

## Agenda – Finance Committee

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Meeting Venue: Hybrid – Committee room 4 Ty Hywel and video conference via Zoom	For further information contact: <b>Owain Roberts</b> Committee Clerk 0300 200 6388 <a href="mailto:SeneddFinance@senedd.wales">SeneddFinance@senedd.wales</a>
Meeting date: 18 October 2023	
Meeting time: 09.30	

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### Registration (09.00–09.15)

### Private Pre-meeting (09.15–09.30)

- 1 Introductions, apologies, substitutions and declarations of interest**  
(09.30)
- 2 Paper(s) to note**  
(09.30) (Pages 1 – 3)  
Minutes of the meeting held on 5 October.
  - 2.1 PTN 1 – Letter from the Senedd Commission: Further information following the Senedd Commission budget session on 5 October – 10 October 2023**  
(Pages 4 – 38)
  - 2.2 PTN 2 – Letter from the PCS Union: Senedd Commission Draft Budget 2024–25 – 11 October 2023**  
(Pages 39 – 40)
  - 2.3 PTN 3 – Letter from the Chief Secretary to the Treasury: UK Government Autumn Statement – 11 October 2023**  
(Pages 41 – 42)



### **3 Public Services Ombudsman for Wales (PSOW) – Scrutiny of Annual Report and Accounts 2022–23, and Estimate 2024–25: Evidence session**

(09.30–10.30)

(Pages 43 – 229)

Michelle Morris, Public Services Ombudsman for Wales

Chris Vinestock, Chief Operating Officer & Director of Improvement

Katrin Shaw, Chief Legal Adviser & Director of Investigations

#### **Supporting documents:**

FIN(6)–17–23 P1 – Public Services Ombudsman for Wales: Annual Report and Accounts 2022–23

FIN(6)–17–23 P2 – Public Services Ombudsman for Wales Estimate for the Financial Year 2024–25

Research Service Brief

### **Break (10.30–10.45)**

## **Public**

### **4 Senedd Cymru (Members and Elections) Bill: Evidence session with the Counsel General and Minister for the Constitution**

(10.45–11.45)

(Pages 230 – 243)

Mick Antoniw MS, Counsel General and Minister for the Constitution, Welsh Government

Will Whiteley, Deputy Director, Senedd Reform, Welsh Government

Emma Alexander, Head of Senedd Reform Delivery, Welsh Government

#### **Supporting documents:**

[Senedd Cymru \(Members and Elections\) Bill, as introduced](#) (PDF, 231KB)

[Explanatory Memorandum](#) (PDF, 1.9KB)

Research Service Brief

- 5 Motion under Standing Order 17.42 (ix) to resolve to exclude the public from the remainder of this meeting**  
(11.45)
- 6 Senedd Cymru (Members and Elections) Bill: Consideration of evidence**  
(11.45–11.55)
- 7 Public Services Ombudsman for Wales (PSOW) – Scrutiny of Annual Report and Accounts 2022–23, and Estimate 2024–25: Consideration of evidence**  
(11.55–12.05)
- 8 Scrutiny of the Senedd Commission Draft Budget 2024–25: Consideration of draft report**  
(12.05–12.15) (Pages 244 – 273)  
**Supporting documents:**  
FIN(6)–17–23 P3 – Draft report

## Concise Minutes – Finance Committee

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Meeting Venue: **Hybrid – Committee room 4 Ty Hywel and video conference via Zoom**

This meeting can be viewed on [Senedd TV](#) at:

<http://senedd.tv/en/13506>

Meeting date: Thursday, 5 October 2023

Meeting time: 09.30 – 11.57

## Hybrid

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### Attendance

Category	Names
Members of the Senedd:	Peredur Owen Griffiths MS (Chair) Peter Fox MS Mike Hedges MS Rhianon Passmore MS
Witnesses:	Ken Skates MS, Commissioner Manon Antoniazzi, Chief Executive and Clerk Kate Innes, Chief Finance Officer
Committee Staff:	Owain Roberts (Clerk) Leanne Hatcher (Second Clerk) Mike Lewis (Deputy Clerk) Martin Jennings (Researcher) Owen Holzinger (Researcher)



## **Registration (09.30–09.45)**

## **Private Pre-meeting (09.45–10.00)**

### **1 Introductions, apologies, substitutions and declarations of interest**

1.1 The Chair welcomed Members to the meeting of the Finance Committee.

1.2 Mike Hedges MS declared that he is the Chair of the Senedd's Cross-Party Group on the Public & Commercial Service Union (PCS).

### **2 Paper(s) to note**

2.1 The papers were noted.

2.1 **PTN 1 – Letter from the First Minister to the Llywydd: Environmental Protection (Single-use Plastic Products) (Wales) Act 2023 – 21 September 2023**

2.2 **PTN 2– Letter from the Llywydd and Chair of the Business Committee: Budget timetable 2024–25 – 21 September 2023**

2.3 **PTN 3 – Letter from the Minister for Finance and Local Government: Finance: Interministerial Standing Committee Meeting – 27 September 2023**

2.4 **PTN 4 – Letter from the Chief Executive and Clerk of the Senedd: Cost of living payment 2023–24 – 29 September 2023**

### **3 Scrutiny of the Senedd Commission Draft Budget 2024–25: Evidence session**

3.1 The Committee took evidence on the Senedd Commission Draft Budget 2024–25 from Ken Skates MS, Commissioner for Budget and Governance; Manon Antoniazzi, Chief Executive and Clerk of the Senedd; and Kate Innes, Chief Finance Officer.

3.2 The Senedd Commission agreed to provide further information on:

- the Senedd Commission's staff survey;

- the Senedd Commission's Project Fund portfolio;
- car parking costs; and
- Senedd engagement activity.

#### **4 Motion under Standing Order 17.42 (ix) to resolve to exclude the public from the remainder of this meeting**

4.1 The motion was agreed.

#### **5 Scrutiny of the Senedd Commission Draft Budget 2024–25: Consideration of evidence**

5.1 The Committee considered the evidence received.

#### **6 Infrastructure (Wales) Bill – Consideration of draft report**

6.1 The Committee considered the draft report on the Financial Implications of the Infrastructure (Wales) Bill and agreed it with minor changes.

#### **7 Review of Statement of Principles**

7.1 The Committee considered the draft letter on the Review of the Statement of Principles and agreed it minor changes.

# Agenda Item 2.1

Senedd Cymru  
Welsh Parliament

Welsh Parliament  
**Senedd Commission**

Peredur Owen Griffiths MS  
Chair of Finance Committee  
Senedd Cymru  
Tŷ Hywel  
Cardiff Bay  
CF99 1SN

10 October 2023

Dear Peredur

Following our appearance at your Committee on 5 October, I am writing to provide you with further information to add to the responses we provided during the meeting. The information on car park charges is set out in the attached annex. Electronic copies of the Staff Survey, Project Fund, and the Engagement update are attached to this letter.

The Use of Estates report is scheduled to be considered by the Commission later in the year and will be forwarded following the completion of that consideration.

We would like to thank the Committee for its scrutiny. The Commission's approach is always to try to operate with openness, transparency, and clarity. So, if there is anything else that we can provide you with to assist the Committee, please do not hesitate to let me know.

Yours sincerely



**Ken Skates MS**

cc Senedd Commissioners, Manon Antoniazzi, Kate Innes

Croesewir gohebiaeth yn Gymraeg neu Saesneg / We welcome correspondence in Welsh or English



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## Senedd Commission: Additional information following 5 October 2023 appearance at Finance Committee

### Car Parking

There are 233 parking bays on the estate of which 100 are reserved for Members, visitors, and accessible spaces, which provides 133 spaces available for onsite parking. The multi-storey cost per day per parking space is £5 (excl. VAT which is reclaimable).

The demand for parking has reduced post pandemic/ the introduction of hybrid working with sufficient parking spaces available onsite on most non-Plenary days, Mondays, Thursdays, and Fridays. During recess there have always been, post pandemic, sufficient spaces available onsite with no need for the overflow facility to be utilised. (There are at times a small number of individuals who do not check onsite availability who are followed up on and reminded to only use the multi-storey facility when the onsite parking is full). The need to make use of the overflow multi-storey facility is mostly on Plenary days.

Car parking usage and the costs for offsite parking is being monitored and will be kept under review to consider the potential future re-introduction of charging if costs and usage increase. The costs are met from existing budgets.

The total annual cost for the financial year 2022-2023 for off-site parking was £8,900.

The table below provides a summary of the current financial year's monthly spaces used in the multistorey facility and the associated cost up to the 31 August 2023.

	<b>Spaces used</b>	<b>Cost (ex VAT)</b>	<b>Highest usage on any given day</b>
April	98	£490	56 (Tues)
May	348	£1,740	55 (Wed)
June	290	£1,450	42 (Tue)
July	200	£1,000	54 (Tues)
August	10	£50	1 (All days)

The income collected from staff broadly offset the costs the Commission were charged for use of the multi storey.





Reintroduction of car parking charges would disproportionately affect lower paid staff who make up a lot of our Security and Visitor Experience staff and are required to be on site to carry out their roles.

A suggestion to reintroduce car parking charges to Members only, would raise a maximum of £21,600 per annum, assuming every Member pays £30 per month for 12 months. This income would be offset in part by the additional cost of administering a carpark charge.

The Commission previously had a budget for car parking costs (£100k) and a corresponding income target. The budget has been removed as we no longer pay these costs so retaining an income target for the income would cause a cost pressure. The budget for car parking costs and for the income generation have therefore both been removed with a net effect of £0.



# Senedd Commission Staff Survey

2022-2023

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Senedd Cymru  
Welsh Parliament

The Welsh Parliament is the democratically elected body that represents the interests of Wales and its people. Commonly known as the Senedd, it makes laws for Wales, agrees Welsh taxes and holds the Welsh Government to account.

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## Welcome

**Thank you for engaging with our 10th annual staff survey. Our staff survey provides us with valuable insight into your personal experience of working in the Senedd and gives us the opportunity to identify areas for improvement and implement change based on your feedback.**

We have again partnered with WorkL - experts in employee engagement, to undertake the most recent survey, combining their expertise with our specific needs. This partnership has allowed us to continue to benchmark our results against a wider range of comparable organisations, including the civil service.

We have also been able to compare this year's results with last year's on the six core themes:

- Reward and Recognition
- Information Sharing
- Empowerment
- Well-being
- Instilling Pride
- Job Satisfaction

Once again, the results demonstrate that teams work flexibly, and support each other through challenge and change; and overwhelmingly, colleagues are proud to work at the Senedd.

We do however recognise that there is always room to improve, and as such our Corporate Delivery and Service Level objectives reflect feedback from both the Wellbeing Pulse Surveys and the Annual Staff Survey; including but not limited to a review and refresh of the current Learning and Development offer and ongoing implementation of our 2022-25 Wellbeing Strategy.

Therefore, these results, and what they tell us, will help us focus on our priorities for growth as we look ahead to the Seventh Senedd, ensuring we continue to be agile and responsive in our development as a Senedd for the people of Wales.

My heartfelt thanks to all.



**Manon Antoniazzi,**  
Chief Executive and Clerk of  
the Senedd

# Snapshot



Workplace Happiness Index Themes	Senedd Commission Themes
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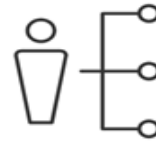
**74%**

Reward and Recognition  
(-3%)



**73%**

Information Sharing  
(0%)



**75%**

My Manager  
(+2%)



**64%**

Leadership and Managing Change  
(+1%)



**74%**

Empowerment  
(0%)



**72%**

Wellbeing  
(0%)



**66%**

Learning and Development  
(+1%)



**79%**

Organisational Culture  
(+1%)



**78%**

Instilling Pride  
(-1%)



**78%**

Job Satisfaction  
(0%)



**83%**

My Team  
(+1%)

## Overview

This Senedd Commission staff survey took place in March 2023. With a survey response rate of 71%, the overall score was 75% against the Six Steps to Workplace Engagement.

Theme	Average Score %	Difference to previous survey %
<b>Engagement Index</b>	<b>75</b>	-
Reward and Recognition	<b>74</b>	-2.9
Information Sharing	<b>73</b>	+0.4
Empowerment	<b>74</b>	+0.3
Wellbeing	<b>72</b>	-0.2
Instilling Pride	<b>78</b>	-1.1
Job Satisfaction	<b>78</b>	+0.5
My Manager	<b>75</b>	-1.7
Leadership and Managing Change	<b>64</b>	+1.3
Learning and Development	<b>66</b>	+1.2
The Senedd Commission and its Culture	<b>79</b>	+1.6
My Team	<b>83</b>	+1



# The Six Steps to Workplace Engagement

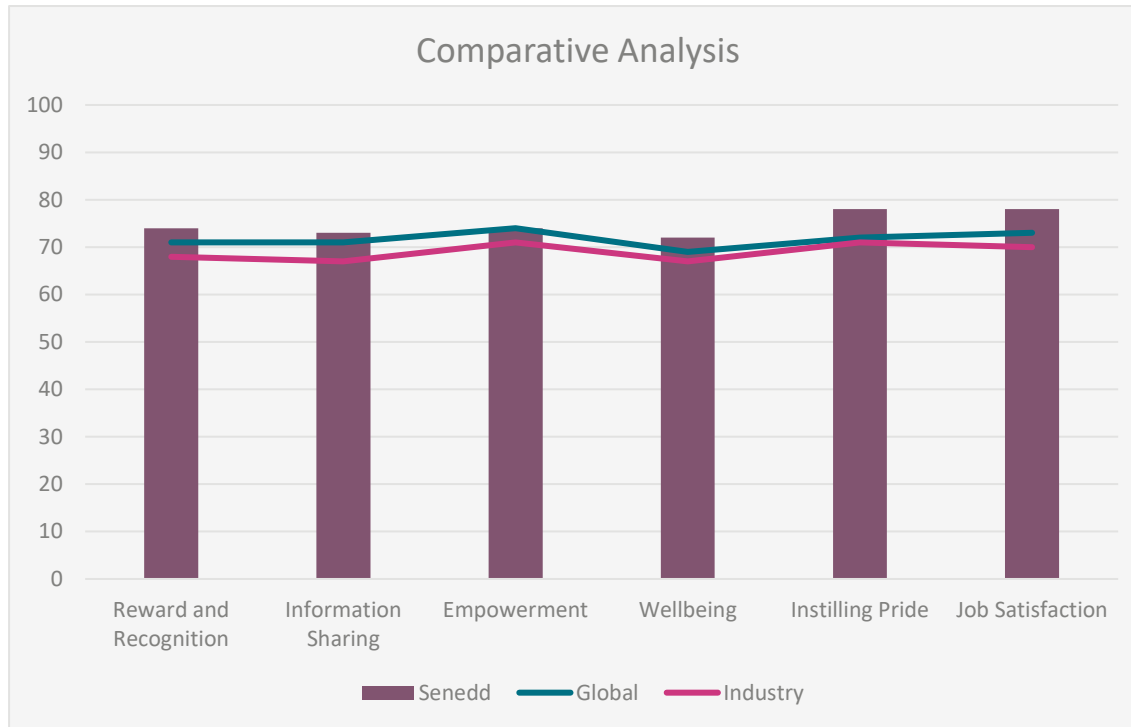
The Six Steps to Workplace Engagement is a framework that encompasses the six key drivers of employee engagement, happiness and well-being: Reward and Recognition, Information Sharing, Empowerment, Well-being, Instilling Pride and Job Satisfaction.

## Six Steps to Workplace Engagement Scores

The Six Steps are the six categories you need to address and work on to engage your staff and improve workplace engagement

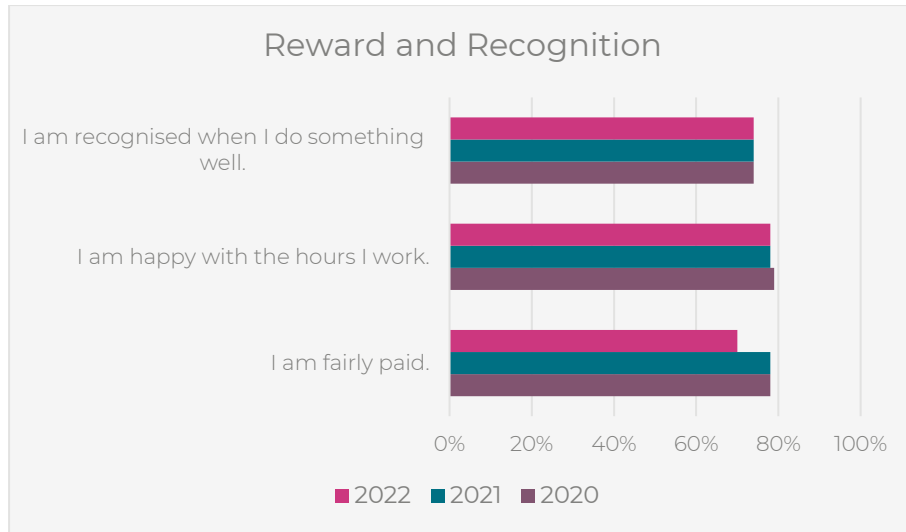


## Comparative Analysis



This graph illustrates the Senedd's scores compared to the Public Sector and Global scores for each of the Six Steps to Workplace Engagement. It's encouraging to see that the Senedd Commission's overall scores in each of the Six Steps to Workplace Happiness are above or in line with the Public Sector and Global scores.

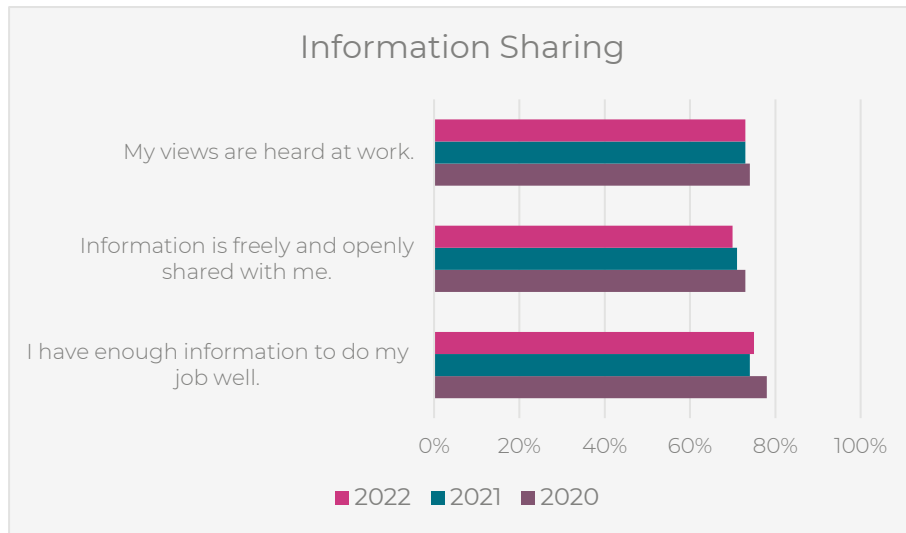
The most significant margin is seen in Instilling Pride, where Senedd employees' score of 78% is +7% and +6% above the Public sector and Global score averages. This is closely followed by Job Satisfaction, with Senedd employees' score of 78% rising +8% and +5% above the public sector and Global scores respectively.



Responses to the statement 'I am recognised when I do something well' has remained consistent at 74% since 2020.

Whilst 79% of Senedd Commission colleagues were happy with the hours they work in 2020, this reduced slightly to 78% in both 2021 and 2022.

A significant reduction (8%) is noted when it comes to colleagues believing that they are fairly paid.

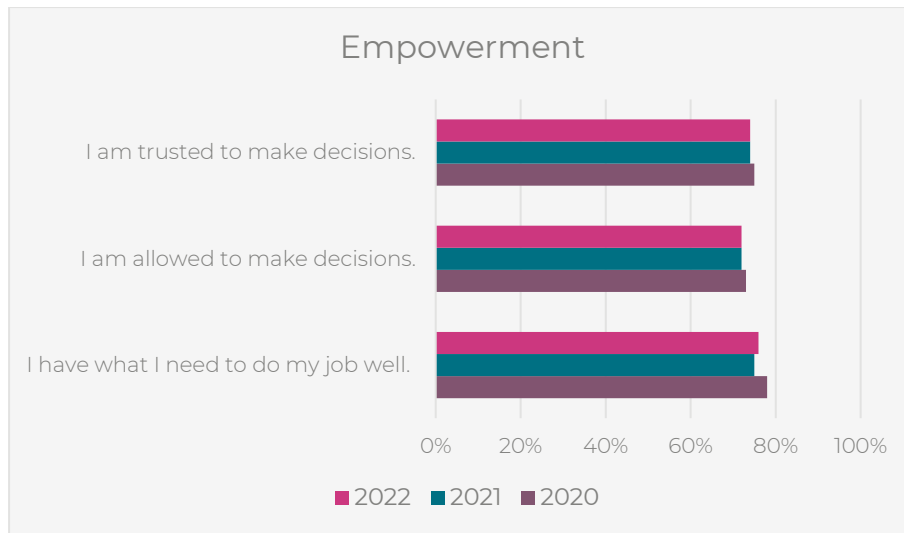


A slight reduction has been seen in colleagues who believe their views are heard at work, from 74% in 2020 to 73% in 2021 and 2022.

Since 2020, we have seen a gradual decrease from 73% to 70% of colleagues who remark that information is freely and openly shared with them.

