



Annual Report 2017/18

Mr Speaker

I submit to you our report for the year
1 July 2017 to 30 June 2018.

Peter Boshier

Chief Ombudsman

2017/18

Report of the Ombudsman
Tari o te Kaitiaki Mana Tangata
for the year ended 30 June 2018

*Presented to the
House of Representatives
pursuant to section 29
of the Ombudsmen Act 1975*

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PART 1

Introduction

Peter Boshier
Chief Ombudsman



Annual reports are opportunities to reflect on what we have achieved and also to look forward to what we want to accomplish.

In the past year, we have made some excellent progress in key areas, none more so than by clearing our backlog of complaints, a bugbear both for us and the public. We have been quicker and more efficient in resolving complaints, but with no reduction in the quality or efficacy of our work. Specific cases we have dealt with this year are contained in this report, and they showcase the breadth and depth of the work we are tasked to undertake.

Our functions today are much broader than could have been envisaged when the Office opened in 1962. They include ensuring freedom

of information for citizens, protecting the human rights of people who are detained and people who have disabilities, supporting people who wish to make protected disclosures, resolving systemic issues across the public sector and promoting good decision making and transparency.

To that end, New Zealanders have the right to expect a lot from us. They want us to resolve complaints as early as possible; they want us to be assertive yet helpful; they should feel confident that any complaint will be dealt with fairly, robustly and confidentially.

It is not too much to ask.

As an Office we must constantly change to meet these and future demands. Some of the changes we have made over the past year have been largely unseen by the public such as developing an IT infrastructure, the regrouping of teams to increase efficiency and our continually evolving risk management framework. But all of them made us better prepared to carry out our mandate.

Others were more overt. We have significantly raised our public profile through the release of our investigations, by our extensive training and assistance for government agencies, and, as of next year, our work inspecting places of detention in private age care facilities will allow us to monitor the treatment of some of the most vulnerable people in our society.

Another important role we play is in the international ombudsman community, and during 2017/18, this has been especially evident in the Pacific. And while my Office is very highly regarded overseas, and parts of our work are often used as templates for other countries, we are not complacent – we are keen not only to share with others, but to learn from them.

A highlight of the year was New Zealand's attaining first place in the *Transparency International Corruption Perceptions Index*. There are many people and organisations to credit for achieving this, and we have a significant role to play in ensuring the public sector is held to account, and that it is fair and transparent. New Zealanders should rightly expect to be able to fully participate in the democratic system, safe in the knowledge that the tenet of disclosure rather than secrecy is enshrined in legislation. That, alas, is something that cannot be said in many other countries.

This year marked the 35th anniversary of the Official Information Act, and the 30th anniversary of the Local Government Official Information and Meetings Act coming in to force.

Despite the longevity of these two pieces of legislation, both are just as relevant today as they were when enacted. Both are still lynchpins of openness and accountability in our democracy, and both have been influenced by many factors such as MMP, public sector reform, and the ways agencies deliver services, and interact with New Zealanders.

There are two crucial elements here. First, it is incumbent on us to keep abreast of changing societal, policy and legislative requirements. Second, change requires our Office and all government agencies to deal with the spirit of the Acts, not just the words on the page so that they are relevant, and decisions made reflect what is expected.

The public's expectations of the breadth of information they believe should be readily accessible, the forms it takes, and speed at which that information is delivered are all changing.

Our task in the coming months and years, is to manage those expectations, in a way that is current for the time they being dealt with. Another challenge we face is promoting the principle of availability, often through proactive release of information, and encouraging agencies to answer the question "Why shouldn't I release this information?", as opposed to asking "Why should I release this information?". For many this is a quantum leap, but we are already seeing some of the more progressive agencies reaping the benefits of such as approach.

I would like to pay tribute to Leo Donnelly who left the Office of the Ombudsman on 29 June, having served for 35 years, the final two as an Ombudsman. His dedication to his roles and to this Office were exemplary.

Finally, I would sincerely like to thank all my colleagues in the Office of the Ombudsman for their dedication, professionalism, and hard work in the past year. It is a pleasure to be working with such a talented group of people, and I am immensely grateful for their efforts.

Peter Boshier
Chief Ombudsman

In the past year, we have made some excellent progress in key areas, none more so than by clearing our backlog of complaints, a bugbear both for us and the public. We have been quicker and more efficient in resolving complaints, but with no reduction in the quality or efficacy of our work.

PART 2

2017/18 at a glance



Complaint handling overview

Received 11,468 and completed 11,846 complaints and other work¹

Finished the year with 820 complaints on hand, an improvement of 33 percent less on hand than at the same time last year

110%

Overall net clearance rate of 110 percent for complaints and 100 percent for other contacts

~~BACKLOG~~

Eliminated our backlog of aged complaints received before 1 July 2015²

92 percent of all complaints and other contacts completed within six months

75 percent of complaints received from 1 July 2016 completed within three months

Obtained 892 remedies for the benefit of individuals and public administration, an increase of 27 percent from last year

Ombudsmen Act complaints

Received 2,263 Ombudsmen Act (OA) complaints and 5,821 other contacts concerning OA matters

Completed 2,398 OA complaints and 5,813 other contacts concerning OA matters

102%

Net clearance rate of 102 percent for OA complaints

Finished the year with 308 OA complaints and other contacts on hand, an improvement of 29 percent on the same time last year

Resolved 131 cases³

Provided advice and assistance in 1,726 cases

307 | 153

Formally investigated 307 complaints, and formed 153 final opinions

1. Including complaints, other contacts and other work.

2. At the start of 2017/18, there were 202 complaints received before 1 July 2015 on hand. By 30 June 2018, there was only one complaint remaining. This complaint is expected to be completed in the coming months.

3. 'Cases' refers to OA complaints and other contacts concerning OA matters.

Identified administrative deficiency in 41 complaints, or 27 percent of all complaints where a final opinion was formed

—

Made 12 recommendations

—

Obtained remedies for the benefit of the individual concerned in 148 cases

—

Obtained remedies for the benefit of public administration in 70 cases, an increase of 169 percent compared to last year

116% | 115%

Net clearance rate of 116 percent for OIA complaints and 115 percent for LGOIMA complaints

—

Finished the year with 427 OIA complaints and 97 LGOIMA complaints on hand, an improvement of 34 percent less on hand than at the same time last year

—

Resolved 506 complaints, or 26 percent of all complaints completed

—

998 | 519

Investigated 998 complaints, and formed 519 final opinions

—

Identified administrative deficiency in 208 complaints,⁴ or 40 percent of all complaints where a final opinion was formed

—

Obtained 668 remedies for the benefit of the individual concerned, an increase of 34 percent from last year

—

Obtained six remedies for the benefit of public administration

Official information complaints

Received 1,378 Official Information Act (OIA) complaints and 299 Local Government Official Information and Meetings Act (LGOIMA) complaints

—

Completed 1,598 OIA complaints and 344 LGOIMA complaints, 19 percent more than last year

—

⁴ There were 206 instances of an administrative deficiency in an individual case and two instances of an administrative deficiency in the agency or system of government.

Systemic improvement

3

Published final opinions on three major investigations:

KiwiRail's processing of a request for official information, July 2017

Investigation into Ruru School seclusion complaint, November 2017

Investigation into Miramar Central School seclusion complaint, December 2017

Official information practice improvement

Concluded investigations of the 12 individual agencies identified in the self-initiated investigation of OIA practices of central government agencies⁵

Commenced investigations of the official information practice of a further four agencies:⁶

Ministry of Culture and Heritage

Ministry for the Environment

Department of Conservation

Land Information New Zealand

Protected disclosures

Completed seven requests for advice and guidance, and responded to 72 enquiries

90 percent of all requests and enquiries completed within three months

5 *Not a game of hide and seek* – Report on an investigation into the practices adopted by central government agencies for the purpose of compliance with the Official Information Act 1982 (2015) available at: http://www.ombudsman.parliament.nz/system/paperclip/document_files/document_files/1573/original/not_a_game_of_hide_and_seek_-_review_of_government_oia_practices.pdf?1466555782.

6 The four investigations reached provisional opinion at 30 June 2018, and were completed in September 2018.

United Nations Optional Protocol to the Convention against Torture

Visited 39 places of detention, including 12 full inspections

87 percent of visits to places of detention were unannounced

149 | 137

Made 149 recommendations for improvement, 137 of which were accepted or partially accepted

United Nations Convention on the Rights of Persons with Disabilities

Made a submission, via video conference, to the United Nations Disability Committee, which informed the Committee's ongoing communications with the New Zealand Government

Made a submission to the General Committee on Economic, Social and Cultural Rights for New Zealand's 4th Periodic Review Under the Covenant on Economic, Social and Cultural Rights

Contributed to the development of a new guide entitled *Making complaints to the United Nations Disability Committee: A Guide for New Zealanders*

Advice, guidance and information

14

Advised on 14 legislative, policy and administrative proposals relevant to our jurisdiction

85%

Provided advice on 341 occasions to public sector agencies, mainly in relation to the processing of official information requests. This represents an 85% increase from last year

Advised the New Zealand Transport Agency on 135 applications for authorised access to personal information on the motor vehicle register

Conducted 29 workshops and training seminars

42

Published 42 new pieces of guidance material

Delivered 33 speeches and presentations on the role of the Ombudsman and the operation of the official information legislation

Published two sets of data about the number of OIA complaints received and completed by the Ombudsman between July-December 2017 and January-June 2018 (released 5 September 2018)



PART 3

Background

Nature and scope of the Ombudsman's functions

Ombudsmen are Officers of Parliament. Each Ombudsman is appointed by the Governor-General on the recommendation of Parliament. We are responsible to Parliament and independent of the Government.

Our purpose

Our overall purpose is to investigate, review and inspect the administrative conduct of public sector agencies and provide advice and guidance in order to ensure people are treated fairly in New Zealand.

Our functions

Our functions are to:

- resolve and investigate complaints about public sector administration and decision making;⁷
- resolve, investigate and review complaints about decisions on requests to access official information;⁸
- identify, resolve and investigate significant and systemic concerns with public sector administration and decision making;⁹

7 Under the Ombudsmen Act 1975.

8 Under the Official Information Act 1982 and the Local Government Official Information and Meetings Act 1987.

9 Under the Ombudsmen Act 1975.

- monitor general compliance and good practice by public sector agencies in managing and responding to official information requests;¹⁰
- deal with requests for advice and guidance about alleged serious wrongdoing;¹¹
- monitor and inspect places of detention for cruel and inhumane treatment;¹²
- protect and monitor disability rights in New Zealand;¹³
- provide comment to the Ministry of Transport on applications for authorised access to personal information on the motor vehicle register;¹⁴
- provide advice, guidance and training in areas relevant to our role, in order to improve overall administrative capability;
- publish relevant information about public sector administrative performance; and
- improve public awareness of the importance of good administration and the official information legislation, and accessibility to our services.

What is the public sector?

We have authority to investigate approximately 4,000 agencies in the public sector, including:

- government departments and ministries;
- local authorities;
- crown entities;
- state-owned enterprises;
- district health boards;
- tertiary education institutions;
- school boards of trustees; and
- Ministers of the Crown (in relation to decisions on requests for official information).

Our contribution

In carrying out our functions, we provide Parliament and the New Zealand public with an independent and impartial check on the quality, fairness and integrity of public sector administrative conduct.

By contributing to administrative improvement across the public sector, we can help to reduce overall downstream costs caused by poor decision making and ineffective administrative processes.

10 Through investigation under the Ombudsmen Act.

11 Under the Protected Disclosures Act 2000.

12 We are a National Preventive Mechanism under the Crimes of Torture Act 1989. This Act fulfils New Zealand's responsibilities under the *United Nations Optional Protocol to the Convention Against Torture*.

13 We are part of the Independent Monitoring Mechanism protecting and monitoring implementation in New Zealand of the *United Nations Convention on the Rights of Persons with Disabilities*.

14 Under section 241 of the Land Transport Act 1998.

Outcomes and impacts sought by the Ombudsman

Our strategic direction is:

- guided by the legislative functions assigned to us by Parliament; and
- informed by the current environment and the Government's strategic direction.

Our functions cover a range of key democratic and human rights measures aimed at safeguarding the rights of individuals and increasing government transparency and accountability. The overall outcome we contribute to is maintaining a high level of public trust in government.

One of our primary strategic goals is to assist public sector agencies to improve their services

to the public. Traditionally, the main mechanism we have used to do this is by investigating and reviewing decisions in response to complaints we have received from the public. However, we are now taking a more proactive approach, including more general activities to identify, resolve and investigate significant and systemic issues, review and monitor compliance and good practice, and provide advice and guidance. The aim of our interventions is to improve administrative systems and processes overall.

Ombudsman Outcomes Framework

Our Outcomes Framework demonstrates the linkages between the services we deliver through our outputs, and the outcomes and impacts we are seeking to achieve.

PURPOSE	We investigate, review and inspect the administrative conduct of state sector agencies and provide advice and guidance, in order to ensure people are treated fairly in New Zealand			
OUTCOME	A high level of public trust in government is maintained			
INTERMEDIATE OUTCOMES	Government is increasingly fair, responsive and reasonable State sector agencies are progressively more open and transparent Public is informed and better able to participate in government decision making State sector agencies are increasingly more accountable			
IMPACTS <i>What are we seeking to achieve?</i>	1. Improved administration and decision making in state sector agencies	2. Official information increasingly available and public assured access is not denied unnecessarily	3. Serious wrongdoing brought to light and investigated by appropriate authorities	4. People in detention treated humanely
OUTPUTS <i>What will we do to achieve it?</i>	A. Investigate state sector administration and decision making	B. Investigate and review official information decisions	C. Deal with requests for advice and guidance about serious wrongdoing	D. Monitor and inspect places of detention
	E. Improve state sector capability in areas relevant to our jurisdiction			
	F. Improve public awareness and accessibility of our services			

Impacts

The impacts we seek to achieve are:

- improved administration and decision making in public sector agencies;
- official information is increasingly available and the public is assured access is not denied unnecessarily;
- serious wrongdoing is brought to light and investigated by appropriate authorities; and
- people in detention are treated humanely.

We have two high-level measures of our impacts. These relate to the overall status of New Zealand society and the public sector, to which we are but one contributing factor.

Our first impact measure is that the overall quality of public services improves over time. We measure this through the Kiwis Count Survey which is administered by the State Services Commission. Our target is for the public services to achieve an overall quality score higher than 70 points. The quality score in December 2017 was 76 points, an increase of two points over 2016.

Our second impact measure is that New Zealand is rated as one of the leading countries in public service probity as measured by the Transparency International Corruption Perceptions Index. Our target is for New Zealand to be in the top three ranked countries over the next five years. In 2017, New Zealand ranked first.

Outputs

In order to achieve these impacts, as well as our overall outcome, we carry out work under six output areas. These are set out below, and our achievements in these areas is detailed in Part 4 (with detailed statistics in Parts 6 and 7).

Investigate public sector administration and decision making

We seek to improve administration and decision making in public sector agencies, primarily by resolving and investigating issues under the Ombudsmen Act 1975. Our investigations may be in response to complaints or may be self-initiated, particularly where systemic or wider public interest issues are raised. In relation to people with disabilities, we also investigate issues relating to the implementation of the United Nations Convention on the Rights of Persons with Disabilities.

Investigate and review official information decisions

We seek to increase transparency, accountability and public participation in government decision making, primarily by resolving and investigating and reviewing complaints to ensure compliance with the official information legislation.

Deal with requests for advice and guidance about serious wrongdoing

We perform advisory, referral and investigative functions under the Protected Disclosures Act 2000 to ensure:

- people who are concerned about serious wrongdoing can seek advice;
- people feel confident enough to raise their concerns through the appropriate channels; and
- legitimate concerns are investigated by appropriate authorities.

Monitor and inspect places of detention

We seek to ensure people in detention are treated humanely, by:

- monitoring and inspecting prisons, immigration detention facilities, health and disability places of detention, child care and protection residences and youth justice residences; and
- making recommendations to improve the conditions of detention and the treatment of detainees.

Improve state sector capability in areas relevant to our jurisdiction

Although investigation is one way of contributing to improvements in public sector administration, we also seek to be more proactive in assisting agencies before things go wrong and we are asked to investigate. We do this by:

- reviewing and commenting on legislative, policy and procedural matters to ensure they:
 - › reflect good administrative practice;
 - › promote good decision making; and
 - › are consistent with the principles of open and transparent government;
- providing advice, guidance and training to public sector agencies, and reviewing and monitoring compliance and good practice, to help agencies:
 - › develop and implement good administrative and complaints handling practices;
 - › develop and implement good official information handling processes, policies and systems; and
 - › comply with their obligations under the official information legislation; and

- promoting the proactive disclosure of official information where appropriate to reduce the administrative burden and transaction costs of reacting to individual requests for the same or similar information.

Improve public awareness and accessibility of our services

We aim to improve awareness amongst New Zealanders of our role, and make access to our services and resources easy for all.

We undertake a range of public awareness-related activities, including giving speeches and presentations, publishing information and maintaining a website so that people can access our information and resources electronically.



PART 4

Report on operations

Public sector administration and decision making

In this section we give an overview of our complaints handling and systemic improvement work under the Ombudsmen Act (OA), including responding to other contacts. Detailed statistical information can be found in Part 7.

Complaint numbers

We treat matters as formal complaints once they have been put in writing.¹⁵ However, we also deal with a large number of enquiries from members of the public, mainly over the telephone, prior to

a complaint being made to us in writing. While we term these matters 'other contacts', our staff spend a significant amount of time providing advice and assistance, in relation to these matters.

We received a total of 8,084 OA complaints and other contacts concerning OA matters in 2017/18. The total received is made up of:

- 2,263 complaints (an increase of three percent from last year); and
- 5,821 other contacts (a decrease of 12 percent from last year).

¹⁵ See section 16(1A) OA.

The decrease in other contacts is largely attributable to a decrease in telephone calls from prisoners over the year, as the Department of Corrections' complaints telephone line came into operation.

We completed a total of 8,211 OA complaints and other contacts concerning OA matters in 2017/18. The total completed is made up of:

- 2,398 complaints; and
- 5,813 other contacts.

We finished the reporting year with 296 complaints and 12 other contacts on hand. This is an improvement of 29 percent less on hand than at the same time last year, and resulted in a net clearance rate for OA complaints of 102 percent.

Complainants

The OA is primarily used by individual members of the public. This reflects the intent of the legislation, which is to provide recourse for people personally affected by the administrative conduct of public sector agencies. In 2017/18, 87 percent of OA complaints were from individual members of the public and 10 percent were from prisoners or prisoner advocates.¹⁶ Only three percent of OA complaints were made by corporate entities, media, government agencies, special interest groups, political party research units and Members of Parliament.

In terms of other contacts concerning OA matters, 60 percent were from individual members of the public and 39 percent were from prisoners or prisoner advocates.¹⁷ This continues the trend from last year, which saw the number and proportion of other contacts from prisoners decreasing.¹⁸ However, while prisoner contact has declined as the Department of Corrections' complaints telephone line came into operation, dealing with prisoner matters remains a large part of the work we do in responding to and resolving matters by telephone.

Agencies

Around half of the OA complaints we received (46 percent) were made against central government departments. Other state sector agencies accounted for 25 percent of OA complaints, and 17 percent were made against local government agencies. These figures are consistent with previous years.

The agencies generating significant numbers of complaints tend to be ones that interact with, and impact upon, large numbers of people, such as the Department of Corrections, the Ministry of Business, Innovation and Employment (Immigration New Zealand), the Ministry of Social Development and Inland Revenue. In terms of local government, Auckland Council generated the greatest number of complaints.

Over a third of other contacts concerned the Department of Corrections.¹⁹ Other central government departments accounted for 16 percent of other contacts, 14 percent concerned other state sector agencies, and seven percent concerned local government agencies.

Complaint outcomes

Complaints

Not all OA complaints we receive require formal investigation. In 150 cases (six percent of the total completed during 2017/18), our role was to provide an explanation, advice or assistance to complainants about the most appropriate way of addressing their concerns.

We were also able to resolve 129 complaints,²⁰ in 56 cases before investigation, and in 73 cases during an investigation.

16 Not all against the Department of Corrections.

17 Not all against the Department of Corrections.

18 In the 2016/17 reporting year, 54% of other contacts were from individual members of the public and 45% were from prisoners or prisoner advocates.

