

# *Vote Ombudsmen*

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APPROPRIATION MINISTER(S): Speaker of the House of Representatives (M78)

APPROPRIATION ADMINISTRATOR: Office of the Ombudsman

RESPONSIBLE MINISTER FOR OFFICE OF THE OMBUDSMAN: Speaker of the House of Representatives

## *Overview of the Vote*

The Speaker of the House of Representatives is responsible for appropriations in Vote Ombudsmen in 2017/18 totalling \$18.551 million (GST exclusive). This comprises:

- just over \$16 million annual appropriation for the Office of the Ombudsmen
- \$668,000 permanent legislative authority of Ombudsmen remuneration, and
- just under \$2 million permanent legislative authority for capital expenditure.

The whole of the Vote is committed to the investigation, resolution of complaints and the provision of advice relating to central and local government administrative actions, and monitoring compliance with international conventions.

The Speaker of the House of Representatives is also responsible for a capital injection of over \$1 million to the Office of the Ombudsman to fund its capital expenditure.

Details of these appropriations are set out in Parts 2-4.

# Details of Appropriations and Capital Injections

## Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Departmental Output Expenses</b>			
<b>Investigation and Resolution of Complaints About Government Administration (M78)</b> This appropriation is limited to the investigation, resolution of complaints and the provision of advice relating to central and local government administrative actions, and monitoring compliance with international conventions.	13,598	13,598	<b>16,057</b>
<b>Total Departmental Output Expenses</b>	13,598	13,598	16,057
<b>Departmental Other Expenses</b>			
<b>Remuneration of Ombudsmen PLA (M78)</b> This appropriation is limited to remuneration expenses for the Ombudsmen as authorised by sections 8 and 9 of the Ombudsmen Act 1975.	668	668	668
<b>Total Departmental Other Expenses</b>	668	668	668
<b>Departmental Capital Expenditure</b>			
<b>Office of the Ombudsman - Capital Expenditure PLA (M78)</b> This appropriation is limited to the purchase or development of assets by and for the use of the Office of the Ombudsman, as authorised by section 24(1) of the Public Finance Act 1989.	950	950	1,826
<b>Total Departmental Capital Expenditure</b>	950	950	1,826
<b>Total Annual and Permanent Appropriations</b>	15,216	15,216	18,551

## Capital Injection Authorisations

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Office of the Ombudsman - Capital Injection (M78)	1,072	1,072	1,294

# Supporting Information

## Part 1 - Vote as a Whole

### 1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2016/17 Final Budgeted \$000	2017/18 Budget \$000	2018/19 Estimated \$000	2019/20 Estimated \$000	2020/21 Estimated \$000
Clearing aged investigations	<b>Investigation and Resolution of Complaints about Government Administration</b> Departmental Output Expenses	-	-	(965)	-	-
Monitoring detained people	<b>Investigation and Resolution of Complaints about Government Administration</b> Departmental Output Expenses	-	1,127	1,165	1,165	1,165
Retention of staff	<b>Investigation and Resolution of Complaints about Government Administration</b> Departmental Output Expenses	-	253	686	686	686
ICT systems	<b>Investigation and Resolution of Complaints about Government Administration</b> Departmental Output Expenses	-	332	269	269	269
Christchurch and Wellington accommodation	<b>Investigation and Resolution of Complaints about Government Administration</b> Departmental Output Expenses	278	322	322	322	322
Additional capital for office accommodation	<b>Department Capital Injection</b>	523	-	-	-	-
Additional capital for new staff - Monitoring detained people	<b>Department Capital Injection</b>	-	51	-	-	-
ICT systems - CMS and ECM	<b>Department Capital Injection</b>	-	1,243	-	-	-
Total Initiatives		801	3,328	1,477	2,442	2,442

## 1.2 - Trends in the Vote

### Summary of Financial Activity

	2012/13	2013/14	2014/15	2015/16	2016/17		2017/18			2018/19	2019/20	2020/21
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Final Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
<b>Appropriations</b>												
Output Expenses	8,950	9,106	9,868	11,495	13,598	13,598	16,057	-	16,057	15,155	15,174	15,174
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	647	673	684	696	668	668	668	-	668	668	668	668
Capital Expenditure	165	98	699	343	950	950	1,826	-	1,826	200	200	200
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>Capital Expenditure</i>	-	-	-	-	-	-	N/A	-	-	-	-	-
<b>Total Appropriations</b>	<b>9,762</b>	<b>9,877</b>	<b>11,251</b>	<b>12,534</b>	<b>15,216</b>	<b>15,216</b>	<b>18,551</b>	<b>-</b>	<b>18,551</b>	<b>16,023</b>	<b>16,042</b>	<b>16,042</b>
<b>Crown Revenue and Capital Receipts</b>												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>N/A</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered. In this instance Total Appropriations for the Budgeted and Estimated Actual year may not equal Total Appropriations in the Details of Appropriations and Capital Injections.

## Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

There have been no restructuring adjustments to prior year information in the Summary of Financial Activity table.

### 1.3 - Analysis of Significant Trends

#### Analysis of Significant Trends

The bulk of the movement in departmental appropriations in Vote Ombudsmen, which are detailed in the Summary of Financial Activity table above, are largely driven by movements in departmental output expenses required to maintain an efficient, effective and professional Ombudsman function. Details of significant movements within each appropriation are shown below.

#### *Departmental Output Expenses*

The baseline movements amounting to approximately \$6.196 million during the period detailed in the Summary of Financial Activity are due to:

- As part of Estimates 2012/13 temporary capability funding that was to end in 2013/14 was approved on an ongoing basis. Additional funding was also approved to assist the office address remuneration pressures.
- Supplementary funding was approved for the period 2012/13 for recruitment costs for a new Ombudsman.
- Parliament approved as part of the 2013/14 Estimates a baseline increase to meet the cost of increased rents in Auckland and Christchurch and additional investigating staff and related costs.
- Parliament approved as part of the 2014/15 Estimates a baseline increase to meet the additional operating costs associated with the capital injection for infrastructure and relocation.
- As part of the 2015/16 Estimates Parliament approved a baseline increase for proactive advice, training and guidance, additional staff to assist with inspection and monitoring under the Crimes of Tortures Act 1989 and the United Nations Convention on the Rights of Persons with Disabilities, additional resources for capability, and security of the office's staff and information.
- Supplementary funding was approved for the period 2015/16 for recruitment costs for a new Chief Ombudsman, accommodation, and Information, Communication and Technology (ICT) systems and capability.
- As part of the 2016/17 Estimates Parliament approved a baseline increase over three years to clear the aged investigations and on-going budgets for Official Information Act (OIA) compliance investigations, ICT systems and capability, Auckland office rent increase and address remuneration anomalies.
- Supplementary funding was approved for the period 2016/17 for the establishment of new accommodation in Christchurch and expansion in Wellington, an adjustment for the reduction in the rate of capital charge and an expense transfer from 2016/17 to 2017/18.
- As part of the 2017/18 Estimates funding was approved for on-going costs of new accommodation, to align salaries with the current public sector market rates, revising the Case Management Systems, an adjustment for the reduction of capital charge, to monitor the treatment of detained people and an expense transfer from 2016/17 to 2017/18.

### *Departmental Other Expenses*

Movements in Departmental Other Expenses are wholly attributable to:

- Determinations issued by the Remuneration Authority relating to Ombudsmen remuneration and to decisions by Parliament regarding the number of Ombudsmen appointed at any one time. There are presently two permanent Ombudsmen.

### *Capital Expenditure*

Movements in the provision for capital expenditure follow:

- The 2013/14 Estimates provided for an increased capital provision to \$200,000 to reflect updated capital expenditure intentions.
- The 2014/15 Estimates provided for an increased capital provision by \$1.487 million to \$1.687 million for this year only for infrastructure and relocation costs.
- The 2015/16 Estimates provided for an increased capital provision by \$260,000 to \$460,000 for this year only for security and costs associated with the increase in capability.
- The 2016/17 Estimates provides for an increased capital provision by \$549,000 to \$749,000 to reflect the capital needs for additional staff and to upgrade the Office's ICT capability to make the best use of the capital funding provided in the 2014/15 budget.
- Supplementary funding was approved for the period 2016/17 for new accommodation in Christchurch and additional accommodation in Wellington.
- The 2017/18 Estimates provides for an increased capital provision by \$1.294 million to \$1.494 million for ICT systems and capability and capital needs for new staff of the Optional Protocol to the Convention against Torture unit (OPCAT).

## Part 2 - Details of Departmental Appropriations

### 2.1 - Departmental Output Expenses

#### Investigation and Resolution of Complaints About Government Administration (M78)

##### *Scope of Appropriation*

This appropriation is limited to the investigation, resolution of complaints and the provision of advice relating to central and local government administrative actions, and monitoring compliance with international conventions.

##### *Expenses and Revenue*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	13,598	13,598	16,057
Revenue from the Crown	13,590	13,598	16,057
Revenue from Others	8	-	-

##### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve investigation, review and inspection of the administrative conduct of state sector agencies, and provision of advice and guidance in order to ensure people are treated fairly in New Zealand.

