

# *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 2020/21 totalling \$34.721 million. This comprises:

- nearly \$33 million annual appropriation for the Office of the Ombudsmen
- \$463,000 permanent legislative authority of Ombudsmen remuneration, and
- over \$1.400 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 \$1.256 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 Appropriations and Forecast Permanent Appropriations

| Titles and Scopes of Appropriations by Appropriation Type  | 2019/20              |                        | 2020/21       |
|--|----------------------|------------------------|---------------|
|  | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000  |
| <b>Departmental Output Expenses</b>  |                      |                        |               |
| <b>Investigation and Resolution of Complaints About Government Administration (M78)</b><br>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. | 23,482               | 23,482                 | <b>32,802</b> |
| <b>Total Departmental Output Expenses</b>  | 23,482               | 23,482                 | 32,802        |
| <b>Departmental Other Expenses</b>   |                      |                        |               |
| <b>Remuneration of Ombudsmen PLA (M78)</b><br>This appropriation is limited to remuneration expenses for the Ombudsmen as authorised by sections 8 and 9 of the Ombudsmen Act 1975.  | 463                  | 463                    | 463           |
| <b>Total Departmental Other Expenses</b>   | 463                  | 463                    | 463           |
| <b>Departmental Capital Expenditure</b>  |                      |                        |               |
| <b>Office of the Ombudsman - Capital Expenditure PLA (M78)</b><br>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.   | 2,082                | 2,082                  | 1,456         |
| <b>Total Departmental Capital Expenditure</b>  | 2,082                | 2,082                  | 1,456         |
| <b>Total Annual Appropriations and Forecast Permanent Appropriations</b>   | <b>26,027</b>        | <b>26,027</b>          | <b>34,721</b> |

## Capital Injection Authorisations

|   | 2019/20              |                        | 2020/21      |
|---|----------------------|------------------------|--------------|
|   | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Office of the Ombudsman - Capital Injection (M78) | 1,882                | 1,882                  | 1,256        |

# Supporting Information

## Part 1 - Vote as a Whole

### 1.1 - New Policy Initiatives

| Policy Initiative   | Appropriation   | 2019/20<br>Final<br>Budgeted<br>\$000 | 2020/21<br>Budget<br>\$000 | 2021/22<br>Estimated<br>\$000 | 2022/23<br>Estimated<br>\$000 | 2023/24<br>Estimated<br>\$000 |
|---|---|---------------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| Additional legal costs  | <b>Investigation and Resolution of Complaints about Government Administration</b><br>Departmental Output Expenses | 58                                    | -                          | -                             | -                             | -                             |
| Enhanced complaints oversight over Oranga Tamariki            | <b>Investigation and Resolution of Complaints about Government Administration</b><br>Departmental Output Expenses | -                                     | 3,764                      | 7,198                         | 8,075                         | 8,075                         |
| Corporate support   | <b>Investigation and Resolution of Complaints about Government Administration</b><br>Departmental Output Expenses | -                                     | 1,182                      | 1,916                         | 1,966                         | 1,966                         |
| Technology infrastructure support                             | <b>Investigation and Resolution of Complaints about Government Administration</b><br>Departmental Output Expenses | -                                     | 555                        | 638                           | 466                           | 466                           |
| Retaining trained, experienced staff                          | <b>Investigation and Resolution of Complaints about Government Administration</b><br>Departmental Output Expenses | -                                     | 707                        | 707                           | 707                           | 707                           |
| Office accommodation  | <b>Investigation and Resolution of Complaints about Government Administration</b><br>Departmental Output Expenses | -                                     | 49                         | 49                            | 49                            | 49                            |
| Capital for enhanced complaints oversight for Oranga Tamariki | <b>Department Capital Injection</b>   | -                                     | 662                        | 1,730                         | 96                            | -                             |
| Capital for corporate support                                 | <b>Department Capital Injection</b>   | -                                     | 192                        | 128                           | -                             | -                             |
| Capital for technology infrastructure support                 | <b>Department Capital Injection</b>   | -                                     | -                          | 300                           | 100                           | -                             |
| <b>Total Initiatives</b>                                      |   | <b>58</b>                             | <b>8,011</b>               | <b>12,666</b>                 | <b>11,459</b>                 | <b>11,263</b>                 |