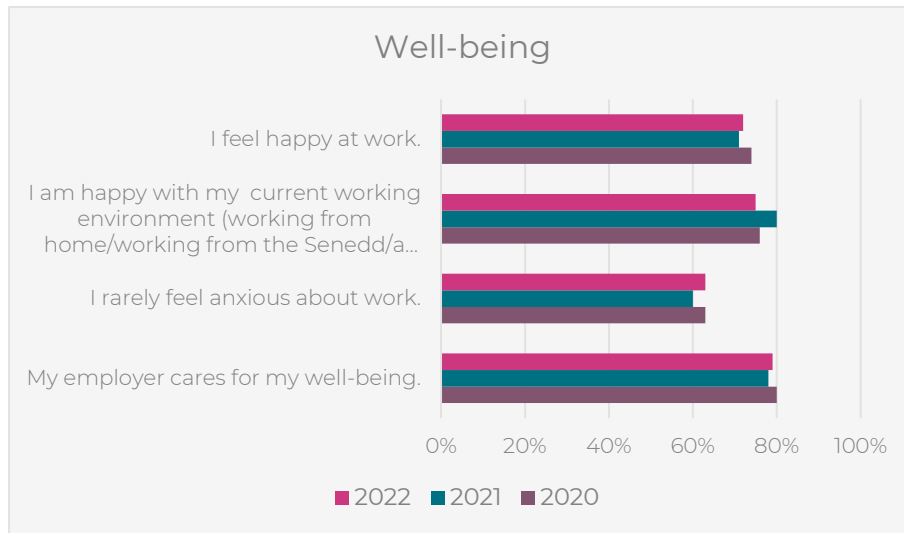
The number of colleagues who assure us they have enough information to do their job well has risen by 1% since last year but remains 3% lower than those in 2020.

*"In other places that I've worked, internal comms has been an essential part of making staff feel connected to the organisation, and to each other, and I think it is even more important now that staff don't see each other as much as before the pandemic."*



Colleagues who believe they are trusted (74%) and allowed (72%) to make decisions remain consistent with last years survey. Both have decreased by 1% since 2020.

The majority of colleagues (76%) agree that they have what they need to do their job well, an increase of 1% since last year, but 2% lower than 2020.

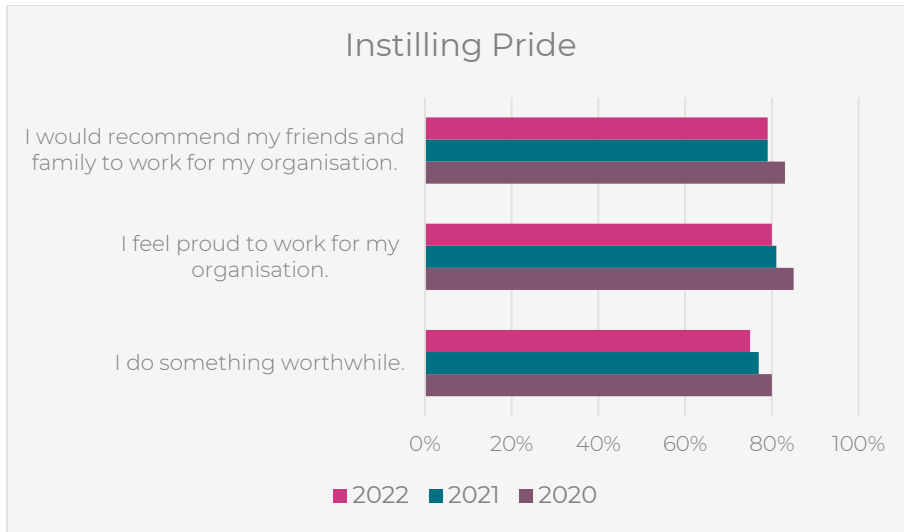


Although the Senedd’s overall wellbeing score is considered ‘good’ at 72%, it is noted that this is our lowest step in the Six Steps to Workplace Engagement.

Whilst 75% of colleagues are happy with their current working environment, this is lower than previous years.

Only 63% of colleagues state that they ‘rarely feel anxious about work’ which is consistent with the response in 2020, although is a 3% increase on last year.

*“Due to working from home & coming in when required my work life balance has dramatically improved. I believe it has made me more efficient whilst working and more energetic for after work activities such as going to the gym, visiting family.”*



Colleagues who would recommend the Senedd as a place to work remains at 79%, a 4% decrease from 2020.

We have seen a gradual decline in colleagues who feel proud to work for the Senedd and those who feel that they ‘do something worthwhile,’ although it should be noted that scores remain high in these areas at 80% and 75% respectively.



Overwhelmingly, colleagues report they have a good relationship with their manager (86%) although this has decreased slightly on previous years.

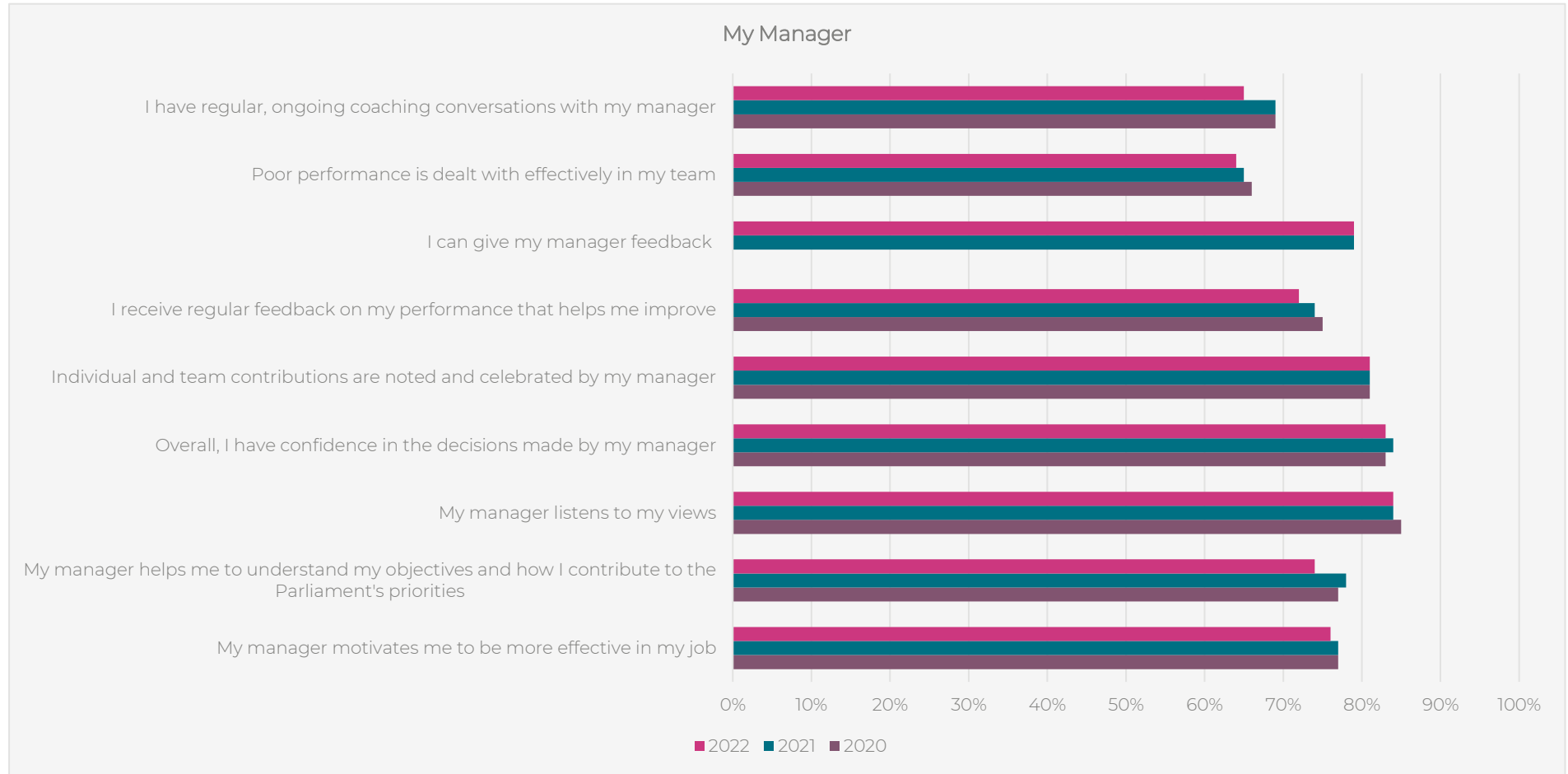
Colleagues continue to score highly in terms of job enjoyment and being treated with respect, however there has been a reduction from previous years (-5% and -1% respectively).

*“Having worked for many organisations in the past 10 years I can honestly say the Senedd Commission is committed to fostering a good work environment for all. I am proud to be part of it and believe together we can progress so much more.”*

## Senedd Commission Themes

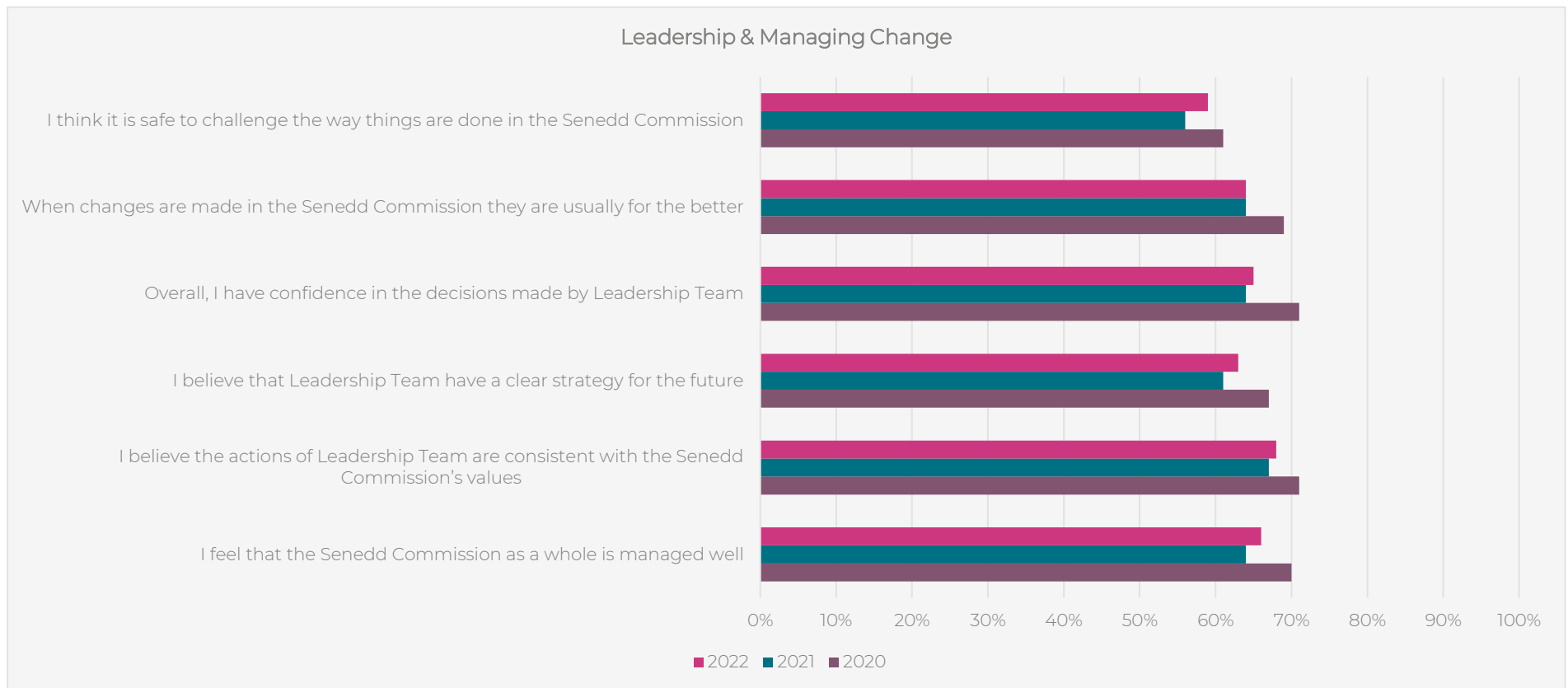
The following questions are ones that have been used in the Senedd Commission's previous annual staff surveys, and are similar to questions found in the Civil Service People Survey. We have chosen to include these questions again, as they provide us some measure on how we have performed against previous years.

## My Manager



Scores in this area remain consistently high, demonstrating that managers across the Senedd listen to the views of their team and that contributions are largely noted and celebrated. In turn, teams have confidence in the decisions made by their managers. Dealing with poor performance is once again the lowest scoring statement with a -1% decrease year on year.

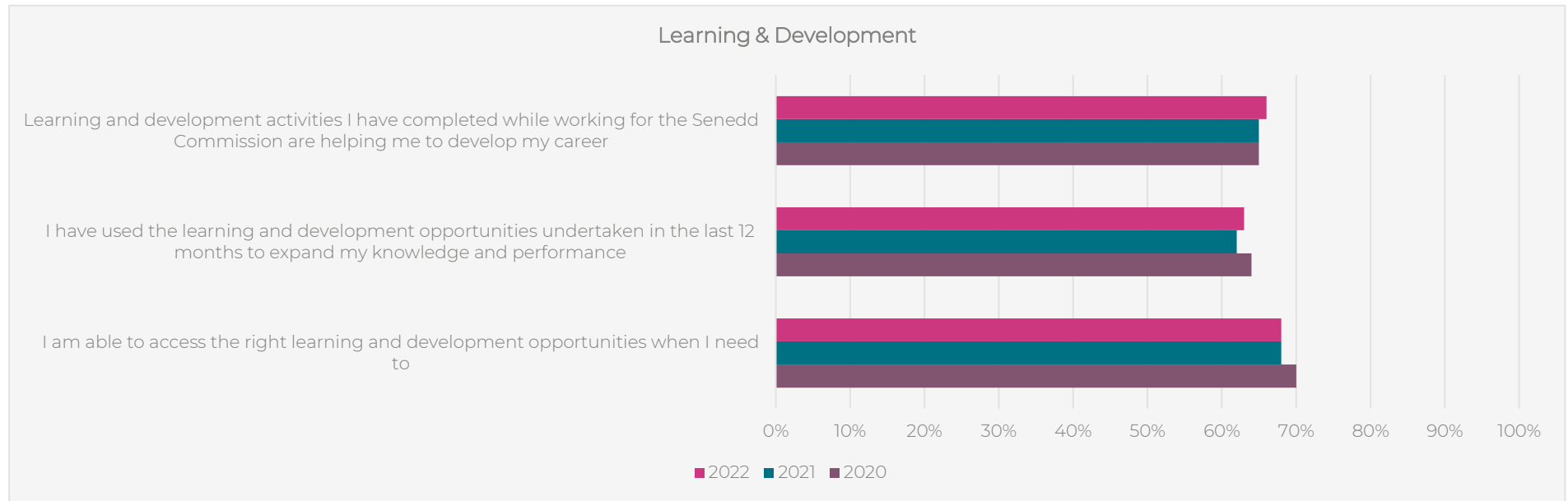
## Leadership and Managing Change



This remains the lowest scoring category across all topics within the six steps and core questions, with average ratings dropping from 68% (2020) to 63% (2021) and 64% (2022).



## Learning and Development



A 1% increase in colleagues who believe learning and development activities completed whilst working for the Senedd Commission are helping them to develop their career is noted, which remained at 65% in both 2020 and 2021. 63% of colleagues claim that they have used the learning and development opportunities undertaken in the last 12 months to expand knowledge and performance. 68% of colleagues assert that they are able to access the right learning and development opportunities when needed, a -2% reduction since 2020.

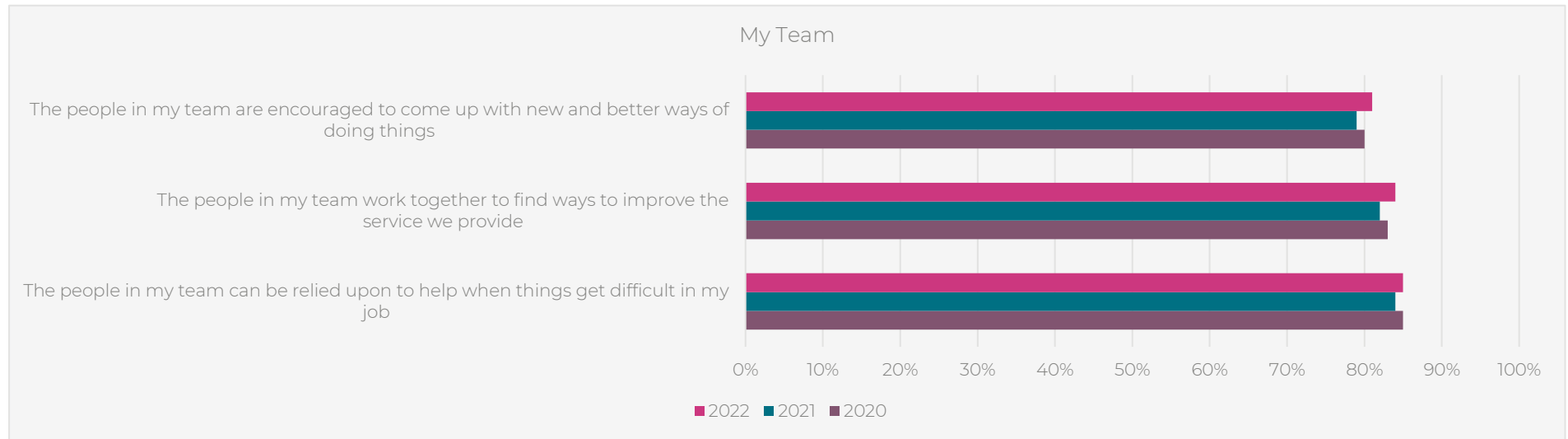
## Organisational Culture



Whilst scores in this category dropped slightly in 2021, an increase has been noted in 2022. 79% of colleagues agree that the Senedd Commission is committed to creating a diverse and inclusive workplace, and that the Senedd Commission respects individual differences.

*“The Senedd Commission is a great employer to work for and I'm lucky to be doing such an interesting and important job in such a great organisation.”*

## My Team



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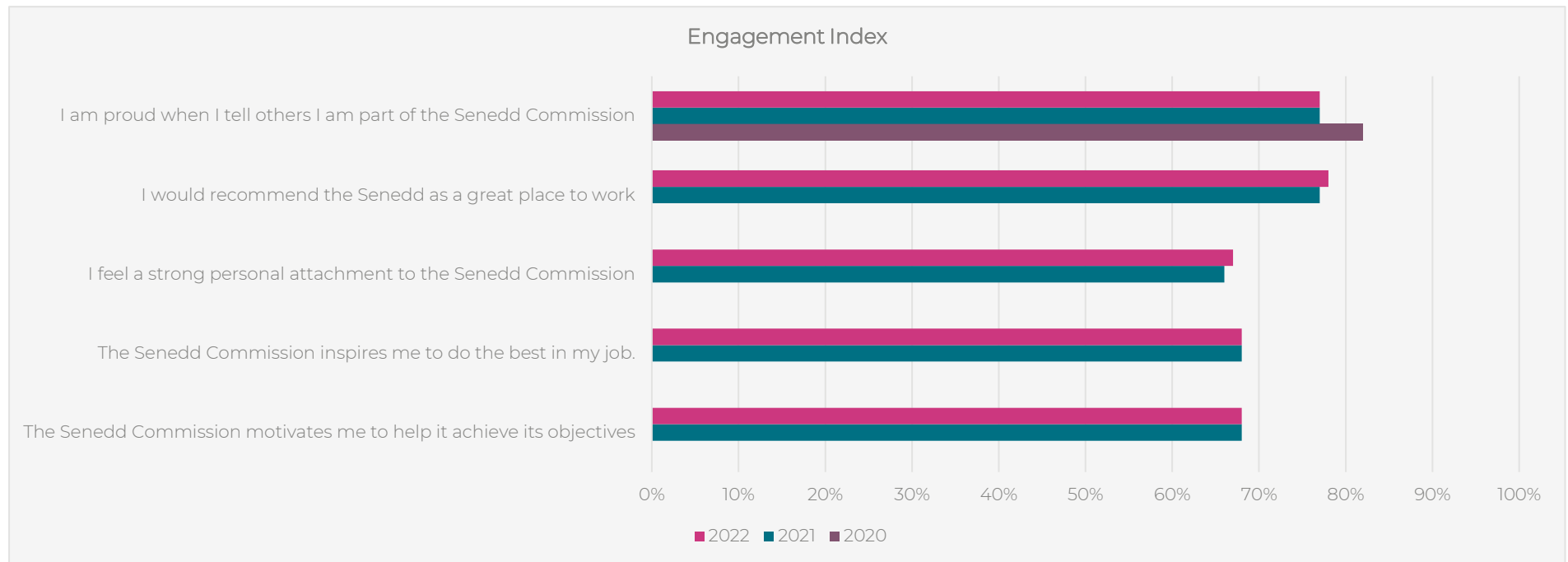
Testament to the #OneTeam ethos at the Senedd Commission, the highest scoring category across all categories is 'My Team.' In 2022, 85% of colleagues suggest that the people in their team can be relied upon to help when things get difficult in their job, and 84% state that 'the people in my team work together to find ways to improve the service we provide. Markedly, this is the only category that has seen an increase on 2020 scores.

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*"In my first year at the Senedd I've felt welcomed by people from right across the organisation. It's a really lovely place to work! And I feel privileged to be a part of it. But it is a confusing organisation to come into, and there are silos and walls between teams that need breaking down."*

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## Engagement Index



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In addition to the core Engagement Index, WorkL have introduced two addition Indices this year: the Wellbeing Risk Index and the Flight Risk Index.

In recent years there has been an increasing focus on the wellbeing of the workforce and this continues to be an important issue for us as employers and employees alike. We also recognise the importance of supporting our colleagues to develop knowledge and experience, and that the ability to retain talented, experienced individuals is vital to achieving our organisational goals.

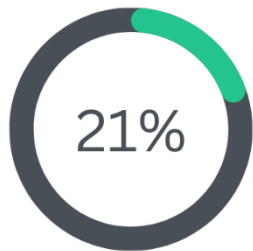
**The Wellbeing Risk Index**

Your Wellbeing Risk Index is the percentage of people who have low/ poor wellbeing within their organisation. The higher the number, the larger percentage of respondents have low wellbeing, the higher the risk. A percentage closer to 0% the better the overall wellbeing score.

	2020	2021	2022	Industry average 2022
% of employees at risk of having poor wellbeing			21%	40%
My employer cares for my wellbeing	80%	78%	79%	68%
I rarely feel anxious or depressed about work	63%	60%	63%	57%
I am happy with my working environment	76%	80%	75%	72%
I feel happy at work	74%	71%	72%	69%

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 **Wellbeing Risk Index**



21% of your employees are at risk of having poor wellbeing

Good Score!



Whilst the results indicate that the Senedd holds a 'good score' at 21%, we believe that this number is still too high to represent the number of our colleagues at risk of having poor wellbeing.

