

VOTE *Ombudsmen*

Ombudsmen

Overview

Departmental Appropriations

Departmental appropriations sought for Vote Ombudsmen in 2006/07 total \$4.859 million (GST exclusive).

The whole of the Vote is committed to the investigation and resolution of complaints about government agencies at central, regional and local levels.

Details of the appropriation appear in Parts B1 and C of this Vote.

Footnotes

Note 1	The Office of the Ombudsmen is an Office of Parliament under the Public Finance Act 1989.
Note 2	“Other” appropriations meet the full year cost of remuneration for the Chief Ombudsman and Ombudsman pursuant to sections 8 and 9 of the Ombudsmen Act 1975.
Note 3	Estimate only.
Note 4	From 1 April 2001 the Ombudsmen adopted a higher profile in taxation matters and from 1 January 2002 a heightened presence in tertiary institutions. A significant proportion of the increased work level recorded since 2004 results from improved recording of complaints and contacts made by prisoners by telephone.
Note 5	From 1 July 2006 prisoner complaint investigations will have a separate performance measure. Previously prisoner complaints have been included within “general complaints”.
Note 6	Includes additional staff to assist with complaints received from prison inmates, the establishment of a “call centre” and a new position to provide policy advice and training.
Note 7	Excludes the Ombudsmen.

Minister Portfolio Table

78	Speaker of the House
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Ombudsmen

VOTE MINISTER: The Speaker of the House

ADMINISTERING DEPARTMENT: Office of the Ombudsmen (see Note 1)

The Speaker of the House is the Responsible Minister for the Office of the Ombudsmen

Part A - Statement of Objectives and Trends

Part A1 - Objectives for Vote

The appropriations in Vote Ombudsmen help fulfil Parliament's intent through the Ombudsmen Act 1975, the Official Information Act 1982, the Local Government Official Information and Meetings Act 1987 and the Protected Disclosures Act 2000 and make an important contribution to the maintenance and enhancement of "open" government within New Zealand. Specifically, the Ombudsmen contribute to strengthening the New Zealand system of democracy through improved public administration and access to official information, and enhanced public confidence in government administration. The dissemination of information assists the public in understanding government administration.

The appropriations will purchase the independent investigation of complaints from the public:

- under the Ombudsmen Act 1975 arising from any act, omission, decision or recommendation relating to a matter of administration and affecting any person or body of persons in his/her/its personal capacity by any government agencies at central, regional or local level
- under the Official Information Act 1982 and the Local Government Official Information and Meetings Act 1987 about decisions on requests for access to official information held by any Minister of the Crown, or any government agencies at central, regional or local level
- where justified, the recommendation of appropriate remedial action to resolve those complaints
- investigations either on a complaint made to an Ombudsman by any person or body of persons, or in the case of investigations under the Ombudsmen Act 1975, by an Ombudsman of his/her own motion
- the maintenance of the Ombudsmen's extended involvement in the investigation of complaints from prisoners in penal institutions
- a heightened presence within the tertiary education sector.

Under the Protected Disclosures Act 2000:

- to provide an employee who has made, or is considering making, a protected disclosure, information and guidance on the application of the legislation
- where a protected disclosure is made to an Ombudsman in the capacity of an "appropriate authority", to take such action on the matter as prescribed in the Act.