## 1.2 - Trends in the Vote

### Summary of Financial Activity

|  | 2015/16         | 2016/17         | 2017/18         | 2018/19         | 2019/20                    |                              | 2020/21   |   |                          | 2021/22            | 2022/23            | 2023/24            |
|--|-----------------|-----------------|-----------------|-----------------|----------------------------|------------------------------|---|---|--------------------------|--------------------|--------------------|--------------------|
|  | Actual<br>\$000 | Actual<br>\$000 | Actual<br>\$000 | Actual<br>\$000 | Final<br>Budgeted<br>\$000 | Estimated<br>Actual<br>\$000 | Departmental<br>Transactions<br>Budget<br>\$000 | Non-<br>Departmental<br>Transactions<br>Budget<br>\$000 | Total<br>Budget<br>\$000 | Estimated<br>\$000 | Estimated<br>\$000 | Estimated<br>\$000 |
| <b>Appropriations</b>  |                 |                 |                 |                 |                            |                              |   |   |                          |                    |                    |                    |
| Output Expenses  | 11,495          | 13,598          | 16,062          | 18,179          | 23,482                     | 23,482                       | 32,802  | -   | 32,802                   | 38,214             | 39,169             | 38,078             |
| Benefits or Related Expenses   | -               | -               | -               | -               | -                          | -                            | N/A   | -   | -                        | -                  | -                  | -                  |
| Borrowing Expenses   | -               | -               | -               | -               | -                          | -                            | -   | -   | -                        | -                  | -                  | -                  |
| Other Expenses   | 696             | 662             | 703             | 442             | 463                        | 463                          | 463   | -   | 463                      | 463                | 463                | 463                |
| Capital Expenditure  | 343             | 718             | 1,826           | 2,521           | 2,082                      | 2,082                        | 1,456   | -   | 1,456                    | 2,926              | 396                | 200                |
| Intelligence and Security Department Expenses<br>and Capital Expenditure | -               | -               | -               | -               | -                          | -                            | -   | N/A   | -                        | -                  | -                  | -                  |
| Multi-Category Expenses and Capital<br>Expenditure (MCA)                 |                 |                 |                 |                 |                            |                              |   |   |                          |                    |                    |                    |
| <i>Output Expenses</i>   | -               | -               | -               | -               | -                          | -                            | -   | -   | -                        | -                  | -                  | -                  |
| <i>Other Expenses</i>  | -               | -               | -               | -               | -                          | -                            | -   | -   | -                        | -                  | -                  | -                  |
| <i>Capital Expenditure</i>   | -               | -               | -               | -               | -                          | -                            | N/A   | -   | -                        | -                  | -                  | -                  |
| <b>Total Appropriations</b>  | 12,534          | 14,978          | 18,591          | 21,142          | 26,027                     | 26,027                       | 34,721  | -   | 34,721                   | 41,603             | 40,028             | 38,741             |
| <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>                          | -               | -               | -               | -               | -                          | -                            | N/A   | -   | -                        | -                  | -                  | -                  |

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 Annual Appropriations and Forecast Permanent Appropriations and Multi-Year 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 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 ongoing 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 ongoing 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.
- As part of the 2018/19 Estimates, funding was approved for retaining and rewarding staff, improving security, corporate support, case management IT system, APOR conference, and an expense transfer from 2017/18 to 2018/19.
- As part of the 2019/20 Estimates, funding was approved for retaining trained and experienced staff, monitoring places of detention, international support and leadership, increased costs of accommodation, and an expense transfer from 2018/19 due to delayed projects.
- As part of the 2020/21 Estimates, funding was approved for enhanced complaints oversight over Oranga Tamariki, corporate support, technology infrastructure support, retaining trained and experienced staff, increased costs of accommodation, and an expense transfer from 2018/19 underspend.

### *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 is presently one permanent Ombudsman.

### *Capital Expenditure*

Movements in the provision for capital expenditure follow:

- 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 from \$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).
- The 2018/19 Estimates provides for an increased capital provision from \$2.321 million to \$2.521 million for improving security, corporate support, and case management IT system.
- The 2019/20 Estimates provides for an increased capital provision from \$1.882 million to \$2.082 million, for an accounting adjustment, monitoring places of detention, and international support and leadership.
- The 2020/21 Estimates provides for an increased capital provision from \$1.256 million to \$1.456 million, for enhanced complaints oversight for Oranga Tamariki, corporate support, technology infrastructure support, and monitoring places of detention.



## 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*

|                        | 2019/20                 |                           | 2020/21         |
|------------------------|-------------------------|---------------------------|-----------------|
|                        | Final Budgeted<br>\$000 | Estimated Actual<br>\$000 | Budget<br>\$000 |
| Total Appropriation    | 23,482                  | 23,482                    | 32,802          |
| Revenue from the Crown | 23,482                  | 23,482                    | 32,802          |
| Revenue from Others    | -                       | -                         | -               |

##### *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*

|  | 2019/20                    |                     | 2020/21            |
|--|----------------------------|---------------------|--------------------|
|  | Final Budgeted<br>Standard | Estimated<br>Actual | Budget<br>Standard |
| Assessment of Performance  |                            |                     |                    |
| Improve public sector capability to do its work and make decisions - number of requests for advice or comment from public sector agencies responded to | 350                        | 350                 | 350                |
| Enable serious wrongdoing to be disclosed and investigated and whistleblowers protected - number of requests and enquiries completed                   | 60                         | 80                  | 70                 |
| Ensure official information is increasingly available and not unlawfully refused - number of official information complaints completed                 | 1,550                      | 1,600               | 1,600              |
| Identify flawed public sector decision making and processes and how to resolve them - number of OA complaints completed                                | 2,100                      | 2,500               | 2,400              |