19 37 percent of other contacts.

20 5 percent of cases.

Early resolution of a potential water restriction to a family home

A family received notice that an agency would be severely restricting its water supply because of an overdue account.

Once our Office became involved, the agency reviewed its accounts and realised it was in error. At our request, the agency apologised to the family and committed to reviewing its accounts more carefully before advising of possible water restrictions.

From complaint to resolution, the issue was resolved in only 12 working days without the family suffering water restrictions.

Read the case note at www.ombudsman.parliament.nz

We advised complainants in 1,034 cases²¹ to raise their complaint with the public sector agency of concern in the first instance. We also declined to investigate 72 cases²² where there was another remedy or right of appeal available to the complainant, and in 313²³ cases where we considered it unnecessary. A further 356 complaints²⁴ were not within our jurisdiction.

We formally investigated 307 complaints,²⁵ and we formed 153 final opinions.²⁶ In only 41 cases (27 percent of all complaints where a final opinion was formed) did we identify administrative deficiency by the public sector agency.

We made 12 recommendations. Our recommendations have been accepted in 11 cases. We are currently awaiting confirmation

as to whether the one outstanding recommendation has been accepted.

Other contacts

In terms of other contacts concerning OA matters, we provided an explanation, advice or assistance in 1,576 cases (27 percent of the total completed during 2017/18).

We advised individuals in 3,267 cases²⁷ to raise their complaint with the public sector agency of concern in the first instance. We referred individuals to other review agencies in 433 cases,²⁸ including the Health and Disability Commissioner, the Independent Police Conduct Authority and the Privacy Commissioner. We referred 10 cases directly to a public sector agency for consideration by that agency, and we invited 347 individuals²⁹ to make a complaint to us in writing.

Administrative deficiencies

In relation to the OA complaints where we formed a final opinion, we identified:

- 18 cases where there were procedural deficiencies;
- 14 unreasonable, unjust, oppressive or discriminatory acts, omissions or decisions;
- 6 instances of inadequate advice, explanation or reasons;
- 4 cases of unreasonable delay;
- 4 wrong actions or decisions;
- 1 case of factual error or mistake;
- 1 instance of unprofessional behaviour or misconduct by an official; and
- 1 unreasonable charge.

21 43 percent of cases.
22 3 percent of cases.
23 13 percent of cases.
24 15 percent of cases.
25 13 percent of cases.
26 6 of cases.
27 56 percent of cases.
28 7 percent of cases.
29 6 percent of cases.

Administrative error resulting in lost opportunity for ACC claim

A patient who was unaware he had asbestosis underwent a CT scan while being treated at a DHB Hospital. On the scan's accompanying notes a radiologist noted previous asbestos exposure. This CT scan with accompanying notes was misfiled, for unknown reasons, and the patient's diagnosis of asbestosis was not confirmed until autopsy.

The patient's wife asked the DHB for compensation, claiming that the DHB's misfiling of the CT scan resulted in a lost opportunity for a lump sum payment to be pursued with the Accident Compensation Corporation (ACC). The DHB did not accept that its administrative error in misfiling the scan had resulted in a lost opportunity, and declined to offer compensation. The patient's wife then complained to the Ombudsman.

The Ombudsman concluded there was compelling evidence to show that the misfiled CT scan meant practitioners caring for the patient were denied access to important information, and subsequently had not initiated an ACC lump sum claim while the patient was alive. As a result, the patient's family lost the opportunity to receive the payment following his death.

The Ombudsman formed the opinion that it was unreasonable for the DHB not to accept that there was a lost opportunity for the family as a result of its practices. He suggested that by way of resolution, the DHB should offer the complainant an ex gratia payment of \$10,000.

The DHB agreed, and in those circumstances it was not necessary for the Ombudsman to make a recommendation.

Read the case note at www.ombudsman.parliament.nz

Remedies

We obtained remedies for the individual concerned in 148 OA complaints and other contacts concerning OA matters,³⁰ including:

- 68 cases where a decision was reconsidered;
- 24 cases where a decision was changed;
- 23 cases where an omission was rectified;
- 20 cases where reasons or an explanation for a decision was given;
- 10 cases where an apology was given; and
- 3 cases where a financial remedy was provided.

We also obtained a public administration benefit in 70 cases, with:

- agency agreement to review a law, policy, practice or procedure in 30 cases;
- a change in practice or procedure in 28 cases;
- the provision of guidance or training to agency staff in 7 cases;
- a change in law or policy in 3 cases; and
- the provision of additional resources in 2 cases.

The data supports our experience that public sector agencies are generally very receptive to Ombudsman investigations and inquiries, and willingly take the opportunity to examine their conduct and remedy any administrative deficiencies that have occurred.

30 In cases that were both investigated and resolved informally without investigation.

Complaint timeliness and clearance rates

In 2017/18, we met our net clearance rate targets, which apply across all OA, OIA and LGOIMA complaints and other contacts, achieving:

- a net clearance rate of 110 percent for all complaints (target 105 percent); and
- a net clearance rate of 100 percent for all other contacts (target 100 percent).

Our success this year has reflected the hard work we have put in to reducing our backlog of aged complaints received before 1 July 2015, and to take immediate action on new complaints. This has resulted in us finishing the reporting year with 820 OA, OIA and LGOIMA complaints on hand, 33 percent less on hand than at the same time last year. We also reduced our backlog from 202 at the start of the year to just one at year end. This one complaint is expected to be completed by October 2018.

We completed 92 percent of all complaints and other contacts within six months. Excluding the backlog, we completed 75 percent of all complaints within three months and 92 percent within 12 months.

In terms of our timeliness targets, which apply across all OA, OIA and LGOIMA complaints and other contacts, we completed:

- 100 percent of other contacts within three months of receipt (target: 100 percent);
- 75 percent of complaints received from 1 July 2016 within three months (target: 70 percent);
- 86 percent of complaints received from 1 July 2016 within six months (target: 75 percent);
- 91 percent of complaints received from 1 July 2016 within nine months (target: 80 percent); and
- 92 percent of complaints received from 1 July 2015 within 12 months (target: 90 percent).

Quality assurance

We performed formal quality assurance across a random sample of all OA, OIA and LGOIMA complaints and other contacts completed in the 2017/18 year. The result was that 64 percent of the

complaints and other contacts reviewed met our internal quality standards.

The main reason for complaints not meeting quality standards was timeliness. With a large number of backlog complaints completed this year, our quality standards performance was affected for timeliness reasons. If timeliness was excluded as a factor, then 87 percent of the complaints and other contacts reviewed met our internal quality standards. We expect the proportion of complaints meeting quality standards to increase as our timeliness continues to improve over 2018/19.

As well as conducting formal quality assurance sampling, we also ensure the quality of our work through review of all correspondence by senior staff with authorisation from the Ombudsmen, and the participation by staff in our in-house training programmes.

Systemic improvement

During the second half of 2017, we published three reports on systemic investigations by the Chief Ombudsman. The first looked at the reasonableness of KiwiRail's actions in processing an OIA request. The second two reports concerned the use of seclusion rooms in schools.

In February 2018, we commenced a project to establish systems, processes, criteria and templates for the Systemic Improvement Monitoring and Resolution and the Systemic Improvement Investigations teams. The purpose of this project was to enhance our ability to proactively identify and address systemic issues arising throughout the public sector, and to ensure that:

- the teams operate in an efficient and cohesive manner;
- key people are involved at significant decision points in the process;
- timely and robust decisions are made, according to clear criteria, in selecting the matters that will be subject of proactive intervention, including systemic investigations;
- the strategic priorities of the Chief Ombudsman are recognised and taken into account; and

- information about the work in this area is organised and shared in a way that enables all staff to understand and contribute to the process where relevant.

In general terms, the systemic improvement monitoring, resolution and investigation functions are designed as a hub for us to address trends and issues across the public sector, so that we can target our resource for proactive intervention where it is most needed. We have made significant headway in establishing the systems behind these new teams and expect this to be an increasingly important area of our work.

Ministerial involvement in agency OIA decision making

In June 2017, the Rt Hon Winston Peters tabled emails in the House that he said revealed the Minister of Transport *'deliberately trying to influence officials behind closed doors, covertly and secretly, not to release information that is owed to the public of this country'*. The emails were between KiwiRail and the Minister's office, regarding an OIA request that was being processed by KiwiRail.

Chief Ombudsman Peter Boshier considered that the allegations, if left untested, had the potential to undermine public trust and confidence in the OIA. He launched an urgent investigation under the Ombudsmen Act, looking at the reasonableness of KiwiRail's actions in processing the OIA request. The investigation was completed in six weeks, with the Chief Ombudsman reporting his opinion on 27 July 2017.

When it reviewed the OIA in 2012, the Law Commission acknowledged that *'suspicion and mistrust'* regarding Ministerial involvement in agency OIA decision making was *'a serious matter'*. The Chief Ombudsman took the opportunity during this investigation to articulate the relevant law and principles of good administrative practice, and explain how they applied in this particular instance.

The Chief Ombudsman ultimately found that KiwiRail had not acted in a manner that was wrong or unreasonable. However, there were aspects to the processing of this OIA request that were less than ideal, and could be subject to a level of criticism.

The Chief Ombudsman urged KiwiRail to consider developing, in consultation with the Minister, a protocol around the handling of OIA requests that need to involve the Minister. He published a [Model protocol on dealing with OIA requests involving Ministers](#) that could be used by KiwiRail and other government agencies for this purpose.

The Chief Ombudsman also identified a need for better guidance around the operation of the 'good government' withholding grounds, and the convention of budget secrecy. He published this guidance in March 2018. For more information about our guidance programme see the Guides and information section of the Annual Report.

Read the full opinion at www.ombudsman.parliament.nz

Ending the use of seclusion in schools

In October 2016, Chief Ombudsman Peter Boshier confirmed his intention to investigate matters arising from complaints about the use of seclusion at two schools: Ruru Specialist School (Ruru) and Miramar Central School (Miramar). The children at the centre of the complaints both had autism.

In November 2016, the Acting Secretary for Education instructed all schools using seclusion to stop the practice immediately. The Ministry of Education issued guidance on the use of physical restraint, which clearly defined seclusion and confirmed that it should not be used. This was reinforced with legislation passed in May 2017, specifically prohibiting the use of seclusion in schools.

In November 2017, the Chief Ombudsman issued his [final opinion on the complaint from the parents of the child who had attended Ruru](#).

The investigation focused the school's actions between 2011 and 2014, when the complainant's son was transported on several occasions from a satellite classroom and put in a small room in the corner of a classroom at the main school.

The Chief Ombudsman concluded that Ruru had acted unreasonably in using its 'safe area' to manage the student's behaviour. The school had failed to consult with the parents about the proposed use of the room or inform them about its actual use, and failed to clearly and accurately record transportation to, and use of, the room.

The room was also found to be unsuitable in location and form for the purpose for which it was used. The Chief Ombudsman recommended that the school formally apologise to the student and his parents, provide copies of its current policies and procedures for incident reporting and the use of physical interventions to transport students, and provide a report on its most recent audit of behaviour management plans.

In December 2017, the Chief Ombudsman issued his [final opinion on the complaint from the parents of the child who had attended Miramar](#). He found that the school had acted unreasonably and oppressively, by locking the student in its 'time-out room' multiple times, as a means of managing his behaviour.

On one occasion, the student was found in a very distressed state, having been locked in the dark room for at least ten minutes with no staff supervision.

The Chief Ombudsman concluded that, given the circumstances in which the student was put in the room, his disabilities, the periods of time he spent in the room, and the lack of supervision, the school's use of its 'time-out room' was oppressive. He recommended that the school provide the student and his parents with a formal written apology, and an *ex gratia* payment of \$3000.

Read the full opinions at www.ombudsman.parliament.nz

Official information practice investigations

In December 2017, the Chief Ombudsman concluded investigations of the 12 individual agencies identified in our self-initiated investigation of OIA practices of central government agencies. The completion of these reports followed the overall thematic report, *Not a Game of Hide and Seek*, which was tabled in Parliament in December 2015. The report identified five key areas that could have a significant impact on OIA compliance by public sector agencies, and included key indicators of good practice for each area. These were:

- leadership and culture;
- organisation structure, staffing and capability;
- internal policies, procedures and resources;
- current practices; and
- performance monitoring and learning.

The purpose of these investigations was to consider the attitudes, policies, procedures and practices adopted to *'assist agencies to identify where they may be vulnerable and could (and should) improve in order to discharge their OIA responsibilities more effectively.'*³¹

31 *Not a game of hide and seek* – Report on an investigation into the practices adopted by central government agencies for the purpose of compliance with the Official Information Act 1982 (2015) available at: http://www.ombudsman.parliament.nz/system/paperclip/document_files/document_files/1573/original/not_a_game_of_hide_and_seek_-_review_of_government_oia_practices.pdf?1466555782 p.23.

Summary of investigations into the OIA practices of 12 agencies

The 12 agencies initially selected for investigation were:

- Ministry of Justice
- Ministry of Health
- New Zealand Transport Agency
- Accident Compensation Corporation
- State Services Commission
- Department of Corrections
- Ministry of Transport
- Ministry of Social Development
- New Zealand Defence Force
- New Zealand Customs Service
- Ministry of Foreign Affairs and Trade
- Ministry of Education

For each of the 12 agencies, the Chief Ombudsman identified a number of areas which could be improved to help the agency concerned discharge its OIA responsibilities more effectively. Most of these areas were common to all of the 12 agencies, although the suggested action points differed in detail to suit each agency's circumstances.

The Chief Ombudsman considered that almost all of the 12 agencies would benefit from clearer messaging from their leadership teams about their agency's commitment to complying with the purposes, principle and requirements of the OIA to either staff, external stakeholders or both these groups.

Agencies' OIA webpages could also be improved by linking them directly from the home page, having more information for requesters about the agency's OIA policies and procedures, and making selected responses to OIA requests available.

All the agencies had a least some OIA guidance to assist staff in dealing with OIA requests, but there were often gaps and other issues with the guidance, such as being scattered or not being up-to-date.

There were sometimes inaccuracies such as a focus on the 20 working day maximum response time rather than '*as soon as reasonably practicable*'. The Chief Ombudsman identified any obvious problems and gaps, and offered the assistance of his Office in updating or reviewing any guidance material.

Some of the agencies needed to update their record keeping and management guidance to include direction on how to store information contained in personal email accounts, instant messages and text messages, and many of them would benefit from reviewing compliance, and considering further training or guidance.

None of the 12 agencies had developed and published a comprehensive proactive release of information policy, and the Chief Ombudsman emphasised the value of implementing this practice, and provided some preliminary guidance about the types of matters a proactive release policy could include.

One issue common across all the agencies was the need to clarify the role of the Minister in departmental OIA responses. While ministerial consultation is clearly permitted when appropriate, the policy of routinely providing the Minister with all proposed responses 3-5 days before release was widespread, and indicated a failure to distinguish between requests that required ministerial consultation and those for the Minister's information only.

This avoids the perception of inappropriate ministerial involvement in a departmental response, and also means the agency will not routinely risk failing to make and communicate a decision on a request '*as soon as reasonably practicable*' and, once a decision is made, to release information '*without undue delay*'. None of the 12 agencies had adopted this practice.

The Chief Ombudsman suggested all agencies reviewed their current practices in line with guidance from this Office, and also suggested that agencies consider adopting the Model protocol on dealing with OIA requests involving Ministers developed by this Office.

Another issue across all the agencies concerned media requests and compliance with the OIA. The Chief Ombudsman understood the need for a mechanism to respond to media requests quickly, but noted it was essential not to overlook the fact that such requests are still governed by the OIA. This would be particularly relevant where, for instance, information was refused, not provided in the preferred timeframe or in the preferred format. It was also relevant to the agency's OIA statistics and record keeping. The Chief Ombudsman asked each agency to ensure that all media information requests to which the OIA applied were handled in accordance with its provisions.

It was common for all agencies to release official information as an 'image only' PDF.

This meant the information was less accessible to people using a screen reader, the content could not be searched, and, if the information was released proactively, it would be harder for people to find.

The Chief Ombudsman suggested agencies ensure the text of any PDF document released in response to an OIA request is searchable and not 'image only'.

The Chief Ombudsman considered all of the agencies would benefit from collecting additional data on the handling of OIA requests so that opportunities for improvement could be identified and, again, all of the agencies could usefully formalise the process for learning from Ombudsman investigations.

In November 2017, we commenced a project to further develop tools, systems, processes and templates, and build a work programme to continue to proactively review public sector agencies' OIA compliance and practices, and report publicly on the findings. This work involved the criteria for selection of four new agencies to investigate and reach provisional opinion by June 2018, and further refinement of the indicators of best practice developed as part of *Not a game of hide and seek*.³² We also developed a terms of reference/objective document explaining the process (methodology) of the investigations, and further enhanced our agency, staff and public surveys.

In April 2018, we commenced investigations of the official information practice of four agencies:

- Ministry for Culture and Heritage
- Ministry for the Environment
- Department of Conservation
- Land Information New Zealand.

Environmental and cultural issues are highly visible to the public, and it is therefore important to ensure these agencies have effective practices in place to manage access to information, thereby supporting achievement of the OIA's purposes of increased public participation in the decision-making process, transparency and accountability.

32 *Not a game of hide and seek* – Report on an investigation into the practices adopted by central government agencies for the purpose of compliance with the Official Information Act 1982 (2015) available at: http://www.ombudsman.parliament.nz/system/paperclip/document_files/document_files/1573/original/not_a_game_of_hide_and_seek_-_review_of_government_oia_practices.pdf?1466555782.

Official information decisions

In this section we give an overview of our complaint handling work under the Official Information Act 1982 (OIA) and the Local Government Official Information and Meetings Act 1987 (LGOIMA). Detailed statistics can be found in Part 7.

Complaint numbers

We continued to receive a high, and increasing, number of official information complaints this year. We received 1,378 complaints under the OIA³³ and 299 complaints under the LGOIMA, an increase of 18 percent on the previous year. We expect this level of complaints to continue in the foreseeable future.

We completed 1,598 OIA complaints and 344 LGOIMA complaints, 19 percent more than we completed in the 2016/17 year. Our net clearance rate for OIA complaints remained steady at 116 percent, and our net clearance rate for LGOIMA complaints significantly improved from 104 percent in 2016/17 to 115 percent in 2017/18. This demonstrates our ability to complete more work than we received.

We finished the year with 427 OIA complaints and 144 LGOIMA complaints on hand, 28 percent less than at the same time last year.

Complainants

This year's statistics concerning the type of complainants who raised concerns about official information decisions continue to suggest that members of the public are making good use of their right to request information, and to complain to the Ombudsman if dissatisfied. The

statistics also indicate a growing trend for the media to make complaints to us.

Individuals accounted for 59 percent of OIA complaints and 78 percent of LGOIMA complaints. The next highest users were the media, which made 20 percent of OIA complaints, and 14 percent of LGOIMA complaints. MPs and political party research units accounted for eight percent of the OIA complaints received.

Requests for Briefings to the Incoming Minister

Following the September 2017 election, requesters sought access to the Briefings to the Incoming Minister (BIMs) from the Privacy Commissioner and the Ministry of Transport. Both requests were refused on the basis that the information would soon be publicly available (section 18(d) of the OIA).

Chief Ombudsman Peter Boshier formed the opinion that section 18(d) of the OIA applied. At the time of the refusals, the release of the information was reasonably certain and imminent. In addition, the period of time between the decisions to refuse the requests and the release of the BIMs (nine working days for the Privacy Commissioner, 14 working days for the Ministry) met the definition of 'soon'.

Read the full case note at www.ombudsman.parliament.nz

³³ This total differs slightly from the totals reported in the Ombudsman's OIA complaints data (available here: <http://www.ombudsman.parliament.nz/resources-and-publications/oia-complaints-data>). End of year reconciliation calculations showed that an additional eight OIA complaints were received between 1 July 2017 and 30 June 2018.

Agencies

This year, 647 official information complaints were made against government departments (39 percent), and 551 against other state sector agencies (33 percent). This shows an ongoing trend of central government and the wider state sector being the subject of a similar number of complaints.

Local government agencies made up 18 percent of the official information complaints received, and 10 percent of complaints were against Ministers of the Crown.

