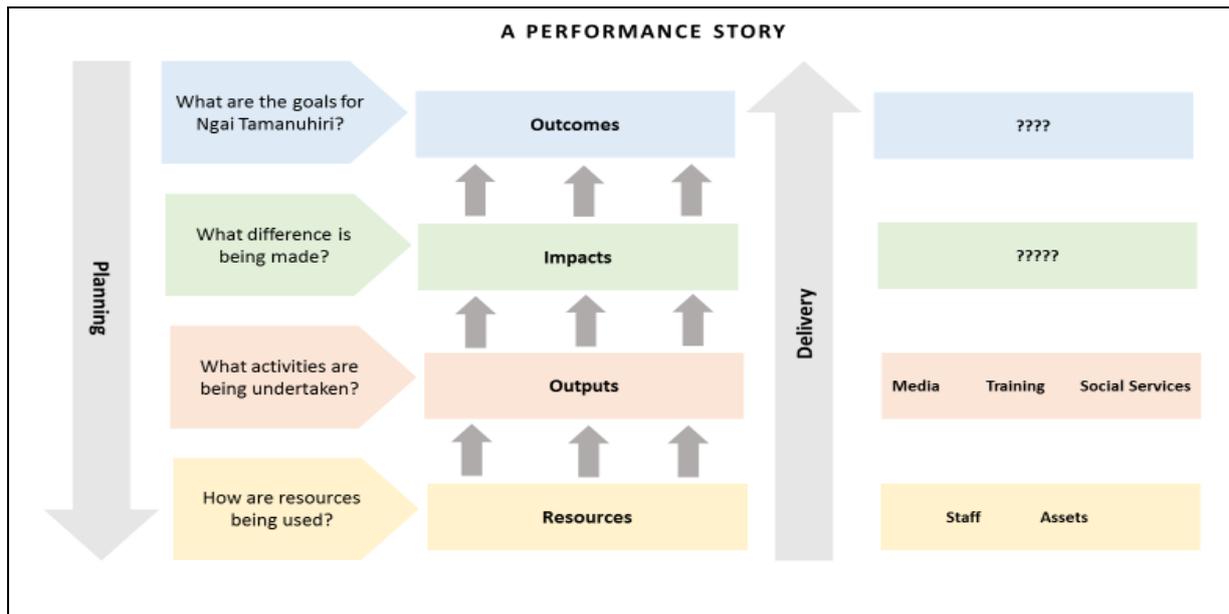


BACKGROUND

Solomon Pohatu, Tanith Wilson, Marsha Wyllie and Waireti Amai were convened as the Te Runanga O Turanganui A Kiwa (“TROTAK”) working party at the Ngai Tamanuhiri Hui a Iwi of 23 July 2016. The brief of this working party is to scope the views of Ngai Tamanuhiri about the role and function of TROTAK; to design, plan and facilitate a consultation process with Ngai Tamanuhiri; and to report these views and recommendations to the Tutu Poroporo Trust.

PERFORMANCE SUCCESS AND MEASUREMENT



Performance measurement is the process whereby information is used to convey a story about an organisation’s productivity over time. Government’s and NGO’s have been using the process to track and manage achievement of results and the iterative steps required to improve performance.

The State Services Commission’s Performance Intervention Framework has been adapted ([see Appendix A](#)) for the purposes of this review, on the basis that TROTAK is an organisation with a common set of infrastructural levers that any productive organisation should have. The framework seeks to enable Ngai Tamanuhiri to consider the role and function of TROTAK on the basis of its organisational performance, which spans thirty years to date.

TROTAK’s audited accounts for the 2013-2015 financial years have been accessed and a ‘lay’ analysis undertaken to provide some benchmark performance data, that is easily available to any beneficial owner of the organisation. This analysis highlighted:

- **There is an implied absence of performance measurement, management and accountability.** The accounts have been consolidated and accountability lines blurred, in that revenue coming in could not be tracked leaving the organisation. There is an absence of performance measures to assess success against for iwi. What would success in TROTAK look like for Ngai Tamanuhiri and how would that be gauged?

- **There is no reporting on outcomes rather against inputs.** The majority of the revenue coming in is from government contracts for services and rather than reporting against outcomes achieved for those contracts or for the iwi, the accounts reflect substantive outgoings for staff.
- **Furthermore, TROTAK is not sustainably operating or generating income, rather operating substantively from government contracts.** Conversely, the debt to asset ratio is very good and has continued to improve over time. TROTAK's value proposition in this regard would ideally require it to move from survival mode to something far more sustainable.

TURANGA HEALTH

While organisationally, TROTAK appears stuck in a pre-settlement context, the Iwi Trusts have adapted to the post settlement environment and along the way become the default owners of TROTAK and Turanga Health. Meantime, 'this way of operating' has not been replicated in either the TROTAK Trust Deed, Turanga Health rules or in the functional operations of these entities.

In the wider context of Turanga iwi entities, the need for considered and strategic change across organisations needs to be considered. The subsidiary relationship between TROTAK and Turanga Health, is defined mainly on the mutual shareholding and existing board appointments process (albeit by default). Under the terms of the Financial Reporting Act 2013, a subsidiary is defined under the Companies Act 1993 (section 5), as being when the parent body controls the composition of the subsidiary board or holds more than half of the shares.

