

20-D-02262

s9(2)(a)

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Thank you for your email of 20 November 2020 to the Ministry for the Environment (the Ministry) requesting the following under the Official Information Act 1982 (the Act):

From your financial records can you please provide the following data about the cost of your payroll system and associated service costs.

System costs

- 1. The last three financial years (by year) actual total spend for operational costs that directly relate to payment for the service and the YTD spend to the end of August 2020.*
- 2. The last three financial years (by year) actual total spend for maintenance i.e. Changes, additions and upgrades for improvements and any YTD cost ending August 2020.*
- 3. The last three financial years (by year) actual total spend on Capital costs and any YTD spend to the end of August 2020*
- 4. Any cost on training over the last three years relating to payroll.*

Employee Numbers

- 5. Your total number of Full-time employees (FTE), for the last 3 years (for each year) and the FTE's to the YTD to end of August 2020.*
- 6. The last 3 years your total number of part-time employees (PTE) for each year and the PTE to the YTD to end of August 2020.*
- 7. The estimated number of different (non-standard) types of employment agreement*

From your Contract data base

- 8. The current service being provided in briefly i.e. Inhouse, Outsourced (fully or partially), Bureau, SaaS, Payroll as a Service?*
- 9. Payroll Supplier?*
- 10. Payroll System Brand name?*
- 11. How long the contract has been in-place (start date)?*
- 12. The end date of the contract?*
- 13. Any extension provisions to the contract end date?*
- 14. Contract Owner and /or Business Owner?*

Contact for any further information

15. Best contact person for the system?

16. Best person for further details if required?

General System performance

17. Any concern about the NZ Holidays Act compliance of the existing system and or other system performance limitations?

I have responded to your questions in order below:

System costs – questions 1-4

Financial year	Amount
FY2018	26,891.07
FY2019	92,627.75
FY2020	90,566.45
FY2021 (to 31 Aug 2020)	15,277.01
Total	225,362.28

Due to commercial sensitivities, the Ministry is providing the overall amount spent in the above table for the past three financial years and year to date. The further, more detailed, information sought is withheld under section 9(2)(b)(ii) of the Act:

as it would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

Employee Numbers – questions 5-7

The response to question 5 has been included with the response to question 6 in the table below.

Employee Numbers			
As at date:	Full-time	Part-time	Total
30 June 2018	320	52	372
30 June 2019	329	57	386
30 June 2020	432	80	512
31 August 2020	463	87	550

The question has been interpreted to mean the headcount of full-time (Q5) and part-time (Q6) as at 30 June for the past three financial years and headcount as at 30 August 2020.

Question 7: None.

From your Contract data base - questions 8-14

Question 8: Partially outsourced – implemented model in FY2019

Question 9: Fusion5

Question 10: Jadestar

Question 11: 2004

Question 12: 31 August 2021

Question 13: Yes.

Question 14: Please contact Ministerial Services with any follow up enquiries

Contact for any further information - questions 15-16

Question 15: Please contact Ministerial Services with any follow up enquiries.

Question 16: Please contact Ministerial Services with any follow up enquiries.

General System performance – question 17

Our payroll system is Holidays Act compliant, with a few exceptions. These exceptions all have manual workarounds in place while we update the system to resolve them. Each relates to a very specific combination of events, and impact very few employees. Overall, the system can be considered compliant, and a project was completed to backdate that compliance for all existing and past employees.

You have the right to seek an investigation and review by the Office of the Ombudsman of my decision to withhold information relating to this request, in accordance with section 28(3) of the Act. The relevant details can be found here: www.ombudsman.parliament.nz.

Please note that due to the public interest in our work the Ministry for the Environment publishes responses to requests for official information on our [OIA responses page](#) shortly after the response has been sent. If you have any queries about this or have follow up questions, please contact our Ministerial Services team: ministerials@mfe.govt.nz.

Yours sincerely



Neil Hurley
Director – People Experience