Request for a Regional Councillor's email and telephone communications

A requester sought access to a Hawke's Bay Regional Councillor's email and telephone communications with specified third parties between 8 and 25 August 2016. When the request was refused, the requester made a complaint to the Ombudsman under the Local Government Official Information and Meetings Act 1987 (LGOIMA).

Most of the communications in question were conducted and stored on the Councillor's private email account. In the course of the Ombudsman's investigation, parties suggested that information stored in a personal email account was not official information and therefore was not subject to the LGOIMA. The Ombudsman did not accept this argument.

The question of LGOIMA's application turned on whether the Councillor had sent or received the communications while acting in his official capacity as a Councillor.

The LGOIMA could not be circumvented by conducting or storing those communications on private email accounts or personal devices.

After carefully reviewing the nature and content of the communications, and the context in which they were sent and received, the Ombudsman concluded that the LGOIMA applied to some of the requested communications.

However, the Ombudsman also formed the opinion that, in this case, section 7(2)(c)(ii) of the LGOIMA justified the withholding of some information.

Read the full case note at www.ombudsman.parliament.nz

Complaints profile

This year, 59 percent of all official information complaints concerned the refusal of requests for official information, and 19 percent concerned delays by agencies in making decisions on requests or in releasing information. These figures show the proportion of delay complaints has remained steady over the past three years.

Complaint outcomes

In 2017/18, we resolved 26 percent of all official information complaints, with 238 resolutions achieved without formal investigation, and 268 resolutions achieved during an investigation. In particular, with our continued focus on 'early resolution', we resolved 19 percent more complaints than in the 2016/17 year.³⁴

We formally investigated 60 percent of all completed complaints,³⁵ and we formed 519 final opinions.³⁶

34 A total of 506 complaints were resolved in 2017/18, as compared to 424 complaints in 2016/17.

35 998 out of 1677.

36 31% of all completed official information complaints.

In 203 cases,³⁷ we identified administrative deficiency by the agency concerned.

We made 59 recommendations under the OIA and 40 recommendations under LGOIMA. All of our recommendations have been accepted.

Opinion on OIA requests about Operation Burnham

Following the publication of the book *Hit & Run* in March 2017, a number of people made requests under the Official Information Act (OIA) to the New Zealand Defence Force (NZDF) for information about Operation Burnham.

NZDF withheld much of the requested information primarily on the basis that release of the information would be likely to prejudice the security and defence of New Zealand or the future entrusting of information to New Zealand.

Chief Ombudsman Peter Boshier received several complaints about NZDF's decisions on these requests and decided to investigate them together.

During the investigation, following discussions with the Chief Ombudsman, NZDF agreed to release some further information. This was released on NZDF's website on 6 March 2018.

After careful consideration of the information at issue, comments from NZDF and comments from the requesters, the Chief Ombudsman formed the opinion that NZDF's refusal of the majority of the remaining information was justified under sections 6(a) and (b) of the OIA.

However, the Chief Ombudsman considered that there was no basis for refusing copies of briefing papers in full, or for refusing to respond to questions about the identification of insurgent casualties and recommended that NZDF release this information.

Read the full opinion at www.ombudsman.parliament.nz

Administrative deficiencies

In relation to the complaints where we formed a final opinion, we identified:

- 129 cases where the refusal of official information was not justified;
- 53 cases of delay;
- 10 cases where there was an unreasonable charge;
- 8 cases where there was an unreasonable extension;
- 3 cases involving unreasonable conditions;
- 1 case of inadequate advice, explanation or reasons;
- 1 procedural deficiency; and
- 1 wrong action or decision.

While we are making greater efforts to resolve complaints as early as possible, this does not limit our ability to identify administrative deficiency where that is occurring and the matter cannot be resolved.

Remedies

We obtained 668 remedies for complainants,³⁸ a 34 percent increase on last year,³⁹ this includes:

- 394 cases where a decision was changed;

37 39% of all complaints where a final opinion was formed.

38 In cases that we both investigated and resolved informally without investigation.

39 A total of 668 remedies were achieved 2017/18, as compared to 497 complaints in 2016/17.

- 139 cases where a decision was reconsidered;
- 96 cases where reasons or an explanation for a decision were given;
- 34 cases where an omission was rectified;
- four cases where an apology was given; and
- one financial remedy.

We also obtained six remedies with a public administration benefit, including:

- five cases where guidance or training was provided to staff; and
- one case where there was a change in practice or procedure.

Complaint timeliness, clearance rates and quality assurance

Discussion of our timeliness, clearance rates and quality assurance in relation to OA, OIA and LGOIMA complaints is outlined above in the public sector administration and decision making section of this report.

Request for document related to coalition negotiations between Labour and New Zealand First

Two complaints were received under the Official Information Act 1982 (OIA) about the decision by the Prime Minister, the Rt Hon Jacinda Ardern, not to release certain information relating to the coalition negotiations between the Labour Party and New Zealand First. The Prime Minister considered that the requested document did not contain 'official information' held in her capacity as Prime Minister.

Chief Ombudsman Peter Boshier reviewed a full copy of the document in question. He also sought an explanation from the Prime Minister's Office about the generation and any subsequent use of the document, and met with her officials to discuss the Prime Minister's decision.

The Chief Ombudsman also consulted with the Deputy Prime Minister, the Rt Hon Winston Peters, about the information.

After careful consideration of the document in question, comments by the Prime Minister's Office and the Deputy Prime Minister, and comments by the complainants, the Chief Ombudsman formed the opinion that the information requested was not 'official information' held by Ms Ardern in her capacity as Prime Minister. The information within the document had not formed a part of the final coalition agreement concerning the formation of a new government, and had not been used by Ministers since the government was formed. The Chief Ombudsman therefore considered that the document was still held by Ms Ardern in her capacity as Labour Party Leader, and not subject to the OIA.

Read the full case note at www.ombudsman.parliament.nz

Protected Disclosures

The purpose of the Protected Disclosures Act (PDA) is to:

- facilitate the disclosure and investigation of serious wrongdoing in, or by, public and private sector organisations; and
- protect employees who disclose information about serious wrongdoing.

Our primary role under the PDA is to provide advice and guidance to employees wanting to make protected disclosures. However, we can also:

- investigate the issues raised or refer them to other appropriate authorities for investigation;
- take over investigations by public sector organisations, or investigate in conjunction with them; and
- review and guide investigations by public sector organisations.

A common trend in enquiries received under the PDA is that the issues raised do not relate to 'serious wrongdoing' as defined in the legislation. The threshold for serious wrongdoing is high. It includes:

- offences;
- actions that would pose a serious risk to public health and safety or to the maintenance of the law; and
- in the public sector context, unlawful, corrupt or irregular use of funds or resources, and gross negligence or mismanagement by public officials.

In 2017/18, we completed seven requests for advice and guidance, and we responded to 72 enquiries. We completed 90 percent of all requests and enquiries within three months of receipt (target 85 percent).

United Nations Optional Protocol to the Convention against Torture

In this section we give an overview of our work under the *United Nations Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment (OPCAT)*, and discuss issues arising in prisons, immigration detention facilities and health and disability places of detention.

Under the Crimes of Torture Act 1989 (COTA), the Ombudsmen are a designated National Preventive

Mechanism (NPM) for the OPCAT in New Zealand, with responsibility for examining, monitoring and making recommendations to improve the conditions and treatment of detainees, and to prevent torture, and other cruel, inhuman or degrading treatment or punishment, in:

- 18 prisons;
- 77 health and disability places of detention;⁴⁰
- three immigration detention facilities;

40 There are three less community secure facilities this year than the 2016/17 period.

- four child care and protection residences; and
- five youth justice residences.

The designation in respect of child care and protection and youth justice residences is jointly shared with the Children’s Commissioner.

This year our mandate was further extended to include residences established under section 114 of the Public Safety (Public Protection Orders) Act 2014, and privately run aged care and court facilities. This will entail examining the treatment of service users in approximately 227 privately run aged care (locked dementia) facilities, as well as detainees in approximately 60 court cells across the country. Work to scope these new designations is currently underway. We expect to significantly increase the number of inspections and visits as a result of these new designations. However, this will be dependent on receiving increased funding from 2019/20 onwards. We are currently funded for eight Inspectors and other specialist advisors to assist us in carrying out our NPM function.

In 2017/18, we committed to carrying out 35 visits to places of detention. We exceeded this

commitment and carried out a total of 39 visits, including 12 formal inspections. Thirty-four visits (87 percent) were unannounced.

Each place of detention we visit contains a wide variety of people, often with complex and competing needs. Some detainees are difficult to deal with and can be demanding and vulnerable, whereas others are more engaging and constructive. All have to be managed within a framework that is consistent and fair to all. While we appreciate the complexity of running such facilities and caring for detainees, our role is to monitor whether appropriate standards are maintained in the facilities and people detained in them are treated in a way that avoids the possibility of torture or other cruel, inhuman or degrading treatment or punishment occurring. In line with our power to make recommendations with the aim of improving the treatment and the conditions of people deprived of their liberty, we also review and comment on proposed policy changes and legislative reforms relevant to these places of detention.

The 12 formal inspections were at the sites set out in the table below.

Name of facility	Type of facility	Recommendations made	Visit type
Te Awhina Whanganui District Health Board	Acute Mental Health Inpatient Unit	4	Unannounced
Stanford House Whanganui District Health Board	Extended Secure Regional Rehabilitation Forensic Service	5	Unannounced
Te Whare o Matairangi Three District Health Boards – Mental Health, Addictions and Intellectual Disabilities Service ⁴¹	Acute Mental Health Inpatient Unit	9	Unannounced

41 Three District Health Boards: Capital & Coast DHB, Hutt DHB and Wairarapa DHB

Te Whare Awhiora Hauora Tairāwhiti District Health Board	Acute Mental Health Inpatient Unit	5	Unannounced
Ngā Rau Rāku Hawkes Bay District Health Board	Acute Mental Health Inpatient Unit	16	Unannounced
Arohata Upper Prison	Women's Prison	25	Unannounced
Christchurch Women's Prison (follow-up visit)	Women's Prison	6	Announced
Te Awakura Canterbury District Health Board	Acute Mental Health Inpatient Unit	11	Unannounced
Haumietiketike Three District Health Boards - Mental Health, Addictions and Intellectual Disabilities Service	Adult Forensic Intellectual Disability Unit	15	Unannounced
Rangatahi Three District Health Boards - Mental Health, Addictions and Intellectual Disabilities Service	Regional Adolescent Inpatient Unit	10	Unannounced
Whanganui Prison	Men's Prison	37	Unannounced
Te Puna Waiora (follow-up visit) Taranaki District Health Board	Acute Mental Health Inpatient Unit	6	Unannounced

We reported back to all 12 places of detention within eight weeks of concluding the inspection. This brings the total number of visits conducted over the 11-year period of our operation as an NPM to 477, including 183 formal inspections.

This year, we made 149 recommendations, of which 137 (92 percent) were accepted or partially accepted as set out in the table below.

Recommendations	Accepted/partially accepted	Not accepted
Prisons	63	5
Health and disability places of detention	74	7

Twenty-seven informal visits were conducted at the sites set out in the table below.

Name of facility	Type of facility	Number of visits
Tawhirimatea (announced) 3 District Health Boards - Mental Health, Addictions and Intellectual Disabilities Service	Regional Rehabilitation and Extended Care Inpatient Service	2
Ngā Rau Rāku (announced) Hawkes Bay District Health Board	Acute Mental Health Inpatient Unit	1
Arohata Women's Prison (unannounced)	Women's Prison	3
Te Whare Manaaki (unannounced) Canterbury District Health Board	Forensic Unit	1
Kennedy Detox Unit (unannounced) Canterbury District Health Board	Drug & Alcohol Unit	1
Assessment, Treatment & Rehabilitation Unit (unannounced) Canterbury District Health Board	Forensic Intellectual Disability Unit	1
Seager Clinic (unannounced) Canterbury District Health Board	Forensic Rehabilitation Unit	1
Child Adolescent & Family Service (unannounced) Canterbury District Health Board	Children and Adolescence Inpatient Unit	1
Psychiatric Services for Adults with Intellectual Disability (unannounced) Canterbury District Health Board	Intellectual Disability Unit	1
Christchurch Men's Prison (unannounced)	Men's Prison	1
Rolleston Prison (unannounced)	Men's Prison	1
Manawanui & Whakaruru Cottages (unannounced) Three District Health Boards - Mental Health, Addictions and Intellectual Disabilities Service	Forensic Intellectual Disability (stepdown cottages)	1
Hikitia Te Wairua (unannounced) Three District Health Boards - Mental Health, Addictions and Intellectual Disabilities Service	Forensic Intellectual Disability Youth Unit	1

Te Aruhe (unannounced)	Secure community home for clients with an intellectual disability	1
Nga Taiohi (unannounced) Three District Health Boards - Mental Health, Addictions and Intellectual Disabilities Service	Forensic Inpatient Youth Unit	1
Rangatahi (unannounced) Three District Health Boards - Mental Health, Addictions and Intellectual Disabilities Service	Regional Adolescent Inpatient Unit	2
IDEA Services	Secure community home for clients with intellectual disabilities	1
Auckland South Corrections Facility (unannounced)	Men's Prison	2
Auckland Region Women's Corrections Facility (unannounced)	Women's Prison	1
Haumietiketike (unannounced)	Forensic Intellectual Disability Inpatient Unit	1
New Plymouth Remand Centre (unannounced)	Gazetted Prison (Whanganui Prison)	1
Mt Eden Corrections Facility (announced)	Men's Prison	1

Prisons

This year, we further reviewed our trial prison inspection criteria⁴² and incorporated prisoner focus groups, staff forums and regular unit prison population checks into our inspection methodology. It is our intention to publish these criteria once they have been developed fully and undergone consultation.

This year, we identified three repeat areas of concern. These relate to:

- the increase in the prison population, particularly female prisoners;

- levels of violence, particularly prisoner-on-prisoner assaults; and
- the effectiveness of the prisoner complaint process.

Increase in prison population

The prison population has continued to increase rapidly, particularly for women and remand prisoners. The impact of the increased population has placed strain on accommodation, staffing levels and effective processes.

42 There are currently six prison inspection criteria.

In February 2017, due to the significant increase in the women's prison population, the Department of Corrections reopened Rimutaka Upper Prison to accommodate 112 women.⁴³ On inspection, it was clear the Upper Prison was facing considerable challenges. Resources, infrastructure and staffing were under pressure, which was compounded by the geographical separation from the administrative centre at Tawa.

Opportunities for maintaining family contact were inadequate. Many women did not receive visits due to distance and associated travel costs, and the earlier lock up prevented most women from telephoning their children after they had finished school. Limited visits combined with restricted access to telephones and an unsatisfactory mail system affected the women's mental wellbeing.

In November 2017, a follow-up inspection to Christchurch Women's Prison highlighted similar concerns with high-security prisoners on restrictive regimes, and low-security prisoners living far from their family.

In 2018, the Department of Corrections announced an additional 44 beds would be added at Arohata Upper Prison, 120 at Arohata Prison, and 120 at Christchurch Women's Prison over the next 12 months.

Levels of violence

We remain concerned about the levels of violence in prisons, particularly prisoner-on-prisoner assaults, which evidence suggests are under-reported. Fifty-five percent of prisoners surveyed in the last twelve months across three prisons⁴⁴ stated they have been assaulted and not reported the incident. Amongst the reasons that prisoners gave for not reporting assaults was that *'staff don't take reports seriously, complaints are ignored, and fear of reprisals'*.

The rise in the prison population, by approximately 20 percent since 2013, may continue to contribute to tensions that result in violence. However, the negative influence and impact of gangs in prisons is also a significant contributing factor.

Prisoner complaint system

We are concerned that the prisoner complaint system launched on 1 December 2016 has not been embedded effectively. In the last 12 months, we conducted three prisoner surveys which continued to indicate that prisoners still do not have faith and confidence in the system. Recently, the Department of Corrections has initiated an independent review of its complaints processes.

New prison initiatives, strategies and projects

The Department of Corrections has launched several new initiatives and projects during this reporting year. We will monitor the progress of the following initiatives over the coming year:

- The Intervention and Support Project – funding to design and trial a new prison-wide model of care for prisoners vulnerable to self-harm or suicide.
- Review of At-Risk Units and Separates cells – this piece of work is currently being led by the Chief Custodial Officer and aims to identify options for enhancing privacy for prisoners in the Intervention and Support Units (formerly known as At-Risk Units) and Separates cells.
- The National Gang Management Strategy.⁴⁵
- Wahine – E rere ana ki te pae hou⁴⁶ 2017-2021 – a new approach to Corrections' management of women prisoners.

43 Rimutaka Upper Prison is a satellite site of Arohata Women's Prison, and referred to as Arohata Upper Prison. The Upper Prison is located on the grounds of Rimutaka Men's Prison, but separate from the male site. Arohata Women's Prison is located in Tawa, Wellington.

44 Christchurch Women's, Christchurch Men's, and Arohata Upper Prisons.

45 The strategy is currently half way through its second year of implementation.

46 Women rising above a new horizon.

- Making Shifts Work – which is intended to redesign the current roster patterns for custodial staff and to adapt the operational effects of new schedules.

Intellectual disability

There are two types of facility which meet the definition of a place of detention for care recipients under the Intellectual Disability (Compulsory Care and Rehabilitation) Act 2003 (IDCCR) – Regional Intellectual Disability Secure Services (RIDSS) and Regional Intellectual Disability Supported Accommodation Services (RIDSAS). RIDSAS services for secure care recipients are delivered in residential homes in the community. There are a number of homes in a region that may be designated secure and meet the definition at any given time.

This year we conducted a comprehensive visit of Haumietiketike Unit (Capital & Coast DHB), a RIDSS, and identified that improvements were required in three key areas:

- the use of seclusion rooms as long-term bedrooms;
- better recording systems for seclusion and restraint events; and
- training for staff to enhance their knowledge and skills in working with clients who have high and complex needs.

Three persons had been in the Unit (and long-term hospital care) for a significant number of years. Their particular behaviour has made it difficult to achieve the necessary rehabilitative goals for transition into the community. Care in some instances was based on containment and management rather than rehabilitation and treatment. Most clients were unable to mix with others in the Unit, which added another layer of complexity for staff trying to provide care on a day-to-day basis.

Seclusion and restraint paperwork and corresponding data was incomplete. We therefore had no confidence in the way the Unit recorded restraint, including environmental restraint.

We will continue to engage with the Ministry of Health about our concerns in this area.

Mental health

We noted some recurring themes during the reporting period, alongside evidence of good practice.

We continue to observe pressure on acute inpatient mental health beds, as noted in last year's annual report. The issue of insufficient bed numbers and high occupancy continues to result in the inappropriate use of designated seclusion rooms for both long-term and temporary bedrooms for service users.⁴⁷

Some units were not recording when clients were locked in their rooms or other areas as a 'use of force event' in accordance with the Ministry of Health *Night Safety Procedures: Transitional Guideline*.⁴⁸ We were concerned that the recording of both seclusion and restraint in some units was not always occurring. For example, one unit was still using 'Night Safety Orders' (now known as *Night Safety Procedures*), which they monitored and kept records of to categorise seclusion and restraint action. As people being locked in their rooms overnight was not considered a reportable event by the Unit, the hours were not captured in the overall number of seclusion hours for the service. The Ministry of Health *Night Safety Procedures: Transitional Guideline* states:

Locking a patient in their room is a restrictive practice, and constitutes a use of force...

47 Haumietiketike, Te Whare o Matairangi and Te Awakura.

48 Te Puna Waiora, Haumietiketike, Rangatahi and Te Whare o Matairangi.

A number of facilities were locked during the day.⁴⁹ Many did not have notices detailing the process for entry and exit for informal service users and visitors.

We found a number of District Health Boards' internal complaints processes, including how to contact the District Inspectors, was either not displayed in the unit or not readily available in all areas of the unit.⁵⁰ Lack of access to telephones, as well as privacy, when using them, was also an issue.⁵¹

The majority of mental health units inspected over the year did not invite service users as a matter of routine to attend their multi-disciplinary team meeting (MDT) review, nor did they receive a copy of the meeting minutes.⁵² We are concerned that a high number of facilities do not routinely give service users a copy of their treatment plan.

Good practice

Despite these recurring themes, we were pleased to see that Te Awhina Unit ran an integrated model of care where the community senior medical officer remained the treating clinician for the duration of the service user's stay. This provided consistency and ongoing engagement throughout the service user's recovery. This service also used a peer-led organisation to facilitate client debriefs after a period of seclusion.