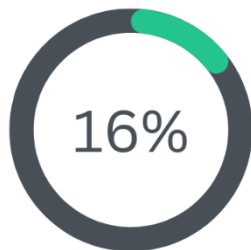
We are committed to seeing this number reduce, and will continue to use Pulse surveys throughout the year to monitor wellbeing at the Senedd; and work with Heads of Service and teams to develop and deliver Wellness Action Plans.

**\*Flight Risk Index**

The Flight Risk score is the percentage of people who have a high potential to leave their organisation in the next 9 months. The higher the number, the larger percentage of respondents would likely leave their organisation, the lower the number, the lower the risk.

	2020	2021	2022	Industry average 2022
% of employees with a high chance of leaving in the next 9 months			16%	41%
I am fairly paid	78%	78%	70%	66%
I have a good relationship with my manager	88%	87%	86%	76%
I enjoy my job	81%	76%	76%	71%
I am being developed	70%	67%	68%	62%

 **Flight Risk**



16% of employees have a high chance of leaving in the next 9 months

Excellent!



Results indicate that 16% of Senedd colleagues have a high chance of leaving in the next 9 months, versus 41% in both public sector and global average. This is considered an ‘excellent’ score, and unlike the wellbeing index, one that we appreciate will never be 0% given the size of the organisation and the learning and development opportunities available to colleagues.

## Highest and lowest scoring questions

Based on the average percentage response for each question, the following table shows the questions with the highest and lowest responses. These results are based on the mean score of each question.

	Average %	Difference to previous survey
<b>Highest scoring questions</b>		
I have a good relationship with my manager.	86%	-1%
The people in my team can be relied upon to help when things get difficult in my job	85%	+1%
The people in my team work together to find ways to improve the service we provide	84%	+2%
My manager listens to my views	84%	-
Overall, I have confidence in the decisions made by my manager	83%	-1%

<b>Lowest scoring questions</b>		
I rarely feel anxious about work.	63%	+3%
I believe that leadership team have a clear strategy for the future	63%	+2%
I have used the learning and development opportunities undertaken in the last 12 months to expand my knowledge and performance	63%	+1%
When changes are made in the Senedd Commission they are usually for the better	64%	-
Poor performance is dealt with effectively in my team	64%	-1%

## Verbatim comments

The majority of respondent took the opportunity to provide comments, feedback or ask questions. These covered a range of topics and have been presented as themes. A summary of each theme is provided below.

### Working Conditions

Many respondents offered positive reflections of working at the Senedd Commission, citing great benefits, flexible working and development opportunities; *“I feel that the Senedd is a great place to work and it gives individuals the opportunity to progress their career if they so choose, it provides employees with many courses that will allow them to do their jobs well. The job is well paid in my position at the moment and we receive great benefits”*

### Leadership and Communication

A number of constructive comments were made relating to leadership and internal communications such as visibility of senior management, providing updates in relation to major programmes of work and communicating the organisational vision, strategies and objectives. Respondents also commented on the tendency toward siloed working, lack of collaboration across directorates and desire for more trust and autonomy. When asked what would improve workplace happiness, one person wrote, *“greater autonomy in my work, lighter workload so that I don't have to work weekends, ability to speak to senior managers.”*

### Wellbeing

Colleagues were asked to reflect on wellbeing in the workplace and opportunities to improve their experience. Many raised improvement suggestions such as implementing a 4-day week, on-site gym facilities and improved facilities in Ty Hywel.

### Reward and Recognition

Pay scales and Terms & Conditions were referenced on multiple occasions as were job opportunities and progression. Shift patterns and pay for Security colleagues were also raised, with one respondent commenting *“The lack of action by senior management to increase pay in recognition of extraordinary inflation is disheartening.”*

### Organisational Development and Learning

Colleagues were asked to reflect on the learning and development offer and provided a range of comments and feedback. Feedback included lack of relevant training, limited development opportunities and no capacity to complete training. Many colleagues also referenced lack of both career progression and leveraging contributions across the organisation.



## Glossary

Term	Meaning
%	The percentages in this report for the Six Steps to Workplace Happiness and The Senedd Commission Themes have been calculated by taking the mean score given for each question, which has been populated through the 10-point scale.
<b>10-point scale</b>	The percentages in this report for the Six Steps to Workplace Happiness and The Senedd Commission Themes have been calculated by taking the mean score given for each question, which has been populated through the 10-point scale
<b>Demographic</b>	Throughout this report, numerous demographic groups have been analysed and discussed. The demographics are particular sectors within the respondent population, such as age groups.
<b>WorkL Engaging Business</b>	The partner organisation for the survey whose goal is to help organisations have a happier, more engaged and more productive workforce.
<b>Engagement Index</b>	The overall engagement score is calculated from the mean of the Six Steps to Workplace engagement scores.
<b>Public Sector score</b>	The Public sector scores used in this report are a collection of survey results from employees working within this industry, including results from the Scottish Parliament, Home office and British council employees.
<b>Core questions</b>	<p>There are nine core questions that have been included in the staff survey since February 2012 (with the exception of, 'I am treated with respect by the people I work with' which was not included in the August 2013 survey):</p> <p><b>Individual and team contributions are noted and celebrated by my manager</b></p> <p><b>I think it is safe to challenge the way things are done in the Senedd</b></p> <p><b>My manager listens to my views</b></p> <ul style="list-style-type: none"> <li>▪ <i>I feel that my opinion is valued (2012)</i></li> </ul>

Term	Meaning
	<ul style="list-style-type: none"> <li>▪ <i>My opinion is sought and I am involved in changes that affect my work (2013)</i></li> <li>▪ <i>I feel that my opinion is sought and valued by my manager (2015 onwards)</i></li> </ul> <p><b>Poor performance is dealt with effectively in my team</b></p> <p><b>I am treated with respect</b></p> <ul style="list-style-type: none"> <li>▪ <i>I am treated with respect by the people I work with (2019)</i></li> </ul> <p><b>I have enough information to do my job well</b></p> <ul style="list-style-type: none"> <li>▪ <i>I get the information I need to do the job well (2019)</i></li> </ul> <p><b>I am happy with the hours I work</b></p> <ul style="list-style-type: none"> <li>▪ <i>I achieve a good balance between my work life and my private life (2019)</i></li> </ul> <p><b>I feel that the Senedd Commission as a whole is managed well</b></p> <p><b>I would recommend my friends and family to work for my organisation</b></p> <ul style="list-style-type: none"> <li>▪ <i>I would recommend the Assembly as a great place to work (2019)</i></li> </ul>
<b>Senedd-specific themes</b>	Themes containing questions chosen and created by the Senedd Commission, separate from the Happiness Index and Six Steps to Workplace Happiness
<b>Senedd theme - Leadership and Managing Change</b>	Questions pertaining to managerial relationships and effective organisational change management.
<b>Senedd theme - Learning and Development</b>	Questions to develop understanding around staff's access to and engagement with learning and development opportunities to develop their career.
<b>Senedd theme – My Manager</b>	Questions pertaining to a member of staff's relationship with their manager.
<b>Senedd theme – My team</b>	Questions pertaining to a member of staff's relationship with their immediate colleagues.
<b>Senedd theme - Organisational culture</b>	Questions pertaining to a member of staff's understanding of what the Senedd is here to do.
<b>Six Steps - Reward and Recognition</b>	Questions pertaining to employees' views towards their salary, hours worked and the recognition they receive at work.

Term	Meaning
<b>Six Steps - Information Sharing</b>	Questions set out to illustrate the efficiency and effectiveness of information and communication channels.
<b>Six Steps - Empowerment</b>	Questions interpreting whether employees possess decision making opportunities as well as whether they're equipped to carry out their roles effectively.
<b>Six Steps - Well-being</b>	Questions pertaining to employees mental well-being and their views towards aspects of work.
<b>Six Steps - Instilling Pride</b>	Questions within this theme interpret employees' pride and the sense of worthwhile they achieve from working for their organisation.
<b>Six Steps - Job Satisfaction</b>	Questions aimed to comprehend employees' personal development and the strength of their relationships with their respective managers.

### Medium Term Pipeline Schedule as at 6th October 2023

Serial	Portfolio	Commission Project Title	Project Status	Planned Delivery Yr
1	2023-24 Portfolio	Weapons Upgrade - Security Safes	In progress	23-24
2	2023-24 Portfolio	CCTV kit replacement	In progress	23-24
3	2023-24 Portfolio	Payroll system	Business case pending	23-24
4	2023-24 Portfolio	ICT Commission refresh	In progress	23-24
5	2023-24 Portfolio	Ty Hywel Fire Door Replacement	In progress	23-24
6	2023-24 Portfolio	Ty Hywel Flagpole replacement	In progress	23-24
7	2023-24 Portfolio	Customer Relationship Management System (CRM) Phase 1	Completed	23-24
8	2023-24 Portfolio	North Wales Office Decant	Completed	23-24
9	2023-24 Portfolio	Broadcasting Infrastructure Investment Project	In progress	23-24
10	2023-24 Portfolio	Archiving Project	In progress	23-24
11	2023-24 Portfolio	Siambur 26 Project	In progress	23-24
12	2023-24 Portfolio	Ty Hywel 26 Project	In progress	23-24
13	2023-24 Portfolio	Bay 2032 Project	In progress	23-24
14	2023-24 Portfolio	Library Management System	Business case pending	23-24
15	2023-24 Portfolio	Ty Hywel Adaptations for Commission space	Move to 24-25	23-24
16	2023-24 Portfolio	Senedd TV Replacement	Move to 24-25	23-24
17	2023-24 Portfolio	Document Mgt System Review	Move to 24-25	23-24
18	2023-24 Portfolio	Asset booking system	Move to 24-25	23-24
19	2023-24 Portfolio	Laid Documents	In progress	23-24
20	2023-24 Portfolio	CRM (subsequent phasing)	Move to 24-25	23-24
21	2023-24 Portfolio	Broadcasting Infrastructure Investment Project	Move to 24-25	23-24
22	2023-24 Portfolio	Broadcasting Infrastructure Investment Project	Move to 24-25	23-24
23	2023-24 Portfolio	Remuneration Board Simplification Project	Move to 24-25	23-24
24	2023-24 Portfolio	Voluntary Lobbying Register Project	Move to 24-25	23-24
25	2023-24 Portfolio	IRB Staffing Support Thematic Review	Move to 24-25	23-24
26	2023-24 Portfolio	Record Search Project	In progress	23-24
27	2023-24 Portfolio	Determination – info mgt system Project	Move to 24-25	23-24
28	2023-24 Portfolio	EFM Forward Maintenance Register: Ty Hywel air handling units replacement	Move to 24-25	23-24
29	2023-24 Portfolio	Member Claims System	Move to 24-25	23-24
30	2023-24 Portfolio	EFM Forward Maintenance Register: Air Handling Unit Chiller Feasibility Study	Move to 24-25	23-24
31	2023-24 Portfolio	EFM Forward Maintenance Register: LED Office Lighting	Move to 24-25	23-24
32	2023-24 Portfolio	EFM Forward Maintenance Register: Pierhead Projector Blind Replacement	Move to 24-25	23-24
33	2023-24 Portfolio	New Broadcasting Archive Project	Move to 24-25	23-24
34	2023-24 Portfolio	EFM Forward Maintenance Register: Senedd chilled water pump replacement	Move to 24-25	23-24
35	2023-24 Portfolio	EFM Forward Maintenance Register: Glazed Canopy security enhancement	Move to 24-25	23-24
36	2023-24 Portfolio	EFM Forward Maintenance Register: Senedd tank trap maintenance / replacement	Move to 24-25	23-24
37	2023-24 Portfolio	EFM Forward Maintenance Register: Car Park Barrier Upgrade	Move to 24-25	23-24
38	2023-24 Portfolio	EFM Forward Maintenance Register: Ty Hywel tannoy system replacement	Move to 24-25	23-24
39	2023-24 Portfolio	EFM Forward Maintenance Register: Senedd Slate Clean	Move to 24-25	23-24
40	2023-24 Portfolio	EFM Forward Maintenance Register: Ty Hywel Brickwork Clean	Move to 24-25	23-24
41	2023-24 Portfolio	EFM Forward Maintenance Register: Replacement of External Doors	Move to 24-25	23-24
42	2023-24 Portfolio	Commission ICT kit refresh programme	Move to 24-25	23-24
43	2023-24 Portfolio	EFM Forward Maintenance Register: Ty Hywel Rear Entrance Turnstile	Move to 24-25	23-24
44	2023-24 Portfolio	EFM Forward Maintenance Register: Pierhead Quadrennial Inspection repairs	Move to 24-25	23-24
45	2023-24 Portfolio	Review of the Standards Measure	Move to 24-25	23-24

46	2023-24 Portfolio	7th Senedd - Member support model	Move to 24-25	23-24
47	Pipeline	Bay 2032 (subsequent phases)	Pipeline	24-25
48	Pipeline	EFM Forward Maintenance Register: Solar Photovoltaic Installation	Pipeline	24-25
49	Pipeline	Senedd Reform additional ICT kit project	Pipeline	24-25
50	Pipeline	EFM Forward Maintenance Register: Pierhead Review Consultancy	Pipeline	24-25
51	Pipeline	Ty Hywel 26 (subsequent phases)	Pipeline	24-25
52	Pipeline	Siambwr 26 (subsequent phases)	Pipeline	24-25
53	Pipeline	EFM Forward Maintenance Register: Ty Hywel Air Handling Units (AHU) Replacement	Pipeline	24-25
54	Pipeline	EFM Forward Maintenance Register: CCTV Kit - hardware Replacement	Pipeline	24-25
55	Pipeline	EFM Forward Maintenance Register: LV ACB Critical Spares	Pipeline	24-25
56	Pipeline	EFM Forward Maintenance Register: Senedd Lift Upgrades to Lifts 1&2	Pipeline	24-25
57	Pipeline	WoW Further Ty Hywel adaptations to facilitate TH 2026 Project	Pipeline	24-25
58	Pipeline	EFM Forward Maintenance Register: Ty Hywel Lift Upgrades	Pipeline	24-25
59	Pipeline	EFM Forward Maintenance Register: Ty Hywel Chilled Water Primary Pumps and Pressurisation Unit	Pipeline	24-25
60	Pipeline	EFM Forward Maintenance Register: Ty Hywel Smoke Vent System	Pipeline	24-25
61	Pipeline	EFM Forward Maintenance Register: Ty Hywel Radiator Valves	Pipeline	24-25
62	Pipeline	EFM Forward Maintenance Register: Estate Rolling Redecoration Programme	Pipeline	24-25
63	Pipeline	EFM Forward Maintenance Register: Pierhead Fire Alarm System Replacement	Pipeline	24-25
64	Pipeline	EFM Forward Maintenance Register: Pierhead Heating Pumps and Hot Water Return	Pipeline	24-25
65	Pipeline	EFM Forward Maintenance Register: Servery Refurbishment Works	Pipeline	24-25
66	Pipeline	EFM Forward Maintenance Register: Ground Floor A Block Toilet Refurbishment	Pipeline	24-25
67	Pipeline	EFM Forward Maintenance Register: A and C Block Stairwell Redecoration	Pipeline	24-25
68	Pipeline	EFM Forward Maintenance Register: Catering Equipment Phase 3	Pipeline	24-25
69	Pipeline	EFM Forward Maintenance Register: Service Management system replacement	Pipeline	24-25
70	Pipeline	ICT Forward Work Programme: Firewall Replacement	Pipeline	24-25
71	Pipeline	ICT Forward Work Programme: Uninterruptible Power Supply Battery Replacement	Pipeline	24-25
72	Pipeline	ICT Forward Work Programme: Commission Broadband (PSBA) Resilience	Pipeline	24-25
73	Pipeline	Broadcasting Infrastructure Investment Project	Pipeline	24-25
74	Pipeline	ICT Forward Work Programme: Backup Solution re-tender	Pipeline	24-25
75	Pipeline	ICT Forward Work Programme: Microsoft Azure Costs increase	Pipeline	24-25
76	Pipeline	ICT Forward Work Programme: SIP/Voip contract	Pipeline	24-25
77	Pipeline	ICT Forward Work Programme: Cyber - User Awareness Training	Pipeline	24-25
78	Pipeline	ICT Forward Work Programme: Cisco ISE Licenses & Support	Pipeline	24-25
79	Pipeline	ICT Forward Work Programme: Gartner	Pipeline	24-25
80	Pipeline	ICT Forward Work Programme: BC Licenses & support	Pipeline	24-25
81	Pipeline	ICT Forward Work Programme: Endpoint Strategy Developments	Pipeline	24-25
82	Pipeline	ICT Forward Work Programme: SharePoint storage	Pipeline	24-25
83	Pipeline	ICT Forward Work Programme: Cloud printing	Pipeline	24-25
84	Pipeline	ICT Forward Work Programme: Members Mobile Phone Refresh	Pipeline	24-25
85	Pipeline	ICT Forward Work Programme: Common area phones refresh	Pipeline	24-25
86	Pipeline	ICT Forward Work Programme: Laptop maintenance requirement	Pipeline	24-25
87	Pipeline	ICT Forward Work Programme: Refresh Siambwr Senedd PCs	Pipeline	24-25
88	Pipeline	Broadcasting Infrastructure Investment Project	Pipeline	24-25
89	Pipeline	EFM Forward Maintenance Register: Pierhead projector refurbishment	Pipeline	24-25
90	Pipeline	Broadcasting Infrastructure Investment Project	Pipeline	24-25
91	Pipeline	Broadcasting Infrastructure Investment Project	Pipeline	24-25
92	Pipeline	ICT Forward Work Programme: Unbraco Upgrade	Pipeline	24-25
93	Pipeline	ICT Forward Work Programme: Low Voltage (LV) Air Circuit Breakers (ACB) Critical Spares	Pipeline	24-25
94	Pipeline	EFM Forward Maintenance Register: Senedd Lift Upgrades to Lifts 1&2 (External Lifts)	Pipeline	24-25
95	Pipeline	EFM Forward Maintenance Register: Ty Hywel fire alarm system expansion	Pipeline	24-25

96 Pipeline	EFM Forward Maintenance Register: Pierhead Quadrennial Inspection -repairs	Pipeline	24-25
97 Pipeline	EFM Forward Maintenance Register: Senedd BMS detailed design and specification development	Pipeline	24-25
98 Pipeline	EFM Forward Maintenance Register: Critical spares for lifts across the Cardiff Bay Estate	Pipeline	24-25
99 Pipeline	EFM Forward Maintenance Register: Senedd Rumble Strip Replacement	Pipeline	24-25
100 Pipeline	EFM Forward Maintenance Register: Replacement of remaining lights in Senedd building to LED fittings.	Pipeline	24-25
101 Pipeline	EFM Forward Maintenance Register: Replacement of remaining lights in Pierhead building to LED fittings.	Pipeline	24-25
102 Pipeline	EFM Forward Maintenance Register:Replacment flooring and furniture to Ty Hywel staff restaurant	Pipeline	24-25

## Finance Committee October 2023 Engagement Update

Our Communications and Engagement Strategy for the sixth Senedd places greater emphasis on gathering data to strengthen audience insight and improve understanding of the impact of our work. Our focus is on reaching new audiences, particularly those who feel their voices have not traditionally been heard by institutions like the Senedd.

To do this we are conducting audience research and have introduced new ways of capturing feedback from audiences – such as customer surveys for visitors and attendees at our events. We have also introduced tools to monitor the reach of our social media and media coverage.

### Engagement Programmes

#### *Citizen Engagement*

- The Citizen Engagement Team plays a vital role in assisting Senedd committees by facilitating engagement with diverse groups of people across Wales. This engagement helps provide valuable insights for the committees, particularly from individuals with lived experience, service users, and front-line workers.
- Throughout the years 2022 and 2023, the Citizen Engagement Team has actively engaged with a total of 3,045 individuals across 41 different inquiries.
- Among the various methods employed by the team for engagement, in-depth interviews and focus groups stood out, making up 92% of the team's chosen approaches.
- Within the engaged demographic, 19% represented people with disabilities, and an additional 19% represented various aspects of race and ethnicity.
- The introduction of advisory groups, consisting of individuals with diverse lived experiences related to the specific issues under committee examination, has introduced a fresh, deliberative, and innovative approach to engagement. Advisory groups have been formed for inquiries concerning *disabled children's access to childcare and education*, as well as *mental health inequalities*.
- An illustrative example of how lived experiences have significantly contributed to effective committee scrutiny can be witnessed in the video evidence, filmed and edited by the Citizen Engagement Team, during the inquiry into *gynaecological cancers*:  
<https://senedd.wales/senedd-now/senedd-blog/gynaecological-cancers-are-women-being-taken-seriously/>

#### *Welsh Youth Parliament (WYP) and Education*

- So far in 2023 the teams have engaged with 21,897 young people across Education sessions and WYP events which is nearly a 100% increase compared to 2022 (12,052).

- Of these groups around 28% were from BAME backgrounds, 10% were groups made up of LGBTQ+ young people, 19% were groups with disabilities and 13% were from low socio-economic backgrounds/low-income families.
- When engaging young people for the WYP consultations, staff applied different techniques to all consultations.

For example:

- For the 'Sustainable Ways' consultation, they worked with schools from rural and low-socio economic areas whose access to public transport is limited, and subsequently their access to their place of learning through public transport.
- The events themselves were also held in low-socio economic areas.
- For the consultation into the Length of the School Day, they used the Welsh Index of Multiple Deprivation as well as data from My Local School to target schools with higher-than-average numbers of BAME learners, higher than average learners receiving Free School Meals, and schools within the highest areas of deprivation.

## **Visitor Experience**

- The Visitor Experience team have delivered 16 exhibitions on the estate and 75% of these have focused on celebrating and connecting with diverse groups. For example, *Black and Welsh* was shown in the Senedd throughout October 2022 to celebrate Black History Month.
- The Butetown Carnival also saw 13,579 people visit the Pierhead Exhibition and Senedd during August 2023, of which 48% were first time visitors.
- In the past year, 70% of visitors who completed customer surveys said they had not engaged with the Senedd previously
- 73% of visitors who filled out the survey said their understanding of the Senedd had increased after their visit, while 54% said they were more likely to participate in the Senedd's work following their visit.

