

10 April 2024

D Watson

By email to: fyi-request-26033-99ef69ff@requests.fyi.org.nz

Dear D Watson

OFFICIAL INFORMATION ACT REQUEST 2024/19

On Monday, 11 March you made a request under the Official Information Act 1982 (the OIA) for the following information:

I request all internal communications relating to budgeting and expenditure (actuals) broken down by department for the current financial year with forecasts for the remaining months.

I request an actual copy of the submitted budget for the current financial year (since July 1 2023). I request month by month notes by department with explaining any discrepancies. I request all minutes of meetings held to discuss the financial position between executives of the commission and if they do not exist I require a written overview of the meetings when they were held and who was present.

*Please provide minutes of regular finance meetings - assumed to be monthly - where budgets, actual costs and forecasting were discussed.
Where in the organisation does budget responsibility sit - with what executive.*

*I request all emails and electronic messaging between the responsible executive and their direct and indirect reports, contract personnel and executive peers where matters, including concerns, relating to the financial position of the electoral commission were discussed.
Please provide emails relating to budget overruns.*

Provide detail of reserves held and procedures for accessing reserve finances. Please provide a general overview of the current finance situation of the electoral commission and provide information on what has been advised to the responsible minister and when such was sent to the minister.

Please provide all minutes from board meetings where the current financial years budget were discussed.

As an Independent Crown Entity, the Electoral Commission's financial management is governed by the Public Finance Act 1989. In accordance with this Act, an External Audit is conducted annually by the Office of the Auditor-General to ensure the Electoral Commission is adhering to the International Public Sector Accounting Standards (IPSAS – PBE). The Electoral Commission is, and always has been fully compliant and has never received a “qualified” Audit report. These regulations and practices safeguard public money, and as such we rebut the claims that the Electoral Commission is mismanaging their appropriated funds.

We report monthly to the ELT and Board, and on a quarterly basis to the Ministry of Justice. We have included all copies of these monthly reports and commentary. Prior to the 2023 General Election the Electoral Commission invested in the upgrade of our Financial Management Information Systems to include Business Central and Solver. These Financial tools ensure good accounting practice and enhanced budgeting and reporting and give assurance to our Board and Auditors that any financial risk is minimised.

The Annual Report and The Statement of Performance Expectations (SPE), are published annually and can be found on our Website ([Corporate publications | Elections](#)). We have also included a downloaded copy of the Report. This report outlines in detail the past performance and future plans for the Commission, including the Current FY24 budget as per your request. The budget responsibility sits with our CE and DCE Enterprise Services, and on the final approval of the Board.

We have submitted copies of all Finance Reports that have been presented to the ELT and the Board for the current financial year (July 2023 to January 2024 of which January 2024 is still subject to approval by the Board). These reports include commentary and analysis about the monthly and YTD financial performance of the Electoral Commission. They report and discuss the Profit and Loss by Division, by Expense Category and by Electoral Event. They also include the Reserves position, the Statement of Cashflows and the Balance Sheet. These reports are reviewed and discussed at the monthly ELT meeting and then the monthly Board meeting. Minutes of these meetings and discussions are also included in your request.

As a Crown Entity our financial reporting is to the Ministry of Justice, and included in the Justice Vote reports directly to the Minister of Justice. In the FY24 period, we have issued 2 Quarterly Reports containing financial performance to the Ministry of Justice. Covering Quarter 1, (July to August 2023) and Quarter 2 (Sept to Dec 2023), we have not yet completed Quarter 3 reporting. These reports have also been included in your request.

Please note, many of the reports include revenue and expenditure for activities funded by the Ministry of Foreign Affairs and Trade relating to obligations we have in the Pacific region. Ministry of Justice funding of the NZ Electoral Commission is distinctly and exclusively for NZ Electoral Events.

Reserves are carefully monitored and reported on. As at July 2023 we held a Discretionary Reserve fund of \$1.890m, and a Contingency fund of \$0.985m. The procedure for accessing Reserves was that funds could be applied for formally and were allocated by the ELT following review of the applications. Budget overruns have been closely monitored and managed. A minimum Reserves amount of approx. \$2.221m was held back and not made available for distribution.

The Electoral Commission sets Budgets Annually and the are published withing the Statement of Performance Expectations. The Executive Leadership Team monitor and control expenditure, and the General Election Steering Committee, also reports and monitors GE related expenditure. Due to the nature of an Event as large and complex as the General Election, there can be unexpected overspends, and as such we hold contingency funds to cover unexpected costs, and also timing of costs can often vary, which can result in expenditure earlier than budgeted. The Electoral Commission budgeted for an \$11.308m deficit in FY24, which is year 3 of a three-year Electoral cycle and is offset by surpluses in Years 1 and 2, as well as accumulated Reserves, as at the end of the January period we are forecasting an \$11,982m deficit for FY24, which is a \$674k overspend compared to Budget. The Electoral Commission expects to maintain, as a very minimum, the Board approved Reserves of \$2.221m for the current financial year, with current projected Reserves of \$4.422m. Please find a table of all reports submitted covering the current financial year (01 July 2023 to 31 January 2024).

Documents submitted:

Document	Number
2023-24 ELT Minutes	1
Monthly ELT Finance Reports	7
2023-24 Board Minutes	1
Monthly Board reports	7
Quarterly MoJ reports	2
Final FY24 Budget (SPE)	1

Some details have been withheld under section 9(2)(b)(ii) of the Official Information Act where the information is commercially sensitive. Some details have also been withheld where the Commission considers the information is out of the scope of the request.

Your request for:

- all internal communications relating to budgeting and expenditure (actuals) broken down by department for the current financial year with forecasts for the remaining months; and
 - and all emails and electronic messaging between the responsible executive and their direct and indirect reports, contract personnel and executive peers where matters, including concerns, relating to the financial position of the electoral commission were discussed.
- Please provide emails relating to budget overruns.

is declined under section 18(f) of the Act on the basis that the information requested cannot be made available without substantial collation or research. I do not consider that either or both, fixing a charge, or extending the time limit would enable the request to be granted, however I would be happy to discuss whether you want to modify your request so it would not require substantial collation or research.

In the interests of transparency, we release responses to Official Information Act requests every 3 months. We will publish this response with your personal details redacted.

You have the right under section 28(3) of the Act to make a complaint to the Ombudsman if you are not satisfied with the response to your request. Information about how to do this is available at www.ombudsman.parliament.nz or by phoning 0800 802 602.

Yours sincerely



Emma Gillard
Manager, Finance and Administration.