Clients at Stanford House were given the opportunity to be fully involved in their care plans at every stage of their recovery. They were able to attend regular MDT meetings as well as being engaged in their care plan review process.

Te Whare Awhiora had a strong focus on cultural engagement, and offered effective support for service users through assessment, community engagement, and group work. From November 2016, there was a significant reduction in the readmission rates for Māori clients within this particular service.

49 Te Whare o Matairangi, Te Whare Awhiora, Te Awakura and Te Puna Waioira.

50 Te Awhina, Te Whare o Matairangi, Te Whare Awhiora, Nga Ra Raku and Stanford House.

51 Te Awhina, Te Whare Awhiora, Nga Ra Raku, Rangatahi and Te Whare o Matairangi.

52 Of the eight mental health units inspected, seven units did not invite service users to attend their MDT's.

United Nations Convention on the Rights of Persons with Disabilities

In this section we give an overview of our work under the *United Nations Convention on the Rights of Persons with Disabilities* (the Disability Convention).

Overview

The purpose of the Disability Convention is to promote, protect and ensure the full and equal enjoyment of all human rights and fundamental freedoms by all persons with disabilities.

Article 33 of the Disability Convention says that states should establish a framework, including one or more independent mechanisms, to *'promote, protect and monitor'* progress in implementation of the Disability Convention. We are part of New Zealand's Independent Monitoring Mechanism (IMM) under the Disability Convention.

We share our role with the Human Rights Commission and the Disabled People's Organisations' Coalition, a group of national disabled people's organisations.

Our role as part of the IMM is carried out under the Ombudsmen Act, pursuant to which we:

- receive and, where appropriate, investigate complaints from affected individuals or groups about the administrative conduct of public sector agencies which relate to implementation of the Disability Convention; and
- conduct self-initiated investigations and other monitoring activities in relation to the administrative conduct of public sector agencies in implementing the Disability Convention.

We also note issues as they arise in relation to the inspections we carry out under OPCAT.

Demystifying the Optional Protocol to the Disability Convention

New Zealand acceded to the Optional Protocol to the Disability Convention in 2016 and it came into force on 4 November 2016.

The Optional Protocol is an additional agreement to the Disability Convention establishing a way for disabled people to make a complaint to the United Nations Committee on the Rights of Persons with Disabilities (UN Disability Committee) if they believe their rights under the Disability Convention have been breached or denied.

What does this really mean to New Zealanders? To answer this question, the IMM is developing a guide entitled *Making complaints to the United Nations Disability Committee: A Guide for New Zealanders* which is designed to:

- help guide disabled people and their whānau through the various decision making processes in order to take a complaint to the UN Disability Committee; and
- tell them what happens to a complaint once it has been received by the United Nations Committee on the Rights of Persons with Disabilities.

This guide is in the process of being finalised, and will be launched in a range of accessible formats, and distributed in the coming months.

Working as an Independent Monitoring Mechanism

In 2017/18, we continued to spend a considerable amount of time working with the Human Rights Commission and the Disabled People's Organisations' Coalition to identify and assess the key issues that disabled people face in contemporary New Zealand.

The IMM continued to monitor the experiences of persons with disabilities in New Zealand, including the barriers that prevent the full realisation of the rights set out in the Disability Convention. As part of the IMM we:

- held quarterly meetings of executive members to discuss key disability rights issues and initiatives;
- scheduled regular working group meetings to coordinate projects and responses relevant to disability rights issues;
- commenced working on our third *Making Disability Rights Real* Report focussing on New Zealand's adherence to the Disability Convention;
- were invited by the UN Disability Committee to submit a list of disability issues we saw as important in New Zealand. We subsequently met with the UN Disability Committee (in March 2018) by video conference. The Committee subsequently included the issues we raised in its ongoing communications with the New Zealand Government;
- regularly met with government agencies and other key disability stakeholders to ensure our feedback was provided and considered; and
- provided a submission to the General Committee on Economic, Social and Cultural Rights for New Zealand's 4th Periodic Review Under the Covenant on Economic, Social and Cultural Rights (CESCR), on issues of progress and implementation of this Covenant. The IMM's submission focused on the rights of disabled people and the barriers they currently face under the relevant articles of the CESCR.

Mental health initiatives

We are a member of the *Multi-Agency Group to reduce discrimination against people with mental illness* (MAG). MAG has a vision of New Zealand as a country where people with experience of mental distress or illness are not discriminated against, and their human rights are actively respected and realised, enabling participation and the opportunity to experience a valued life.

The MAG meets quarterly, and a key focus has been challenging the stigma associated with mental illness in New Zealand. The MAG has also been actively engaged with the Government Inquiry into Mental Health and Addiction 2018, and met with members of its Inquiry Panel.

The Chief Ombudsman also made an independent submission as part of the Government Inquiry into Mental Health and Addiction. The submission focussed on the need for greater integration of legislation, funding and service delivery in the mental health sector. The Chief Ombudsman also noted the need to adopt a social model to help ensure that mental health services are delivered according to need rather than strict diagnostic thresholds. The submission focussed on our observations and monitoring of mental health services in prisons, health and disability places of detention, and in the education sector. The submission also stated our concern that the Substance Addiction (Compulsory Assessment and Treatment) Act 2017 does not accord with Article 14 of the Disability Convention, as well as concerns about the sufficiency of evidence supporting the efficacy of compulsory treatment of those addicted to substances.

Bodily integrity

In early 2018, we were appointed as an observer to the Project Reference Group for Disability Action Plan Action 7(b).⁵³ This action aims to explore the framework that protects the bodily integrity of disabled children and adults against non-therapeutic medical procedures, with an initial focus on protecting against non-therapeutic sterilisation without fully informed consent.

Former Ombudsman, Professor Ron Paterson, completed an investigation into data being held by the Ministry of Health and the Ministry of Justice on the non-therapeutic sterilisation of women and girls in 2016. He found that record keeping of such procedures was insufficient and it could not easily be determined how many women or girls might have undergone this procedure.

As part of the Reference Group, we have continued to express our concerns about record keeping and monitoring of those individuals who may be sterilised without fully informed consent. We have also made it clear that the United Nations Committee on the Rights of Persons with Disabilities, in its Concluding Observations in 2014, recommended that New Zealand enact legislation prohibiting the use of sterilisation of boys and girls with disabilities, and of adults with disabilities, in the absence of their prior, fully informed and free consent.

The Reference Group will continue discussing matters of significance in this area during the next reporting year and advise the Government of its conclusions by way of a formal report.

Accessible formats

We continue to increase our reach to New Zealanders by providing information in a range of accessible formats, which are easy to locate on our website. This includes:

- uploading our leaflets and fact sheets, which have been produced in Easy Read by People First New Zealand, to the website. Easy Read makes information accessible to people with a learning disability by presenting the information in a succinct and jargon-free way, with accompanying images to assist with the meaning of the text;
- providing in-house training for staff to learn how to produce accessible documents; and
- braille versions of the Office Emergency Procedures leaflet for each office to ensure blind or vision impaired staff and visitors have access to this important information.

Accessible information – large print, marked up Word versions, New Zealand Sign Language videos, braille, audio files and Easy Read – helps to ensure equitable access for everyone.

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The Disability Action Plan 2014-18 can be found at: <https://www.odi.govt.nz/nz-disability-strategy/disability-action-plan/>.

Complaints, submissions and statistics

We continue to identify complaints and investigations where a disability element is evident. We maintain our focus on quickly recognising specific articles in the Disability Convention which are relevant in a particular complaint. We also consider disability issues as part of scoping for potential systemic investigations.

Disability training, including education on the Disability Convention, is incorporated into the induction programme for all new staff that commence employment with us. We also have two Senior Disability Rights Advisors who work in the disability rights area, and assist staff to take the Disability Convention into account in their work.

Further, there was sparse evidence that the services of the Health and Disability Commissioner's office (HDC) were being promoted to prisoners. Several prison units did not have a poster displayed in a communal area notifying prisoners how to contact HDC or its advocacy service. We spoke to a number of disabled prisoners who were having difficulty accessing health or disability services, including one whose hearing aids had been audibly ringing for a number of months.

Details for the HDC were passed to these prisoners and unit staff were asked to display posters outlining the HDC's role.

The importance of reasonable accommodation: Whanganui Prison example

During an OPCAT inspection at Whanganui Prison, we found reasonable accommodation was provided to disabled prisoners on some occasions, but was often limited. For instance, two deaf prisoners noted that one of the on-site Case Managers had learnt some Sign Language in order to better interact with them.

However, contrary to this, both prisoners noted that a number of prison staff on their units appeared unaware that they were deaf, and one prisoner advised he had recently been asked if he would like to use the telephone. Both prisoners felt that staff could do more to communicate with them by writing instructions clearly on a piece of paper. One of the deaf prisoners also stated that he had not been advised how he would be informed if there was an emergency evacuation or a fire, given that he is unable to hear any alarms.

Advice, guidance and information

To support our legislative functions, we:

- build public sector capability in areas relevant to our jurisdiction;
- improve public awareness and accessibility of Ombudsman services; and
- carry out a range of international relations and development work.

Public sector capability

In order to build public sector capability, we provide advice and comment on legislative, policy and administrative matters, run training sessions, and publish guides and information.

Advice and comment

In 2017/18, we commented on 14 legislative, policy and administrative proposals. These included comments on Cabinet papers, Bills, and administrative policies and procedures.

We commented on:

- good administrative conduct;
- good decision making and effective complaints handling;
- the impacts of particular proposals on the application of the official information legislation;
- whether legislation was compliant with the Disability Convention; and
- whether legislation had implications relevant to New Zealand's obligations under the Optional Protocol to the Convention Against Torture.

These included the following formal submissions on:

- the Corrections Amendment Bill (May 2018);
- the Fair Insurance Code review;
- the Open Government Partnership

Independent Reporting Mechanism progress report;

- legislation that contravenes the United Nations Convention on the Rights of Persons with Disabilities;
- the Privacy Bill;
- the Government Inquiry into Mental Health and Addiction;
- amendments to the Education Act;
- the Criminal Cases Review Commission;
- the Mental Health Act and Human Rights; and
- the mixing of high and low security classification prisoners.

We also provided advice on 341 occasions to public sector agencies, mainly in relation to enquiries about the processing of official information requests. This represents a significant 85% increase from last year. This shows that agencies are increasingly seeking our advice on 'live' requests for official information.

We do not tell agencies what to do with 'live' requests, as we may be called on to investigate and review their decisions later. However, we are happy to provide advice about the requirements of the legislation, and the things agencies should consider when making decisions. This helps agencies effectively manage official information requests, including the consideration of the proactive release of information where there is significant public interest.

We also provide advice to the New Zealand Transport Agency on applications for authorised access to the motor vehicle register under section 241 of the Land Transport Act 1998. In 2017/18, there was a considerable spike in the number of advice requests, which rose from seven to 135. This can be attributed to the NZTA's decision to abolish class approvals of the kind established by the Ministry of Transport. Authorisations are now

granted to individual applicants only. In addition, existing authorisations were expiring and needed to be renewed.

Training

An important part of our work is the training we offer to agencies and other stakeholders who are looking to improve their understanding of our role and functions, and the requirements of the OA and official information legislation. In 2017/18, we provided 29 workshops and training sessions.

Some agencies sought several training sessions from us, while others continued to group together to participate in our training. Training topics included official information, disability awareness and reasonable accommodation, the Ombudsmen's role, and managing unreasonable complainant conduct.

We continue to receive overwhelmingly positive feedback from the stakeholders who access our training services, with 100% of participants reporting the training would help them in their work.

New Zealand organisations which received Ombudsman training in 2017/18

- Ministry for Culture and Heritage
- Ministry for Pacific Peoples
- Ministry of Business, Innovation and Employment (MBIE)
- National DHB conference
- Incoming Ministers
- Prime Minister's Office
- Green Party
- KiwiRail
- South Auckland Corrections Facility
- Counties Manukau (and other Northern) DHBs
- Crown Law Office
- Government Legal Network, Procurement, and Commercial Law Practice Group
- Portfolio Ministers
- Business Integrity Services, MBIE
- Insolvency and Trustee Service, MBIE
- TAS Health National DHB Workshop
- New Zealand Police
- Ministry of Education Statutory Commissioners
- Porirua City Council
- Ministry of Health
- Bay of Plenty Regional Council
- Department of Corrections
- New Zealand Broadcasting School

Public awareness and accessibility

Improving public awareness of our role and increasing accessibility to information are vital if we are to fully play our part in an open and transparent democracy.

To do this, we undertake a range of public awareness activities for agencies and other stakeholders. These include presentations and workshops, publishing information and resources, a burgeoning Facebook presence and maintaining an easily searchable and navigable website.

In 2017/18, we began developing a new more user-friendly website which will make access from a wider range of digital devices easier as well as a greater focus on helping people make or resolve complaints.

But meeting face-to-face with our stakeholders is also important. During the year, the Office gave 33 external speeches and presentations to a wide range of audiences including complainant representatives, community groups, public agencies, political parties, fellow integrity agencies, and sector groups.

In 2017/18, we undertook our seventh public awareness survey to gauge the level of awareness of the Ombudsman in the community. Overall, 68 percent of those surveyed had heard of us. However, a very low level of knowledge amongst young people (20 percent of under 30 year olds) is worrying, and we will be dedicating more resources to this sector in the coming year.

The research cohort, especially at a granular level, is small, but that does not hide some disappointing results for Māori (56 percent) and Pasifika (41 percent) awareness. These groups tend to be underrepresented in the democratic process, so we are aware that more outreach needs to be done with these communities.

When asked where they would go to find out about the Ombudsman, respondents primarily favoured online sources. Seventy-eight percent of those surveyed said they would use the internet to search for information about the Ombudsman.

Consistent with this theme, the popularity of our website has continued to increase with 79,984 visitors this year, a 16 percent increase on last year. Aside from our home page, the resources and publications section continued to be the most popular, with a particular focus on our guides to official information.

International relations

We are committed to learning from and fostering relationships with other nations' integrity organisations. This includes hosting visiting international delegations, participating in international Ombudsman and Information Commissioner networks, and providing training and assistance to international Ombudsmen or Ombudsman-type organisations.

Training and assistance

In 2017/18, we focused on providing training and development advice to countries in the Pacific.

The commitment to transparency in this region is growing, but many of the island nations have low resources and capacity, hence the importance of our Office supporting them where we can. In September 2017, we facilitated a one-month work placement within our Office for a staff member from the Tongan Ombudsman's Office.

We also engaged with staff from the Tongan, Samoan, Niuean, and Cook Island Ombudsman's offices, as well as attending two Pacific Integrity Network meetings of international Ombudsmen staff.

Delegations

We also received delegations from East Timor, Indonesia and Japan. The comparative experience New Zealand has to offer in reviewing administrative practice, enforcing official information legislation, and monitoring places of detention continues to be of considerable interest to other countries.

Networks

We maintained awareness of international development initiatives through membership of the:

- Australasian and Pacific Ombudsman Region (APOR) of the International Ombudsman Institute (IOI) (the Chief Ombudsman is a Board member of the IOI and is one of three Directors of APOR);
- Australia and New Zealand Ombudsman Association (ANZOA);
- Association of Australasian Information and Access Commissioners (AIAC); and
- Australasian Deputy Ombudsman Network.

As a result of our membership of these organisations, we have participated in the following initiatives:

- Joint communications network led by the Queensland Information Commissioner;
- A new newsletter, *Wakatangata*, focussing on issues in Australasia and the Pacific;
- Pacific Integrity Network;
- Australasian Parliamentary Ombudsmen benchmarking project;
- Australian Research Council (ARC) linkage project *Whistling While They Work*;
- Society of Consumer Affairs Professionals (SOCAP) *Return on Investment of Good Complaint Handling* project;
- Australasian guidance on effective complaint management; and
- Review of Australasian Parliamentary Ombudsmen guidance on managing unreasonable complainant conduct.



PART 5

Organisational health and capability

Overview

In recent years, our Office has grown from its original classical model of an investigator of administrative conduct under the Ombudsmen Act, to that of a modern Ombudsman with multiple responsibilities and functions arising from a variety of pieces of legislation. We have seen an increasing demand for our services, with the number of complaints and other contacts concerning public sector agencies continuing to be at record levels.

In order to manage the impact of these high levels of work, we have implemented a *Continuous Practice Improvement (CPI)* programme with initiatives that have resulted in changes at each stage of our complaint handling, resolution, investigation and inspection processes; and strengthened our training, knowledge management, information management and outreach capabilities. The Officers of Parliament Committee supported our CPI programme by recommending an increase in funding for the various initiatives associated with our increased

workload, multiple roles and modernisation of the Office, for which we are grateful.

We place considerable importance on having a strong foundation of highly skilled people working together towards our vision and applying our values in a well-run and appropriately supported organisation. This year we have placed significant investment in establishing a group that is dedicated to carrying out our proactive monitoring, intervention and outreach advisory roles. We also committed to key projects aimed at developing our organisational values, promoting positive health and safety policies and practices in the workplace, and enabling us to be confident in both responding appropriately in an emergency and ensuring quick recovery and business continuity after a disaster.

At law, Ombudsmen and their staff must maintain secrecy in respect of all matters that come to their knowledge in the exercise of the Ombudsman's functions, including personal information about identifiable individuals, and may only disclose such matters as in the Ombudsman's opinion

ought to be disclosed for the purpose of giving effect to those functions. Personal information held by an Ombudsman is further safeguarded by a number of internal policies and procedures concerning information management, information security and confidentiality, and the use of emails and the internet. In addition, while Ombudsmen are not subject to the Privacy Act, the Privacy Principles are considered and taken into account as far as possible having regard to statutory obligations.

In addition, given most of our work relies on information systems to support our collection, analysis and reporting of information, we have prioritised the implementation of a fit for purpose ECM/CMS⁵⁴ for the Office which will support the growth of our work, the changing environment we operate in and the need for us to be more mobile, agile and responsive in our practices.

As a result, we are confident that we are well positioned to continue making considerable gains in meeting our performance targets during the 2018/19 year whilst also ensuring a healthy and productive work environment for our staff.

Financial and asset management

This financial year we continued to operate under tight fiscal conditions. Vote Ombudsmen is small, with an appropriation of \$16.765 million (excluding GST) for the year ended 30 June 2018. Personnel and accommodation costs accounted for 66 percent of the actual amount spent. The remaining spending was primarily on service contracts, maintenance, depreciation, travel and communication.

There is little expenditure of a discretionary kind. What discretionary financial resources do exist are allocated in a planned, prioritised, and contestable manner. The allocation of every dollar is closely scrutinised to ensure the investment is the best use we can make with the limited resources available. Discretionary funding may be spent on special projects or staff training.

We use Greentree accounting and reporting software as our primary accounting tool. The financial reports generated by the system deliver detailed information on a business unit basis and are reported monthly to senior management. A range of internally developed spreadsheets use information generated from Greentree to provide budget projections for the current and future years. These contribute to the effective use of our assets, and assist in identifying any potential problems at an early stage. We have upgraded Greentree to enhance its efficiency and provide a better service to both the Office and budget managers. The upgrade, completed in 2017/18, allows invoices to be stored in electronic format which enables automation of work flow including the invoice approving process.

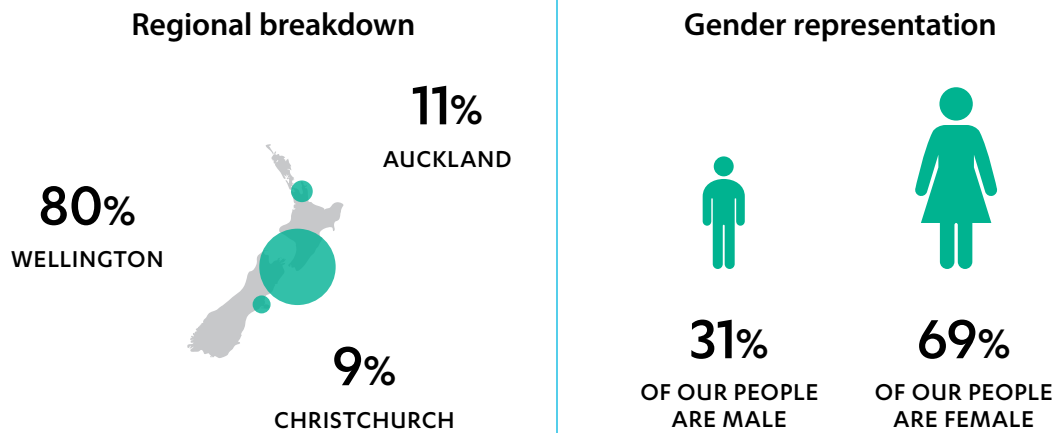
When procuring goods and services, we seek the best price possible by negotiation or competitive quote. We also negotiate term supply arrangements where there is an identified potential for savings.