Part A2 - Trends in Vote

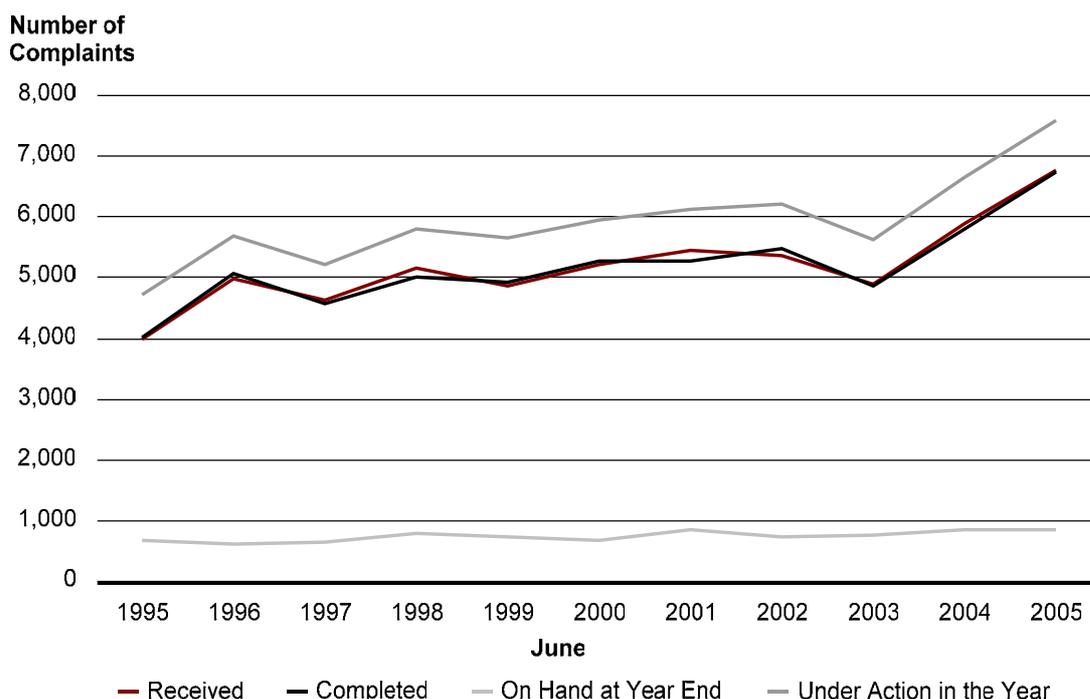
For most of the past decade the quantity of complaints referred to the Ombudsmen for review has been reasonably stable at around 5,200 new requests for review within jurisdiction each year. More recently there has been modest growth in recorded work but most of the recorded growth can be attributed to improved recording of complaints/contacts made by telephone. We expect the caseload for the year ending June 2007 to be about 6,700 new investigations. In addition to the caseload of new work, a further 650 to

750 incomplete complaints are normally carried forward from the previous reporting year. Past experience indicates a further approximately 500 requests will be received but after initial consideration or investigation will be found to be outside jurisdiction. Although not within the Ombudsmen jurisdiction, guidance and assistance is given for these latter requesters. The total caseload of the Ombudsmen is expected to be around 7,000 to 7,500 investigations under action during the reporting year.

Over the same decade there has been a noticeable increase in the complexity of Ombudsmen Act 1975 and official information legislation complaints received. In particular, the complexity and sensitivity of Official Information Act 1982 complaints increased markedly over this period. The growth in work is attributable to multiple factors:

- the enactment of the State Sector Act 1988 appears to have led departments and organisations to more frequently consult with Ministers when requests are made for information involving policy advice tendered by officials
- a greater interest by the public at large in the governance of the country and of the advice and information tendered to Government by officials and government agencies
- an increased awareness of the official information legislation and greater preparedness by members of the public to question and seek explanations of government at all levels for the decisions and actions affecting them. The public and interested groups are routinely requesting access to source data so that they may form a view themselves rather than accept advice from politicians and officials. By nature, these complaints are generally complex, sensitive and resource intensive
- the advent of MMP government has led to greater use of the Official Information Act 1982 by the public, parliamentarians and political party research units
- following the Logan Report on Mangaroa Prison, a higher profile within the prisons system from 1 April 1995
- from 1 January 2002 the Ombudsmen have had a greater presence within the tertiary education sector.

Figure 1 - Throughput - All complaints



Source: 2005 Annual Report of the Office of the Ombudsmen

Throughput of complaints

	2001/02 Actual	2002/03 Actual	2003/04 Actual	2004/05 Actual	2005/06 Forecast	2006/07 Forecast
Complaints on hand 1 July	854	723	763	840	650-750 (Note 3)	650-750 (Note 3)
Complaints Received	5,358	4,906	5,878	6,757	6,700 (Notes 3 and 4)	6,800 (Note 3)
Complaints Completed	5,489	4,866	5,801	6,743	6,700 (Notes 3 and 4)	6,800 (Note 3)
Working days (average) to complete:						
Ombudsmen Act						
- General complaints	35	38	41	44	39	58 (Note 5)
- Prisoner complaints	-	-	-	-	-	10 (Note 5)
Official Information Act complaint	79	72	64	73	69	72
Local Government Official Information and Meetings Act complaint	51	73	45	69	55	54
Protected Disclosures Act request	-	39	42	119	39	39
Staff numbers (FTE)	39	41.4	41.4	45	45.4 (Note 6 and 7)	46.6 (Note 6 and 7)