##### *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 | 2019/20 Final Budgeted \$000 | 2020/21 Budget \$000 | 2021/22 Estimated \$000 | 2022/23 Estimated \$000 | 2023/24 Estimated \$000 |
|--|----------------------|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| <b>Current Parliament</b>                          |                      |                              |                      |                         |                         |                         |
| Enhanced complaints oversight over Oranga Tamariki | 2020/21              | -                            | 3,764                | 7,198                   | 8,075                   | 8,075                   |
| Corporate support                                  | 2020/21              | -                            | 1,182                | 1,916                   | 1,966                   | 1,966                   |
| Technology infrastructure support                  | 2020/21              | -                            | 555                  | 638                     | 466                     | 466                     |
| Retaining trained and experienced staff            | 2020/21              | -                            | 707                  | 707                     | 707                     | 707                     |
| Office accommodation                               | 2020/21              | -                            | 49                   | 49                      | 49                      | 49                      |
| Retaining trained and experienced staff            | 2019/20              | 370                          | 370                  | 370                     | 370                     | 370                     |
| Monitoring places of detention                     | 2019/20              | 4,243                        | 6,709                | 9,136                   | 9,196                   | 9,196                   |
| International support and leadership               | 2019/20              | 936                          | 1,091                | 951                     | 1,091                   | -                       |
| Increased costs of accommodation                   | 2019/20              | 74                           | 74                   | 74                      | 74                      | 74                      |
| Retaining and rewarding staff                      | 2018/19              | 511                          | 511                  | 511                     | 511                     | 511                     |
| Improving security                                 | 2018/19              | 350                          | 350                  | 124                     | 124                     | 124                     |
| Corporate support                                  | 2018/19              | 1,040                        | 1,040                | 1,040                   | 1,040                   | 1,040                   |
| Case management IT system                          | 2018/19              | 326                          | 326                  | 326                     | 326                     | 326                     |
| <b>Previous parliament</b>                         |                      |                              |                      |                         |                         |                         |
| Monitoring detained people                         | 2017/18              | 1,165                        | 1,165                | 1,165                   | 1,165                   | 1,165                   |
| Retention of staff                                 | 2017/18              | 686                          | 686                  | 686                     | 686                     | 686                     |
| ICT systems  | 2017/18              | 269                          | 269                  | 269                     | 269                     | 269                     |
| Christchurch and Wellington accommodation          | 2016/17              | 322                          | 322                  | 322                     | 322                     | 322                     |
| Adjustment for capital charge                      | 2016/17              | (53)                         | (53)                 | (53)                    | (53)                    | (53)                    |
| OIA compliance investigations                      | 2016/17              | 564                          | 564                  | 564                     | 564                     | 564                     |
| Address remuneration anomalies                     | 2016/17              | 395                          | 395                  | 395                     | 395                     | 395                     |

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2020/21 is mainly due to:

- \$3.764 million for enhanced complaints oversight over Oranga Tamariki
- \$1.182 for corporate support
- \$900,000 expense transfer from 2018/19 underspend
- \$707,000 for retaining trained and experienced staff
- \$555,000 for technology infrastructure support, and
- \$49,000 for increased accommodation costs.

## 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*

|                     | 2019/20                 |                           | 2020/21         |
|---------------------|-------------------------|---------------------------|-----------------|
|                     | Final Budgeted<br>\$000 | Estimated Actual<br>\$000 | Budget<br>\$000 |
| Total Appropriation | 463                     | 463                       | 463             |

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

This appropriation is intended to achieve provision of remuneration payment to the Ombudsman 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*

|                               | 2019/20                 |                           | 2020/21         |
|-------------------------------|-------------------------|---------------------------|-----------------|
|                               | Final Budgeted<br>\$000 | Estimated Actual<br>\$000 | Budget<br>\$000 |
| Forests/Agricultural          | -                       | -                         | -               |
| Land                          | -                       | -                         | -               |
| Property, Plant and Equipment | 947                     | 947                       | 947             |
| Intangibles                   | 1,135                   | 1,135                     | 509             |
| Other                         | -                       | -                         | -               |
| <b>Total Appropriation</b>    | <b>2,082</b>            | <b>2,082</b>              | <b>1,456</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*

The decrease of this appropriation for 2020/21 of \$626,000 to a total of \$1.456 million is mainly due to:

- The reduction of \$1.349 million for monitoring places of detention
- \$662,000 for enhanced complaints oversight for Oranga Tamariki, and
- \$192,000 for corporate support.

*Capital Injections and Movements in Departmental Net Assets***Office of the Ombudsman**

| Details of Net Asset Schedule             | 2019/20<br>Estimated<br>Actual<br>\$000 | 2020/21<br>Projected<br>\$000 | Explanation of Projected Movements in 2020/21  |
|---|---|-------------------------------|--|
| Opening Balance                           | 6,763                                   | 8,645                         |  |
| Capital Injections                        | 1,882                                   | 1,256                         | Monitoring places of detention (\$402,000), enhanced complaints oversight for Oranga Tamariki (\$662,000), and corporate support (\$192,000) |
| Capital Withdrawals                       | -                                       | -                             |  |
| Surplus to be Retained (Deficit Incurred) | -                                       | -                             |  |
| Other Movements                           | -                                       | -                             |  |
| <b>Closing Balance</b>                    | <b>8,645</b>                            | <b>9,901</b>                  |  |