We work closely with the Treasury and Audit New Zealand to ensure a 'no surprises' policy. The liaison allows us to benefit from their advice and guidance in matters relating to improving transparency of performance and reporting systems, and ensures that both agencies have a sound understanding of our working environment and the issues confronting us.

54 Electronic Content Management/Case Management System.

Our people

As at 30 June 2018, we had 81 employees.⁵⁵



Further details are set out below.

Role	Number	% of total staff	% Female	% Male
Senior Managers (excluding two Ombudsmen)	6	7%	83%	17%
Managers	9	11%	78%	22%
Operations staff	43	54%	65%	35%
Specialist staff	13	16%	46%	54%
Administration and support staff	10	12%	100%	-

In terms of working arrangements, 63 percent of employees were covered by an Individual Employment Agreement as at 30 June 2018, and 37 percent of employees were covered by the Office's one Collective Agreement. Of our permanent employees, 12 percent work part-time.

Our work is very interesting and attractive, however employee turnover is inevitable for a variety of reasons. Our people are highly trained and are in-demand within the wider public sector. Thirteen staff left voluntarily in the 2017/18 year, resulting in a voluntary staff turnover for the year of 18 percent.

During the course of the year, three reviews were completed of our organisational structure and two reviews are currently underway:

- Intake, Assessment and Early Resolution Team Review – completed in October 2017. The team had experienced a number of significant changes, and the review was focussed on ensuring it had the appropriate level of capacity and capability to carry out its functions.

⁵⁵ As at 30 June 2018, there were 99 workers, comprised of 81 employees and 18 contractors. These figures do not include vacancies, casuals or staff on parental leave. Temporary resources were engaged to assist in the delivery of key priority projects as necessary.

- Finance, Administration and Business Services Review – completed in November 2017 with the aim of ensuring the team functions, capacity and capability were fit-for-purpose, and able to support the Office appropriately.
- OPCAT Review – completed in April 2018. The Office received new funding to increase its inspection function to cover all Corrections facilities. This review aimed to ensure the structure would achieve the best and most impactful outcome by increasing staff resources not only in the OPCAT inspection area but also in communications, technical, specialist services, policy, practice, and legal advice.
- People and Capability Team Review is underway as at 30 June 2018. This review aims at ensuring People and Capability Team will have appropriate resources in the future.
- ICT/Information Management (IM) review is underway as at 30 June 2018. This review aims to identify the appropriate functions of the ICT & IM team, and then to ensure appropriate resources are provided.
- We fostered a positive workplace culture through the development of initiatives to reinforce the Office values, and the establishment of Values Ambassador roles in each Office location. This included conducting a workplace behaviours staff survey.
- The development, after consultation, of new and updated health and safety policies, including policies and procedures for managing unreasonable complainant conduct, managing threatening, aggressive and violent behaviour, and managing health and safety compliance while working in other workplaces.
- We developed a new health and safety strategy which was launched on 2 July 2018.
- The roll-out of organisation-wide training on the Office's new enterprise content management system (Waka) was undertaken as we progress towards more technology-based information and knowledge management tools to enable staff to perform their roles in a more agile and efficient way.
- Targeted leadership development coaching programmes for managers were held across the organisation to enhance current leadership and people management capability.
- Development of a new emergency preparedness and management framework was completed. This is linked to our business continuity planning process management procedures and guides for all staff, managers and our senior management team. The inaugural annual training and emergency scenario drills were conducted across all Office sites to induct and reinforce emergency preparedness in the event of a fire or natural disaster.
- We provided opportunities for staff to develop specific skills to support their ongoing professional development, including opportunities for internal secondments to different roles or to perform specific project work.

People performance and capability

In 2017/18, we focused on key people initiatives which supported capability development and reinforced a positive workplace culture. New and ongoing initiatives and projects included:

- Development and implementation of a new framework of performance objectives and measures for all staff and manager roles. Associated with this, we realigned our existing performance review and planning policy and processes to incorporate the assessment of individual performance against the new performance objectives.
- In a follow-up to the launch of our new Office values last year, we included the values in all manager and staff position descriptions.

- We reviewed and enhanced our internal practice modular training programme for the ongoing delivery of training for new and existing investigations and inspections staff.

In respect of employee terms and conditions, we commenced negotiation of a new collective agreement to replace the one which expired earlier this calendar year.

We experienced a significant increase in recruitment activity throughout the year due to the establishment of new positions arising from reorganisation and business-as-usual backfilling of existing positions vacated during the course of the year. We also recruited temporary people resources to provide specialist expertise in delivering and completing organisational projects.

Information management

We have continued work this year on reviewing and improving our information management technologies, structure and related policies, processes and practices to support our Continuous Practice Improvement strategy.

All complaints and other contacts records in electronic format are stored in a customised Case Management System. The Case Management System was upgraded in 2010 and has since been modified and enhanced via process change requests to support the new Continuous Practice Improvement initiatives as they have been introduced.

Corporate administration files are now mainly electronic, although some legacy paper files still exist.

We are aware that a number of issues have arisen that inhibit our ability to achieve maximum efficiency due to the limitations of our current information management and communication technologies, including their age and appropriateness to service our growth in jurisdiction and functions, and the growth in demand for our services over recent years.

We continued the implementation of our three-year work programme via our *Information Systems Strategic Plan* which is intended to ensure that we apply a more strategic approach to our IM and ICT systems so that we can be confident that we are able to effectively support the:

- various roles and functions of the Ombudsmen;
- needs of our staff;
- strategic direction and performance targets agreed with Parliament; and
- public expectations for the Ombudsmen to deliver as Officers of Parliament reporting on the activities of the public sector.

We also established a four-tiered⁵⁶ governance and management framework to oversee its implementation.

In the 2017/18 reporting year we completed the process of identifying a preferred Electronic Content Management/Case Management System, and have implemented the Enterprise Content Management component of the solution. This will support the growth in our work, and increased staffing numbers. It will also allow us to make better use of the data we collect, and support our efforts in the areas of business intelligence and data analytics while also allowing us to be more mobile, agile and responsive.

⁵⁶ Made up of the Chief Ombudsman as Chief Executive, the Executive Committee and Senior Management Team, the Information Management Policy and Strategy Governance Group, and Operational management and delivery.

Risk management

Our 2018/22 *Strategic Intentions* identifies our key risks, and sets out the strategies we use to manage these risks. In summary, our key risks are:

- damage to our credibility or reputation;
- complaint handling pressures and finite resources;
- loss of relevance; and
- loss of international credibility and reputation.

We also face staffing and accommodation risks, including those arising from:

- the departure of key staff and the consequent loss of expertise and experience;
- physical and electronic security;
- impacts on staff health and safety, and the efficient use of our resources arising from unreasonable complainant conduct; and
- natural disaster, including fire and earthquakes.

We have targeted measures in place to manage these specific risks. In 2017/18, we invested in projects aimed at developing our organisational values, promoting positive health and safety policies and practices in the workplace, and enabling us to be confident in both responding appropriately in an emergency and ensuring quick recovery and business continuity after a disaster.

We established a Security Integrity Risk Governance Group and completed security threat and risk assessments to ensure our environment and the way we work is consistent with best practice. We also progressed the development of a Business Continuity Management Framework comprising emergency crisis response, disaster recovery and business continuity plans, procedures and resources. Most importantly, we consulted and surveyed our staff regularly to identify areas that needed to be prioritised, and to ensure our policies and practices are relevant, clear and workable.



PART 6

Financial and performance information

Statement of responsibility

I am responsible, as Chief Ombudsman, for:

- the preparation of the Office's financial statements and the statements of expenses and capital expenditure and for the judgements expressed in them;
- having in place a system of internal control designed to provide a reasonable assurance as to the integrity and reliability of financial reporting;
- ensuring that end-of-year performance information on the appropriation administered by the Office is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this annual report; and
- the accuracy of any end-of-year performance information prepared by the Office, whether or not that information is included in the annual report.

In my opinion:

- these financial statements fairly reflect the financial position of the Office of the Ombudsman for the year ended 30 June 2018 and its operations for the year ended on that date; and
- the forecast financial statements fairly reflect the forecast financial position of the Office of the Ombudsman as at 30 June 2019 and its operations for the year ending on that date.

Peter Boshier

Chief Ombudsman
28 September 2018

Meaw-Fong Phang

Manager Finance, Administration and Business Services
28 September 2018

Independent Auditor's Report
To the readers of the Office of the Ombudsman's annual report
for the year ended 30 June 2018

The Auditor-General is the auditor of the Office of the Ombudsman (the Office). The Auditor-General has appointed me, Andrew Clark, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- the financial statements of the Office on pages 60 to 80, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2018, the statement of comprehensive revenue and expense, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the performance information prepared by the Office for the year ended 30 June 2018 on pages 16 to 45 and 56 to 59, comprising the report on operations and the statement of objectives and service performance; and
- the appropriation statements of the Office for the year ended 30 June 2018 on pages 81 and 82.

Opinion

In our opinion:

- the financial statements of the Office:
 - › present fairly, in all material respects:
 - » its financial position as at 30 June 2018; and
 - » its financial performance and cash flows for the year ended on that date; and
 - › comply with generally accepted accounting practice in New Zealand

and have been prepared in accordance with the Public Benefit Entity Reduced Disclosure Regime; and

- the performance information of the Office:
 - › presents fairly, in all material respects, for the year ended 30 June 2018:
 - » what has been achieved with the appropriation; and
 - » the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure; and
 - › complies with generally accepted accounting practice in New Zealand; and
- the appropriation statements of the Office are presented fairly, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.

Our audit was completed on 28 September 2018. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Chief Ombudsman and our responsibilities relating to the information to be audited, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Chief Ombudsman for the information to be audited

The Chief Ombudsman is responsible on behalf of the Office for preparing:

- financial statements that present fairly the Office's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand;
- performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand; and
- appropriation statements of the Office, that are presented fairly, in accordance with the requirements of the Public Finance Act 1989.

The Chief Ombudsman is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Chief Ombudsman is responsible on behalf of the Office for assessing the Office's ability to continue as a going concern. The Chief Ombudsman is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Office, or there is no realistic alternative but to do so.

The Chief Ombudsman's responsibilities arise from the Ombudsmen Act 1975 and the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the relevant Estimates and Supplementary Estimates of Appropriation for 2017/18, and the 2017/18 forecast financial figures included in the Office's 2016/17 Annual Report.

We did not evaluate the security and controls over the electronic publication of the information we audited.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud

is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Ombudsman.
- We evaluate the appropriateness of the reported performance information within the Office's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Chief Ombudsman and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Office to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Ombudsman regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant

deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Chief Ombudsman is responsible for the other information. The other information comprises the information included on pages 2 to 15, 46 to 51 and 84 to 107, but does not include the information we audited, and our auditor's report thereon.

Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Office in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Office.

Andrew Clark

Audit New Zealand

On behalf of the Auditor-General

Wellington, New Zealand

Statement of objectives and service performance for the year ended 30 June 2018

This section provides detailed reporting on our performance against our targets. Key targets are included in *The Estimates of Appropriations for the Government of New Zealand for the year ended 30 June 2018*. Full details can be found on the Treasury's website.

Investigation and resolution of complaints about Government administration

Performance measures	2017/18	2017/18	2016/17
	Budget standard	Actual	Actual
IMPACT MEASURES			
Overall quality of public services improves over time	75 points or higher in Kiwis Count Survey	76 points⁵⁷	74 points
New Zealand is ranked as one of the leading countries in public service probity as measured by the Transparency International Corruption Perceptions Index	On average over the next five years, New Zealand is in the top three	In 2017, New Zealand ranked first⁵⁸	In 2016, New Zealand ranked first equal

Outputs A & B – Complaint handling and investigations

DEMAND-DRIVEN MEASURES			
# of OA complaints completed	2,150	2,398⁵⁹	2,285
# of official information complaints completed	1,500	1,942	1,633
# of OA other contacts completed	6,000	5,813⁶⁰	6,579
# of official information other contacts completed	450	397	448

57 As at December 2017, see <http://www.ssc.govt.nz/kiwis-count>.

58 See <https://www.transparency.org>.

59 For this measure and the next one, more complaints were completed than forecast as the backlog of aged complaints was completed, and we were also able to complete a large number of other complaints on hand.

60 For this measure and the next measure, other contacts have been tracking down since 2016 as phone contact from prisoners has reduced following the establishment of a complaints help desk for prisoners by the Department of Corrections. Contact from the general public has remained stable.

Performance measures

	2017/18	2017/18	2016/17
	Budget standard	Actual	Actual
PROACTIVE MEASURES			
All complaints and other contacts considered	100%	100%	100%
# of systemic investigations of general administrative practice completed (amended measure)	2-3	3	1
# of official information practice investigations completed (amended measure)	16	12⁶¹	-
% net clearance rate ⁶² of complaints	105%	110%⁶³	108%
% of complaints received from 1 July 2016 completed within 3 months ⁶⁴ from date of receipt ⁶⁵	70%	75%⁶⁶	79%
% of complaints received from 1 July 2016 completed within 6 months ⁶⁷ from date of receipt	75%	86%	91%
% of complaints received from 1 July 2016 completed within 9 months ⁶⁸ from date of receipt	80%	91%	96%
% of complaints received from 1 July 2015 completed within 12 months ⁶⁹ from date of receipt ⁷⁰	90%	92%	93%
# of complaints received before 1 July 2015 on hand at end of reporting year	0	1⁷¹	202
% net clearance rate of other contacts	100%	100%	100%
% of other contacts completed within 3 months from date of receipt	100%	100%	100%
% of completed complaints and other contacts meeting internal quality standards, following random quality assurance check ⁷²	80%	64%⁷³	57%
% of OA and official information recommendations accepted (new measure)	80%	99%⁷⁴	-

61 In 2017/18, we concluded our investigations of the 12 individual agencies identified in our self-initiated investigation of OIA practices of central government agencies. We also commenced investigations of the official information practice of a further four agencies. Those four investigations were completed in September 2018.

62 Net clearance rate means the total number of complaints closed in the reporting year as a proportion of the total number of complaints received during the year.

63 400 more complaints closed than were received in 2017/18.

64 Counted as 90 calendar days.

65 This measure and the next two measures are calculated on the basis of all complaints received between 1 July 2016 and 30 June 2018, and either closed in the reporting year or remaining open at year end. Complaints remaining open and over target at year end were counted as not met when calculating the percentages.

66 As expected, results for this measure and the next two measures were higher in the 2016/17 year than the current year, given that these measures apply to complaints received from 1 July 2016 onwards.

67 Counted as 180 calendar days.

68 Counted as 270 calendar days.

69 Counted as 365 calendar days.

70 This measure is calculated on the basis of all complaints received between 1 July 2015 and 30 June 2018, and either closed in the reporting year or remaining open at year end. Complaints remaining open and over target at year end were counted as not met when calculating the percentages.

71 The one complaint received before 1 July 2015 remaining on hand is expected to be completed in the coming months.

72 Along with quality assurance, we have other measures in place to ensure quality, including review of all letters by senior staff with delegated authority from the Ombudsmen.

73 The key reason for complaints not meeting quality standards was timeliness. With a large number of backlog complaints completed this year, our quality standards performance was affected by timeliness reasons. If timeliness was excluded as a factor, then 87% of the complaints and other contacts reviewed met our internal quality standards.

74 We are awaiting confirmation that one outstanding recommendation has been accepted. All other recommendations have been accepted.

Performance measures	2017/18	2017/18	2016/17
	Budget standard	Actual	Actual
% of complainants satisfied with overall quality of our service delivery	65%	41%⁷⁵	26%
% of public sector agencies satisfied with our communication overall	75%	85%	-
% of public sector agencies satisfied the Ombudsmen's opinions are fair	75%	64%	-

Output C – Deal with requests for advice and guidance about serious wrongdoing

DEMAND-DRIVEN MEASURES

# of requests for advice and guidance completed	10	7	10
# of enquiries completed	30	72⁷⁷	34

PROACTIVE MEASURES

All requests for advice and guidance considered	100%	100%	100%
% of requests and enquiries completed within 3 months ⁷⁸ from date of receipt	85%	90%	95%

Output D – Monitor and inspect places of detention

PROACTIVE MEASURES

# of full inspections and visits to places of detention	35	39	57
% of unannounced full inspections and other visits	At least 33.3% ⁷⁹	87%⁸⁰	63%
% of reports sent to places of detention within 3 months ⁸¹ of visit	95%	100%⁸²	100%
% of reports peer reviewed, to meet internal quality standards	100%	100%	100%
% of formal recommendations accepted	80%	92%	81%

75 Complainant satisfaction has significantly increased from the 2015/16 reporting year, when only 22% of complainants were satisfied with the overall quality of our service delivery. However, timeliness remained a contributor to complainant perceptions of our standard of service in the 2017/18 year as we completed the remaining backlog of complaints.

76 This measure and the next two measures were previously assessed biennially, and were not assessed in the 2016/17 reporting year.

77 We experienced a significant increase in protected disclosures enquiries.

78 Counted as 90 calendar days.

79 The internationally accepted standard is for at least 1/3 of inspections to be unannounced.

80 Increasing the proportion of unannounced visits allows us to gain a good perspective of day-to-day practice within the facilities visited.

81 Counted as 90 calendar days.

82 All reports were sent to places of detention within 3 months of the visit for their comment. Of the 13 reports sent to places of detention, one report was not finalised within 3 months due to an extended comment process.

Performance measures

	2017/18	2017/18	2016/17
	Budget standard	Actual	Actual

Output E – Improve state sector capability in areas relevant to our jurisdiction

DEMAND-DRIVEN MEASURES

# of requests for advice or comment by public sector agencies responded to	150	341⁸³	184
# of training sessions provided to stakeholders	25	29⁸⁴	30

PROACTIVE MEASURES

# of guidance materials produced or updated	30	42	26
% of participants in Ombudsman external training sessions who report that the training will assist them in their work	95%	100%⁸⁵	99%
% of agencies which report that they use one or more of the Ombudsman's information resources currently available	90%	93%	_86
% of overseas stakeholders who report value in the guidance and training received from our Office	95%	100%	100%

Output F – Improve public awareness and accessibility of our services

DEMAND-DRIVEN MEASURE

# of external speeches and presentations given	30	33⁸⁷	40
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PROACTIVE MEASURES

% of members of the public who have heard of the Ombudsman ⁸⁸	65%	68%	73%
% of complainants who found our website useful	80%	88%	_89

The cost of delivery of these result is detailed in next section.

83 We experienced a significant increase in demand from agencies for advice on handling official information requests.

84 Training sessions are currently provided on request from our stakeholders.

85 The percentage calculation is based on those participants who completed an online feedback form.

86 Previously assessed biennially, and not assessed in the 2016/17 reporting year.

87 Speeches and presentations are currently provided on request from our stakeholders.

88 Gauged through an annual, nationwide UMR survey.

89 Previously assessed biennially, and not assessed in the 2016/17 reporting year.

Statement of comprehensive revenue and expense for the year ended 30 June 2018

30/06/17 Actual		Notes	30/06/18 Actual	30/06/18 Main estimates	30/06/18 Supp. estimates	30/06/19 Unaudited forecast IPSAS*
\$(000)			\$(000)	\$(000)	\$(000)	\$(000)
	Revenue					
14,259	Revenue Crown		16,764	16,725	16,765	19,140
7	Other revenue	2		-	-	-
14,266	Total revenue		16,764	16,725	16,765	19,140
	Expenses					
8,727	Personnel costs	3	9,471	10,841	10,841	11,225
4,962	Other operating costs	4	6,026	4,860	4,900	6,784
436	Depreciation and amortisation	5	536	801	801	869
135	Capital charge	6	189	223	223	262
14,260	Total expenses		16,222	16,725	16,765	19,140
6	Surplus/(deficit)		542	-	-	-
-	Other comprehensive revenue and expense		-	-	-	-
6	Total comprehensive revenue and expense		542	-	-	-

Explanations of major variances against the original 2017/18 budget are provided in Note 17.