The Ombudsmen meet regularly with Chief Executives of public sector agencies with the objective of improving the agencies understanding and application of the Ombudsmen Act 1975 and official information legislation in particular. The expectation is that organisations within the local, regional and central government sectors will, with greater knowledge of the legislation, be in an improved position to resolve many complaints at organisational level that would otherwise be referred to the Ombudsmen for review. Recorded demand for Ombudsman investigations is expected to increase in the 2006/07 reporting year largely as a result of improved recording of complaints and contacts from prisoners. Statistics will show an increase in work underaction to approximately 7,000 to 7,500 complaints and contacts, but actual new work undertaken will increase only moderately. The establishment of a "call centre" in 2005 has allowed more accurate recording of work and assisted with many minor complaints being resolved informally without need to open a formal investigation file. The initiative has allowed investigating staff more time to progress more significant investigations in a timelier manner. Additionally, the Office of the Ombudsmen extends advice to several thousand people each year, who contact it by telephone, by email or in person.

Experience has shown a triennial variability in requests particularly in the official information jurisdictions that is cyclic in nature with greatest demand in the year preceding a General Election. Most recently a greater use by requesters and government agencies of consultants and legal advisers has been evident. This tends to generate a more adversarial environment in the consideration of requests and requires the commitment of more resources and time in their resolution. The Office is seeking to counter this trend by enhancing and more widely disseminating information designed to assist requesters in better framing their requests and agencies in their consideration of whether the requested information is to be released.

With the resources provided for the 2006/07 year, the Office expects to:

- complete more or less the same number of complaints as are referred to the Ombudsmen for investigation during the 2006/07 reporting year
- limit the open caseload (all jurisdictions) at 30 June 2007 to between 650 and 750 complaints
- improve the timeliness within which complaints are resolved compared to that achieved in the 2005/06 reporting year

- resolve more complaints informally, particularly those received from prison inmates, without need to open a formal investigation file and in a more timely manner
- provide additional support and training to organisations subject to Ombudsman review in the application of the Ombudsmen Act 1975 and official information legislation in particular. The intention is to manage down demand for ombudsman interventions through improved decision making at departmental and organisational level.

Significant changes to the cost structure of the Office since 1997 are due to the following:

- for the 1997/98 and 1999/2000 financial years, Parliament approved a baseline adjustment to assist the Office to deal with the increased number and complexity of complaints received pending consideration of options to manage the caseload of the Ombudsmen, but the increases were lower than needed to reasonably fund the level of demand for investigations
- for the 2000/01 financial year Parliament approved the balance of the baseline adjustment sought in the 1998/99 year to ensure that the Office was reasonably resourced to meet the workload referred to it and based on costs at that time
- Parliament approved baseline increases for the 2001/02 financial year and out years to enable the Ombudsmen to adopt a heightened profile in matters of taxation from 1 April 2001 and in tertiary institutions from 1 January 2002
- the budget for the 2002/03 financial year included the full year cost of the Ombudsmen having a heightened presence within the tertiary education sector and some funding to meet remuneration pressures. Funding was also provided to meet remuneration costs associated with the appointment of a third Ombudsman from 5 December 2001. The remuneration cost for one Ombudsman remained a charge to Vote Courts
- a Supplementary Estimates increase in 2002/03 was approved to assist the office with mounting a defence to legal proceedings issued in the High Court
- Parliament approved a “one off” baseline increase for the 2003/04 financial year to assist the office in meeting legal defence costs associated with the High Court action. In the event the litigation was withdrawn and the additional funding was returned to the Crown as part of the 2003/04 Supplementary Estimates exercise
- Parliament approved as part of the 2004/05 Estimates an increase to the office baseline to allow staff remuneration to more closely reflect rates paid by other government sector employers. The funding was to be provided half in the 2004/05 year and half in the 2005/06 year. Additional and “one off” funding was provided to meet costs associated with hosting the regional conference of Australasian and Pacific Ombudsmen in Wellington in 2005 and the development of a communications strategy from 1 July 2004
- a Supplementary Estimates increase was approved in 2004/05 to meet the part year cost of remuneration for one Ombudsman previously a charge to Vote Courts being transferred to Vote Ombudsmen from 1 March 2005. Additional funding was also approved to recruit two new staff to assist with prison investigations and meet costs associated with the appointment of a new Ombudsman to succeed retiring Ombudsman Judge Anand Satyanand