## **Events and Outreach**

- The Events team has hosted 203 Member Sponsored events in the last 12 months with organisations such as: Disability Wales, Chwarae Teg, Wales TUC, Centre for Kurdish Progress and Action for Elders.
- Staff have attended events hosted by underrepresented groups, such as the Privledge Café event 'We are not hard to reach' and Bangladesh Women's Association Wales' event 'Voter Engagement - Increasing participation to empower communities' so we can listen, learn and build stronger partnerships.
- And on St David's Day the Outreach team partnered with the Welsh Refugee Council and invited refugees who had moved to Wales in the last 12-18 months into the Senedd for the first time. As well as giving them a platform to tell their stories during the event, they also had a tour of the Senedd and a chance to meet and speak with the Llywydd.



## Social Media

- As part of our efforts to reach new audiences we have been working with social media influencers to amplify our work on their channels. This is helping us to reach audiences who do not traditionally follow us and are on platforms like Tik Tok, which we don't have a corporate presence on but know young audiences do.
- We've worked with high-profile influencers, such as Dr Alex George who first appeared on Love Island, to amplify the work of our Welsh Youth Parliament, and with local influencers to showcase the Senedd as a free visitor attraction and encourage future visits.
- To date 4 influencers have visited and created content about the Senedd resulting in over 21k views, with many comments from user saying they weren't previously aware they could visit for free. We have been able to track this activity to new visitors to the Pierhead and Senedd.
- Building relationships with local influencers is also leading to more opportunities to engage, with one of our influencers already asking to use the Senedd to host a creative workshop for young people from south Asian and the Butetown and Grangetown communities. This opportunity is currently being explored by our engagement team.
- Our social media content is people-focused and aims to reflect the diversity of our communities. For example, for St David's Day we wanted to celebrate that the Senedd is a place by all and did this by inviting individuals from all walks of life to tell us their "Welsh Stories".
- We've also shared real people's stories to support the work of committees on the cost-of-living crisis, experience of the care system and women's health and equality.

## News

- Last year there was a 7% increase in news coverage of the Senedd and a 16% increase in news coverage of committee's work.
- The news team has carried out an audit of hyper local media across Wales with the aim of reaching different communities across the country. They have been making links with local journalists and ensuring news desks are kept up to date. The aim is to package Senedd business, in particular committee work and tailor the content to areas and where possible, featuring local case studies.
- The team has also created a closer relationship with commercial radio networks such as Bauer and Global, reaching different audiences from public service broadcasters on community-based radio stations.
- More recently the team has supported representatives from the Independent Community News Network (ICNN) - a body representing 122 independent publications across the UK – who have achieved funding for a 12-month reporter to cover the Senedd and its proceedings. The team will work closely with the reporter to help them promote the work of the Senedd in local communities across Wales.



1 Cathedral Road  
Cardiff CF11 9HA

**Jayne Smith**  
**Industrial Officer**

11 October 2023

Peredur Owen Griffiths MS  
Chair, Finance Committee  
Senedd Cymru  
By email

cc. Committee members

Dear Peredur

## **Senedd Commission draft budget 2024-25**

I am writing to provide PCS' views on the Senedd Commission's draft budget for 2024-25, following its laying on 29 September and the Finance Committee's meeting on 5 October. We appreciate that you will have already covered most aspects, given the tight timescales involved with budget scrutiny, but hope you can give the contents of this letter some consideration.

PCS is committed to advocating for a sustainable funding settlement for this institution, as Senedd Reform approaches.

We are concerned that the draft budget for 2024-25 risks underfunding the institution. Despite a headline 6.73% increase, the operational budget remains under considerable pressure. The draft budget document that has been laid explains 'the Commission is required to find £0.315 million of savings from expenditure on operational activities'(p9), with the rise in operational budget tied to a forecasted limit of 2.5% inflation (using a GDP deflator index). This is without contingency for potential additional expenditure on staff remuneration, further inflationary volatility and the impact of preparations for Senedd Reform on day-to-day operations, which cannot be wholly isolated in separate budget lines.

The draft budget document briefly mentions additional payments made to staff during the 2022-23 and 2023-24 financial years to address the 'cost of living' crisis. The

payments due to be made in the current financial year have only been agreed because of the industrial dispute (ongoing since November 2022) between the Senedd Commission and PCS. These payments in 2023-24 are being funded from within existing budgets, because no additional money was forthcoming via a supplementary budget and no provision was made in the original budget for this current year, which was approved in November 2022 (after the dispute had started). As outlined in the Chief Executive's letter to the Finance Committee on 29 September, this will lead to in-year difficulties for the Commission in terms of recruitment, projects, other types of expenditure and maintaining service levels for Members.

The agreement reached so far has resulted in the pausing of industrial action but is not sufficient to end the dispute. The draft budget submitted by the Commission for 2024-25 does not include any provision for an agreement that could end the dispute proactively. We recommend a higher operational budget to avoid uncertainty resulting from pressures that cannot now be described as unexpected. The letter from Ken Skates on 3 October says negotiations have yet to take place, but PCS has long been ready to negotiate a settlement that would mitigate the real-terms decrease in the pay of Commission staff and bring the ongoing dispute to an end.

Furthermore, preparations for Senedd Reform, now ever more likely following the introduction of the Senedd Cymru (Members and Elections) Bill, cannot in practice be separated from the core operational activities of the Commission. Though there are workstreams that can and have been accounted for separately, the scale of the potential change means all day-to-day functions will be impacted. A sufficient operational budget is required so that Senedd Reform not only happens, but is properly planned and works. It needs a strong Senedd Commission that retains its staff and their expertise, recruits effectively in a competitive market, and funds the projects required to maintain and enhance services to Members.

We ask the Committee and wider Senedd to have that medium-to-long-term view in mind when finalising its scrutiny of this draft budget, and in its considered and nuanced application of the Statement of Principles, given the context of expansion.

Yours sincerely

*Jayne Smith*

**Jayne Smith**  
**Industrial Officer**



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Peredur Owen Griffiths MS  
Chair, Finance Committee  
Welsh Parliament  
Cardiff Bay  
Cardiff  
CF99 1SN

11<sup>th</sup> October 2023

*Deur Peredur,*

## UK GOVERNMENT AUTUMN STATEMENT

1. Thank you for your letter of 27 September regarding the date for the upcoming Autumn Statement.
2. The timing of fiscal events, including the upcoming Autumn Statement, are decided by the Chancellor. When considering these timings the Chancellor considers a wide range of factors, including key dates in the fiscal calendar, data releases, stakeholder engagements and the parliamentary calendar. This year, the presence of the King's Speech meant that the parliamentary time available for an Autumn Statement was more constrained.
3. The Chancellor has to balance these considerations against other factors when setting the time for a fiscal event, which does sometimes mean this is not as favourable as would be ideal for the Welsh Government or Senedd Finance Committee. We understand the challenges this poses for the Senedd in scrutinising the Welsh Government.
4. HM Treasury will continue to engage with the Welsh Government on its priorities for fiscal events as we did at the recent meeting of the Finance: Interministerial Standing Committee on 20 September, and I look forward to future engagement on these and other issues with the Minister for Finance and Local Government, Rebecca Evans MS.

*with best regards*

*John*

THE RT HON JOHN GLEN MP





**Ombwdsmon  
Ombudsman**  
Cymru • Wales

# **A year of change - a year of challenge**

## **Annual Report and Accounts 2022/23**

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July 2023



We can provide a summary of this document in accessible formats, including Braille, large print and Easy Read.  
To request, please contact us:

Public Services Ombudsman for Wales  
1 Ffordd yr Hen Gae  
Pencoed  
CF35 5LJ

Tel: 0300 790 0203

Email: [communications@ombudsman.wales](mailto:communications@ombudsman.wales)

**Mae'r ddogfen hon hefyd ar gael yn y Gymraeg.**

**This document is also available in Welsh.**



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# **A year of change - a year of challenge**

## **Annual Report and Accounts 2022/23** of the Public Services Ombudsman for Wales for the year ended 31 March 2023

Laid before the Welsh Parliament under paragraphs 15, 17 and 18 of Schedule 1 of the Public Services Ombudsman (Wales) Act 2019.





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# Foreword

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**This annual report reflects my first year in office. It has been a year of many successes and positive change, but also some challenges.**

One of the main themes of this year continues to be our increasing caseload. Compared to last year, we saw 3% more cases overall, and, within that, a 2% increase in public service and Code of Conduct complaints. We also closed 10% more complaints – a record number.

The increase in our workload this year has been entirely down to the volume of complaints about public services. Many more complaints means more opportunities to put things right for people. We found that something has gone wrong and intervened in about 19% of complaints about public services overall. This was a similar proportion to last year but, given the number of the complaints we closed, it means that we were able to deliver justice to many more people this year.

Positively, we welcomed this year a small reduction in the number of new complaints about the Code of Conduct for local Councillors. We were also glad

to see that, after the previous year's record numbers, we had to refer fewer cases of potentially serious breaches to local Standards Committees or the Adjudication Panel for Wales.

We have continued our work to promote systemic improvement of public services. 51 public bodies in Wales now operate under our complaints standards and this year alone we delivered 183 free training sessions to public bodies. We have also consulted on our next 'Own Initiative' investigation into carers needs assessments. By the time this report is published, that investigation will be under way. Together with 5 new Public Interest Reports and one Special Report, these are just some of the ways in which we continue to encourage public services to improve.

We also continue to look at ourselves – the quality of our decisions and our service as well as our responsibilities as an employer.

When we issue our decision on a complaint, people can ask for a review – this year, we found that we could do more in only 7% of the review requests that we handled, often because people gave us additional relevant information. We also launched our new Service Quality process, through which we will be looking at a selection of ongoing and closed cases during the year to ensure that the quality of our work meets our Service Standards.

We continue to support our staff who are dealing with year-on-year increases in caseloads and continue to work in a flexible way, allowing us to downsize our office accommodation. During the year we were delighted to see our mean gender pay decrease further and our median gender pay gap disappear altogether.

Despite these and other positives, it has also been a very challenging year. The number of new complaints to us about public services is now 41% higher than 5 years ago. In last year alone, the number of complaints about Health Boards rose by 21%, to a record high. Health continues to be the subject of over 80% of our investigations overall and these investigations are often lengthy and complex.

Whilst this is partially offset by reductions in local government complaints, this increasing caseload has impacted on our ability to meet our investigation time targets, and some people have had to wait longer for an outcome. It has also affected the well-being of our staff, with average number of days lost through sickness increasing again this year.

We understand that, to deal with these challenges, we must adjust how we operate, by adopting new ways of working and trying new solutions. Our big task this year has been to develop our new Strategic Plan, which we published in April. It sets out our vision and ambition for public services and local government in Wales. It also confirms our four new Strategic Aims:

- Delivering justice with a positive impact for people and public services
- Increasing accessibility and inclusion
- Increasing the impact of our proactive improvement work
- Ensuring that we are a healthy, efficient and accountable organisation.



We are now working to develop our new Business Plan and Key Performance Indicators (KPIs), which will help us drive better performance, influence change and capture more accurately the impact of our work. Throughout this Report, we signal how these commitments are likely to shape our future work.

I want to thank all staff for the effort and commitment they demonstrated this year. We trust that our new Strategic Plan will help us to identify opportunities to work more efficiently and have more impact, while also allowing us to remain a supportive and healthy workplace. Nevertheless, our increasing caseload pressures are a growing concern and we will be realistic about the resources and capacity available to us to deliver change as we embark on this new chapter in our service to the people of Wales.

## **Michelle Morris**

Public Services  
Ombudsman for Wales

July 2023



# About us

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**We have three main roles.**



## **We investigate complaints about public services.**

We can look at the services provided by devolved public bodies in Wales such as local councils, Health Boards, social landlords and others. We can also look at complaints about private social care and end-of-life care, as well as some private healthcare.

## **We consider complaints about councillors breaching the Code of Conduct.**

We look at complaints about councillors at local councils, fire authorities, national park authorities. We also look at complaints about police and crime panels. We are also a “prescribed person” under the Public Interest Disclosure Act for raising whistleblowing concerns about breaches of the Code of Conduct by members of local authorities.



## **We drive systemic improvement of public services and standards of conduct in local government in Wales.**

We can investigate on our own initiative, even if we have not received a complaint. We can also set complaints standards for public bodies in Wales, monitor how they handle complaints and provide training to them.




# Key statistics


**2%** more new complaints about public services and Code of Conduct received.



**2%** more new public service complaints – with **21%** increase in complaints about Health Boards.




**10%** more complaints about public services and Code of Conduct closed.




Intervention in **19%** of complaints about public services...  
... with **75%** of interventions through early resolution.




**90%** of recommendations due during the year complied with during the year.



**61%** of Code of Conduct complaints about promotion of equality and respect.

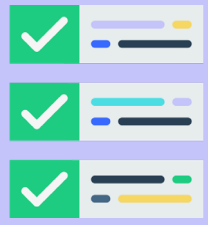


**1** Special Report issued.




**12** referrals of Code of Conduct complaints made to the Adjudication Panel for Wales or local Standards Committees.


New Service Quality process launched.



Only **7%** of review requests upheld.



**48%** of people – and **95%** of those satisfied with the outcome of their complaint – happy with our service.



**183** online training sessions on good complaint handling delivered.



**2** extended investigations completed.



**5** Public Interest Reports issued.



Public consultation on our next wider 'Own Initiative' investigation - into carers needs assessments - completed.

**No** median gender pay gap.



**Fourth** Equality and Human Rights Casebook published.



**16%** reduction in cost per complaint closed.



Welsh language skills of our staff improved.



**134** kgs of CO2 in emissions avoided.



**New Strategic Plan developed.**





# Delivering justice

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# Introduction

This year we received more cases than ever.

**8,423**

We received **8,423 new cases** (enquiries, pre-assessments and complaints about public services and Code of Conduct). This was **3% more than last year** and means that our caseload continues to rise year on year.

**3,073 of these cases were complaints about public services and Code of Conduct.**

**3,073  
(+2%)**

This was **2% more than last year** and marks another record number of complaints that we received in one year. This increase was entirely due to more complaints about public services.

**2,790  
(+2%)** public service complaints

**283  
(-4%)** Code of Conduct complaints

**605**

In addition, we started the year with **605 complaints that we did not close in the previous year**. This means that we handled over 9000 cases during the year.

## Our cases *i*

In the [Appendix \(page 119\)](#) we explain in more detail some terms that we use to describe our cases.



## We also closed a record number of cases.

**8,475**

We closed 8,475 cases overall. Most we closed after we initially checked them. This is where we offer people advice or point them to another organisation that could help.

**3,138  
(+10%)**

However, **we also closed 3,138 complaints about public services or Code of Conduct overall – 10% more than last year.** This is a huge achievement by our staff, but with the rising caseload we expect it will become increasingly difficult to maintain this performance.

**2,858** public service  
**(+11%)** complaints

**280**  
**(-%)** Code of  
Conduct  
complaints

**553**

Our open caseload at the end of the year has remained high - **we finished this year with 553 cases that we have not yet closed.** We are investigating almost a half of those cases and 70% of those investigations relate to health.

Unfortunately, there is still a high number of complex cases that we simply did not manage to close during the year because of our workload pressures.

In the next sections of this Report, we focus on the main trends in our **complaints only.**

In our new Strategic Plan, we have committed to explore new digital tools and processes to help us manage our increasing complaints caseload and sustain performance.

# Our complaints about public services

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## New complaints about public services

We again received a record number of complaints about public services, especially health, housing and complaint handling. We also saw increases in complaints about Health Boards and housing associations.

Health continued to be the most common subject of our complaints overall (37%, compared to 34% in 2021/22). Almost a half of those complaints were about clinical treatment in hospital, with the next largest group (20%) about treatment by GPs.

The next largest group of complaints related to housing (18%) and complaints handling (18%). The proportion of complaints about complaint handling has risen again, from 14% in 2021/22. We hoped that we would be starting to see fewer of those complaints, as public bodies put into action the learning from our complaints standards training. However, we also know that many public bodies have received many more complaints this year.



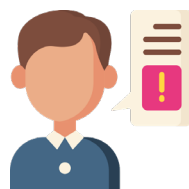
2,790 new public service complaints



37% about health care



18% about housing



18% about complaint handling



The main bodies that people complain to us about are Health Boards, local councils and Housing Associations. We include detailed data on our new complaints in the Appendix.

## New complaints numbers



**On its own, the number of new complaints about an organisation does not have to mean that the service it offers is poor. For example, an organisation offering services to many people may receive more complaints than one that services a smaller population.**

**A significant increase in new complaints about an organisation may mean that there are issues about its service – but it could also reflect that its complaints process became more accessible or that it records its complaints better.**

## Health Boards



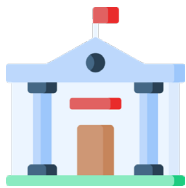
**This year, we had 926 new complaints about Health Boards – 21% more than last year.**

The number of new complaints increased for all Health Boards. As in previous years, the most complained about Health Board was Betsi Cadwaladr University Health Board.

However, when looking at the population, the Health Board with most complaints for every 1,000 residents was Swansea Bay University Health Board.

Whilst the number of complaints about Powys Teaching Health Board more than doubled, this remained by far the lowest number across all Health Boards in Wales.

## Local councils



**1,020 of our new complaints this year related to local councils - 11% less than in 2021/22.**

The council that was the subject of most complaints was Cardiff Council, while we received fewest complaints about Blaenau Gwent County Borough Council and Torfaen County Borough Council.

However, in terms of the proportion of complaints to the population of each council, the most complained about council was Ceredigion.

## Housing Associations



**This year, we had 348 new complaints about Housing Associations - 15% more than last year.**

The number of complaints about these bodies has more than doubled since 2020/21.

Although we have usually tended to receive a small number of complaints about most Housing Associations, this year 62 complaints related to Hafod Housing Association - more than double the number we received last year.

This increase may be influenced by our work with this organisation to better record complaints.

Almost a half of the complaints about Housing Associations overall - 48% - was about repairs and maintenance. This was higher than in the previous year (46%).



## Closed complaints about public services

By looking at how many complaints we close, we can better understand how efficient we are in dealing with our casework. We know that people complaining to us are often desperate for help and our staff worked incredibly hard this year to consider complaints as efficiently as possible and to minimise delays.

We again closed a record number of complaints this year. We found that public services made mistakes, and we intervened, in a slightly higher proportion of complaints than last year. Overall, we were able to put things right for many more people this year.

Mostly, we were able to intervene without conducting a full investigation – **75% of our interventions happened through Early Resolution**. This is even a higher proportion than last year (69%). Many people complaining to us

want to see their case resolved quickly and investigations take significant time and resources.

We aim to close complaints as quickly as we can. This year, we have mostly managed to close cases in a timely way if we decided not to investigate, or if we intervened through Early Resolution. However, with our high workload, we have struggled to meet our investigation time targets. We include details of our performance against our targets in the Appendix.

### Intervention



Intervention means that we found that the body made a mistake and it needs to put things right.

We can intervene without investigating or by suggesting an Early Resolution. We can also intervene after we investigated - by publishing a report which upholds a complaint, or by suggesting a settlement between the body and the person complaining.

In general, we would want our intervention rate to be low.

**2,858**

We closed 2,858 complaints about public services – 11% more than last year.

**Assess**

**2,655  
(93%)**

We closed 2,655 complaints after we assessed them.

We look at all complaints carefully, to decide if we should investigate and whether things need to be put right.

There are many cases that we cannot - or decide not to - take further action on. However, assessing all these cases requires a lot of detailed work from our staff.

**Investigate**

**203  
(7%)**

We closed a further 203 of these complaints after investigating.

This was the same proportion as last year. We only investigate in more complex cases that we cannot resolve in any other way. Most of our investigations relate to health.

With our caseload increasing year on year, it is even more important that we investigate only when there is no other way for us to deliver justice.

**2,251**

We closed the complaint - for example, because we did not have the powers to look into it further.

**402**

We intervened by resolving the complaint early.

**69**

We did not uphold the complaint, or we discontinued the investigation.

**136**

We upheld the complaint or settled it.

**538  
(19%)**

Overall, **we intervened in 538 or 19% of the complaints that we closed**. The proportion of our interventions was only slightly higher than last year (18%). However, because of the large number of the complaints that we closed this year, this means that we were able to put things right for many more people.





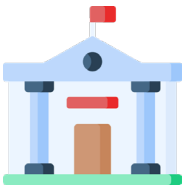
## Health Boards



**We intervened this year in 30% of the complaints about Health Boards that we closed – the same as last year.**

The Health Board with the highest intervention rate was Hywel Dda University Health Board (41%), while we saw the lowest rate of intervention for Powys Teaching Health Board (22%). Our intervention rates into complaints about other Health Boards remained similar to last year.

## Local councils



**We intervened this year in 13% of complaints about local councils – a slightly lower proportion than last year (14%).**

The council with the highest intervention rate was Ceredigion, at 30%. As in the previous year, we did not intervene in any complaints about Blaenau Gwent.

## Housing Associations



**We intervened this year in 13% of complaints about housing associations – compared to 14% last year.**

We noted the highest intervention rate for Taff Housing Association (40%) but this only amounted to intervention in two complaints. We intervened in 1 in 4 complaints about Hafod Housing Association this year.

## Recommendations

When we find that something has gone wrong with public services, we recommend that the body that provided those services puts things right.

This year, we issued 1,259 recommendations to public service providers (compared to 1,131 last year).

As in previous years, we most commonly recommended that the organisation apologised.

We sometimes recommend some financial redress, for example, for the complainant's time and trouble, or for distress.

However, sometimes this is not enough to put things right for the person who complained. Many people who complain to us want to make sure that others will not have to face the same injustice.

About 9% of our recommendations this year were about steps to make sure that services improve – for example, through training for staff or review of current practice. This was lower than last year (15%).

**Under our new Strategic Plan, we commit to seek assurance that our recommendations deliver systemic improvement of public services in Wales.**



## Compliance

Our recommendations aim to put things right, secure justice and improve services for the benefit of the public - not just for those who complain. When we make recommendations, we agree a date by which the organisation needs to comply and we ask them to send evidence that they have complied.