The accompanying notes form part of these financial statements.

* Financial forecast figures are from the Budget Economic Forecast Updates (BEFU) forecasts which have not been audited.

Statement of financial position as at 30 June 2018

30/06/17 Actual		Notes	30/06/18 Actual	30/06/18 Main estimates	30/06/18 Supp. estimates	30/06/19 Unaudited forecast IPSAS*	
\$(000)			\$(000)	\$(000)	\$(000)	\$(000)	
	Assets						
	<i>Current assets</i>						
3,195	Cash and cash equivalents		4,709	2,630	2,866	3,437	
43	Other current assets	7	56	24	24	24	
<u>3,238</u>	<i>Total current assets</i>		4,765	<u>2,654</u>	<u>2,890</u>	<u>3,461</u>	
	<i>Non-current assets</i>						
2,086	Property, plant and equipment	8	1,731	1,717	1,562	1,389	
300	Intangible assets – Software	9	989	1,747	1,666	3,491	
<u>2,386</u>	<i>Total non-current assets</i>		2,720	<u>3,464</u>	<u>3,228</u>	<u>4,880</u>	
<u>5,624</u>	Total assets		7,485	<u>6,118</u>	<u>6,118</u>	<u>8,341</u>	
	Liabilities						
	<i>Current liabilities</i>						
1,026	Creditors and other payables	10	880	372	372	372	
98	Leasehold incentive – current portion [^]		99	-	-	-	
6	Return of operating surplus	11	542	-	-	-	
503	Employee entitlements	12	787	470	470	470	
<u>1,633</u>	<i>Total current liabilities</i>		2,308	<u>842</u>	<u>842</u>	<u>842</u>	
	<i>Non-current liabilities</i>						
27	Employee entitlements	12	19	18	18	18	
816	Leasehold Incentives		716	816	816	718	

The accompanying notes form part of these financial statements.

* Financial forecast figures are from the Budget Economic Forecast Updates (BEFU) forecasts which have not been audited.

843	Total non-current liabilities		735	834	834	736
2,476	Total liabilities		3,043	1,676	1,676	1,578
3,148	Net assets		4,442	4,442	4,442	6,763
	Equity					
3,148	General funds	13	4,442	4,442	4,442	6,763
3,148	Total Equity		4,442	4,442	4,442	6,763

^ This current liability has no liquidity impact.

Explanations of major variances against the original 2017/18 budget are provided in Note 17.

Statement of changes in equity for the year ended 30 June 2018

30/06/17 Actual		Notes	30/06/18 Actual	30/06/18 Main estimates	30/06/18 Supp. estimates	30/06/19 Unaudited forecast IPSAS*
\$(000)			\$(000)	\$(000)	\$(000)	\$(000)
2,076	Balance at 1 July		3,148	3,148	3,148	4,442
6	Total comprehensive revenue and expense for the year		542	-	-	-
	Owner transactions					
1,072	Capital injections		1,294	1,294	1,294	2,321
(6)	Return of operating surplus to the Crown		(542)	-	-	-
3,148	Balance at 30 June	13	4,442	4,442	4,442	6,763

Explanations of major variances against the original 2017/18 budget are provided in Note 17.

The accompanying notes form part of these financial statements.

* Financial forecast figures are from the Budget Economic Forecast Updates (BEFU) forecasts which have not been audited.

Statement of cash flows for the year ended 30 June 2018

30/06/17 Actual		Notes	30/06/18 Actual	30/06/18 Main estimates	30/06/18 Supp. estimates	30/06/19 Unaudited forecast IPSAS*
\$(000)			\$(000)	\$(000)	\$(000)	\$(000)
Cash flows from operating activities						
14,259	Receipts from Crown		16,764	16,725	16,765	19,140
7	Receipts from other revenue		-	-	-	-
(8,872)	Payments to employees		(9,196)	(10,872)	(10,914)	(11,256)
(4,672)	Payments to suppliers		(6,361)	(4,924)	(5,421)	(6,851)
(135)	Payment for capital charge		(189)	(223)	(223)	(262)
-	Goods and services tax (net)		77	-	-	-
<u>587</u>	<i>Net cash from operating activities</i>		<u>1,095</u>	<u>706</u>	<u>207</u>	<u>771</u>
Cash flows from investing activities						
(700)	Purchase of property, plant and equipment	8	(70)	(179)	(179)	(532)
(200)	Purchase of intangible assets – software	9	(799)	(1,647)	(1,647)	(1,989)
<u>(900)</u>	<i>Net cash from investing activities</i>		<u>(869)</u>	<u>(1,826)</u>	<u>(1,826)</u>	<u>(2,521)</u>
Cash flows from financing activities						
1,072	Capital injection		1,294	1,294	1,294	2,321
-	Return of operating surplus		(6)	-	-	-
<u>1,072</u>	<i>Net cash from financing activities</i>		<u>1,288</u>	<u>1,294</u>	<u>1,294</u>	<u>2,321</u>
759	Net increase /(decrease) in cash		1,514	174	(325)	571
2,436	Cash at beginning of the year		3,195	2,456	3,195	2,866
<u>3,195</u>	Cash at end of the year		<u>4,709</u>	<u>2,630</u>	<u>2,870</u>	<u>3,437</u>

Explanations of major variances against the original 2017/18 budget are provided in Note 17.

The accompanying notes form part of these financial statements.

* Financial forecast figures are from the Budget Economic Forecast Updates (BEFU) forecasts which have not been audited.

Statement of commitments as at 30 June 2018

Non-cancellable operating lease commitments

The Office leases accommodation space and photocopiers as a normal part of its business in Auckland, Christchurch and Wellington. There are no operating or unusual restrictions placed on the Office by any of its leasing arrangements.

The agreements for the photocopiers have a non-cancellable period generally of five years. The accommodation leases are long-term and non-cancellable until expiry except if the premises become untenable under the terms of the lease agreement. The annual lease payments are subject to three-yearly reviews. The amounts disclosed below as future commitments are based on the current rental rate for each of the leased premises.

30/06/17 Actual \$(000)		30/06/18 Actual \$(000)
	Non-cancellable operating lease commitments	
1,121	Less than one year	1,144
1,121	One to two years	1,144
3,364	Two to five years	3,243
3,864	More than five years	3,062
9,470	Total non-cancellable operating lease commitments	8,593

The Office is not a party to any other lease agreements.

Capital commitments

The Office has no capital commitments as at 30 June 2018. (2017 \$0.639 million).

The accompanying notes form part of these financial statements.

Statement of contingent liabilities and contingent assets as at 30 June 2018

Unquantifiable contingent liabilities

As at 30 June 2018 the Office has no unquantifiable contingent liabilities (As at 30 June 2017 the Office had one unquantifiable contingent liability. The nature of the item was the costs associated with proceedings that were being appealed).

Quantifiable contingent liabilities

As at 30 June 2018 the Office does not have any quantifiable contingent liabilities (2017 Nil).

Unquantifiable contingent assets

As at 30 June 2018 the Office does not have any unquantifiable contingent assets (2017 Nil).

Quantifiable contingent assets

As at 30 June 2018 the Office does not have any quantifiable contingent assets (2017 Nil).

The accompanying notes form part of these financial statements.

Notes to the financial statements

1. Statement of accounting policies for the year ended 30 June 2018

REPORTING ENTITY

The Office of the Ombudsman is an Office of Parliament pursuant to the Public Finance Act 1989 and is domiciled in New Zealand.

The primary purpose, functions and outcomes of the Office are discussed at Part 3 of this report. The Office provides services to the public rather than making a financial return. Accordingly, the Office has designated itself a public benefit entity (PBE) for financial reporting purposes.

The financial statements of the Office are for the year ended 30 June 2018. The financial statements were authorised for distribution by the Chief Ombudsman on 28 September 2018.

Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

STATEMENT OF COMPLIANCE

The financial statements of the Office have been prepared in accordance with the requirements of the Public Finance Act 1989, which include the requirement to comply with New Zealand generally accepted accounting practices (NZ GAAP), and Treasury Instructions.

These financial statements have been prepared in accordance with Tier 2 PBE accounting standards. The Office has elected to report in Tier 2 PBE accounting standards as the Office does not have

public accountability as defined by the IASB, is not an FMC reporting entity or an issuer under the transitional provisions of the Financial Reporting Act 2013 and is not large. These financial statements comply with PBE accounting standards.

MEASUREMENT BASE

The financial statements have been prepared on an historical cost basis.

FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Office is New Zealand dollars.

Summary of significant accounting policies

REVENUE

The specific accounting policies for significant revenue items are explained below:

Funding from the Crown

The Office of the Ombudsman is funded from the Crown. This funding is restricted in its use for the purpose of the Office meeting its objectives and scope of the relevant appropriations of the founder.

The Office considers there are no conditions attached to the funding and it is recognised as revenue at the point of entitlement.

The fair value of revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

The accompanying notes form part of these financial statements.

Other revenue

During the year the Office has received other revenue. This revenue was a contribution from Ministry of Foreign Affairs and Trade for the Pacific Ombudsman Workshop hosted by the Chief Ombudsman.

Leases

OPERATING LEASES

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

CASH AND CASH EQUIVALENTS

The Office is only permitted to expend its cash and cash equivalents within the scope and limits of its appropriations.

OTHER CURRENT ASSETS

Other current assets are short-term debtors and prepayments which are recorded at their face value less any provision for impairment.

A receivable is considered impaired when there is evidence that the Office will not be able to collect the amount due. The amount of the impairment is the difference between the asset's carrying amount of the receivable and the present value of the amounts expected to be collected.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of leasehold improvements, furniture and office equipment. The Office does not own any vehicles, buildings or land.

Property, plant and equipment are shown at cost, less accumulated depreciation and impairment.

All fixed assets with a unit cost of more than \$1,000, or if the unit cost is \$1,000 or less but the

aggregate cost of the purchase exceeds \$3,000, are capitalised.

ADDITIONS

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Office and the cost of the item can be measured reliably.

In most instances an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at fair value as at the date of acquisition.

DISPOSALS

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in revaluation reserves in respect of those assets are transferred to general funds.

SUBSEQUENT COSTS

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Office and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

DEPRECIATION

Depreciation is provided on a straight-line basis on all property, plant and equipment, at rates that will write-off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of classes of assets held by the Office are set out below.

The accompanying notes form part of these financial statements.

Equipment	Useful life	Percent
Computer equipment	4 years	25%
Plant and other equipment	5 years	20%
Furniture and fittings	5-10 years	10%-20%

From February 2015 furniture and fittings have been depreciated at 10 percent as the estimated useful life of these items is 10 years rather than five years. Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Intangible assets

SOFTWARE ACQUISITION AND DEVELOPMENT

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use by the Office, are recognised as an intangible asset. Direct costs include software development employee costs and as appropriate a portion of relevant overheads.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with development and maintenance of the Office's website are recognised as an expense when incurred.

AMORTISATION

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over

its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as set out below.

Computer software	Useful life	Percent
Acquired computer software	4 years	25%
Developed computer software	10 years	10%

Impairment of property, plant and equipment, and intangible assets

The Office does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Property, plant and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is the present value of the asset's remaining service potential. Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount.

The accompanying notes form part of these financial statements.

The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

Payables

Employee entitlements

SHORT-TERM EMPLOYEE ENTITLEMENTS

Employee entitlements that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, and long service leave gratuities expected to be settled within 12 months.

The Office recognises a liability and an expense for performance pay where there is a contractual obligation, or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

The Office employment agreement provides for an 'open ended' sick leave entitlement, accordingly there is no sick leave liability for accounting purposes.

LONG-TERM EMPLOYEE ENTITLEMENTS

Employee benefits that are due to be settled beyond 12 months after the end of period in which the employee renders that related service, such as long service leave, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- the present value of the estimated future cash flows.

The Office's terms and conditions of employment do not include a provision for retirement leave. Long service leave is available to two long-serving staff under 'grandparent' employment terms. Long service leave is not otherwise available to staff of the Office.

PRESENTATION OF EMPLOYEE ENTITLEMENTS

Annual leave, vested long service leave and non-vested long service leave expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Superannuation schemes

DEFINED CONTRIBUTION SCHEMES

Obligations for contributions to KiwiSaver and other cash accumulation schemes are recognised as an expense in the surplus or deficit as incurred.

Equity

Equity is the Crown's investment in the Office and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified as taxpayers' funds

Commitments

Commitments are future expenses and liabilities to be incurred on contracts that have been entered into at balance date. Information on non-cancellable capital and lease commitments are reported in the statements of commitments.

Cancellable commitments that have penalty or exit costs explicit in the agreement on exercising that option to cancel are reported in the statement of commitments at the value of that penalty or exit cost.

Goods and services tax (GST)

All items in the financial statements and appropriation statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is

The accompanying notes form part of these financial statements.

not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Remuneration paid to Ombudsmen is exempt from GST pursuant to Part 1 section 6(3)(c) of the Goods and Services Tax Act 1985.

Income tax

The Office of the Ombudsman is a public authority and consequently is exempt from the payment of income tax. Accordingly, no provision has been made for income tax.

Statement of cost accounting policies

The Office has one output expense appropriation. All the Office's costs with the exception of the remuneration of the Ombudsmen are charged to this output.

There have been no changes in cost accounting policies since the date of the last audited financial statements.

Critical accounting estimates and assumptions

In preparing these financial statements the Office has made estimates and assumptions concerning the future.

These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the

circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

ESTIMATING USEFUL LIVES AND RESIDUAL VALUES OF PROPERTY, PLANT AND EQUIPMENT

At each balance date, the useful lives and residual values of property, plant and equipment are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires a number of factors to be considered, such as the physical condition of the asset, expected period of the use of the asset by the Office, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will affect the depreciation expense recognised in the surplus or deficit, and carrying amount of the asset in the statement of financial position. The Office minimises the risk of this estimation uncertainty by:

- physical inspection of assets;
- asset replacement programmes;
- review of second hand market prices for similar assets; and
- analysis of prior asset sales.

The Office has not made significant changes to past assumptions concerning useful lives and residual values.

LONG SERVICE LEAVE

Note (12) provides an analysis of the exposure in relation to estimates and uncertainties surrounding the long service leave liability.

Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies for the year ended 30 June 2018.

The accompanying notes form part of these financial statements.

LEASES CLASSIFICATION

Determining whether a lease agreement is a finance lease or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to the Office.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant and equipment, whereas for an operating lease no such value is recognised.

The Office has exercised its judgement on the appropriate classification of equipment leases and has determined these are operating leases.

BUDGET AND FORECAST FIGURES

The budget figures are those presented in the Information Supporting the Estimates of Appropriations for the Government of New Zealand for the year ended 30 June 2018 (Main Estimates) and those amended by the Supplementary Estimates and any transfer made by Order in Council under the Public Finance Act 1989.

The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.

The financial forecasts are based on Budget Economic Forecast Update (BEFU) and have been prepared on the basis of assumptions as to future events that the Office reasonably expects to occur, associated with the actions it reasonably expects to take.

These forecast financial statements have been compiled on the basis of existing government policies and ministerial expectations at the time the statements were finalised.

These forecast financial statements were compiled on the basis of existing parliamentary outcomes at the time the statements were finalised.

The main assumptions are as follows:

- Estimated year end information for 2017/18 is used as the opening position for the 2018/19 forecasts.
- There are no significant events or changes that would have a material impact on the BEFU forecast.
- Factors that could lead to material differences between the forecast financial statements and the 2017/18 actual financial statements include changes to the baseline budget through new initiatives, or technical adjustments.

Authorisation statement

The forecast figures reported are those for the year ending 30 June 2019 included in BEFU 2018. These were authorised for issue on 3 April 2018 by the Chief Ombudsman, who is responsible for the forecast financial statements as presented. The preparation of these financial statements requires judgements, estimations, and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual financial results achieved for the period covered are likely to vary from the information presented, and the variations may be material.

It is not intended that the prospective financial statements will be updated subsequent to presentation.

The accompanying notes form part of these financial statements.

2. Other revenue

30/06/17 Actual		30/06/18 Actual	30/06/18 Main estimates	30/06/18 Supp. estimates	30/06/19 Unaudited forecast IPSAS*
\$(000)		\$(000)	\$(000)	\$(000)	\$(000)
-	ACC recovery	-	-	-	-
-	Secondment recovery	-	-	-	-
7	Other revenue	-	-	-	-
<u>7</u>	Total other revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

3. Personnel costs

30/06/17 Actual		30/06/18 Actual	30/06/18 Main estimates	30/06/18 Supp. estimates	30/06/19 Unaudited forecast IPSAS*
\$(000)		\$(000)	\$(000)	\$(000)	\$(000)
8,122	Salaries and wages	8,566	10,350	10,385	10,801
416	Employer contributions to staff superannuation	463	491	491	424
189	Other personnel costs	442	-	-	-
<u>8,727</u>	Total personnel costs	<u>9,471</u>	<u>10,841</u>	<u>10,876</u>	<u>11,225</u>

Employer contributions to superannuation plans include contributions to KiwiSaver and other cash accumulation plans registered under the Superannuation Schemes Act 1989.

The accompanying notes form part of these financial statements.

* Financial forecast figures are from the Budget Economic Forecast Updates (BEFU) forecasts which have not been audited.

4. Other operating costs

30/06/17 Actual		30/06/18 Actual	30/06/18 Main estimates	30/06/18 Supp. estimates	30/06/19 Unaudited forecast IPSAS*
\$(000)		\$(000)	\$(000)	\$(000)	\$(000)
1,036	Operating accommodation lease expenses	1,052	1,064	1,064	1,064
95	Accommodation costs – other	102	-	-	-
36	Audit fees – for audit of financial statements	37	45	45	45
59	Publications, books and statutes	59	87	87	87
301	Travel	277	402	402	391
138	Communication costs	197	160	160	160
3,297	Other costs	4,302	3,102	3,107	5,037
<u>4,962</u>	Total other operating costs	<u>6,026</u>	<u>4,860</u>	<u>4,865</u>	<u>6,784</u>

Other operating costs exclude depreciation and capital charges.

5. Depreciation and amortisation

30/06/17 Actual		30/06/18 Actual	30/06/18 Main estimates	30/06/18 Supp. estimates	30/06/19 Unaudited forecast IPSAS*
\$(000)		\$(000)	\$(000)	\$(000)	\$(000)
56	Furniture and fittings	58	76	76	82
142	Plant and equipment and other	156	151	151	151
185	Computer equipment	211	472	472	472
53	Intangible assets – software	111	102	102	164
<u>436</u>	Total depreciation and amortisation	<u>536</u>	<u>801</u>	<u>801</u>	<u>869</u>

6. Capital charge

The Office of the Ombudsman pays a capital charge to the Crown on its taxpayers' funds as at 30 June and 31 December each year. The capital charge rate was 6% for the year ended 30 June 2018. (Year ended 2017, 7% for first six months and 6% for the second six months).

The accompanying notes form part of these financial statements.

* Financial forecast figures are from the Budget Economic Forecast Updates (BEFU) forecasts which have not been audited.

7. Other current assets

30/06/17 Actual		30/06/18 Actual	30/06/18 Main estimates	30/06/18 Supp. estimates	30/06/19 Unaudited forecast IPSAS*
\$(000)		\$(000)	\$(000)	\$(000)	\$(000)
-	Receivables	2	-	-	-
43	Prepayments	54	24	24	24
<u>43</u>	Total receivables	<u>56</u>	<u>24</u>	<u>24</u>	<u>24</u>

8. Property, plant and equipment

Movements for each class of property, plant and equipment are set out below.

2018	Plant & equipment \$(000)	Leasehold improvements \$(000)	IT equipment \$(000)	Furniture & fittings \$(000)	Total \$(000)
Cost					
Balance at 30 June 2017	197	1,510	1,156	601	3,464
Additions	2	-	44	24	70
Disposals	-	-	-	-	-
Balance at 30 June 2018	199	1,510	1,200	625	3,534
Accumulated depreciation and impairment losses					
Balance at 30 June 2017	166	348	654	210	1,378
Depreciation	8	148	211	58	425
Accumulated depreciation on disposals	-	-	-	-	-
Balance at 30 June 2018	174	496	865	268	1,803
Carrying amounts:					
At 30 June 2017	31	1,162	502	391	2,086
At 30 June 2018	25	1,014	335	357	1,731

The accompanying notes form part of these financial statements.

