



1 July 2021

Ref: OIA 21-126

**Request for information under the Official Information Act 1982**

Thank you for your request to the New Zealand Customs Service (Customs) dated 2 June 2021, for the following information under the Official Information Act 1982 (the OIA):

1. *Detail of how covid recovery is being primarily undertaken, including: The name of any units/teams/similar leading it, or involved in it*
2. *If these are new or repurposed units/teams/similar, the date when they began covid work*
3. *number of permanent and/or fixed term staff (not contractors) working (primarily) in any aspect of Covid recovery*
4. *number of contractors working*
5. *if available, budgeted spending on contractors of Covid recovery*
6. *Actual hourly or daily (or other) rates of contractors at whatever level (similar to what is provided in your Annual Reviews to select committee)*
7. *range of hourly or daily (or other) rates of contractors at whatever level*
8. *Separately, the same for consultants (if available)*
9. *if a contractor is in charge, or second in charge, of a Covid recovery units/teams/similar and/or work programme, pls detail all such roles*
  - *What that position is*
  - *How long they have been engaged in that role*
10. *if a covid recovery units/teams/similar worker numbers are more than 50% contractors, pls state and describe*
11. *pls detail the variation of that % over time eg up or down*
12. *pls detail why over 50% of such staff are contractors*
13. *pls detail any cases where unplanned/unexpected employee attrition or turnover has had an impact on number of contractors having to be engaged, and/or length of that engagement, and/or the seniority of position having to be filled by a contractor*
14. *provide a timeline in terms of when contracts wind up, or are forecast to, or when units/teams/similar/work programme winds up or is forecast to*
15. *any complaints received from employees, unions, contractors or the public about uses of contractors or consultants in covid recovery*
16. *pls detail if any audit or review or similar has been or will be, or might be, undertaken re use of contractors or consultants in covid recovery."*

## Questions One and Two

*Detail of how covid recovery is being primarily undertaken, including: The name of any units/teams/similar leading it, or involved in it; if these are new or repurposed units/teams/similar, the date when they began covid work*

Two teams were created to lead Customs' response to COVID-19. The first team to be created was the Incident Management Team (IMT) in January 2020. The IMT has been supported by up to 23 permanent staff focussed on Customs' COVID-19 response and recovery. In addition to these permanent staff, key managers and staff across the organisation continue to join regular IMT meetings and provide support to Customs' COVID-19 response and recovery when required.

As Customs' COVID-19 response has progressed, the Maritime work was placed under Operation Takutai within the Maritime Group. The establishment of this operation and the introduction of the Border Executive Board (an Interdepartmental Executive Board under the Public Service Act 2020, hosted by Customs) in January 2021, lead to the progressive downsizing of the IMT. The IMT is now supported from within the Strategic Coordination Unit, in addition to the Strategic Coordination Unit's customary functions. The Strategic Coordination Unit currently comprises of four permanent staff, two permanent internal secondees, and one permanent liaison officer within the Ministry of Health.

The Maritime Group supports the COVID-19 recovery by ensuring activities at New Zealand's maritime ports are compliant with the requirements of the Maritime Border Order relating to the isolation and quarantine of international vessels and their crew arriving at New Zealand maritime ports, and how stakeholders interact with those isolating vessels and crew.

In the latter part of 2020, a number of full and part time staff were seconded and hired into the Maritime Group to support the work being carried out. By December 2020, the Maritime Group had grown to 299 staff, of whom 56 were permanent and 243 fixed-term. The number of staff in the Maritime Group has averaged at 288 in the period from December 2020 to date.

In addition to these two teams, after New Zealand's first COVID-19 lockdown, Customs established an Economic Recovery programme to support importers, exporters, and excise manufacturers. Customs established processes to ensure support for Customs' business customers affected by COVID-19. These processes included providing advice and updates through Customs' communication channels, support for duty payers facing hardship, facilitating the import of critical supplies and advice and information on a variety of freight issues.

Customs staff have rapidly adapted to the changing demands created by COVID-19. These have included facilitating and ensuring compliance with border restrictions, new requirements at the air and maritime borders, requirements for pre-departure testing by travellers, the vaccination programme, and quarantine-free travel.

Customs expects demands on the agency to continue to change as New Zealand and the world respond to, and recover from, the pandemic. Flexible systems for recruitment and training have been and will continue to be critical to meeting these changing demands.

### **Questions Three**

*Number of permanent and/or fixed term staff (not contractors) working (primarily) in any aspect of Covid recovery*

As part of Customs' COVID-19 recovery response, six permanent Customs staff were redeployed to the (pre-existing) Revenue Management team, spending six months working exclusively on Customs' COVID-19 response. For the initial six months, the focus of these staff members was on managing repayment plans for those business customers affected by COVID-19. After this time period, the Customs staff members had capacity to undertake additional COVID-19 related duties.

In the People and Capability area, two permanent staff and one fixed term staff member were appointed, and continue to work primarily in the COVID-19 response with a focus on health, safety and wellbeing.

As the Maritime Border Order requires Customs to carry out additional work, including at ports where Customs previously had no operational presence, extra staffing was, and continues to be required. Staff wages and related costs make up the majority of the expenditure in the new COVID-19 Maritime Response multi-year appropriation. The funding allows for an increase of up to 336 full time equivalents for the period the Maritime Border Order is in effect. The Maritime Border Order is currently due to expire on 31 December 2021.