Regardless, Turanga Health's own website attributes its inception to TROTAK, ie:

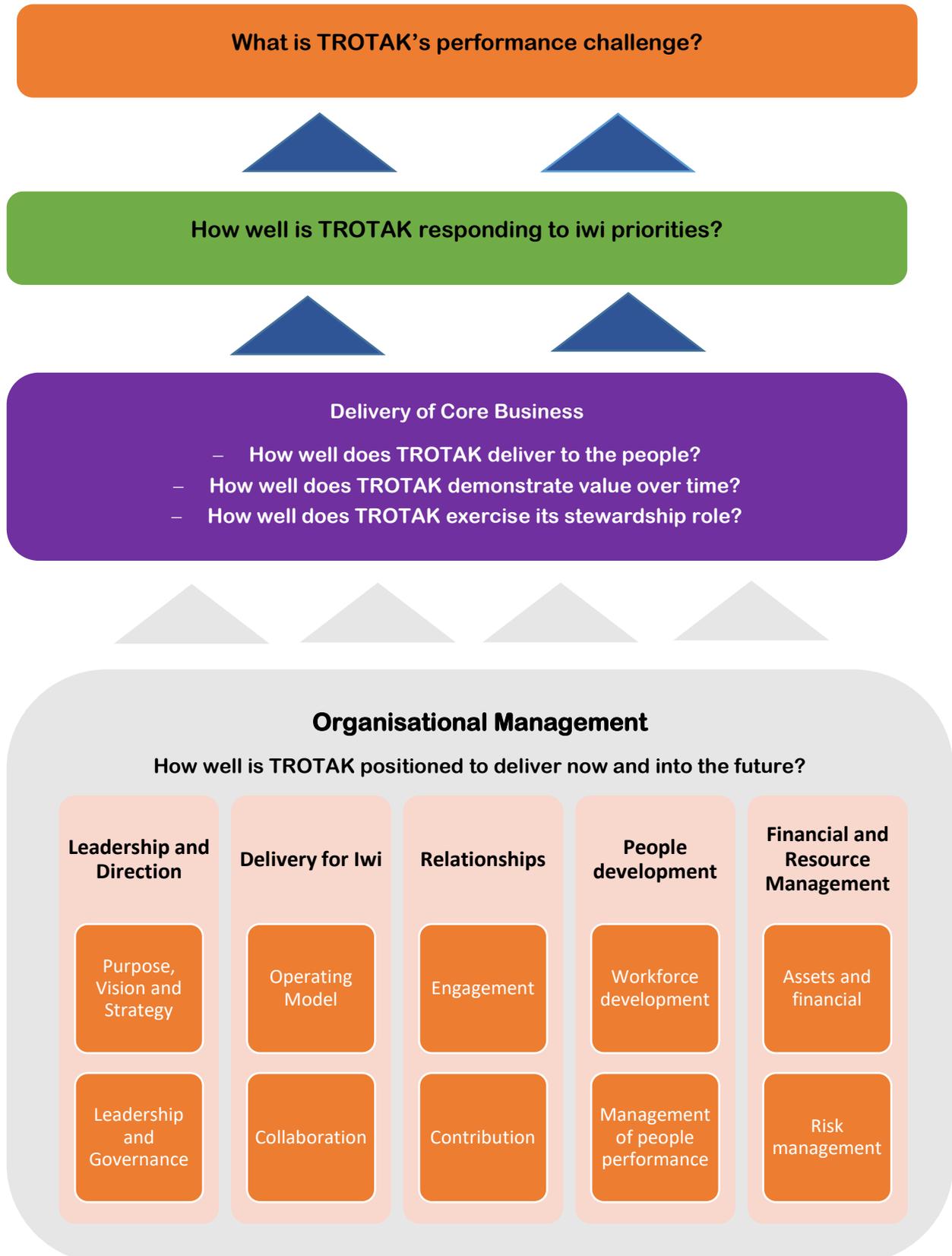
"With TROTAK already providing health services, the new purchasing role appeared to be in conflict with their new role. What then followed was the setting up of a separate health company by the Runanga to provide health services in Turanganui-a-Kiwa. Hence, Te Hauora o Turanganui-a-Kiwa Ltd or Turanga Health was established under the Companies Act 1993 on the 28th day of June 1996."

Anecdotal information suggests nationally those pre-settlement iwi entities that were established, in response to government policies and priorities of the day, now continue to operate and compete against one another (including their parent bodies) in a post settlement environment. Yet structurally and substantively have not amended their operational models or collaborative thinking to best meet the needs of their 'owners'. ¹.

¹Taewhenua and Ngati Kahungunu Iwi Inc

APPENDIX A

A PERFORMANCE FRAMEWORK



LEAD QUESTIONS

What is TROTAK's performance challenge?

Results

Critical area	Lead Questions
Iwi Priorities	How well is TROTAK responding to iwi priorities?
Core Business	How well does TROTAK deliver value to the people?

Organisational Management

Critical area	Element	Lead Questions
Leadership and Direction	Purpose and Vision	What is TROTAK's purpose and vision?
	Leadership and Governance	How well does management provide direction?
		How effectively does the Board lead?
Delivery for Iwi	Operating Model	How does TROTAK support delivery of Ngai Tamanuhiri priorities and needs?
	Collaboration	How well does TROTAK integrate services to deliver value to Ngai Tamanuhiri?
Relationships	Engagement	How effectively does TROTAK engage with Ngai Tamanuhiri?
	Contribution	What advice and services does TROTAK provide to Ngai Tamanuhiri?
People Development	Workforce Development	How responsive is TROTAK to future skill requirements?
	Management of people performance	How does TROTAK encourage high performance and deal with poor performance?
Financial and Resource Management	Assets and Financial	What does TROTAK do to with its resources to drive performance and achieve outputs?
	Risk	How well does TROTAK identify and manage any risk?