* Financial forecast figures are from the Budget Economic Forecast Updates (BEFU) forecasts which have not been audited.

2017	Plant & equipment \$(000)	Leasehold improvements \$(000)	IT equipment \$(000)	Furniture & fittings \$(000)	Total \$(000)
Cost					
Balance at 30 June 2016	169	1,229	868	498	2,764
Additions	28	281	288	103	700
Disposals	-	-	-	-	-
Balance at 30 June 2017	197	1,510	1,156	601	3,464
Accumulated depreciation and impairment losses					
Balance at 30 June 2016	159	212	468	154	993
Depreciation	7	136	186	56	385
Balance at 30 June 2017	166	348	654	210	1,378
Carrying amounts					
At 30 June 2016	10	1,017	400	344	1,771
At 30 June 2017	31	1,162	502	391	2,086

The accompanying notes form part of these financial statements.

9. Intangible assets

Movements for each class of intangible asset are set out below.

2018	Acquired software \$(000)	Internally generated software \$(000)	Total \$(000)
Cost			
Balance at 30 June 2017	391	165	556
Additions*	799	-	799
Balance at 30 June 2018	1,190	165	1,355
Accumulated depreciation and impairment losses			
Balance at 30 June 2017	149	107	256
Amortisation	110	-	110
Balance at 30 June 2018	259	107	366
Carrying amounts			
At 30 June 2017	242	58	300
At 30 June 2018	931	58	989

*Additions include work-in-progress of \$714 not yet depreciated.

The accompanying notes form part of these financial statements.

2017	Acquired software \$(000)	Internally generated software \$(000)	Total \$(000)
Cost			
Balance at 30 June 2016	191	165	356
Additions	200	-	200
Balance at 30 June 2017	391	165	556
Accumulated amortisation and impairment losses			
Balance at 30 June 2016	112	91	203
Amortisation	37	16	53
Balance at 30 June 2017	149	107	256
Carrying amounts			
At 30 June 2016	79	74	153
At 30 June 2017	242	58	300

There are no restrictions over the title of the Office's intangible assets, nor are any intangible assets pledged as security for liabilities.

10. Creditors and other payables

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

30/06/17 Actual \$(000)		30/06/18 Actual \$(000)	30/06/19 Unaudited forecast IPSAS* \$(000)
611	Trade creditors	422	202
415	GST Payable and accruals	458	170
<u>1,026</u>	Total creditors and other payables	<u>880</u>	<u>372</u>

11. Return of operating surplus

There is a surplus of \$542,000 to be repaid for the 2018 financial year (2017 \$6,000).

The accompanying notes form part of these financial statements.

* Financial forecast figures are from the Budget Economic Forecast Updates (BEFU) forecasts which have not been audited.

12. Employee entitlements

30/06/17 Actual		30/06/18 Actual	30/06/18 Main estimates	30/06/18 Supp. estimates	30/06/19 Unaudited forecast IPSAS*
\$(000)		\$(000)	\$(000)	\$(000)	\$(000)
	<i>Current liabilities</i>				
432	Annual leave	506	340	340	340
-	Long service leave	-	-	-	-
71	Superannuation, Superannuation Contribution Withholding Tax and salaries	281	130	130	130
503	Total current liabilities	787	470	470	470
	<i>Non-current liabilities</i>				
27	Long service leave	19	18	18	18
<u>530</u>	Total for employee entitlements	<u>806</u>	<u>488</u>	<u>488</u>	<u>488</u>

13. Equity (Taxpayers' funds)

30/06/17 Actual		30/06/18 Actual	30/06/19 Unaudited forecast IPSAS*
\$(000)		\$(000)	\$(000)
	General Funds		
2,076	Balance at 1 July	3,148	4,442
6	Net operating surplus	542	-
1,072	Capital injections	1,294	2,321
(6)	Provision for repayment of surplus to the Crown	(542)	-
<u>3,148</u>	Total Equity at 30 June	<u>4,442</u>	<u>6,763</u>

The accompanying notes form part of these financial statements.

* Financial forecast figures are from the Budget Economic Forecast Updates (BEFU) forecasts which have not been audited.

14. Financial instruments

Categories of financial instruments

Actual 2017 \$(000)		Actual 2018 \$(000)
	Loans and receivables	
3,195	Cash and cash equivalents	4,709
43	Debtors and other receivables (note 7)	2
3,238	Total	4,711
	Financial liabilities measured at amortised cost	
1,026	Creditors and other payables (note 10)	880
530	Employee entitlements (note 12)	806
<u>1,556</u>	Total	<u>1,686</u>

The carrying value of cash and cash equivalents approximates their fair value.

The accompanying notes form part of these financial statements.

15. Related party information

The Office is a wholly-owned entity of the Crown. The Ombudsmen act independently. Parliament is the Office's main source of revenue.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Office would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with government agencies (for example, government departments and Crown Entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

All related party transactions have been entered into on an arm's length basis.

Key management personnel compensation

Remuneration and benefits of the senior management staff of the Office amounted to the following.

Actual 2017 \$(000)		Actual 2018 \$(000)
	Leadership Team, including the Chief Ombudsman	
768	Remuneration and other benefits	828
3	Full-time equivalent staff	3
248	Termination benefit	-

16. Events after the balance sheet date

There were no post-balance sheet date events in regard to the Office's financial statements for the year ended 30 June 2018.

17. Significant variances from budgeted financial performance

The only significant variance from budgeted financial performance is the cash figure and the purchase of assets. In the new financial year, the Office will purchase the remaining assets for which funding has been given.

The accompanying notes form part of these financial statements.

Appropriation statements

The following statements report information about the expenses and capital expenditure incurred against each appropriation administered by the Office for the year ended 30 June 2018.

Statement of expenses and capital expenditure against appropriations for the year ended 30 June 2018

30/06/17 Actual		30/06/18 Actual	30/06/18 Main estimates	30/06/18 Supp. estimates	30/06/19 Unaudited forecast IPSAS*
\$(000)		\$(000)	\$(000)	\$(000)	\$(000)
	Vote Ombudsmen				
	Appropriation for output expenses				
13,598	Investigation and resolution of complaints about government administration	15,511	16,057	16,062	18,437
662	Remuneration of Ombudsmen (Permanent Legislative Authority)	711	668	703	703
14,260	Sub total	16,222	16,725	16,765	19,140
900	Office of the Ombudsmen appropriation for capital expenditure (Permanent Legislative Authority)	868	1,494	1,494	2,521
<u>15,160</u>	Total	<u>17,090</u>	<u>18,219</u>	<u>18,259</u>	<u>21,661</u>

End of year performance information is reported in the statement of objectives and service performance on pages 56-59.

The accompanying notes form part of these financial statements.

* Financial forecast figures are from the Budget Economic Forecast Updates (BEFU) forecasts which have not been audited.

Statement of expenses and capital expenditure incurred without, or in excess of, appropriation or authority for the year ended 30 June 2018

There was no unappropriated expenditure for 2017/18 (2016/17 Nil).

Statement of the Office's capital injections for the year ended 30 June 2018

30/06/17 Actual		30/06/18 Actual	30/06/18 Main estimates	30/06/18 Supp. estimates	30/06/19 Unaudited forecast IPSAS*
\$(000)		\$(000)	\$(000)	\$(000)	\$(000)
1,072	Office of the Ombudsmen appropriation for capital expenditure (Permanent Legislative Authority)	1,294	1,294	1,294	2,321

Statement of the Office's capital injections without, or in excess of, authority for the year ended 30 June 2018

The Office has not received any capital injections during the year without, or in excess of, authority.

The accompanying notes form part of these financial statements.

* Financial forecast figures are from the Budget Economic Forecast Updates (BEFU) forecasts which have not been audited.

PART 7

Analysis, statistics and directory

Throughput of complaints, other contacts and monitoring activities

Matters received and under consideration for reported year and previous four years

	2013/14	2014/15	2015/16	2016/17	2017/18
On hand as at 1 July	2,072	1,602	1,787	1,591	1,302
Adjustment ⁹⁰	9	-2	-5	-2	-8
Received during the year	11,044	12,151	12,595	11,846	11,468
Total under consideration	13,116	13,753	14,382	13,437	12,770
Completed during the year	(11,505)	(11,964)	(12,786)	(12,141)	(11,846)
On hand at 30 June	1,602	1,787	1,591	1,294	916

90 Adjustments are changes made to reported statistics post completion of a reporting year.

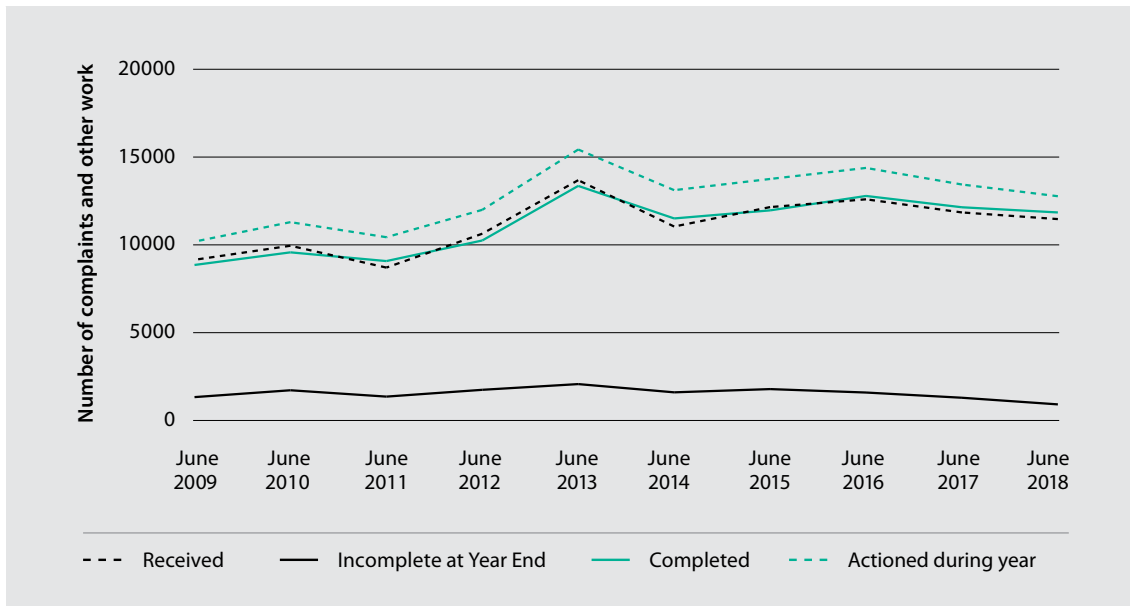


Figure 3: Overall throughput of work over the past 10 years.

Breakdown of matters received and under consideration for reported year and previous four years

	2013/14	2014/15	2015/16	2016/17	2017/18
On hand at 1 July					
Ombudsmen Act	690	649	729	555	430
Official Information Act	1,131	708	833	856	651
Local Government Official Information and Meetings Act	162	174	160	159	144
Protected Disclosures Act	2	7	5	2	2
Other contacts	75	51	34	15	42
Other work	14	11	21	48	33
Total	2,074	1,600	1,782	1,635	1,302
Received during the year					
Ombudsmen Act	2,478	2,304	2,054	2,191	2,263
Official Information Act	1,207	1,090	1,100	1,174	1,378

	2013/14	2014/15	2015/16	2016/17	2017/18
Local Government Official Information and Meetings Act	246	240	240	248	299
Protected Disclosures Act	14	14	6	10	8
Other contacts	7,081	8,480	9,166	8,198	7,475
Other work	18	23	29	25	45
Total	11,044	12,151	12,595	11,846	11,468
Disposed of during the year					
Ombudsmen Act	2,510	2,226	2,241	2,285	2,398
Official Information Act	1,623	960	1,084	1,375	1,598
Local Government Official Information and Meetings Act	233	253	247	258	344
Protected Disclosures Act	7	16	9	10	7
Other contacts	7,112	8,497	9,185	8,168	7,475
Other work	20	12	20	45	24
Total	11,505	11,964	12,786	12,141	11,846
On hand at 30 June					
Ombudsmen Act	647	727	542	430	296
Official Information Act	712	838	849	647	427
Local Government Official Information and Meetings Act	174	161	153	142	97
Protected Disclosures Act	8	5	2	2	3
Other contacts	50	34	15	45	45
Other work	11	22	30	28	48
Total	1,602	1,787	1,591	1,294	916

Contact type – who matters were received from

Contact type	2016/17	2017/18
General public – individuals	7,517	7,592
Prisoners and prisoner advocates	3,370	2,669
Departments, government organisations and local authorities	229	381

Contact type	2016/17	2017/18
Media	353	380
Companies, associations and incorporated societies	150	169
Political party research units	85	101
Special interest groups	51	44
Ombudsman self-initiated	7	35
Review agency (Privacy Commissioner, Independent Police Conduct Authority, Health and Disability Commissioner)	22	27
Members of Parliament	22	26
Trade Unions	18	17
Researchers	11	11
Ministers	2	7
Other	9	9
Total	11,846	11,468

Age profile of open and closed complaints and other contacts

Age profile – all complaints and other contacts closed in 2017/18

	Year ended 30/06/15	Year ended 30/06/16	Year ended 30/06/17	Year ended 30/06/18
Aged 6 months or less from date of receipt	92%	91%	92%	92%
Aged between 7 and 12 months from date of receipt	4%	4%	3%	3%
Aged more than 12 months from date of receipt	4%	4%	5%	5%

Age profile – all complaints and other contacts remaining open at 30 June 2018

	Year ended 30/06/15	Year ended 30/06/16	Year ended 30/06/17	Year ended 30/06/18
Aged 6 months or less from date of receipt	47%	39%	51%	82%
Aged between 7 and 12 months from date of receipt	30%	24%	31%	11%
Aged more than 12 months from date of receipt	23%	36%	18%	7%

Detailed analysis of complaints and other contacts

Ombudsmen Act (OA)

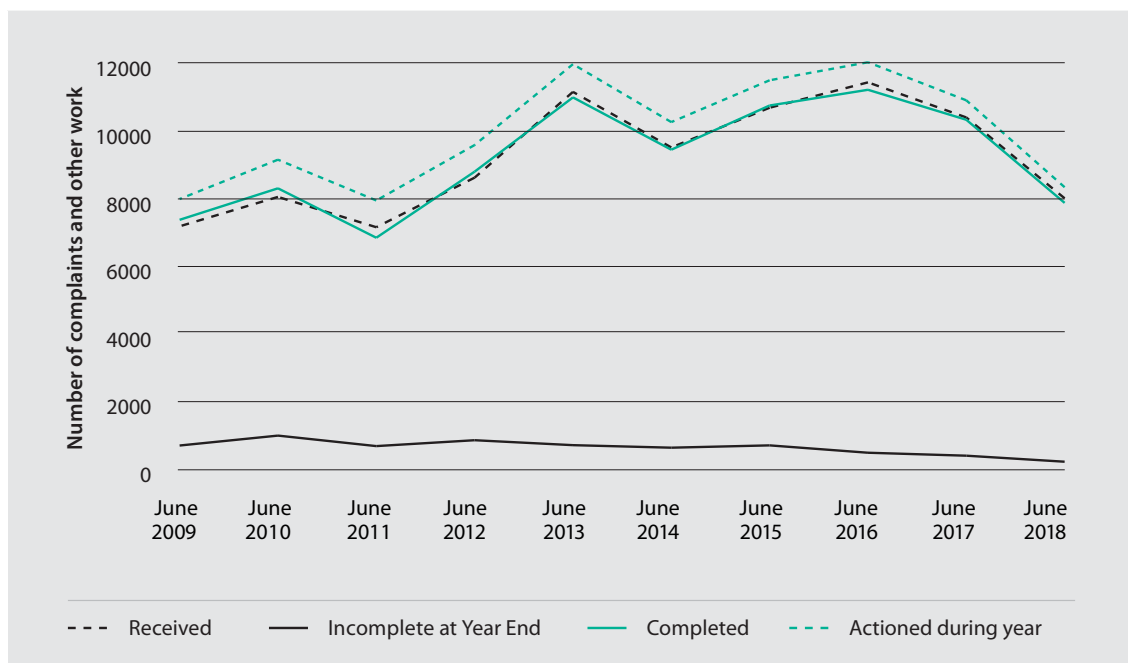


Figure 4: OA complaints and other contacts received and actioned over the past 10 years.

OA complaints received from	2016/17	2017/18
General public – individuals	1,844	1,968
Prisoners and prisoner advocates	260	221
Companies, associations and incorporated societies	61	55
Media	16	10
Members of Parliament	1	3
Special interest groups	3	2
Political party research units	1	2
Departments, government organisations and local authorities	5	1
Other	-	1
Total	2,191	2,263

OA complaints received against	2016/17	2017/18
Government departments	1,068	1,042
Local authorities (all)	308	374
<i>District Councils</i>	125	165

OA complaints received against	2016/17	2017/18
<i>City Councils (including Auckland Council)</i>	134	152
<i>Council controlled organisations (including Auckland Transport)</i>	27	29
<i>Regional Councils</i>	22	24
Other organisations state sector (all)	605	577
<i>Boards of Trustees (schools)</i>	82	109
<i>District Health Boards</i>	44	28
<i>Universities</i>	20	28
<i>Polytechnics</i>	40	30
Ministers	20	17
Not specified	190	253
Total	2,191	2,263

OA complaints received – greater than or equal to 15 complaints ⁹¹	2016/17	2017/18
Government departments		
Department of Corrections	322	277
Ministry of Business, Innovation and Employment	306⁹²	277
Inland Revenue	118⁹³	124
Ministry of Social Development	155⁹⁴	123
Oranga Tamariki, Ministry for Vulnerable Children	22	74
Ministry of Education	18	26
Ministry of Justice ⁹⁵	18	18
Department of Internal Affairs	14	15
Local authorities		
Auckland Council	69	70
Auckland Transport	19	27

91 Totals are not included in some tables, where they are not relevant.

92 Includes 253 complaints concerning the Labour Group and Immigration New Zealand.

93 Includes 22 child support and 27 student loan matters.

94 Includes 88 Work and Income and 13 StudyLink matters.

95 Not including courts and tribunals.

OA complaints received – greater than or equal to 15 complaints ⁹¹	2016/17	2017/18
Wellington City Council	4	22
Far North District Council	14	21
Horowhenua District Council	1	21
Other organisations state sector		
Accident Compensation Corporation	77	70
Earthquake Commission	60	56
Health and Disability Commissioner	39	43
New Zealand Post Limited	25	39
New Zealand Police	48	35
New Zealand Transport Agency	34	27
Privacy Commissioner	24	21
How OA complaints were dealt with	2016/17	2017/18
Outside jurisdiction		
Agency not listed in schedule	211	293
Scheduled agency otherwise outside jurisdiction	43	63
Subtotal	254	356
Referred		
Referred to Health and Disability Commissioner	11	7
Referred to Independent Police Conduct Authority	36	20
Referred to Privacy Commissioner	14	14
Subtotal	61	41
No investigation undertaken		
Withdrawn by complainant or no response from complainant	77	57
Right of appeal to Court or Tribunal	88	59
Adequate alternative remedy – complain to agency first	940	1,034
Adequate alternative remedy – complaint referred to agency by Ombudsman	4	2
Adequate alternative remedy – recourse to other agency	20	11

How OA complaints were dealt with	2016/17	2017/18
Investigation unnecessary ⁹⁶	315	313
Out of time	6	5
Trivial, frivolous, vexatious or not in good faith	3	-
Insufficient personal interest	2	6
Explanation, advice or assistance provided	245	150
Subtotal	1,700	1,637
Resolved without investigation		
Remedial action to benefit complainant	67	47
Remedial action to improve state sector administration	3	1
Remedial action to benefit complainant and improve state sector administration	-	3
Provision of advice/explanation by agency or Ombudsman that satisfies complainant	13	5
Subtotal	83	56
Investigation discontinued		
Withdrawn by complainant or no response from complainant	6	14
Further investigation unnecessary	32	58
Agency to review	4	8
Trivial, frivolous, vexatious or not in good faith	-	1
Subtotal	42	81
Resolved during investigation		
Remedial action to benefit complainant	38	48
Remedial action to improve state sector administration	2	2
Remedial action to benefit complainant and improve state sector administration	2	22
Provision of advice/explanation by agency or Ombudsman that satisfies complainant	2	1
Subtotal	44	73

96 The discretion to decline to investigate a complaint on the basis that it is considered unnecessary was added in March 2015.

