



5 APR 2019



Dear 

On 19 February 2019, you emailed the Ministry requesting, under the Official Information Act 1982, the following information:

- *How much has the department spent in the last five years (broken down by year) on buying new furniture and office supplies for its offices around New Zealand?*
- *Please provide any extra detail available on why the purchases were required i.e. office renovation or relocation.*
- *How much has the department spent on getting rid of furniture i.e. dump or storage fees, in the last five years (broken down by year).*
- *Any extra detail on why certain items were procured or justification for the purchases or removal of items is appreciated.*

New Zealand's public service is responsible for ensuring that funds provided to it by the Crown are spent prudently. In its capacity as a provider of a wide range of support services to over one million New Zealanders through more than 150 offices, the Ministry of Social Development (the Ministry) has guidelines in place that ensure sensible stewardship of public monies. The Ministry's financial policies are governed by the overarching consideration of probity.

Over the last five years the Ministry has experienced some significant organisational changes that impact on its reporting on its spend on furniture and office supplies. Most notably, on 1 April 2017 Oranga Tamariki was established. However, the Ministry has continued to provide the office environments to Oranga Tamariki under an occupancy agreement. As such, the spending reported in 2017 and 2018 includes purchases made for offices occupied by Oranga Tamariki.

The Ministry has a rolling approach to the refurbishment of offices, which takes into consideration other impacts such as the end of leases on buildings.

In order to respond to your request, the data has been pulled from the Ministry's financial system using the date the invoice is paid. This date may differ from the date the purchased items were delivered. In compiling this data, the Ministry has reviewed transactions and grouped them in accordance with the invoice coding. These have been identified as:

- New site Projects – a new office building being occupied by the Ministry, generally this is relocation from an existing site, which is defined as an area

of land on which two or more property leases are held (note that this excludes Oranga Tamariki's Family Homes and Residences)

- Refurbishments – an upgrade to an existing site completed as a capital project, which includes projects where similar work was completed across a number of sites
- Operating costs – purchases of individual items to meet specific needs or to replace broken items; note that in 2014, furniture for two new sites was purchased and is in the operating cost data.

Please find enclosed a table that shows a breakdown of the Ministry's expenditure on furniture for the financial years for the period 2013/14 to 2017/18 inclusive.

You will see that there was a significant increase in spend in 2016 and 2017. This was largely as a result of the fit-out of the Ministry's new National Office after it moved from its site on Bowen Street. If you are interested in this, further information is available on the Ministry's website at:

www.msd.govt.nz/about-msd-and-our-work/newsroom/2016/msd-national-office-move.html

I hope that you find this information helpful.

The principles and purposes of the Official Information Act 1982 under which you made your request are:

- to create greater openness and transparency about the plans, work and activities of the Government,
- to increase the ability of the public to participate in the making and administration of our laws and policies and
- to lead to greater accountability in the conduct of public affairs.

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and any attached documents available to the wider public shortly. The Ministry will do this by publishing this letter on the Ministry of Social Development's website. Your personal details will be deleted and the Ministry will not publish any information that would identify you as the person who requested the information.

If you wish to discuss this response with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with this response, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or 0800 802 602.

Yours sincerely



Bruce Simpson
Associate DCE

PP

Stephen Crombie
Deputy Chief Executive Corporate Solutions

Ministry of Social Development spend (excl GST) on Office Furniture, broken down by type of expenditure and financial year for the period 2013/14 to 2017/18

	Financial Year					Total
	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	
New Site Projects						
Furniture	\$0	\$75,566	\$2,419,069	\$6,498,457	\$1,266,396	\$10,454,234
Office Supplies	\$0	\$4,495	\$1,043	\$294,925	\$23,237	\$331,400
Freight/Installation	\$13,889	\$37,808	\$3,359	\$344,269	\$200,029	\$607,620
Electronic Equipment	\$0	\$5,377	\$36	\$366	\$11,675	\$17,454
Kitchen Equipment	\$0	\$5,946	\$0	\$12,461	\$17,719	\$40,924
Refurbishments						
Furniture	\$30,766	\$960,977	\$349,199	\$122,771	\$1,607,327	\$4,839,333
Office Supplies	\$0	\$21,281	\$15,524	\$0	\$0	\$67,675
Freight/Installation	\$189,933	\$179,761	\$89,681	\$102,856	\$193,419	\$950,227
Electronic Equipment	\$25,677	\$17,033	\$7,671	\$0	\$5,625	\$66,563
Kitchen Equipment	\$0	\$33,192	\$22,054	\$0	\$0	\$193,046
Operating costs						
Furniture - New Site	\$262,358	\$0	\$0	\$0	\$0	\$262,358
Furniture	\$112,261	\$97,424	\$45,687	\$61,238	\$68,868	\$385,479
Storage / Disposal	\$44,450	\$210,220	\$249,278	\$290,069	\$43,075	\$837,091
Freight / Install	\$272,134	\$79,939	\$17,247	\$22,580	\$39,155	\$431,054
Kitchen Equipment	\$782	\$4,657	\$0	\$3,056	\$797	\$9,293
Office Supplies	\$2,649	\$803	\$467	\$983	\$0	\$4,901
Total	\$954,899	\$1,734,479	\$3,220,315	\$7,754,031	\$3,477,322	\$19,498,652