

SUPPLEMENTARY BUDGET SUBMISSION

Fiscal Year 2015/2016



Office of the Ombudsperson

Presented to the

**Select Standing Committee on
Finance and Government Services**

September 15, 2015



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Overview of Office of the Ombudsperson Operations

The Office of the Ombudsperson was established in British Columbia in 1979. It has the broadest mandate of the ten provincial and territorial Ombudsperson Offices in Canada. It investigates complaints about the administrative unfairness of “matters of administration”, that is the actions, inaction, decisions, policies and procedures of more than 2,800 public agencies in British Columbia including ministries, provincial boards and commissions, Crown Corporations, health authorities, local governments, school boards, colleges, universities, and various regulated professions and occupations.

In addition to receiving and investigating individual concerns and complaints the Office of the Ombudsperson also delivers on its mandate to generally oversee the administrative actions of government authorities by conducting in-depth systemic investigations and reporting out on the results. Recent public reports have addressed issues of environmental protection, openness and transparency in local government, timely access to disability and social assistance benefits, and home and community care services for seniors.

“...with the establishment of an Ombudsman in British Columbia we will have [an organization which] can... provide additional service for our citizens, move aside the bureaucratic roadblocks, wade through the red tape...and recommend improvements to administrative practice and administrative procedure.”

[The Honourable Garde Gardom, 1977]

“In my view, the phrase ‘a matter of administration’ encompasses everything done by governmental authorities in the implementation of government policy. I would exclude only the activities of the legislature and the courts from the Ombudsman’s scrutiny.”

[B.C.D.C. v Friedmann, Supreme Court of Canada, 1984]

The core operational work of the office can be divided into three main areas; intake and early resolution, individual investigations, and systemic investigations. Each of these areas also contributes to the office’s on-going education and outreach initiatives.

The Intake and Early Resolution Team receives inquiries and complaints and provides information, assistance and referral services to complainants. As well team members deal with complaints that can be resolved quickly.

If a complaint cannot be resolved by the Intake and Early Resolution Team it is placed on the Files Awaiting Assignment List. These files are assigned to an investigator on one of the three individual investigation teams – the Health and Local Services Team, the Regulatory Programs Team and the Social Programs Team. The role of the investigator is to impartially investigate and, where an administrative unfairness is identified, to work to achieve a fair resolution.

“Ombudsman’s two primary roles are to investigate complaints and to generally oversee the administrative actions of government authorities with a view to upholding the democratic principles of openness, transparency and accountability.”

[Report of Special Committee to Appoint an Ombudsman, 2006]

The work done by the Intake and Early Resolution Team and the three Investigative Teams contributes to decisions about where a systemic investigation would be appropriate and likely to produce useful and positive outcomes.

For more information about the operations of the Office of the Ombudsperson please see Service Plan 2015/2016 - 2017/2018 and our website at www.bcombudsperson.ca.

Ombudsperson's Supplementary Budget Request Fiscal 2015/2016

For the fiscal year 2015/2016 the Office of the Ombudsperson received an operating allocation of \$5,802,000 and a capital allocation of \$75,000. The office is on track to fully spend these allocations.

On July 29, 2015 the Select Standing Committee on Finance and Government Services referred the following matter to the Ombudsperson for investigation and report:

"... refer the Ministry of Health terminations file to the Ombudsperson for investigation and report as the Ombudsperson may see fit; including events leading up to the decision to terminate the employees; the decision to terminate itself; the actions taken by government following the terminations and any other matters the Ombudsperson may deem worthy of investigation. The Committee trusts that his investigation can conclude in a timely manner."

This referral was made under s.10(3) of the *Ombudsperson Act* which imposes a mandatory duty on the Ombudsperson to investigate a matter referred to it by the Legislative Assembly or one of its committees.

The July 29, 2015 referral was further articulated in Special Directions issued by the Select Standing Committee on September 9, 2015. These directions enumerated a number of matters as being within scope of the July 29, 2015 referral. Some of those matters are specified issues to be addressed in the report while others are areas that the Ombudsperson may investigate if the evidence so justifies.

A referral under s.10(3) is the only instance in the *Ombudsperson Act* of a mandatory investigation. This new mandatory investigation is an addition to all other investigations carried out under the *Ombudsperson Act*. In planning its other work the Ombudsperson has been mindful not to exceed the budgetary amount allocated to the office.