During the year, we have stepped up our efforts to ensure that organisations show us how they complied with our recommendations. This year, the organisations gave us evidence that they complied with **90% of the recommendations that they agreed would be implemented during the year**, compared to 81% last year. We will be chasing up the evidence related to the remaining recommendations.



90% of recommendations due during the year were complied with during the year.



1 Special Report issued.

If organisations do not comply with our recommendations, we can issue a 'Special Report', which is a public report. We issue very few Special Reports – the last one was in 2020. However, this year we had to issue one such report – about Bannau Brycheiniog National Park Authority.

## Our reference: 202104092

In 2015, Mr N complained to the Authority about how the water from the Authority's land affected an unmade track leading to his property.

The Authority issued its decision 3 years later and Mr N complained to us. We resolved that complaint in 2019. However, in 2021, Mr N complained to us again that the Authority had not acted as promised to put things right for him. We looked into this complaint, upheld it, and again recommended what the Authority should do. However, by the end of 2022, we still saw no evidence that the Authority had complied with our recommendations.

We therefore had no choice but to issue a Special Report about this case and make another recommendation to the Authority: to remedy further injustice to the complainant and ensure that its Audit & Governance Committee had regular oversight of the matter until it was satisfied that the work had been completed.



# Our complaints about the Code of Conduct

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## New Code of Conduct complaints

Compared to last year, we received fewer complaints about the Code of Conduct. We were glad to see fewer complaints about members of Town and Community Councils. However, we are concerned that more of our complaints relate to promotion of equality and respect.

We received 442 complaints about the Code of Conduct but had enough information to look into 283 - 4% less than last year.

Over a half of these complaints (56%) were about councillors at Town and Community Councils. However, for the first time since 2019/20, we saw a decrease in the number of complaints about this group of councillors. In contrast, we had 7% more complaints about councillors at principal councils.

**56%** of new Code of Conduct complaints were about councillors at Town and Community Councils.

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We report the subject of the Code of Conduct complaints based on the [Nolan Principles](#), which are designed to promote high standards in public life. 61% of the complaints that we could look into were about the promotion of equality and respect. This was a much higher proportion than last year (51%).

Generally, the cases that we categorise under 'respect' are lower level complaints. These are the ones where we tend to decide quickly that we will not investigate, or where we recommend that the complaint is resolved locally. The complaints that we categorise under 'equality' commonly involve more serious allegations of bullying or discrimination.



**61% of our new Code of Conduct complaints were about promotion of equality and respect.**

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## **Our reference: 202005902**

**Carmarthenshire County Council's Standards Committee suspended a councillor for 1 month for breaches of the Council's Code of Conduct, which included a failure to show due regard to the principle that there should be equality of opportunity for all people, regardless of their gender, race, disability, sexual orientation, age or religion.**



## Closed Code of Conduct complaints

We investigated this year a slightly lower proportion of Code of Conduct complaints than last year.

We also referred fewer complaints to the Adjudication Panel for Wales and Standards Committees.

This is positive, as it suggests that we saw fewer very serious breaches of the Code.

We apply our 'public interest test' to decide which cases we should investigate. Public interest can be described as something which is of serious concern or benefit to the public.

Generally, we investigate only a small proportion of the Code of Conduct complaints we receive. This shows that the standards of conduct in local government are generally good.

In 2022/23, we assessed or investigated 280 complaints about the Code of Conduct - about the same number as the previous year.

We investigated 35, or 13%, of these complaints - a slightly lower proportion than last year (14%).

35

Code of Conduct investigations.



12

referrals to the Adjudication Panel for Wales or local Standards Committees.

It is not up to us to decide whether a councillor has breached the Code of Conduct. In cases where we investigate and consider that there may have been a serious breach of the Code of Conduct, we refer the complaint and our findings to a local Standards Committee or to the Adjudication Panel for Wales to determine.

These bodies then independently look at the evidence we have gathered, together with any information put forward by the councillor concerned. They then decide whether the councillor breached the Code of Conduct and if so, what penalty to impose.

In 2022/23, we referred 8 complaints to the Standards Committees of the relevant local authorities and 4 to the Adjudication Panel for Wales. Overall, this was much less than the previous year (20). We welcome this, as it shows that we found fewer potentially serious issues that could undermine public confidence in the people who represent them.

Here, we give examples of two decisions, following our referrals, that the Adjudication Panel for Wales issued this year.

### **Our reference: 202000660**

**A member of Pembrokeshire County Council was disqualified from holding office as a councillor for 3 years for bullying behaviour towards another councillor, harassment of a member of the public and other serious misconduct which brought his Council into disrepute.**

**You can read about this decision on the Adjudication Panel's website [here](#).**

### **Our reference: 202004442**

**A former member of Llansantffraed Community Council was disqualified from holding office as a councillor because she brought her office as a councillor into disrepute, having been convicted of the criminal offence of causing bodily harm by 'wanton and furious driving' contrary to Section 35 of the Offences against the Person Act 1861.**

**You can read about this decision on the Adjudication Panel's website [here](#).**





The Adjudication Panel for Wales and Standards Committees upheld and found breaches in 96% of our referrals they considered in 2022/23. This gives us additional assurance that our process for considering these complaints is sound.

Although we noted some positive trends this year, we continue to underline the value of more education and training for councillors on the Code of Conduct. To raise awareness of our process, we produced a video for new councillors following the May local elections.

We also encourage more use of local resolution procedures. These procedures can calm situations, deal with problems early and prevent the need for further escalation to our office.

**Under our new Strategic Plan, we commit to support good standards of conduct by councillors in local government in Wales and explore new ways and resources to do this.**

A golden scale of justice is positioned on a stack of dark blue books. In the foreground, a wooden gavel rests on a wooden surface. The background is a blurred bokeh of warm colors. A semi-transparent dark blue box with white text is overlaid on the right side of the image.

The Adjudication  
Panel for Wales  
and Standards  
Committees  
upheld and found  
breaches in 96%  
of our referrals  
they considered in  
2022/23.

## Whistleblowing disclosure report

Since 1 April 2017, we are a 'prescribed person' under the Public Interest Disclosure Act 1998. The Act provides protection for employees who pass on information concerning wrongdoing in certain circumstances. The protection only applies where the person who makes the disclosure reasonably believes that:

1. They are acting in the public interest, which means that protection is not normally given for personal grievances.
2. The disclosure is about one of the following:
  - Criminal offences (this includes financial improprieties, such as fraud)
  - Failure to comply with duties set out in law
  - Miscarriages of justice
  - Endangering someone's health and safety
  - Damage to the environment
  - Covering up wrongdoing in any of the above categories.

As a 'prescribed person', we are required to report annually on whistleblowing disclosures made in the context of Code of Conduct complaints only.

In 2022/23, we received 24 Code of Conduct complaints that would potentially meet the statutory definition of disclosure from employees or former employees of a council. 8 of these complaints related to promotion of equality and respect.

We investigated 13 of these complaints. So far, we have closed 1 of those investigations. We discontinued that investigation, as we decided that it was not in the public interest to pursue it.

We concluded an investigation into 1 relevant complaint that was ongoing since 2020/21. We found no evidence of breach.

We concluded investigations into 6 relevant complaints which were received in 2021/22. Of these:

- we referred 4 to the Adjudication Panel for Wales.
- for 2, we decided that we did not need to take any further action.

Of the 4 referred to the Adjudication Panel for Wales, a former member of St Harmon Community Council was disqualified by the Panel from holding office as a councillor for 12 months. The other 3 cases are awaiting hearing.

4 investigations opened in 2021/22 are still ongoing.

# The quality of our decisions

**We do our best to make sure that we handle complaints fairly and in a transparent way. As our caseload increases, we receive more and more requests for a review of our decision. Those reviews are considered by a member of staff who was not previously involved in the case.**

In 2022/23, we handled 285 review requests and follow-ups to previous review decisions (including cases we carried over from the previous year). This was 10% more than the previous year. We managed to close 271 of these cases, 13% more than previously.

We upheld 7% of the review requests that we closed – the same proportion as in 2021/22. This is a very small number of cases overall and gives us confidence that our process is sound.

Where we re-opened cases, as in previous years this was often because we received more evidence from the complainant. However, our review sometimes concludes that we could have done more. When this happens, we take steps to make sure we learn any lessons.

## **Our reference: 202202850**

The complainant sent us information in a number of emails. Although we had a lot of information to help us assess the complaint, one of the emails contained documents that were password protected. The complainant flagged this to us and asked us to contact him for the password, but we did not do so.

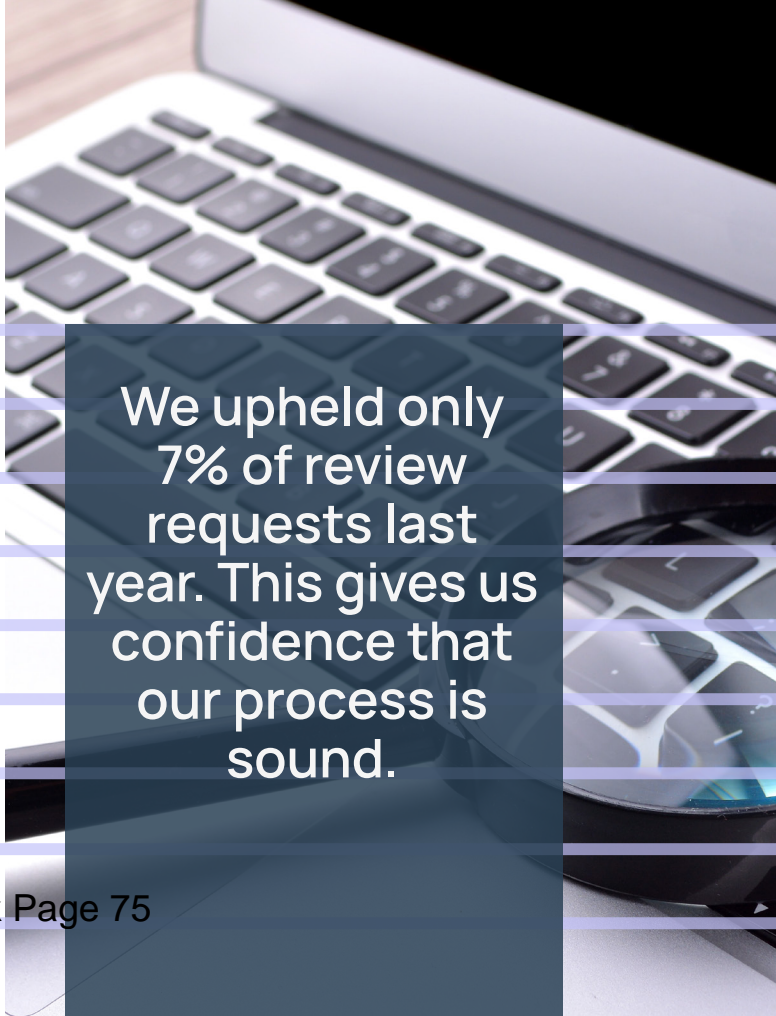
**When we reviewed this case, we concluded that we had not properly listened to the complainant or fully considered his complaint and we opened a new file to ensure we did so.**

**We identified this as a learning point to ensure that we follow up with complainants on occasions where we cannot access all the information sent to us.**

No cases were subject to judicial review proceedings in 2022/23.

During 2021/22, one former councillor applied to the High Court for permission to appeal a decision of the Adjudication Panel for Wales to disqualify them from being a councillor for 12 months. A hearing which had been set was adjourned, following a request by the former councillor. The application has not yet been considered by the Court.

Under our new Strategic Plan, we will develop new measures to check how we are performing. One of our Key Performance Indicators will be the proportion of reviews where we find that our original decision was appropriate.



We upheld only 7% of review requests last year. This gives us confidence that our process is sound.

# The quality of our service

We want to deliver an excellent service. We have 5 Service Standards that explain what service people can expect from us. Read more about our Standards [here](#).

To check how we are doing, every year we monitor and analyse our performance and gather feedback from our service users and from organisations that we look into.

## What complainants think about our service

Every year, we organise a telephone survey of about 200 people who complained to us during that year.

In the Annual Report for 2021/22, we noted with some concern a drop in how people judged our service overall. However, the results this year suggest that we have started to improve.

Generally, people tend to be happier with our service if they are happy with the outcome of their complaint.

In 2022/23, we also handled 32 complaints about us. Of the complaints about us that we closed, we upheld or partially upheld 36%. This is a lower proportion than last year (41%).

These complaints related to issues around how we communicated, how quickly we considered complaints and how we paid attention to detail. We communicated the findings internally to make sure we do not make the same mistakes again.

To ensure that we are open and accountable, if people are unhappy with how we handled their complaint about us, they can ask for that complaint about our service to be considered by an external independent review service. During 2022/23, 19 people referred their complaints to our external review service (compared to 6 last year). The external review service upheld 10.5% of issues raised in these complaints.



**48% of people – and 95% of those satisfied with the outcome of their complaint – said that they were happy with the service they received from us.**

## What organisations think about our service

We also invite comments on our work from the organisations that people complain about.

This year, we issued an online survey to 92 public bodies. We asked them for comments on their most recent complaint with us, as well as on our work in general. We received 42 complete responses. The results were broadly positive. **Overall satisfaction with our service scored 8 /10** (about the same as last year).

We also held three Sounding Board sessions in April 2023, with local councils, Health Boards and Housing Associations. 44 organisations were represented. We had feedback on some areas that we could improve – for example, how consistent we are when setting deadlines for organisations to send us evidence. However, overall, the feedback was very positive.



**84% of public bodies that responded to our survey said that our findings positively influence their organisation.**

## Service quality

During the year, we introduced our new Service Quality process. From now on, we will look at a selection of ongoing as well as closed cases during the year, to ensure that the quality of our work meets our Service Standards.

By the end of 2023/24, we are hoping to be able to have our first service quality scores, which will help us to identify areas for improvement and set targets for the years to come.

**Under our new Strategic Plan, we commit to further enhance the quality of our service delivery, in line with our Service Standards and service user feedback.**





# Accessibility and inclusion

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We want to make sure that we offer a fair and equal service to all. We had some successes this year, but we will continue to work to improve how accessible we are.

We publish detailed information about the profile of people who complain to us in our Annual Equality Report. You can read our Annual Equality Reports [on our website](#).

## Contacting us

Some people may find it more difficult to complain than others and there are many ways in which we can help. We were glad to see that **87% of our complainants that we asked said that it was easy to contact us** – compared to 80% last year.

Most people complain to us online, by email or by post. However, since 2019, we can also accept complaints that are not in writing. This year, we took 160 oral complaints – compared to 221 last year. We know that this service is demand led.

However, we will be highlighting the option to complain to us other than in writing as part of our future communications and engagement work.

## Additional support

We are committed to asking all people who complain to us if they need help and support. We ask anyone who contacts us how they would want us to communicate – by phone, email or by post. In addition, this year, 79 people asked us to make some additional adjustments to help them use our service.

We also asked in our telephone survey whether, where people needed such support, we met their needs. Only 4% of people said they needed such support. Of those, 37% said that we met their needs. Although the number of people who said that we did not was very small (6), we will look to improve how we make our complainants aware of the additional support that we can offer.

## Outreach and engagement **Welsh language**

We know that some communities rarely complain to us and we want to change that.

During the year, we have sought to reach our target communities mainly through our social media. Our content has helped us build a better following – we gained 223 new followers on LinkedIn and 46 new followers on Twitter.

We also worked hard to develop our new brand identity, which features much more accessible, high contrast colours. With that work completed, we are now starting to develop new visual resources that will support our future face-to-face outreach activities.

Finally, we stepped up our conversations with advice and advocacy bodies in Wales. We reached out to over a hundred organisations to create an up-to-date directory of advice and advocacy support that could be available for our complainants. This work is ongoing. We also convened our annual Sounding Board with advice and advocacy bodies. 14 organisations attended that session and shared with us valuable feedback.

We fully embrace the Welsh language and we want to make sure that we treat it no less favourably than English in all aspects of our work and that we meet the needs of Welsh speakers. You can read our revised Welsh Language Policy [on our website](#).

We are confident that we meet all our Welsh Language Standards. We received no complaints about the Welsh language this year.

People who complain to us can deal with us in Welsh if they wish. In 2022/23, only 26 people chose that option. During the next year, we will do more to find out why so few people use our service in Welsh.

**Under our new Strategic Plan, we commit to do much more to make sure that our service is relevant and accessible and that people across Wales are aware of our office and understand how we can help.**



# Promote Learning

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# Complaints Standards

In 2019, we gained new powers to proactively improve how public bodies handle complaints. We continue to develop how we use those powers.

51 public bodies in Wales now operate under our complaints standards. This includes all Health Boards and local councils, as well as 19 housing associations.

We published more statistics about complaints handled by local councils and – for the first time – by Health Boards and Trusts. More information can be found on our website [here](#).

We provided **183 training sessions to public bodies across Wales** in 2022/2023. We delivered almost all of our sessions remotely over Microsoft Teams and we provided them to organisations for free.

The feedback we receive from the attendees continues to be universally excellent. We are very proud of how we have been able to support public bodies at a particularly challenging time for them, but also for our own office.

“Since the training I am trying to change my behaviour so that I listen to incoming calls with an open mind and not type up the log notes before they have finished speaking.”

“My many thanks for the training sessions. They really did make me think very deeply about how we respond to clients.”



**183 online sessions on good complaint handling delivered.**

Under our new Strategic Plan, we will enhance the impact of our Complaints Standards work.



# Own Initiative investigations

**We can undertake two different types of own initiative investigations: extended and wider.**

**Extended investigation** happens when we are already investigating a problem and we extend the investigation to other issues or complainants.

In 2022/23, we closed 2 extended investigations. 3 further investigations are ongoing.

## Our reference: 202102797

By extending our investigation, we found that a patient with respiratory problems in the care of Betsi Cadwaladr Health Board was wrongly given medication which had the potential to slow breathing and which should have been used only with caution in elderly patients. We also found that the patient was not adequately monitored for several hours afterwards.

## Our reference: 202102797

We extended an investigation into a complaint about the Welsh Ambulance Services NHS Trust, related to ambulance delay, to include the actions of Aneurin Bevan University Health Board and handover delays once the ambulance arrived at a hospital.

We found that the Emergency Department of the hospital in question was under severe pressure at that time and that, in the circumstances, the care that the patient received was reasonable. We also found that, although the delay must have caused the patient and her family distress, it did not change her health outcomes.

**Wider investigation** happens when we conduct a stand-alone investigation which does not relate to a complaint made by an individual.

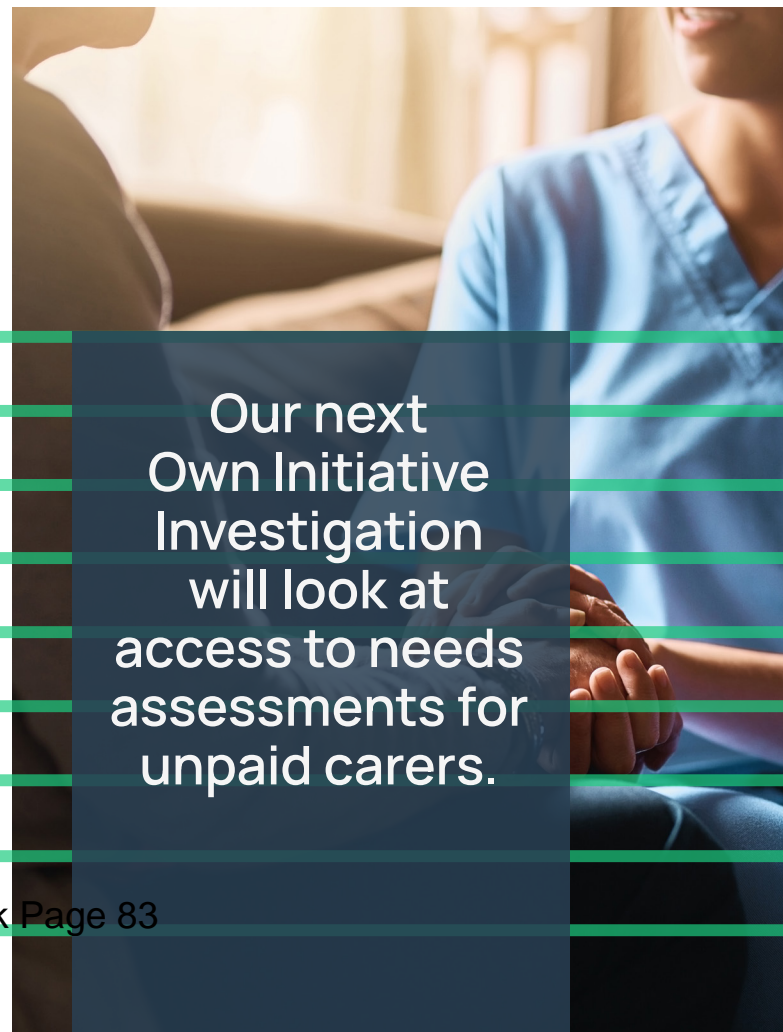
During the year, we consulted on **our next wider own initiative investigation**. Our initial plan was to look at accessibility of complaints processes and needs assessments for unpaid carers. We identified this as the potential area for investigation after engaging closely with Carers Wales and taking soundings from other regulatory and audit bodies. We received 76 responses, with almost half of those respondents being unpaid carers.

After reviewing those responses, we decided to narrow the focus of our investigation to **access to needs assessments** only. We then consulted on the detailed investigation proposal with the specific local councils that

we planned to investigate - Caerphilly, Ceredigion, Flintshire and Neath Port Talbot. That consultation closed in May and we launched the investigation at the beginning of June.

We have also continued to gather evidence of **the impact of our previous wider own initiative investigation into homelessness assessments and reviews**.

Updated data about homelessness assessments and reviews is being collated from councils. We have also liaised with Shelter and Tai Pawb to gather their views about current homelessness services.



Our next  
Own Initiative  
Investigation  
will look at  
access to needs  
assessments for  
unpaid carers.

# Sharing our findings and insights

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We believe that it is very important that we share findings and insights from our casework as widely as possible to help improve public services. We publish summaries of all our investigations on our website and share our public interest reports with a wide range of organisations, including the Welsh Government.

