

# *Vote Ombudsmen*

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

APPROPRIATION ADMINISTRATOR: Office of the Ombudsmen

RESPONSIBLE MINISTER FOR OFFICE OF THE OMBUDSMEN: 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 2015/16 totalling \$12.387 million (GST exclusive). This comprises:

- \$11.237 million annual appropriation for the Office of the Ombudsmen
- \$690,000 permanent legislative authority of Ombudsmen remuneration, and
- \$460,000 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.

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	2014/15		2015/16
	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.	9,907	9,907	11,237
<b>Total Departmental Output Expenses</b>	9,907	9,907	11,237
<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.	684	684	690
<b>Total Departmental Other Expenses</b>	684	684	690
<b>Departmental Capital Expenditure</b>			
<b>Office of the Ombudsmen - 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 Ombudsmen, as authorised by section 24(1) of the Public Finance Act 1989.	1,687	1,687	460
<b>Total Departmental Capital Expenditure</b>	1,687	1,687	460
<b>Total Annual and Permanent Appropriations</b>	12,278	12,278	12,387

## Capital Injection Authorisations

	2014/15		2015/16
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Office of the Ombudsmen - Capital Injection (M78)	1,487	1,487	260

# Supporting Information

## Part 1 - Vote as a Whole

### 1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2014/15 Budgeted \$000	2015/16 Budget \$000	2016/17 Estimated \$000	2017/18 Estimated \$000	2018/19 Estimated \$000
Complaints and investigations	<b>Investigation and Resolution of Complaints about Government Administration</b> Departmental output expense		340	340	340	340
Proactive advice, training and guidance	<b>Investigation and Resolution of Complaints about Government Administration</b> Departmental output expense		166	166	166	166
Inspection and monitoring	<b>Investigation and Resolution of Complaints about Government Administration</b> Departmental output expense		390	390	390	390
Security of staff and information	<b>Investigation and Resolution of Complaints about Government Administration</b> Departmental output expense		113	126	126	126
Corporate and support capability	<b>Investigation and Resolution of Complaints about Government Administration</b> Departmental output expense		360	360	360	360
Additional capital for new staff	<b>Departmental Capital Injection</b>		99			
Security of staff and information	<b>Departmental Capital Injection</b>		161			
<b>Total Initiatives</b>			<b>1,629</b>	<b>1,382</b>	<b>1,382</b>	<b>1,382</b>

## 1.2 - Trends in the Vote

### Summary of Financial Activity

	2010/11	2011/12	2012/13	2013/14	2014/15		2015/16			2016/17	2017/18	2018/19
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	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	7,948	8,140	8,950	9,206	9,907	9,907	11,237	-	11,237	11,178	11,178	11,178
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	763	629	647	660	684	684	690	-	690	690	690	690
Capital Expenditure	222	189	165	98	1,687	1,687	460	-	460	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>8,933</b>	<b>8,958</b>	<b>9,762</b>	<b>9,964</b>	<b>12,278</b>	<b>12,278</b>	<b>12,387</b>	<b>-</b>	<b>12,387</b>	<b>12,068</b>	<b>12,068</b>	<b>12,068</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.

## 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 \$3.454 million during the period detailed in the Summary of Financial Activity are due to:

- Parliament approved as part of the 2010/11 Estimates a baseline increase to meet costs associated with the Ombudsmen's new responsibilities under the United Nations Convention on the Rights of Persons with Disabilities. A further increase was approved for two years to address an increase in complaints received during the current economic downturn.
- Parliament approved as part of the 2011/12 Estimates additional temporary capability funding until 2013/14 to assist management of the office workload including work arising from the Christchurch earthquakes. Funding was also approved to enable New Zealand to host the 2012 world conference of the International Ombudsman Institute and obtain specialist accommodation advice.
- Supplementary funding was approved for the period 2011/12 to 2013/14 to meet additional depreciation associated with the Christchurch earthquakes.
- 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.

#### *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 2011/12 Estimates provide for an increased capital provision to \$165,000 to reflect updated capital expenditure intentions.
- The 2013/14 Estimates provide for an increased capital provision to \$200,000 to reflect updated capital expenditure intentions.
- The 2014/15 Estimates provide 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 provide 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.

## 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*

	2014/15		2015/16
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	9,907	9,907	11,237
Revenue from the Crown	9,717	9,717	11,237
Revenue from Others	190	190	-

##### *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*

	2014/15		2015/16
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Assessment of Performance			
Investigate state sector administration and decision making - number of complaints completed	2,500	2,100	2,500
Investigate and review official information decisions - number of complaints completed - OIA	800	1,000	800
Investigate and review official information decisions - number of complaints completed - LGOIMA	250	225	250
Deal with requests for advice and guidance about serious wrongdoing - number of requests for advice and guidance completed	10	10	10
Monitor and inspect places of detention - number of full inspections to places of detention	22	22	22
Improve state sector capability in areas relevant to our jurisdiction - number of training sessions provided to state sector agencies	20	15	20
Improve public awareness and accessibility of our services - number of external speeches and presentations given	25	15	25

### *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.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2014/15 Budgeted \$000	2015/16 Budget \$000	2016/17 Estimated \$000	2017/18 Estimated \$000	2018/19 Estimated \$000
Complaints and investigations	2016		340	340	340	340
Proactive advice, training and guidance	2016		166	166	166	166
Inspections and monitoring	2016		390	390	390	390
Security of staff and information	2016		113	126	126	126
Corporate and support capability	2016		360	360	360	360
Capability Maintenance	2015	286	493	493	493	493
Capability Maintenance	2013	996	996	996	996	996
Capability Maintenance	2012	300	300	300	300	300

### *Reasons for Change in Appropriation*

The change in appropriation is due to an increased resource in investigation, inspection and corporate and security.

## 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*

	2014/15		2015/16
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	684	684	690

### *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.

### *Reasons for Change in Appropriation*

The increase in appropriation is due to a new determination for Ombudsmen remuneration by the Remuneration Authority.

## 2.3 - Departmental Capital Expenditure and Capital Injections

### **Office of the Ombudsmen - 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 Ombudsmen, as authorised by section 24(1) of the Public Finance Act 1989.

#### *Capital Expenditure*

	2014/15		2015/16
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	1,615	1,615	388
Intangibles	72	72	72
Other	-	-	-
<b>Total Appropriation</b>	<b>1,687</b>	<b>1,687</b>	<b>460</b>

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

This appropriation is intended to achieve the provision of new infrastructure assets for additional staff, improvement in security and maintenance of infrastructure capability.

#### *Reasons for Change in Appropriation*

The 2014/15 capital expenditure reflects the move to refurbished accommodation and the necessary infrastructure. The 2015/16 capital expenditure reflects \$200,000 in ongoing renewal of fixed assets and a one-off increase in capital provision of \$260,000 for the cost of security and costs associated with the increase in capability.

### *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.

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

### **Office of the Ombudsmen**

Details of Net Asset Schedule	2014/15 Estimated Actual \$000	2015/16 Projected \$000	Explanation of Projected Movements in 2015/16
Opening Balance	329	1,816	
Capital Injections	1,487	260	Additional capital for new staff and security
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
<b>Closing Balance</b>	<b>1,816</b>	<b>2,076</b>	