How OA complaints were dealt with	2016/17	2017/18
Investigation finalised (final opinion formed)		
Administrative deficiency identified – recommendation/s	16	12
Administrative deficiency identified – no recommendation	32	29
No administrative deficiency identified	48	112
Issues cannot be determined	1	-
Subtotal	97	153
Administration – adjustment	-	1
Under consideration at 30 June	430	296
Total	2,715	2,694

Nature of deficiency identified where final opinion formed on OA complaints – Administrative deficiency in an individual case	2016/17	2017/18
Procedural deficiency	24	18
Unreasonable, unjust, oppressive or discriminatory act, omission or decision	13	14
Inadequate advice, explanation or reasons	1	6
Unreasonable delay	5	4
Wrong action or decision	4	4
Factual error or mistake	1	1
Unreasonable charge	1	1
Unprofessional behaviour or misconduct by an official	-	1
Legal error	4	-

Nature of deficiency identified where final opinion formed on OA complaints – Administrative deficiency in the agency or system of government	2016/17	2017/18
Flawed agency processes or systems	2	4
Government or agency policy: unreasonable or harsh impact	1	2
Inadequate knowledge/training of staff	1	1
Legislation – unreasonable or harsh impact or unintended consequences	2	-

Nature of remedy obtained for OA complaints – Individual benefit	2016/17	2017/18
Decision to be reconsidered	30	68
Decision changed	37	24
Omission rectified	29	23
Reasons/explanation given	19	20
Apology	20	10
Financial remedy	13	3

Nature of remedy obtained for OA complaints – Public administration benefit	2016/17	2017/18
Law/policy/practice/procedure to be reviewed	6	30
Change in practice/procedure	13	28
Provision of guidance or training to staff	5	7
Change in law/policy	1	3
Provision of additional resources	1	2

Official Information Act (OIA)

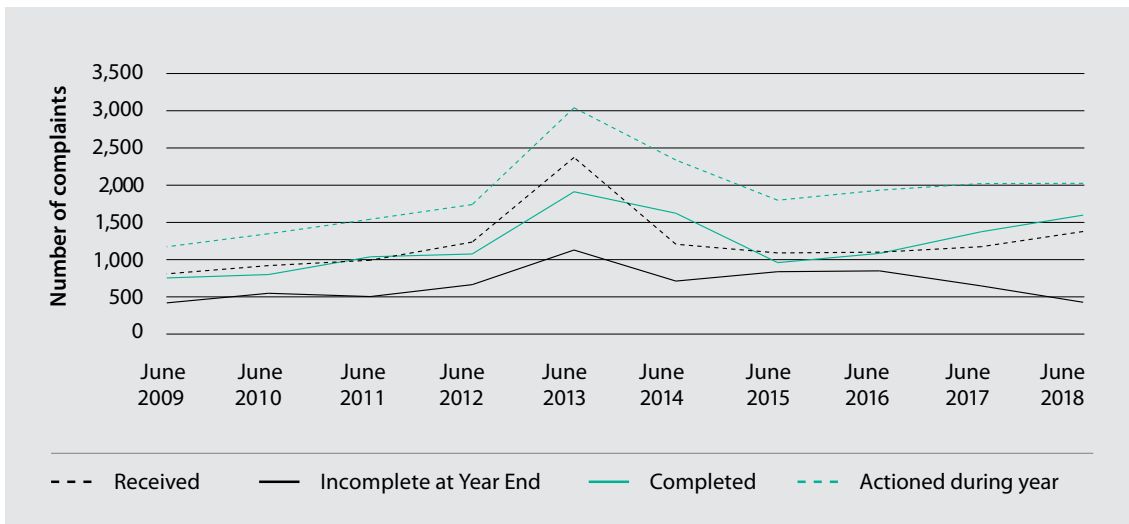


Figure 5: OIA complaints received and actioned over the past 10 years

Nature of OIA complaints made	2016/17	2017/18
Refusal – general information request	629	673
Delay in making decision	216	257
Incomplete or inadequate response	98	106
Extension	60	104
Refusal – personal information about individual	84	84
Decision not made as soon as reasonably practicable	13	21
Delay in releasing information	19	18
Charge	14	13
Manner or form of release	11	11
Refusal – personal information about body corporate	2	4
Refusal – statement of reasons	5	3
Neither confirm nor deny existence of information	5	2
Correction – personal information about body corporate	-	2
Condition	-	1
Other	18	79
Total	1,174	1,378

OIA complaints received from	2016/17	2017/18
General public – individuals	721	816
Media	221	278
Political party research units	76	95
Prisoners and prisoner advocates	48	64
Companies, associations and incorporated societies	35	53
Special interest groups	39	33
Members of Parliament	16	16
Trade unions	12	14
Researchers	2	6

OIA complaints received from	2016/17	2017/18
Departments, government organisations and local authorities	4	3
Other	-	-
Total	1,174	1,378

OIA complaints received against	2016/17	2017/18
Government departments	522	647
Other organisations state sector (all)	521	551
<i>District Health Boards</i>	64	82
<i>Boards of Trustees (schools)</i>	43	59
<i>Universities</i>	18	18
Ministers	117	168
Agencies not subject to jurisdiction	13	7
Not specified	1	5
Total	1,174	1,378

OIA complaints received – greater than or equal to 15 complaints	2016/17	2017/18
Government departments		
Ministry of Business, Innovation and Employment	61	84
Department of Corrections	82	73
Ministry for Primary Industries	46	68
Ministry of Education	23	62
Ministry of Health	29	52
Ministry of Social Development	68	44
Ministry of Justice	34	41
Oranga Tamariki, Ministry for Vulnerable Children	26	40
New Zealand Defence Force	22	34
Ministry of Foreign Affairs and Trade	25	20
Department of Internal Affairs	16	16

OIA complaints received – greater than or equal to 15 complaints	2016/17	2017/18
Department of Conservation	24	17
Other organisations state sector		
New Zealand Police	186	183
New Zealand Transport Agency	14	24
Earthquake Commission	24	20
Southern Response Earthquake Services Limited	1	16
Waikato District Health Board	2	15

How OIA complaints were dealt with	2016/17	2017/18
Outside jurisdiction		
Agency not listed in schedule	16	14
Scheduled agency otherwise outside jurisdiction	58	50
Subtotal	74	64
Referred		
Referred to Privacy Commissioner	92	72
Subtotal	92	72
No investigation undertaken		
Withdrawn by complainant or no response from complainant	158	164
Right of appeal to Court or Tribunal	-	1
Adequate alternative remedy – complain to agency first	5	7
Adequate alternative remedy – complaint referred to agency by Ombudsman	-	1
Adequate alternative remedy – recourse to other agency	7	1
Investigation unnecessary ⁹⁷	79	222
Out of time	1	-
Trivial, frivolous, vexatious or not in good faith	2	1

97 The discretion to decline to investigate a complaint on the basis that it is considered unnecessary was added in March 2015.

How OIA complaints were dealt with	2016/17	2017/18
Explanation, advice or assistance provided	102	65
Subtotal	354	462
Resolved without investigation		
Remedial action to benefit complainant	124	122
Remedial action to improve state sector administration	-	-
Remedial action to benefit complainant and improve state sector administration	1	1
Provision of advice/explanation by agency or Ombudsman that satisfies complainant	42	74
Subtotal	167	197
Investigation discontinued		
Withdrawn by complainant or no response from complainant	61	89
Further investigation unnecessary	68	91
Agency to review	7	4
Subtotal	136	184
Resolved during investigation		
Remedial action to benefit complainant	155	188
Remedial action to improve state sector administration	-	-
Remedial action to benefit complainant and improve state sector administration	1	1
Provision of advice/explanation by agency or Ombudsman that satisfies complainant	25	31
Subtotal	181	220
Investigation finalised (final opinion formed)		
Administrative deficiency identified – recommendation/s	21	59
Administrative deficiency identified – no recommendation	137	80
No administrative deficiency identified	208	260
Subtotal	366	399
Other	5	-
Under consideration at 30 June	647	427
Total	2,022	2,025

Nature of deficiency identified where final opinion formed on OIA complaints – Administrative deficiency in an individual case	2016/17	2017/18
Refusal not justified – in whole	10	46
Refusal not justified – in part	23	37
Delay deemed refusal	113	36
Unreasonable extension	8	8
Undue delay in releasing information	1	5
Unreasonable conditions	-	3
Unreasonable delay	-	2
Unreasonable charge	1	1
Inadequate advice, explanation or reasons	-	1
Procedural deficiency	-	1
Factual error or mistake	2	-

Nature of deficiency identified where final opinion formed on OIA complaints – Administrative deficiency in the agency or system of government	2016/17	2017/18
Resource deficiency in agency	-	1

Nature of remedy obtained for OIA complaints – Individual benefit	2016/17	2017/18
Decision changed	221	304
Decision to be reconsidered	51	113
Reasons/explanation given	96	84
Omission rectified	35	26
Apology	8	4

Nature of remedy obtained for OIA complaints – Public administration benefit	2016/17	2017/18
Provision of guidance or training to staff	3	2
Change in practice/procedure	6	1
Law/policy/practice/procedure to be reviewed	1	-

Local Government Official Information and Meetings Act (LGOIMA)

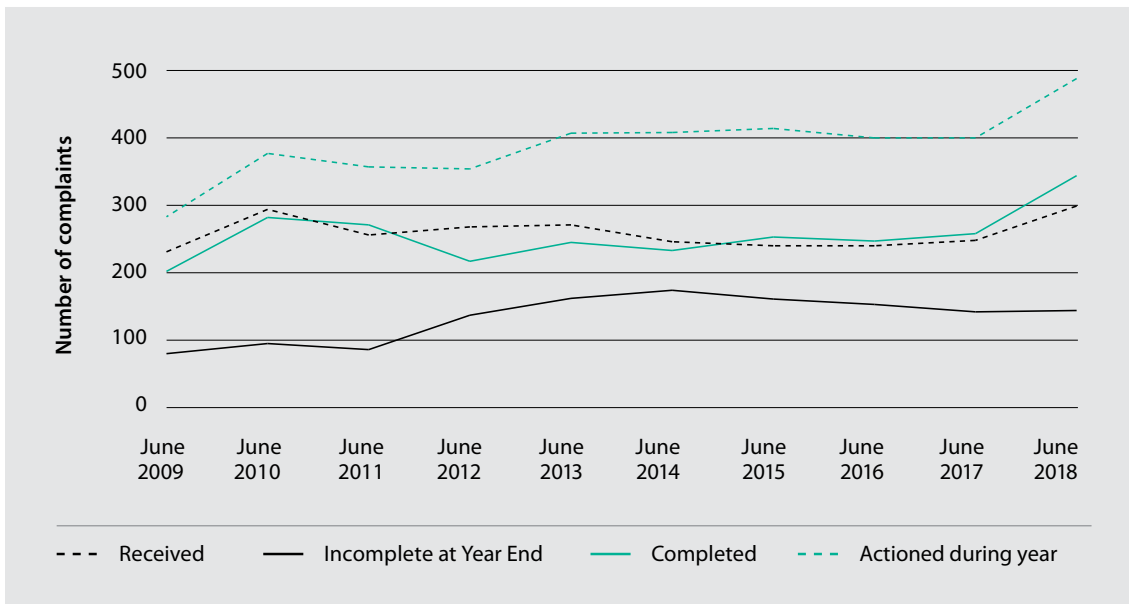


Figure 6: LGOIMA complaints received and actioned over the past 10 years.

Nature of LGOIMA complaints made	2016/17	2017/18
Refusal – general information request	123	145
Delay in making decision	62	65
Incomplete or inadequate response	29	40
Charge	13	17
Delay in releasing information	7	9
Decision not made as soon as reasonably practicable	2	6
Manner or form of release	1	4
Extension	6	4
Refusal – personal information about individual	4	3
Refusal – statement of reasons	1	1
Condition	-	1
Other	-	4
Total	248	299

LGOIMA complaints received from	2016/17	2017/18
General public – individuals	169	234
Media	51	41
Companies, associations and incorporated societies	14	16
Trade unions	6	3
Special interest groups	5	3
Departments, government organisations and local authorities	2	1
Members of Parliament	-	1
Political party research units	1	-
Researchers	-	-
Total	248	299

LGOIMA complaints received against	2016/17	2017/18
District Councils	62	109
City Councils (not including Auckland Council)	93	53
<i>Christchurch City Council</i>	31	15
<i>Wellington City Council</i>	24	29
Auckland Council	39	68
Regional councils	28	32
Council Controlled Organisations (including Auckland Transport)	25	32
<i>Auckland Transport</i>	16	22
Other	1	5
Total	248	299

How LGOIMA complaints were dealt with	2016/17	2017/18
Outside jurisdiction		
Agency not listed in schedule	1	2
Scheduled agency otherwise outside jurisdiction	9	9
Subtotal	10	11

How LGOIMA complaints were dealt with	2016/17	2017/18
Referred		
Referred to Privacy Commissioner	3	6
Subtotal	3	6
No investigation undertaken		
Withdrawn by complainant or no response from complainant	46	30
Adequate alternative remedy – complain to agency first	3	1
Adequate alternative remedy – recourse to other agency	-	-
Investigation unnecessary ⁹⁸	16	46
Out of time	1	-
Insufficient personal interest	1	-
Explanation, advice or assistance provided	12	14
Subtotal	79	91
Resolved without investigation		
Remedial action to benefit complainant	45	38
Remedial action to improve state sector administration	-	-
Remedial action to benefit complainant and improve state sector administration	1	-
Provision of advice/explanation by agency or Ombudsman that satisfies complainant	3	3
Subtotal	49	41
Investigation discontinued		
Withdrawn by complainant or no response from complainant	6	10
Further investigation unnecessary	7	16
Agency to review	2	1
Subtotal	15	27

98 The discretion to decline to investigate a complaint on the basis that it is considered unnecessary was added in March 2015.

How LGOIMA complaints were dealt with	2016/17	2017/18
Resolved during investigation		
Remedial action to benefit complainant	24	44
Remedial action to benefit complainant and improve state sector administration	2	3
Provision of advice/explanation by agency or Ombudsman that satisfies complainant	1	1
Subtotal	27	48
Investigation finalised (final opinion formed)		
Administrative deficiency identified – recommendation/s	10	40
Administrative deficiency identified – no recommendation	27	26
No administrative deficiency identified	38	54
Subtotal	75	120
Under consideration at 30 June	142	97
Total	400	441

Nature of deficiency identified where final opinion formed on LGOIMA complaints – Administrative deficiency in an individual case	2016/17	2017/18
Refusal not justified – in part	3	30
Refusal not justified – in whole	-	16
Unreasonable charge	-	9
Delay deemed refusal	34	7
Undue delay in releasing information	-	2
Wrong action or decision	-	1
Unreasonable delay	-	1

Nature of deficiency identified where final opinion formed on LGOIMA complaints – Administrative deficiency in the agency or system of government	2016/17	2017/18
Government or agency policy – unreasonable or harsh impact	-	1
Flawed agency processes or systems	-	-

Nature of remedy obtained for LGOIMA complaints – Individual benefit	2016/17	2017/18
Decision changed	54	90
Decision to be reconsidered	7	26
Reasons/explanation given	13	12
Omission rectified	11	8
Financial remedy	-	1
Apology	1	-

Nature of remedy obtained for LGOIMA complaints – Public administration benefit	2016/17	2017/18
Provision of guidance or training to staff	1	3
Law/policy/practice/procedure to be reviewed	3	-
Change in practice/procedure	1	-
Change in law/policy	1	-

Other contacts

Other contacts received about	2016/17	2017/18
Ombudsmen Act matters	6,580	5,821
Agency requests for advice	196	341
Official Information Act matters	405	336
Copy correspondence, material sent for information only	188	235
Requests for information held by the Ombudsman	179	137
Protected Disclosures Act matters	35	69
Local Government Official Information and Meetings Act matters	45	61
Consultation by review agency (Privacy Commissioner, Independent Police Conduct Authority, Health and Disability Commissioner)	22	25
Crimes of Torture Act matters	10	1
Other	538	449
Total	8,198	7,475

Other contacts received from	2016/17	2017/18
General public – individuals	4,761	4,565
Prisoners and prisoner advocates	3,049	2,382
Departments, government organisations and local authorities	226	376
Media	64	51
Companies, associations and incorporated societies	40	44
Review agencies (Privacy Commissioner, Independent Police Conduct Authority, Health and Disability Commissioner)	22	27
Ministers	2	7
Members of Parliament	5	6
Researchers	9	5
Special interest groups	4	4
Political party research units	7	3
Other	9	5
Total	8,198	7,475

Other contacts concerned	2016/17	2017/18
Department of Corrections	3,362	2,729
Other government departments	1,322	1,160
Other organisations (state sector)	1,138	1,063
Agencies not subject to jurisdiction	686	740
Local authorities	417	491
Ministers	26	44
Not specified	1,247	1,248
Total	8,198	7,475

How other contacts were dealt with	2016/17	2017/18
No response required (including copy correspondence, FYI)	545	485
Individual advised to complain in writing/send relevant papers	461	453
Complain to agency first	3,207	3,358
Matter referred to agency by Ombudsman	36	10
Complain to other agency – Privacy Commissioner	99	81
Complain to other agency – Health and Disability Commissioner	109	74
Complain to other agency – Independent Police Conduct Authority	64	76
Complain to other agency – other	262	231
Explanation, advice or assistance provided	3,293	2,599
Resolved – remedial action to benefit individual	4	-
Resolved – remedial action to improve state sector administration	-	1
Resolved – provision of advice/explanation which satisfies individual	11	1
Withdrawn	26	11
Protected disclosures enquiry	29	72
Matter to be transferred to Ombudsman by other review agency	22	23
Under consideration at 30 June	45	45
Total	8,213	7,520

Nature of remedy obtained for other contacts	2016/17	2017/18
Law/policy/practice/procedure to be reviewed	-	1
Reasons/explanation given	4	-
Omission rectified	1	-
Decision changed	1	-
Decision to be reconsidered	1	-
Apology	1	-

Geographical distribution of complaints and other contacts received in year to 30 June 2018

	Other contacts	OA	OIA	LGOIMA	Other work	All	All last year
Auckland	409	516	229	74	1	1,229	1,393
Bay of Plenty	46	64	24	13	0	147	119
Northland	57	97	24	16	0	194	186
Waikato	114	134	48	13	1	310	370
Taranaki	18	20	12	4	0	54	74
Hawke's Bay	41	44	23	7	0	115	116
Manawatu/ Whanganui	98	88	29	12	0	227	195
Wairarapa	10	8	7	3	0	28	52
East Cape	5	13	4	6	0	28	37
Wellington	406	209	452	49	2	1,118	997
Total North Island	1,204	1,193	852	197	4	3,450	3,539
Nelson/Marlborough	42	47	18	9	0	116	128
Dunedin	13	11	10	5	0	39	90
Otago	50	50	22	8	0	130	93
Southland	20	36	8	4	0	68	58
Canterbury	72	51	22	6	0	151	154
Christchurch	169	189	109	13	0	480	499
Westland	11	14	4	10	0	39	48
Chatham Islands	1	0	0	0	0	1	2
Total South Island	378	398	193	55	0	1,024	1,072
Location not known	5,865	649	353	67	4	6,938	7,164
Overseas	64	119	9	0	0	192	284
Total	7,511	2,359	1,407	319	8	11,604⁹⁹	12,059

99 Complaints and other contacts may be made jointly with other persons. As a consequence, the number of complaints and other contacts recorded on the basis of region exceeds the number of issues that were the subject of a complaint or other contact.

Directory

Legal authorities for establishing the Office of the Ombudsman

Ombudsmen are appointed pursuant to sections 8 and 13 of the Ombudsmen Act 1975, and report annually to Parliament pursuant to this Act and the Public Finance Act 1989. Ombudsmen are Officers of Parliament pursuant to section 3 of the Ombudsmen Act 1975, and the Public Finance Act 1989.

Contacting the Ombudsman

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Ombudsman