## Public interest reports

When we investigate a complaint and we think that something has gone wrong, we usually prepare a report which explains our findings. Sometimes, we decide to issue a Public Interest report. We do this for example when:

- there are wider lessons from our investigation for other bodies
- what went wrong was very significant
- the problem that we found may be affecting many people, not just the person who complained to us, or
- we had pointed out the problem to the body in the past, but the body did not address it.

When we issue a Public Interest Report, we draw attention to it in the media. The body must also publish an announcement in the press about the Report.

This year, we issued 5 Public Interest Reports – compared to 7 in 2021/22. You can find them on our website [here](#).

### **Our reference: 202102797 and 202105931**

We found that Cwm Taf Morgannwg University Health Board missed two opportunities to correctly diagnose and treat a patient's ruptured appendix, resulting in her death from sepsis in August 2020.

### **Our reference: 202100024**

We found that Wrexham County Borough Council did not adequately support a vulnerable adult with learning disabilities in the Council's supported living accommodation.

### **Our reference: 202102604**

We found that a patient with multiple sclerosis suffered significant injustice as Betsi Cadwaladr University Health Board failed to adequately monitor and oversee his commissioned care.

### **Our reference: 202102028**

We found that Cardiff and Vale University Health Board failed to adequately assess the patient's clinical history and new symptoms and did not admit him to the ITU after surgery. This ultimately led to his deterioration and death.

### **Our reference: 202101000**

We found that the dignity of a patient with bowel care needs was compromised after Betsi Cadwaladr University Health Board failed to deliver appropriate medical and nursing care.





## Our Equality and Human Rights Casebook

This year we published our fourth Equality and Human Rights Casebook.

We do not make definitive findings about whether a public body has breached an individual's human rights. However, if we find that something has gone wrong in the delivery of public services, we consider whether a person's human rights may have been engaged. If we think it is relevant, we comment on how the body providing the service considered those rights.

Our Equality and Human Rights Casebook assembles a selection of cases where human rights or equality issues have either been raised as part of the complaint or have been central to our findings. You can read the Casebook [here](#).

## Annual letters

Every year, we send letters to health boards and local councils about the complaints we received and considered about them during the year. We do this to help these organisations improve their complaint handling and the services that they provide. The organisations must report this information through their internal governance arrangements and use it to see how they can improve. We publish all annual letters on our website [here](#).

## Public policy

We use our expertise and the evidence from our casework to contribute to the development of public policy in areas such as health, social care and local government.

In 2022/23, we responded to 9 public inquiries and consultations. One of our key responses was about the introduction of the Duty of Candour - a legal requirement for all NHS organisations in Wales to be open and transparent with service users when they experience harm whilst receiving health care.

We welcomed this Duty, but underlined that it would not be successful without the right culture in place. We pointed out that the introduction of this Duty could mean that we receive more complaints or that we will have to consider how the Duty was implemented in cases that reach us. We also opposed any legal changes that would allow health bodies to reconsider complaints following our findings. We are glad that the Welsh Government accepted some of our points, but remain concerned about the broader impact of this Duty.

## Engagement

It is important that we directly engage with the bodies in our jurisdiction and other stakeholders operating in the sectors which account for most of our complaints. We continue to focus our main improvement efforts on Health Boards.

As part of this work during 2022/23, the Ombudsman met with Chief Executives of all Welsh Health Boards and many local councils and Housing Associations.

We also aim to share relevant information and insights with other key stakeholders responsible for the scrutiny of the health sector, such as Healthcare Inspectorate Wales, Care Inspectorate Wales, General Medical Council, Community Health Councils (now Llais) and Audit Wales, as well as the Welsh Commissioners.



# Use Resources Wisely

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# Our people

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We value and support our staff. We want them to develop the knowledge and skills that they need to offer an efficient and professional service. We are also committed to creating a healthy, equal, diverse and inclusive workplace. We are proud of how our staff performed this year, but are concerned about their health and well-being if the pressures on our service continue.

## Training and development

We want all our staff to complete at least 28 hours of training and development each year (pro rata for staff who work part time). In 2022/23, 80% of our staff achieved this. This was a higher proportion than last year and a significant achievement, given our workload pressures.

Through our appraisal process, we make sure that each member of staff sets clear objectives and priorities for the year ahead and that we review their progress regularly. New colleagues follow a separate process – we set them more immediate objectives and priorities. For staff returning from maternity/adoption leave or long-term sickness, we agree their objectives when they return. This year, **all our staff completed the appraisal process.**

## Health and wellbeing

We want our staff to be healthy and well. The very high caseload this year has put them under immense pressure.

The average percentage of working days lost through staff sickness increased from 2.7% to 3.29%. This means that **an average of 8.59 days per employee were lost because of sickness**, compared to 7.15 days in 2021/22. However, this was mainly because of long-term absences, with short-term absences marginally lower than last year.

We have continued to offer our staff support to improve their wellbeing. This has included using stress risk assessments to help staff identify emerging issues. We also kept offering Mental Health First Aider support to staff. We will continue to look for ways to handle work more efficiently and continue to recruit excellent staff when vacancies arise.



## Equality, diversity and inclusion

Equality, diversity and inclusion is important to us – as a service provider and as an employer.

Every year, we look at how well the profile of our staff reflects the population of Wales.

The proportion of people in our workforce who identified with diverse ethnic backgrounds decreased only slightly to 7% and remained slightly higher than the Welsh average.

However, several groups remain not well represented among our staff. Very few members of staff were under 25. The proportion of people who identify as disabled increased slightly, but was still much lower than the Welsh average. Very few people said they came from diverse national backgrounds, or identified as LGB+.

We also look at gender equality in our workplace. Women among our job applicants and staff consistently outnumber men by a significant margin. 75% of our current staff identified as female (compared to 76% last year).

We further **reduced our mean gender pay gap**, from 17% to 12%. We are also delighted to report that **we no longer have a median gender pay gap**. For comparison, Chwarae Teg estimated that median Gender Pay Gap in Wales in 2021 was 12.3%.

During the year, we developed a new Menopause Policy and signed the Menopause Pledge.



**This year we had no median gender pay gap.**

## Welsh Language skills of our staff

Under the Welsh Language Standards, every year we measure the Welsh language skills of our workforce.

In 2022/23, 13% of our staff said that Welsh was their main language (compared to 14% last year). However, the proportion of people with fairly good or fluent skills was generally higher than last year:

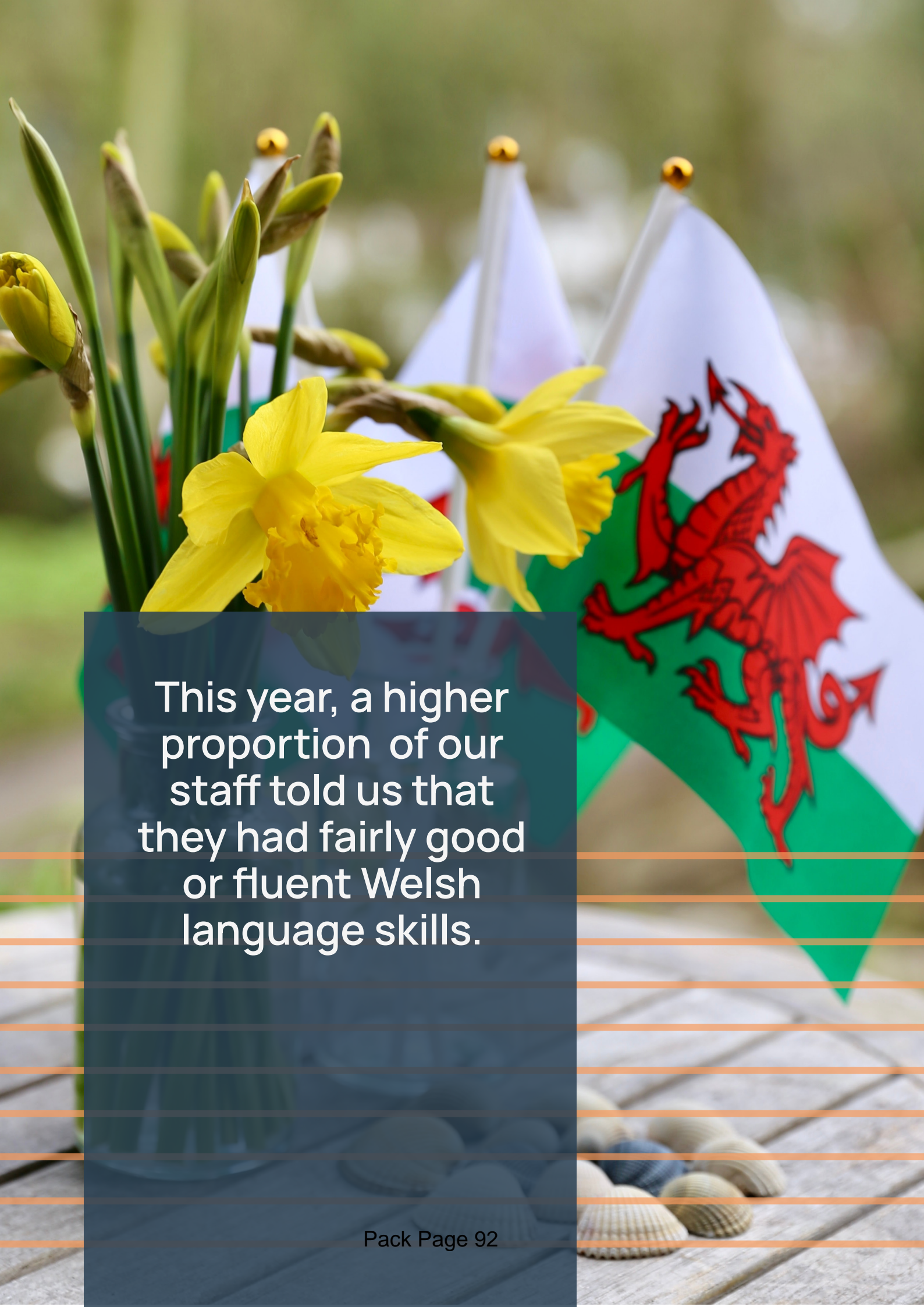
- speaking: 26% (compared to 26% last year)
- reading: 31% (compared to 29% last year)
- writing: 27% (compared to 26% last year)
- understanding: 32% (compared to 30% last year).

We are very happy with these results but continue to build our capacity to offer a Welsh medium service. We supported 8 colleagues to undertake Welsh language training during the year, with many more attending Welsh language awareness course.



**Welsh language skills of our staff have improved.**





This year, a higher proportion of our staff told us that they had fairly good or fluent Welsh language skills.

# Sustainability

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**We understand that we need to play our part in protecting the environment and continue to develop sustainable working practices.**

We produced just over 17,500 kg of waste. This was 92% more than last year and reflects the fact that, during the year, we downsized our office space and staff cleared their desks and cupboards. We were able to recycle 95% of waste and sent no general waste to landfill.

We used only slightly more energy than last year.

We avoided 134 kgs of CO2 in emissions. This was 24% less than last year and reflects the fact that more of our staff now work more regularly in the office.

We are required by law to publish a report on our sustainability under the Biodiversity and Resilience of Ecosystems Duty (section 6 duty). We publish in that report detailed information on how we managed waste, used electricity and calculated commuting emissions.



**We avoided 134 kgs of CO2 in emissions.**

**Under our new Strategic Plan, we commit to reduce our carbon footprint.**



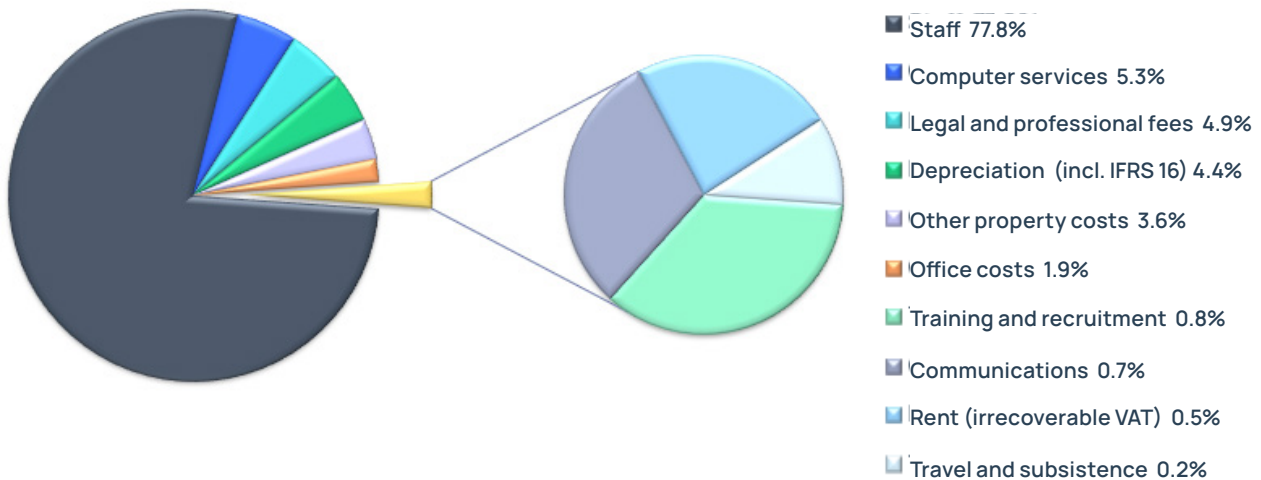


# Financial Management

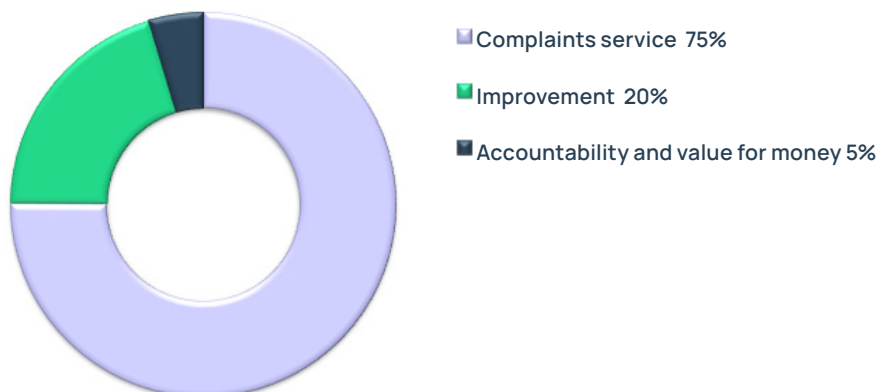
Overall resource and cash expenditure has increased as a result of the additional funding provided to us from the Welsh Consolidated Fund to fund pay awards and inflation.

	2022/23	2021/22	Change
<b>Resource Out-turn</b>	£000s	£000s	£000s
Total Resource	5,341	5,114	+227
Cash Requirement	5,308	5,126	+182

## Gross Resource Expenditure 2022/23



## Analysis of Spending by Strategic Aims

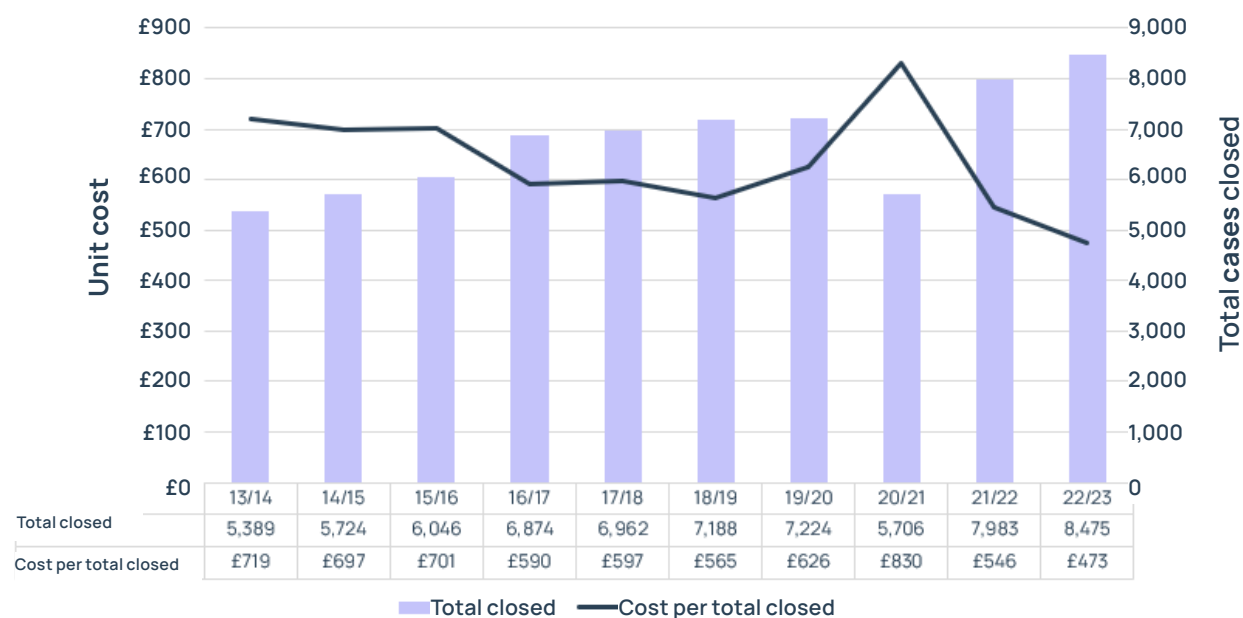


## Casework Costs

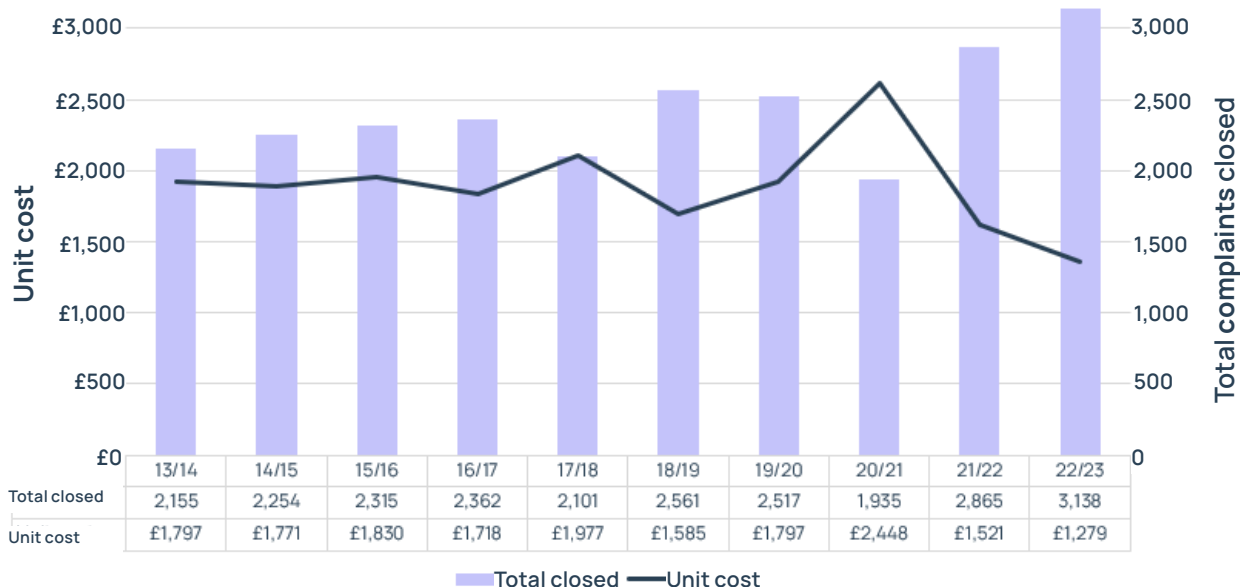
As outlined in previous years' Annual Report & Accounts we will now present average costs as calculated for our main activity – receiving, considering, investigating and responding to enquiries and complaints. This is our activity under Strategic Aim 1, and we will use the analysis figures for Operating Costs by Strategic Aims, presented within these audited accounts.

The graphs below show firstly cost per case for the full enquiry and complaints work completed in the year and secondly for cases completed in the year.

### Cost per Case for Total Office Casework Closure



### Cost per Case for Total Office Complaints Closure



Note: These graphs are based on expenditure on this Strategic Objective and adjusted to 2022/23 prices.

The casework costs reflect changes to costs and to the number of complaints and enquiries completed during the year. The variation in costs per case reflects the fact that in 2022/23, case closures were the highest ever since the creation of the Ombudsman's office, whilst our costs were significantly lower when adjusted for CPI inflation as at March 2023.

## Proactive powers

We identify expenditure related to the additional powers provided to the Ombudsman under the Public Services Ombudsman (Wales) Act 2019, and for 2022/23 this is as reported below:

<b>PSOW Act 2019: Expenditure in 2022/23</b>	<b>£000s</b>
Staff costs	304
Premises	15
Computer Services	12
Office costs	3
Training	2
Communications	1
Advisory and Legal	1
<b>Total</b>	<b>338</b>
Budget	349
<b>Variance</b>	<b>11</b>

We also continue to work to identify the benefits realised by our work using these powers, as well as the costs avoided as a result of the legislation and our work. Our work on this refers in particular to the Regulatory Impact Assessment and Explanatory Memorandum prepared on behalf of the Senedd Cymru Finance Committee to support the (then) proposed legislation.

Whilst there have been, of course, many factors affecting public services and complaints in Wales since the Explanatory Memorandum was prepared, we have worked to assess the impact of the additional powers and compare that with the estimated impact. The legislation reflected the fact that the number of complaints to the Ombudsman was likely to increase by between 5% and 12% per annum. The 'do nothing' option reflected that additional resources would need to be provided to the Ombudsman to meet this demand and used a unit cost approach to identifying the resulting additional costs.

The actual number of complaints received in 2022/23 was lower than the lowest projection, suggesting that our active improvement work has helped slow the increase in complaints. Using the methodology in the Explanatory Memorandum (using a unit cost per complaint), this equates to a cost avoidance saving of between £300k and £2.3m in 2022/23 alone. Whilst our improvement work will have made a significant contribution to this saving, there will, of course, have been other factors too. The powers under the Act were also intended to increase access to justice and support wider public service improvement. These are harder to quantify but no less important, and we are confident that our Own Initiative investigations and acceptance of complaints other than in writing (primarily oral complaints) have contributed to these aims.