##### *How Performance will be Assessed and End of Year Reporting Requirements*

	2016/17		2017/18
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Investigate state sector administration and decision making - number of Ombudsmen Act complaints completed	2250	2250	2250
Investigate and review official information decisions - number of official information complaints completed	1250	1400	1250
Deal with requests for advice and guidance about serious wrongdoing - number of requests for advice and guidance (including enquiries) completed	40	40	40
Monitor and inspect places of detention - number of full inspections and visits to places of detention	32	42	35
Improve state sector capability in areas relevant to our work - number of requests for advice or comment by state sector agencies responded to	150	160	150
Improve public awareness and accessibility of our services -% of members of the public who have heard of the Ombudsman	65%	Not yet known - survey to be run May 2017	70%



### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Office of the Ombudsman in the Annual Report to be presented in the House.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2016/17 Final Budgeted \$000	2017/18 Budget \$000	2018/19 Estimated \$000	2019/20 Estimated \$000	2020/21 Estimated \$000
Clearing aged investigations	2018/19	-	-	(965)	-	-
Monitoring detained people	2017/18	-	1,127	1,165	1,165	1,165
Retention of staff	2017/18	-	253	686	686	686
ICT systems	2017/18	-	332	269	269	269
Christchurch and Wellington accommodation	2016/17	278	322	322	322	322
Adjustment for capital charge	2016/17	(37)	(53)	(53)	(53)	(53)
Clear aged investigations	2016/17	925	965	965	-	-
OIA compliance investigations	2016/17	564	564	564	564	564
Address remuneration anomalies	2016/17	341	358	376	395	395
ICT systems and capability	2015/16	684	628	628	628	628
Corporate capacity - updating lease agreements	2015/16	20	20	20	20	20
Complaints and investigations	2015/16	340	340	340	340	340
Proactive advice, training and guidance	2015/16	166	166	166	166	166
Inspections and monitoring	2015/16	390	390	390	390	390
Security of staff and information	2015/16	126	126	126	126	126
Corporate and support capability	2015/16	360	360	360	360	360
Capability Maintenance	2014/15	493	493	493	493	493

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2017/18 is due to:

- \$1.127 million to provide additional OPCAT staff to monitor the treatment of detained people.
- \$322,000 for accommodation in Christchurch and Wellington.
- \$332,000 to improve ICT systems and capability.
- \$253,000 to align salaries with current public sector market rates.
- \$363,000 expense transfer from 2016/17.
- \$53,000 reduction in capital charge.

## 2.2 - Departmental Other Expenses

### Remuneration of Ombudsmen PLA (M78)

#### *Scope of Appropriation*

This appropriation is limited to remuneration expenses for the Ombudsmen as authorised by sections 8 and 9 of the Ombudsmen Act 1975.

#### *Expenses*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	668	668	668

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve provision of remuneration payment to the Ombudsmen as determined by the Remuneration Authority.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

The Chief Ombudsman leads the performance of the Office. The performance of the Office's activities, including the above payment, is reflected in the information for departmental output appropriations.

#### *End of Year Performance Reporting*

Performance information for the Office will be reported in the Annual Report that is to be presented to the House.

## 2.3 - Departmental Capital Expenditure and Capital Injections

### Office of the Ombudsman - Capital Expenditure PLA (M78)

#### *Scope of Appropriation*

This appropriation is limited to the purchase or development of assets by and for the use of the Office of the Ombudsman, as authorised by section 24(1) of the Public Finance Act 1989.

#### *Capital Expenditure*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	850	850	179
Intangibles	100	100	1,647
Other	-	-	-
<b>Total Appropriation</b>	<b>950</b>	<b>950</b>	<b>1,826</b>

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the provision of assets for the use of the Office of the Ombudsman.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Office of the Ombudsman in the Annual Report to be tabled in the House.

### *Reasons for Change in Appropriation*

For 2017/18 there is an increase in capital expenditure of \$1.294 million to a total of \$1.826 million due to:

- \$51,000 for furniture and ICT equipment for additional OPCAT staff.
- \$1.243 million for the development of the Case Management System.

### *Capital Injections and Movements in Departmental Net Assets*

#### **Office of the Ombudsman**

Details of Net Asset Schedule	2016/17 Estimated Actual \$000	2017/18 Projected \$000	Explanation of Projected Movements in 2017/18
Opening Balance	2,076	3,148	
Capital Injections	1,072	1,294	ICT systems - CMS and ECM
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
<b>Closing Balance</b>	<b>3,148</b>	<b>4,442</b>	