The cost of the referral will, for the balance of the fiscal year, represent a pressure equivalent to almost 1/3 of the remaining budget for the office (other than Corporate Shared Services - which is required in support of four Offices of the Legislature). The mandatory nature and scope of the referral mean that a supplementary budget allocation is required in order to maintain the vital regular work of the office.

The impact of such a pressure, if left unfunded, would be a sudden budget reduction to the regular services British Columbians depend on from the office. This would result in the elimination of critically important Ombudsperson services such as assisting individuals experiencing difficulty receiving various forms of social benefits, injured workers, car accident victims and students who are having trouble with the administrators of their university, college or school.

Budget Request

This request is for a supplementary operating budget increase of \$773,000 and a capital budget increase of \$112,000. This represents the forecast costs of the investigation into the referral for 2015/2016 mainly comprised of operating costs related to salary and benefits, professional services, information technology and

building operating costs for short term space to accommodate staff assigned to the referral. Capital costs are for information systems hardware costs and tenant improvements including security costs.

The estimated costs of the referral investigation have been mitigated through planned use of surplus desks and other furniture, minimal tenant improvements and where possible, leveraging existing services.

Implication for 2016/2017 Budget

The Ombudsperson is mindful of the request of the committee set out in the referral motion that the investigation be completed in a timely manner. In determining the staff and other resources to devote to this matter the intention is, barring any unforeseen difficulties, to complete the investigation in approximately one year. However the timing of completion of the referral investigation is subject to a number of factors and cannot be precisely predicted at this time. While there is a high degree of certainty about 2015/2016 supplementary budget requirements, there is more variability for 2016/2017 supplementary budget requirements, due to the fact that the formal investigation into the referral has not yet started.

Further and better information will be provided as part of the 2016/2017 budget submission.

Summary

The investigation that has been referred to this office for review and reporting is a significant request. The requested budget is a reflection of the effort that will be required to resource this investigation, while structuring the investigation to leverage existing resources and provide a fiscally responsible request to the committee.

Budget Request by STOB – Supplementary Fiscal 2015/2016

STOB	Expense Type	2015/16 (current) Approved Budget	2015/16 (proposed) Additional Budget	Total Funding for 2015/16
50	Salaries	3,744,000	348,000	4,092,000
51	Supplemental Salary	57,000	18,000	75,000
52	Employee Benefits	1,009,000	86,000	1,095,000
54	Officer of the Leg. salary	266,000	-	266,000
Salaries and Benefits Subtotal		5,076,000	452,000	5,528,000
57	Travel	50,000	5,000	55,000
60	Professional Services	66,000	100,000	166,000
63	Information Systems	211,000	38,000	249,000
65	Office and Business Expenses	230,000	70,000	300,000
67	Info., Advertising and Publications	60,000	-	60,000
68	Statutory Advertising & Publications	22,000	-	27,000
69	Utilities , Materials and Supplies	37,000	5,000	37,000
73	Amortization Expense	160,000	33,000	193,000
75	Building Occupancy	716,000	70,000	786,000
88	Internal Recoveries	(761,000)	-	(761,000)
90	External Recoveries	(65,000)	-	(65,000)
Operating Costs Subtotal		726,000	321,000	1,047,000
Combined Total		5,802,000	773,000	6,575,000
Capital Budget				
	Info. Systems, & Furniture & Equip.	75,000	112,000	187,000
Capital Total		75,000	112,000	187,000

Notes Relating to Supplemental Request:

1. STOB 50 (Salaries) and STOB 52 (Employee Benefits) – Includes salaries for investigation and records management/support staffing.
2. STOB 63 (information systems) includes data lines, IDIR accounts, voice services, licensing, data communication, network security and supplies.
3. STOB 65 (Office & Business Expenses) — Includes costs for office stationary and supplies, offsite file storage, postal and courier charges, printing expenses including multifunctional device and scanner.
4. STOB 69 (Utilities, Materials & Supplies) — Includes the cost for utilities, recycling, books and supplies.
5. STOB 73 (Amortization) — Is the cost of repaying the Capital budget expenditures for information systems hardware and software and tenant improvements. Expenditures for information systems are amortized over three years. Expenditures for tenant improvements and office furniture are amortized on the lesser of 5 years or term of the lease.
6. STOB 75 (Building Occupancy) — This is the incremental cost of securing additional space plus utilities.
7. CAPITAL BUDGET — This is for the purchase of information systems hardware and projected tenant improvements.