## Expenditure to 31 March 2023 compared to previous year

	2022/23	2021/22	Reasons for significant changes
	£000	£000	
Salaries	3,017	2,863	Pay award of £1,925 per FTE and increase in staff numbers (2 FTE)
Social Security costs	314	273	
Pension costs	809	745	
Pension fund charges	28	39	
<b>Total Pay</b>	<b>4,168</b>	<b>3,920</b>	
Rent	28	193	2022/23 figures on IFRS 16 basis
External Audit fee	17	19	
Legal and professional fees	243	173	Additional professional fees incurred
Other property costs	192	171	Includes IFRS 16 interest charge
Computer services	284	331	Security & resilience upgrades in 2021/22
Office costs	104	137	Reduced library & telephone costs
Travel and Subsistence	12	6	Increased travel post-pandemic
Training and Recruitment	42	36	Increased recruitment in 2022/23
Communications	36	47	Reduced translation costs in 2022/23
Depreciation	234	61	2022/23 figures on IFRS 16 basis
<b>Total other Administration Costs</b>	<b>1,192</b>	<b>1,174</b>	
<b>Gross Costs</b>	<b>5,360</b>	<b>5,094</b>	
Income	(19)	(17)	Additional income for payroll services to Future Generations Commissioner
<b>Net Expenditure</b>	<b>5,341</b>	<b>5,077</b>	
Capital	-	37	Security & resilience upgrades in 2021/22
<b>Net Resource</b>	<b>5,341</b>	<b>5,114</b>	

More detailed financial information can be found in the financial statements and notes that support the accounts.

*M.M. Morris.*

**Michelle Morris**

**Accounting Officer**

Public Services Ombudsman for Wales

19 July 2023





# Accountability Report 2022/23

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# Corporate Governance Report

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## Ombudsman's Report:

Under the Government of Wales Act 2006, the Office is financed through the Welsh Consolidated Fund (WCF) with any unspent cash balances repaid into the WCF after a certified copy of the accounts has been laid before the Welsh Parliament. This creates a further control in that there is a need to effectively manage the budget on both a cash and a resource basis. The salary of the office holder of the Public Services Ombudsman for Wales and the related costs are a direct charge on the WCF and are administered through the Welsh Parliament.

As at 31 March 2023, the Office comprised 82 permanent full and part-time staff based in Pencoed, Bridgend including the Ombudsman, Chief Operating Officer & Director of Improvement, Chief Legal Adviser & Director of Investigations, as well as investigation and support staff.

The Welsh Parliament provided cash of £5.3 million for the funding of the Office. £1k of this overall funding is due to be returned to the WCF, being the unused cash balance at the year-end. The expenditure of the Office was kept within the Estimate agreed in November 2021 and amended by Supplementary Budgets during 2022/23.

As referred to previously in the report, our unit costs have fallen to their lowest levels and reflect the highest number of complaints and enquiries closed by the Office, whilst our costs were significantly lower when adjusted for CPI inflation.





## Remuneration and Pension Liabilities

Details of the pay and related costs of the Ombudsman and the Office are shown in the Remuneration Report.

Pension obligations to present and past employees are discharged through the Principal Civil Service Pension Scheme (PCSPS) and the pensions paid directly to former Commissioners or their dependants.

Further details are given in the Pensions Disclosures.

## Corporate Governance

The office holder of the Public Services Ombudsman for Wales is a Corporation Sole.

The Audit & Risk Assurance Committee supports the Ombudsman by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and on the integrity of financial statements and the annual report. Further details are set out in the Annual Governance Statement.

## Register of Interests

A register of interests is maintained for the Ombudsman, Directors and members of the Advisory Panel and Audit & Risk Assurance Committee.

## Accounts Direction

Under the Accounts Direction issued by HM Treasury dated 21 December 2006, the Ombudsman is required to prepare accounts for the financial year ended 31 March 2023 in compliance with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (the FReM) issued by HM Treasury which was in force for 2022/23.

The accounts have been prepared to:

- Give a true and fair view of the state of affairs at 31 March 2023 and of the net resource out-turn, resources applied to objectives, recognised gains and losses and cash flows for the financial year then ended.
- Provide disclosure of any material expenditure or income that has not been applied for the purposes intended by the Welsh Parliament or material transactions that have not conformed to the authorities that govern them.

## Auditors

The Auditor General for Wales is the External Auditor of the accounts of the PSOW as laid down in paragraph 18 of Schedule 1 to the Public Services Ombudsman (Wales) Act 2019.

The cost of the audit for 2022/23 was £17k (2021/22 = £19k).

As far as I am aware, my predecessor and I have taken all the steps necessary to make the auditors aware of any relevant audit information.

*M.M. Morris.*

**Michelle Morris**

**Accounting Officer**

Public Services Ombudsman for Wales

19 July 2023



# Statement of Accounting Officer's Responsibilities

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**Under the Public Services Ombudsman (Wales) Act 2019, as Public Services Ombudsman for Wales I am required to prepare, for each financial year, resource accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the PSOW during the year.**

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the PSOW and its net resource out-turn, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, as the Accounting Officer, I am required to comply with the requirements of the 'Government Financial Reporting Manual' and in particular to:

- Observe the Accounts Direction issued by the Treasury including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis.
- Make judgements and estimates on a reasonable basis.
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed and disclose and explain any material departures in the accounts.
- Prepare the accounts on a going concern basis.
- Confirm that the annual report and accounts as a whole is fair, balanced and understandable.
- Take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

My relevant responsibilities as Accounting Officer include the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the PSOW's assets, as set out in Managing Welsh Public Money and the Public Services Ombudsman (Wales) Act 2019.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that PSOW's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.



# Annual Governance Statement 2022/23

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## Status of the Public Services Ombudsman for Wales

As laid down in Schedule 1 paragraph 2 of the Public Services Ombudsman (Wales) Act 2019, the Ombudsman is a Corporation Sole holding office under His Majesty. The Ombudsman discharges the functions set down in legislation on behalf of the Crown. Schedule 1 paragraph 19 states that the Ombudsman is the Accounting Officer for the office of the Ombudsman.

## Scope of Responsibility

In undertaking the role of Accounting Officer, I have ensured that the office operates effectively and to a high standard of probity. In addition, the Ombudsman has responsibility for maintaining a sound system of internal control that supports the achievement of PSOW's policies, aims and objectives, whilst safeguarding the public funds and assets for which the Ombudsman is personally responsible, in accordance with the responsibilities set out in 'Managing Welsh Public Money'.

The Ombudsman is independent of the Senedd Cymru Welsh Parliament but is accountable to its Finance Committee and Public Accounts and Public Administration Committee for the use of resources provided. In determining the level of resources available to the office, the PSOW's budget proposals are considered by the Finance Committee of the Senedd Cymru Welsh Parliament in accordance with the process laid down in the Act. A combined Annual Report and Accounts is prepared for consideration by the Finance Committee.

I am required to include this Governance Statement with my annual report and accounts to explain how the governance of my office works and to ensure it meets the requirements of the Corporate Governance Code and The Orange Book: Management of Risk. To enable me to satisfy these requirements, I have maintained appropriate structures, systems and procedures that are comprehensive and provide me with evidence that the governance arrangements are working as intended across the whole organisation and its activities. Such arrangements include my Governance Framework, a comprehensive internal control environment, effective internal and external audit arrangements and robust financial management, risk planning and monitoring procedures.

## Strategic Planning and Performance Monitoring

The [Strategic Plan](#) for the 3 years 2019/20 to 2021/22 was extended for a further year (2022/23) to allow for the development of a new 3-year Plan.

The Plan in place during 2022/23 included the following:

### Our Vision for public services in Wales:

Services that actively listen and learn from complaints.

### Our Mission:

To uphold justice and improve public services.

### Our Strategic Aims:

#### **Strategic Aim 1: Deliver Justice**

A fair, independent, inclusive and responsive complaints service.

#### **Strategic Aim 2: Promote Learning, Work to Improve Public Services**

Promote learning from complaints and stimulate improvements on a wider scale.

#### **Strategic Aim 3: Use Resources Wisely and Future-proof the Organisation**

Identify and adopt best practice. Secure value for money and services that are fit for the future. Support staff and ensure good governance which supports and challenges us.

Whilst individual teams within the office are charged with implementing the actions identified, the Management Team monitors progress made against targets and the outcomes achieved via monthly reports.

### System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable, and not absolute, assurance of effectiveness. It is based on an ongoing process designed to identify and prioritise the risks to the achievement of my policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.



The system has been in place in the office of the PSOW for the year ended 31 March 2023 and up to the date of approval of these accounts and accords with HM Treasury guidance. Internal controls were unaffected by changes resulting from the Covid-19 pandemic. No significant areas of internal control weaknesses have been identified from audit work and steps to improve controls further are implemented promptly and monitored by the Audit & Risk Assurance Committee.

## **Corporate Governance arrangements: Audit & Risk Assurance Committee**

Governance arrangements include an Audit & Risk Assurance Committee (ARAC). The Committee's responsibilities are:

### **a) Terms of Reference**

The Committee supports me by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of financial statements and the annual report. The Committee has a scrutiny and advisory role only and has no role or remit in relation to casework decisions made by the PSOW.

### **b) Membership**

Membership comprises a minimum of four, and a maximum of eight, independent external members. The membership of the Committee during 2022/23 was:

- Mr Ian Williams, former Group Chief Executive of Hendre Limited - Chair
- Mr Trevor Coxon, former Monitoring Officer of Wrexham County Borough Council (until April 2022)
- Mr John McSherry, former Senior Manager at Admiral Group Limited
- Mr Mike Usher, a former Director of Audit Wales
- Mrs Joanest Varney-Jackson, former Senior Lawyer for Senedd Cymru
- Dr Jane Martin CBE (from October 2022), former Local Government Ombudsman
- Mr Dave Tosh (from January 2023), former Director of Resources for the Senedd Commission.



During the year I reviewed the ARAC and Advisory Panel governance arrangements, including the sizes of the Committee / Panel, terms of office, timing of meetings, training arrangements and skills gaps. As a result of that review, I made a number of changes to increase continuity, resilience and the range of skills. The changes, which took account of recommendations from Senedd Public Accounts Committee and Senedd Finance Committee, also made provision for more regular training for members.

### **c) Training**

Members of the Committee are invited to assess their training needs annually. An induction programme is provided for all new members of the ARAC. During 2022/23 members took part in a Cyber Security Workshop (October 2022) and attended a training session (February 2023) which included presentations from staff across the office on their areas of work.

### **d) Meetings**

The Committee sets itself an annual work programme. There are generally four meetings of the Committee during the year.

The Ombudsman attends ARAC Meetings and the Chief Operating Officer acts as Secretary to the Committee. The meetings were also regularly attended by internal and external auditors and appropriate members of the PSOW's Management Team.

At each meeting, the Committee received a number of standing agenda items. These include declarations of any identified fraud or losses, including any data losses. At each meeting, the Committee received a copy of the latest Budget Monitoring report considered by the Management Team. This is intended to provide the Committee with an assurance that there is regular scrutiny of the financial position of the office.

During the year, the Committee also received reports on a number of other appropriate matters within its Terms of Reference. They included the 9- and 12-month accounts, internal audit plans, internal audit reports, a review of the Whistleblowing Policy, updates on major IT developments, relevant financial and corporate governance matters. The Committee reviewed the Office's counter-fraud and anti-corruption arrangements, in the context of the Cabinet Office





Counter-Fraud Framework. The Committee also reviewed the Office's anti-fraud policy, to satisfy itself that appropriate arrangements are in place.

The Committee provided advice to me to ensure that this 2022/23 Annual Governance Statement included appropriate information and complied with best practice.

A standing item is risk management. At each meeting the Committee considered a report on the greatest identified risks. The Committee explored and challenged the reported risks to satisfy itself that key risks had been identified. The overall approach to risk management and risk mitigation was previously considered at a workshop facilitated by the internal auditors and was reviewed by the Committee in October 2022. A further workshop has been arranged for 2023. In addition, the Committee undertakes, at alternate meetings, an in-depth review of a specific risk selected from the risk register.

During the year, one member's terms of office ended, and one new member joined the Committee. In addition, the Chair of the Ombudsman's Advisory Panel joined the Committee. This provides continuity and supports informed scrutiny. The Committee includes 3 independent members who are not members of the Advisory Panel. The number of meetings attended, along with the number of meetings each member was eligible to attend, was as follows:

Committee Member	Maximum number of attendances possible	Actual number of attendances	% attended
Ian Williams (Chair)	4	4	100
Trevor Coxon (until April 2022)	1	1	100
John McSherry	4	4	100
Mike Usher	4	4	100
Joanest Varney-Jackson	4	3	75
Jane Martin (from October 2022)	2	1	50
Dave Tosh (from January 2023)	1	1	100



## e) Internal and External Audit

The Committee received regular reports from both the internal and external auditors. The work of internal audit during the year was planned based on their overall needs assessment and carried out through their agreed annual programme. Their reports highlighted a satisfactory internal control framework within the organisation and made recommendations for improvement where necessary.

In all audits the level of assurance was considered 'Substantial', the highest assurance level. A number of recommendations were made, and these have either been completed or will be completed in accordance with agreed timescales.

The internal audits undertaken in 2022/23 and overall assessments were as follows:

	Assurance level
Risk Management – Mitigating Controls	SUBSTANTIAL
Information Security - GDPR	SUBSTANTIAL
Equality, Diversity and Inclusion	SUBSTANTIAL
New / Proactive Powers	SUBSTANTIAL
Staff Performance Management	SUBSTANTIAL
<b>Key Financial Controls:</b>	
Payroll	SUBSTANTIAL
General Ledger	SUBSTANTIAL
Fixed Assets	SUBSTANTIAL
Post Implementation Review of Sage 200	SUBSTANTIAL



In addition, an audit of previous internal audit recommendations was undertaken. This found that all previous recommendations had been implemented. The internal auditors' Annual Report for 2022/23 stated:

'TIAA is satisfied that, for the areas reviewed during the year, Public Services Ombudsman for Wales has reasonable and effective risk management, control and governance processes in place.'

These findings also provide assurance that the arrangements in place are reducing the office's exposure to risk.

The Committee noted the thoroughness of the audit work, practicality of recommendations and the open and positive response of management to the recommendations made.

In respect of the previous financial year, the Committee considered the 2021/22 Annual Report and Accounts that included the Governance Statement of the office for 2021/22, together with the External Audit of Financial Statements Report and Management Letter. An unqualified opinion was given, following external audit work undertaken by Audit Wales, on the 2021/22 Accounts. There were no recommendations arising from the Audit.

Both Internal and External Auditors have the right to raise any matter through an open access policy to the Chair and, through that right, to bring any matter to the attention of the Committee. The Committee, by reviewing the programmes of both the External and the Internal Auditors, ensured that they were cooperating effectively with each other. The quality of the audit work has been evaluated during the year through consideration of the audit reports and recommendations and dialogue at meetings between Committee Members and the Auditors.

To ensure that appropriate matters can be raised in confidence, the Chair of the Committee holds an annual meeting with representatives of the External and Internal Auditors. Such a meeting was held on 27 April 2023.

#### **f) Monitoring processes**

At each meeting during 2022/23, the Committee received a report on progress made on the implementation of External and Internal Audit recommendations. Committee members were satisfied that all the recommendations made, had been implemented or will be implemented in accordance with agreed timescales.

## **g) Annual Review and Assessment**

This annual review is undertaken to evaluate the work of the Committee and to ensure that the work of the Audit & Risk Assurance Committee continues to comply with the Good Practice Principles set out in the HM Treasury Audit Committee Handbook. To assist the Committee in determining that it was complying with good practice, each member was invited to complete the National Audit Office's 'The Audit Committee self-assessment checklist'. Comments received from Committee members were considered in preparing the Annual Review for 2022/23.

The ARAC Annual Review concluded that it had received comprehensive assurances and information that was reliable and sufficient to enable it to carry out its responsibilities. Those assurances demonstrated a satisfactory overall internal control environment, financial reporting and the management of risk and of the quality of both the Internal and External Audit work undertaken.

The Committee was therefore able to provide assurances to support me effectively, as Public Services Ombudsman for Wales, to comply with my Accounting Officer responsibilities. The Committee provided evidence to assist in the preparation of this Annual Governance Statement.

## **Advisory Panel**

The Advisory Panel is a non-statutory forum whose main role is to provide support and advice to me in providing leadership and setting the strategic objectives of the office of the Public Services Ombudsman for Wales. The Panel also brings an external perspective to assist in the development of policy and practice. The Panel's work during the year included advising on the development of the new Strategic Plan and the Estimate for 2023/24, reviewing the organisation's performance and assessing the impact of the Ombudsman's proactive powers.

Following a recruitment exercise, three new members were appointed to the Panel from January 2023.

The Advisory Panel has an advisory role and has no role or remit in relation to operational or casework decisions made by the PSOW.



## Reporting of Personal Data Related Incidents

All incidents involving personal data are reported to the Audit & Risk Assurance Committee, regardless of whether PSOW is at fault. Where PSOW is at fault, guidance issued by the Information Commissioner's Office (ICO) is considered to establish whether it is necessary to report the incident to that office. During 2022/23, there were no incidents that required reporting to the ICO.

## The Risk and Control Framework

As required by 'Managing Welsh Public Money', I am supported by a professionally qualified Financial Accountant who carries out the responsibilities of a Finance Director as set out in that document.

Risk management and the risk register are standing agenda items for the Audit & Risk Assurance Committee, and the approach to risk management, together with risk appetite, is reviewed periodically.

I am continuing to enhance the robust internal control arrangements to ensure that the office has the capacity to identify, assess and manage risk effectively.

In undertaking this responsibility during the year ended 31 March 2023, I am supported by a Chief Operating Officer to whom some of my responsibilities have been delegated.

I am satisfied that the systems in place identify potential risks at an early stage and enable, through active management, the appropriate action to be taken to minimise any adverse impact on the office.

The Audit & Risk Assurance Committee receives regular reports on the risks relating to this office, explores the office's approach to those risks and provides comments and suggestions on current and emerging risks.

Risks are considered across a number of key areas or risk horizons. These are:

- operations, including operational support
- financial, governance and legal risks
- reputational risks
- data and information management risks.



## Key risks

The last Annual Governance Statement (2021/22) highlighted two high risks. The first of these related to the impact of increasing numbers of complaints without a corresponding increase in resources. That risk remained high for 2022/23. The other high risk related to the risk of cyber-attack, malware, virus or ransomware on our IT systems. Whilst that risk remains relatively high, considerable work has been done during the year to reduce the likelihood and impact of a successful attack. This risk requires constant and active management, but the risk rating at the year-end was slightly below high / red level, so is not reported in detail here. At the end of 2022/23, the two high / red risks were:

Risk horizon	Risk and risk impact:	Risk management and mitigation:	Residual risk:
<b>Operations &amp; operational support</b>	<p>Risks from continued high number of complaints and limited staff resources. Public service complaints are up 2% on 2021/22 (and 49% up on 2020/21), without an increase in staff.</p> <p><b>Impact:</b> slower service to complainants, increased pressure on staff, adverse impact on wellbeing and risk of stress.</p>	<p>Maximise staff resources within budget available. Support staff performance. Streamline our processes. Monitor caseloads and work progression. Work closely and supportively with public bodies to improve their complaints handling.</p>	<p>Increases in number of new complaints, without a commensurate increase in resources, means that the residual risk is considered <b>RED</b>.</p>



Risk horizon	Risk and risk impact:	Risk management and mitigation:	Residual risk:
Financial	<p>Future years budget settlement insufficient to meet Strategic Plan priorities.</p> <p><b>Impact:</b> Strategic Plan objectives not delivered, meaning we are unable to deliver justice as we wish, that we are unable to invest in improving our service and in helping us to manage growing numbers of complaints and that we do not achieve public service improvements and increased accessibility to our service.</p>	<p>The Strategic Plan for 2023/26 sets out four Strategic Aims to deliver justice, to increase accessibility and inclusion, to increase the impact of our proactive work and to be a healthy, efficient and accountable organisation. These require ongoing funding and investment. There is a substantial risk that budgets will be insufficient to invest to meet service demands, to improve accessibility and drive public service improvement.</p>	<p>We will use resources wisely and make the case for investment, but the residual risk is considered <b>RED</b>.</p>

# Risk Assurance Framework Arrangements

<b>PSOW Framework</b>			
<ul style="list-style-type: none"> <li>• Strategic objectives from Corporate Plan               <ul style="list-style-type: none"> <li>• Work programme</li> <li>• Risk management</li> <li>• Anti-fraud policy</li> </ul> </li> <li>• Governance framework</li> <li>• Policies, procedures and code of conduct</li> </ul>			
<b>Advisory Panel</b>	<b>Accounting Officer</b>	<b>Audit &amp; Risk Assurance Committee</b>	<b>Management Team</b>
Provides support and advice on vision, values and purposes as well as strategic direction and planning.	Governance. Decision making. Financial management. Risk management.	Reviews and monitors governance, risks and internal controls. Agrees annual governance statement.	3-year Corporate Plan. Operational Plan. Performance monitoring. Corporate policies. Risk management. Value for money.
<b>Central Guidance</b>		<b>PSOW policies, plans and risk register</b>	<b>Annual Governance Statement</b>
HM Treasury. FRoM. Managing Welsh Public Money. Public Sector Internal Audit.			
<b>Assurance Map Components</b>			
<b>1st line of defence</b>	<b>2nd line of defence</b>	<b>3rd line of defence</b>	
Strategic and operational delivery reporting. KPI reporting. Financial controls / Budget monitoring.	Risk register reviews. Quality assurance. Information security assurance.	Internal audit reports. Financial accountant spot checks.	
<b>Other assurances</b>			
External audit. Scrutiny by Finance Committee and PA&PAC.			





I and my Management Team will continue to work to manage and minimise the risks in these key areas in the year ahead and the risks will be considered at each meeting of the Audit & Risk Assurance Committee.

## Budgeting Process

As Accounting Officer, I ensure that I have in place arrangements for tight control of the public money entrusted to me. The Management Team receives a monthly budget monitoring report setting out details of actual, against budgeted expenditure. Any unexpected expenditure issues that may arise during the year are considered so that appropriate action can be taken to remain within the budgeted expenditure where possible or to seek additional resources where cost pressures cannot be contained.