### **Question Four**

*Number of contractors working*

Customs engages contractors and consultants where specialised expertise is required that is not otherwise available or is not cost-effective to maintain in-house, or for fixed-term project-based assignments. The demands arising from COVID-19 have required Customs to engage several contractors.

Owing to the increased demands at the border due to COVID-19 and the need for appropriate communications, in the 2019/20 financial year, Customs engaged GHD Ltd and Cole Consultancy to assist in providing communications and stakeholder engagement support for Customs' response to COVID-19. The Cole Consultancy contract continued in the 2020/21 financial year.

In the 2020/21 financial year, Customs engaged a Sysdoc Limited contractor to provide communications and stakeholder engagement for the Customs Economic Recovery programme and communications related to the COVID-19 vaccination rollout. Customs also engaged Venter Consulting Limited to undertake assurance-related activity regarding Customs' border activity, and an individual contractor for the Economic Recovery programme.

### **Question Five**

*If available, budgeted spending on contractors of covid recovery*

To assist in providing support for Customs' COVID-19 response, Customs has spent the following on contractors to 30 April 2021:

- Customs engaged GHD Ltd at a cost of \$6,272 excluding GST
- In 2019/20 Cole Consultancy's work cost \$60,032 excluding GST; in 2020/21 the cost was \$174,450 excluding GST
- Sysdocs Limited's contract with Customs cost \$93,238 excluding GST
- Venter Consulting Limited cost \$70,000 excluding GST

- The individual contractor engaged by Customs cost \$11,925 excluding GST.

### **Questions Six and Seven**

*Actual hourly or daily (or other) rates of contractors at whatever level (similar to what is provided in your Annual Reviews to select committee)*

*Range of hourly or daily (or other) rates of contractors at whatever level*

Customs is withholding this information under section 9(2)(i) of the OIA as withholding is necessary to enable a Minister, Department or other organisation holding the information to carry out commercial activities without prejudice or disadvantage.

### **Question Eight**

*Separately, the same for consultants (if available)*

Customs has not hired any consultants to assist in Customs' COVID-19 response. Therefore this section of your request is refused under section 18(e) of the OIA as the information does not exist, or is not held by Customs at this time.

### **Questions Nine - Twelve**

*If a contractor is in charge, or second in charge, of a Covid recovery units/teams/similar and/or work programme, pls detail all such roles*

- *What that position is*
- *How long they have been engaged in that role*

*If a covid recovery units/teams/similar worker numbers are more than 50% contractors, pls state and describe*

*Pls detail the variation of that % over time eg up or down*

*Pls detail why over 50% of such staff are contractors*

Of the contractors hired by Customs noted in the response provided in question four, none have been hired in managerial positions of a COVID-19 recovery unit/teams/similar and/or work programme. Similarly, no COVID-19 recovery unit/teams/similar's worker numbers have been made up of more than 50% contractors.

### **Question Thirteen**

*Pls detail any cases where unplanned/unexpected employee attrition or turnover has had an impact on number of contractors having to be engaged, and/or length of that engagement, and/or the seniority of position having to be filled by a contractor*

Customs has not had any cases as described in question thirteen take place.

### **Question Fourteen**

*Provide a timeline in terms of when contracts wind up, or are forecast to, or when units/teams/similar/work programme winds up or is forecast to*

In line with the response provided in question four, please see below the timeline of contractors engaged by Customs to assist in Customs' COVID-19 response:

- GHD Ltd completed their contract with Customs in the month of March 2020
- Cole Consultancy completed two periods of work for Customs in March 2020 and then 1 July 2020 through to January 2021
- Sysdocs Limited's contract with Customs begun in November 2020 and is ongoing



- Venter Consulting Limited in their role undertaking assurance-related activity regarding Customs' border activity, was engaged by Customs up to 30 April 2021
- An individual contractor in their role in Customs' Economic Recovery programme was also engaged by Customs up to 30 April 2021.

#### **Question Fifteen**

*Any complaints received from employees, unions, contractors or the public about use of contractors or consultants in covid recovery*

No complaints have been received from employees, unions, contractors or the public about Customs' use of contractors or consultants in Customs' COVID-19 response.

#### **Question Sixteen**

*Pls detail if any audit or review or similar has been or will be, or might be, undertaken re use of contractors or consultants in covid recovery*

No review or audit is currently planned by Customs in relation to the use of contractors or consultants in Customs' COVID-19 response.

You have the right, by way of complaint to the Office of the Ombudsman under section 28(3) of the OIA, to seek an investigation and review of the decisions conveyed in this letter. Information about how to make a complaint is available online at: [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or you can phone 0800 802 602.

I trust that my response has answered your questions and hope that you find the information helpful. If you have any queries in regard to this response, please contact the Correspondence, Reviews and Ministerial Servicing Team: [OIA@customs.govt.nz](mailto:OIA@customs.govt.nz).

Please note that Customs proactively releases responses to Official Information Act requests on our website. We will hold this response for two months before publishing it. Your name and contact details will be removed.

Yours sincerely



Sharon May  
**Deputy Chief Executive**  
**Finance, Infrastructure and Technology**