- the 2005/06 Estimates include the full year cost of remuneration for 3 Ombudsmen. Previously the remuneration for one Ombudsman had been a charge to Vote Courts. The budget also provides the balance of funding approved in 2004/05 for staff remuneration. Parliament also approved a budgetary provision for two additional staff to provide training and policy advice and “Call Centre” support which will underpin a move in the office’s strategic direction towards a more pro-active positioning. In addition, funding was provided to continue the office communications strategy that aims to increase awareness within the various ethnic communities that now make up the New Zealand population of the role fulfilled by the Ombudsmen
- the 2005/06 Supplementary Estimates provide for a reduction from 3 to 2 Ombudsmen following the retirement of the third Ombudsman from December 2005
- the 2006/07 Estimates allow for the full year cost of 2 rather than 3 Ombudsmen and full year cost of additional staff approved in the previous year.

Part B - Statement of Appropriations

Summary of Financial Activity

	2001/02	2002/03	2003/04	2004/05	2005/06		2006/07 Appropriations to be Used				2007/08	2008/09	2009/10	
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Estimated Actual \$000	By the Department Administering the Vote		For Non-Departmental Transactions		Total \$000	Estimated \$000	Estimated \$000	Estimated \$000
							Annual \$000	Other \$000	Annual \$000	Other \$000				
Appropriations														
Output Expenses	3,840	4,122	4,298	4,925	5,528	5,528	4,859	536	-	-	5,395	5,405	5,400	5,400
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	-	N/A	N/A	-	-	-	-
Total Appropriations	3,840	4,122	4,298	4,925	5,528	5,528	4,859	536	-	-	5,395	5,405	5,400	5,400
Crown Revenue and Receipts														
Tax Revenue	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
Total Crown Revenue and Receipts	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-

Part B1 - Details of Appropriations

Appropriations	2005/06				2006/07		Scope of 2006/07 Appropriations
	Budget		Estimated Actual		Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Departmental Output Expenses (General)							
Investigation and Resolution of Complaints About Government Administration (M78)	4,869	659	4,869	659	4,859	536	The investigation and resolution of complaints about the administrative acts, omissions and decisions of Government at central, regional or local levels. (See Note 2.) Reason for Change: The change to "Other" appropriations follows the retirement from Office of the third Ombudsman in December 2005. The adjustment to the "Annual" appropriation reflects the biennial publication of the Case Notes of the Ombudsmen.
Total Departmental Output Expenses (General)	4,869	659	4,869	659	4,859	536	
Total Appropriations	4,869	659	4,869	659	4,859	536	

Part C - Explanation of Appropriations for Output Expenses

Part C1 - Departmental Output Expenses

Introduction

The Ombudsmen are independent Officers of Parliament appointed by the Governor-General on the recommendation of the House of Representatives. Their function is to investigate and:

- form opinions on the merits of complaints about the administrative acts and decisions of government agencies at central, regional or local levels
- review decisions made about requests for access to official information held by any Minister of the Crown or central, regional or local government department or organisation
- provide guidance and information to employees who have made, or are considering making, a protected disclosure pursuant to the Protected Disclosures Act 2000 and fulfil the requirements of an “appropriate authority” pursuant to the Act.

They report annually and are accountable to Parliament rather than the Government.

The appropriations in this Vote were commended to the Governor-General by the House of Representatives in an address, on the recommendation of the Officers of Parliament Committee.

Investigation and Resolution of Complaints about Government Administration

This output involves:

- the investigation under the Ombudsmen Act 1975 of complaints arising from the acts, omissions, decisions and recommendations of government agencies at central, regional or local levels
- the review of decisions on requests for information under the Official Information Act 1982 and the Local Government and Official Information and Meetings Act 1987
- the provision of guidance and information about making a protected disclosure pursuant to the Protected Disclosures Act 2000 and the Ombudsmen fulfilling the obligations of an “appropriate authority” under the Act.

Part E - Explanation of Capital Flows

Part E1 - Explanation of Movements in Departmental Net Asset Schedules

Details of Net Asset Schedule for Office of the Ombudsmen	Estimated Actual 2005/06 \$000	Projected 2006/07 \$000	Explanation of Projected Movements in 2006/07
Opening Balance	57	57	
Capital Injections	-	-	
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	57	57	