As far as the process of producing the PSOW's financial estimate for 2023/24 is concerned, a paper setting out initial budget criteria was considered by the Advisory Panel in July 2022. Overall, the submission sought an increase of 11.8% (resource) to reflect pay and price increases, substantial caseload increases and the need to invest in service improvement. Following Finance Committee scrutiny in October, the Committee did not support the submission. A revised submission, seeking a 6.7% increase, was submitted and supported by the Committee. This was included in the Wales Annual Budget Motion March 2023.

## Conclusion

I can report that there were no significant weaknesses in the office's system of internal controls in 2022/23 which would affect the achievement of the office's policies, aims and objectives and that robust Corporate Governance is in operation with no breaches of the Corporate Governance Code.

*MM Morris*

**Michelle Morris**

**Accounting Officer**

Public Services Ombudsman for Wales

19 July 2023

# Remuneration Report

## Public Services Ombudsman for Wales

The Government of Wales Act 2006 provides for my remuneration and associated national insurance and pension costs to be met from the Welsh Consolidated Fund, rather than being paid directly. These costs are included, for transparency, in the remuneration report.

### Remuneration

The following sections provide details of the remuneration and pension interest of the most senior management of the Office: Michelle Morris - Ombudsman, Chris Vinestock - Chief Operating Officer & Director of Improvement and Katrin Shaw - Chief Legal Adviser & Director of Investigations. Nick Bennett was in post as Ombudsman during the 2021/22 financial year.

Single Total Figure of Remuneration					
2022/23					
Officials	Salary (£'000)	Bonus payments (£'000)	Benefits in Kind (to nearest £100)	Pension benefits (to nearest £1,000)	Total (£'000)
Michelle Morris	145-150	-	-	57,000	205-210
Chris Vinestock	105-110	-	-	-47,000	60-65
Katrin Shaw	90-95	-	-	-12,000	80-85

There are negative pension benefits because the increase in pension due to extra service was not sufficient enough to offset the significant inflationary increase. Therefore, in real terms the value of the pension has reduced.

Single Total Figure of Remuneration					
2021/22					
Officials	Salary (£'000)	Bonus payments (£'000)	Benefits in Kind (to nearest £100)	Pension benefits (to nearest £1,000)	Total (£'000)
Nick Bennett	150-155	-	-	59,000	210-215
Chris Vinestock	105-110	-	-	27,000	135-140
Katrin Shaw	90-95	-	-	28,000	120-125



## Salary

Salary includes gross salary, overtime and any other allowances to the extent that they are subject to UK taxation.

## Benefits in kind

The monetary value of benefits in kind, covers any expenditure paid by the PSOW and treated by HM Revenue and Customs as a taxable emolument. There was no such expenditure.

## Bonuses

No bonus was paid during the year to me or to any staff within my office, as no bonus scheme is in operation.

## Pay multiples

The banded remuneration of the highest-paid director in the financial year 2022/23 was £145-£150,000 (2021/22 = £150-£155,000), a reduction of 3.3%.

The FreM for 2022/23 requires increased reporting on fair pay disclosures.

	2022/23	2021/22
25 <sup>th</sup> percentile remuneration	£35,069	£32,799
25 <sup>th</sup> percentile pay ratio	4.2	4.6
50 <sup>th</sup> percentile remuneration	£46,551	£44,625
50 <sup>th</sup> percentile pay ratio	3.2	3.4
75 <sup>th</sup> percentile remuneration	£50,799	£48,876
75 <sup>th</sup> percentile pay ratio	2.9	3.1

The percentage increase in median salary is 4.3%. In 2022/23, no employee received remuneration in excess of the highest-paid director (2021/22 = none).

Remuneration ranged from £23,000 to £150,000 (2021/22 = £20,000-£155,000). Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, temporary payments, employer pension contributions and the cash equivalent transfer value of pensions.

## Pay awards

Staff pay is linked to the pay awards made to employees within Local Government in England and Wales. In line with that procedure, a pay award of £1,925 per full time equivalent was awarded to staff in November 2022 backdated to April 2022.

## Pensions

Pension entitlements for the persons shown earlier in the report are detailed below:

## Pension Liabilities

The pension obligations to present and past employees are discharged through the Principal Civil Service Pension Scheme (PCSPS) and the pensions paid directly to former Commissioners or their dependants.

Name	As at 31/03/23					As at 31/03/22
	Accrued pension at pension age and related lump sum	Real increase in pension and related lump sum at pension age	CETV	Real Increase in CETV	Employer contribution to partnership pension accounts	CETV
	£000	£000	£000	£000	Nearest £100	£000
Michelle Morris	0-5	2.5-5	48	37	-	n/a
Chris Vinestock	75-80	0	1151	-41	-	1068
Katrin Shaw	45-50	0	723	-21	-	666

CETV refers to the Cash Equivalent Transfer Value, and further information can be found in the Pensions Disclosures.



## Sickness

During the year, an average of 8.7 days per employee were lost through sickness, compared with 7.2 days in 2021/22. This is the equivalent of 3.3% (2.7% in 2021/22) of total possible workdays. This reflects typical short-term absences and a small number of staff incurring long-term sickness.

## Reporting of Civil Service and other compensation schemes

No exit packages were paid in 2022/23 (2021/22 Nil).

## Advisory Panel and Audit & Risk Assurance Committee

The following non-pensionable payments, based on a daily rate, were made to members of the Advisory Panel and Audit & Risk Assurance Committee:

	2022/23	2021/22
Ian Williams	3,875	3,150
Jane Martin	2,500	2,350
Mike Usher	2,475	2,100
Carys Evans	2,050	1,050
John McSherry	1,550	1,800
Joanest Varney-Jackson	1,050	1,200
Dave Tosh	500	-
Sue Phelps	500	-
Bernie Davies	500	-
Nia Roberts	500	-
Trevor Coxon	350	1,925
Jim Martin	-	1,925
Anne Jones	-	1,575
Tom Frawley	-	1,225

These figures also include payments made to members for attendance at risk workshops and training sessions during 2022/23.

For staff reporting issues see the Annual Equality Report.

*M.M. Morris.*

**Michelle Morris**

**Accounting Officer**

Public Services Ombudsman for Wales

19 July 2023



# Welsh Parliament Accountability and Audit Report

In addition to the primary statements prepared under **International Financial Reporting Standards (IFRS)**, the Government Financial Reporting Manual (FRm) requires the Ombudsman to prepare a statement and supporting notes to show resource out-turn against the Supply Estimate presented to the Senedd, in respect of each request for resource.

## Summary of Net Resource Out-turn for year ending 31 March 2023

	Revised Estimate			Out-turn				2021/22
	Gross Expenditure	Income	Net Total	Gross Expenditure	Income	Net Total	Net total compared to estimate	Net Total
	£000	£000	£000	£000	£000	£000	£000	£000
Revenue	5,386	(19)	5,367	5,360	(19)	5,341	26	5,077
Capital	5	-	5	-	-	-	5	37
<b>Resource DEL</b>	<b>5,391</b>	<b>(19)</b>	<b>5,372</b>	<b>5,360</b>	<b>(19)</b>	<b>5,341</b>	<b>31</b>	<b>5,114</b>
<b>Total Resources</b>	<b>5,391</b>	<b>(19)</b>	<b>5,372</b>	<b>5,360</b>	<b>(19)</b>	<b>5,341</b>	<b>31</b>	<b>5,114</b>
<b>Net Cash Requirement</b>	<b>5,328</b>	<b>(19)</b>	<b>5,309</b>	<b>5,327</b>	<b>(19)</b>	<b>5,308</b>	<b>1</b>	<b>5,126</b>

The Ombudsman's salary is paid directly from the Welsh Consolidated Fund with only the reimbursement of actual business expenses included in the PSOW accounts.

# Reconciliation of Net Resource to Net Cash Requirements

for the year ended 31 March 2023

	Note	2022/23			2021/22
		Revised Estimate	Net Total Out-turn	Net total out-turn compared to revised estimate	Out-turn
		£000	£000	£000	£000
Net Revenue	2-4	5,367	5,341	26	5,077
Net Capital	6	5	-	5	37
<b>Total Resources</b>		<b>5,372</b>	<b>5,341</b>	<b>31</b>	<b>5,114</b>
Depreciation	6	(274)	(234)	(40)	(61)
Movements in working capital	6-9	191	184	7	84
Movements in provisions	10	20	17	3	(11)
<b>Net cash requirement</b>		<b>5,309</b>	<b>5,308</b>	<b>1</b>	<b>5,126</b>

*M.M. Morris.*

**Michelle Morris**

**Accounting Officer**

Public Services Ombudsman for Wales

19 July 2023





# The Certificate and Report of the Auditor General for Wales to the Senedd

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## Opinion on financial statements

I certify that I have audited the financial statements of the Public Services Ombudsman for Wales for the year ended 31 March 2023 under paragraph 18 (2) of Schedule 1 of the Public Services Ombudsman (Wales) Act 2019.

The financial statements comprise the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Taxpayers Equity and related notes, including the significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the state of the Public Services Ombudsman for Wales' affairs as at 31 March 2023 and of its net operating cost for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual and
- have been properly prepared in accordance with HM Treasury directions issued under the Public Services Ombudsman (Wales) Act 2019.

## Opinion on regularity

In my opinion, in all material respects:

- the Statement of Resource Outturn properly presents the outturn against the sums authorised by the Senedd for the year ended 31 March 2023 and shows that those totals have not been exceeded; and
- the income and expenditure in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Opinion on arrangements for the economic, efficient and effective use of resources

In my opinion, the Public Services Ombudsman for Wales has made proper arrangements for securing economy, efficiency, and effectiveness in its use of resources throughout the financial year ended 31 March 2023.

## Basis of opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.



## Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Public Services Ombudsman for Wales is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

## Other information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Accounting Officer is responsible for the other information in the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## Opinion on other matters

In my opinion, the part of the Remuneration Report to be audited has been properly prepared in accordance with HM Treasury directions made under paragraph 17(1) of Schedule 1 the Public Services Ombudsman (Wales) Act 2019.

In my opinion, based on the work undertaken in the course of my audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions made under paragraph 17(1) of Schedule 1 of the Public Services Ombudsman (Wales) Act 2019; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

## Matters on which I report by exception

In the light of the knowledge and understanding of the body and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit;
- proper accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements and the audited part of the Accountability Report are not in agreement with the accounting records and returns;
- information specified by HM Treasury regarding the remuneration and other transactions is not disclosed;



- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made or parts of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## **Responsibilities of the Accounting Officer for the financial statements**

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the Annual Report and financial statements as a whole are fair, balanced and understandable;
- ensuring the regularity of financial transactions;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Public Services Ombudsman for Wales will not continue to be provided in the future; and
- for putting in place proper arrangements for the economic, efficient and effective use of the Public Services Ombudsman for Wales resources.

## Auditor's responsibilities for the audit of the financial statements

My responsibility is to examine, certify and report on the financial statements in accordance with paragraph 18 (2) of Schedule 1 of the Public Services Ombudsman (Wales) Act 2019.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- enquiring of management, and those charged with governance, including obtaining and reviewing supporting documentation relating to the Public Services Ombudsman for Wales' policies and procedures concerned with: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance.
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud.
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition, and posting of unusual journals.
- obtaining an understanding of the Public Services Ombudsman for Wales' framework of authority, as well as other legal and regulatory frameworks that the Public Services Ombudsman for Wales operates in, focusing



on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Public Services Ombudsman for Wales.

- obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Advisory Board; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Public Services Ombudsman for Wales' controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## Other auditor's responsibilities

I am required to obtain evidence sufficient to give:

- reasonable assurance that the Statement of Resource Outturn properly presents the outturn against the sums authorised by the Senedd for the year ended 31 March 2023 and shows that those totals have not been exceeded;
- reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them; and
- assurance that the Accounting Officer has made appropriate arrangements for the economic, efficient and effective use of the Public Services Ombudsman for Wales resources.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

## Electronic publication of financial statements

The maintenance and integrity of the Public Service Ombudsman for Wales website is the responsibility of the Ombudsman. The work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred, since audit certification, to the Statement of Accounts on the website.

## Report

I have no observations to make on these financial statements.



**Adrian Crompton**

**Auditor General for Wales**

20 July 2023

**1 Capital Quarter  
Tyndall Street  
Cardiff, CF10 4BZ**





# Annual Accounts 2022/23

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# Statement of Comprehensive Net Expenditure

for the year ended 31 March 2023

Administration costs	Note	2022/23	2021/22
		£000	£000
Staff costs	2	4,168	3,920
Other non-staff administration costs	3	1,192	1,174
<b>Gross Administration Costs</b>		<b>5,360</b>	<b>5,094</b>
Operating Income	4	(19)	(17)
<b>Net Administration Costs</b>		<b>5,341</b>	<b>5,077</b>
<b>Net Revenue Out-turn</b>		<b>5,341</b>	<b>5,077</b>

Notes 1 to 18 form part of these statements.

All activities commenced in the period are continuing.



# Statement of Financial Position

for the year ended 31 March 2023

	Note	2022/23 £000	2021/22 £000
<b>Non-current assets</b>			
Property, Plant and Equipment	6a	113	150
Intangible assets	6b	93	120
Right of use asset	6c	401	-
Receivables due after more than 1 year	7	-	-
		<b>607</b>	<b>270</b>
<b>Current Assets</b>			
Trade and other receivables	7	280	255
Cash and cash equivalents	8	1	120
		<b>281</b>	<b>375</b>
<b>Total assets</b>		<b>888</b>	<b>645</b>
<b>Current liabilities</b>			
Trade and other payables	9	(594)	(297)
Provisions less than 1 year	10	(49)	(45)
		<b>(643)</b>	<b>(342)</b>
<b>Total assets less current liabilities</b>		<b>245</b>	<b>303</b>
<b>Non-current liabilities</b>			
Trade and other payables due after 1 year	9	(6)	(10)
Provisions greater than 1 year	10	(461)	(482)
		<b>(467)</b>	<b>(492)</b>
<b>Total assets less liabilities</b>		<b>(222)</b>	<b>(189)</b>
<b>General Fund</b>		<b>(222)</b>	<b>(189)</b>

Notes 1 to 18 and the Pension Disclosures form part of these statements.

The 2022/23 figures are prepared on an IFRS 16 basis.

The financial statements were approved by the Accounting Officer and authorised for issue on 19 July 2023 by:

*M.M. Morris.*

**Michelle Morris**

**Accounting Officer**

Public Services Ombudsman for Wales

19 July 2023



# Statement of Cash Flows

for the year ended 31 March 2023

	Note	2022/23	2021/22
		£000	£000
Net cash outflow from operating activities	11	(5,308)	(5,089)
Net cash outflow from investing activities	12	-	(37)
Financing from Welsh Parliament	13	5,309	5,246
Prior year cash balance repaid		(120)	(20)
<b>Net increase (decrease) in cash equivalents after adjustments for payments to Welsh Consolidated Fund</b>		<b>(119)</b>	<b>100</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>120</b>	<b>20</b>
<b>Cash and cash equivalents at end of period</b>		<b>1</b>	<b>120</b>

Notes 1 to 18 form part of these statements.

# Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2023

General Fund	2022/23	2021/22
	£000	£000
Balance as at 1 April	(189)	(238)
Net operating costs	(5,341)	(5,077)
Funding by Welsh Parliament	5,309	5,246
Due back to Welsh Consolidated Fund:		
Cash	(1)	(120)
Non-operating income	-	-
<b>Total recognised income and expense for year</b>	<b>(33)</b>	<b>49</b>
<b>Balance as at 31 March</b>	<b>(222)</b>	<b>(189)</b>

Notes 1 to 18 and the Pension Disclosures form part of these statements.



# Notes to the Financial Statements

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## 1. Statement of Accounting Policies

These financial statements have been prepared in accordance with the Government Financial Reporting Manual (the FReM) issued by HM Treasury which is in force for 2022/23. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adopted or interpreted for the public sector. Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the PSOW for the purpose of giving a true and fair view has been selected. The particular accounting policies adopted by the PSOW are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

### 1.1. Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for any revaluation of fixed assets, where material to their value to the business, by reference to their current costs. PSOW does not include invoices where the total value is less than £500 in prepayments.

### 1.2. Property, Plant and Equipment

Expenditure on property, plant and equipment is capitalised where the purchases are expected to have a useful life extending over more than 1 year and the cost exceeds £5k. Assets costing less than £5k may be capitalised providing they are capital in nature and are part of a larger scheme that is, in total, more than £5k. Assets are shown at cost less an allowance for depreciation. On initial recognition, fixed assets are measured at cost, including such costs as installation, which are directly attributable to bringing them into working condition for their intended use. In reviewing the costs of fixed assets previously acquired and the prices paid for new acquisitions during the year there is no material difference between the historic net book value of the assets and their replacement cost less depreciation.

### 1.3. Depreciation

Assets are depreciated at rates calculated to write them down to zero or, if applicable, estimated residual value on a straight-line basis over their estimated useful life following an initial charge of a full month's depreciation in the month of purchase. Assets in the course of construction are depreciated from the month in which the asset is brought into use.

Except where otherwise noted asset lives are assumed to be the following:

Plant	10 years or the lease term if shorter
Furniture and other fittings	10 years or in the case of fittings, the lease term
Computers and other equipment	3 to 10 years

### 1.4. Intangible assets

Purchased computer software licences and developed software are capitalised where expenditure of £5k or more is incurred, and the useful life is more than 1 year. Intangible assets costing less than £5k may be capitalised providing they are capital in nature and are part of a larger scheme that is, in total, more than £5k. Intangible assets are reviewed annually for impairment and are stated at amortised historic cost. Software licences are amortised over the shorter of the term of the licence and the useful economic life of the computer equipment on which they are installed. This would usually be from 3 to 5 years. Developed software is amortised over the estimated useful life. In the year of acquisition, amortisation charges commence when the asset is brought into use.

### 1.5. Value Added Tax

The PSOW is not registered for VAT. Expenditure is therefore disclosed gross of VAT.





## 1.6. Pensions

The pension obligations to present and past employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) and by direct payment to previous Commissioners for Local Administration in Wales or any surviving beneficiaries. Full details are disclosed in the Pension Disclosures at the end of the Financial Statements. The costs of providing these pensions are charged through the Statement of Comprehensive Net Expenditure.

## 1.7. Early departure costs

Where the PSOW is required to meet the additional cost of benefits beyond the normal benefits payable by the appropriate pension scheme in respect of employees who retire early, these costs are charged to the Statement of Comprehensive Net Expenditure in full when the liability arises.

## 1.8. Leases

Expenditure on leased property and equipment is charged in the period to which it relates. A right of use asset and liability has been recognised following IFRS 16 being implemented from 1 April 2022. There is also an associated depreciation charge and finance cost in the accounts.

## 1.9. Staff Costs

In line with IAS 19, short-term employee benefits, such as wages, salaries and social security contributions, paid annual leave and paid sick leave, as well as non-monetary benefits for current employees, are recognised when an employee has rendered services in exchange for those benefits.

## 1.10. Provisions

These are sums which are of uncertain timing or amount at the balance sheet date and represent the best estimate of the expenditure required to settle the obligations. Where the effect of the time value of money is significant, the estimated riskadjusted cash flows are discounted using the recommended HM Treasury discount rate.

## 1.11. Income

All income is recognised in the Statement of Comprehensive Net Expenditure in accordance with IAS 18 and IFRS 15.

## 1.12. Impact of Standards Not Yet Effective

Standard	Effective date	Further details
IFRS 17 Insurance Contracts	2023-24 at earliest	IFRS 17 replaces IFRS 4 Insurance Contracts, and requires a current measurement model, using updated information on obligations and risks, and requiring service results to be presented separately from finance income or expense. It applies to all insurance contracts issued, irrespective of the type of entity issuing the contracts, so is not relevant only for insurance companies.

## 2. Staff Costs and Numbers

The aggregate employment costs were as follows:

	2022/23	2021/22
	£000	£000
Permanent staff:		
Salaries	2,999	2,836
Social Security costs	314	272
Pension costs	809	745
Pension fund charges	28	39
<b>Total</b>	<b>4,150</b>	<b>3,892</b>
Temporary staff:		
Salaries	18	27
Social Security costs	-	1
Pension costs	-	-
<b>Total</b>	<b>18</b>	<b>28</b>
<b>Total Staff Costs</b>	<b>4,168</b>	<b>3,920</b>



The average number of whole-time equivalent persons employed (including senior management and fixed term appointments) during the year was as follows:

	2022/23	2021/22
	No.	No.
Directors	2	2
Communications and PA	3	3
Complaints and Investigations	50	49
Improvement Team	6	5
Support	8	8
<b>Total</b>	<b>69</b>	<b>67</b>

### 3. Non-Staff Administration Costs

	2022/23	2021/22
	£000	£000
Rent	28	193
External Audit fee	17	19
Legal and professional fees	243	173
Other property costs	187	171
IFRS 16 interest charge	5	-
Computer services	284	331
Office costs	104	137
Travel and Subsistence	12	6
Training and Recruitment	42	36
Communications	36	47
<b>Sub-total</b>	<b>958</b>	<b>1,113</b>
Depreciation	207	36
Amortisation charge	27	25
Loss on disposal	-	-
<b>Sub-total</b>	<b>234</b>	<b>61</b>
<b>Total Other Administration Costs</b>	<b>1,192</b>	<b>1,174</b>

The 2022/23 figures are prepared on an IFRS 16 basis.



## 4. Operating Income

	2022/23	2021/22
	£000	£000
Seconded staff	(18)	(16)
Other – Future Generations Commissioner	(1)	(1)
<b>Total</b>	<b>(19)</b>	<b>(17)</b>

## 5. Operating Costs by Strategic Aims

The costs of providing a first-class Ombudsman service to Wales are set out below. During 2022/23 we had 3 strategic aims for delivering our mission and the allocation of costs to each of the aims has been based on the following:

- an estimate of the staff time spent on the objective
- direct allocation of expenditure where applicable
- apportionment of other costs pro rata to the estimate of staff time.

	2022/23		2021/22	
	£000	%	£000	%
<b>Strategic Aim 1:</b> A fair, independent, inclusive and responsive complaints service.	4,012	75.1	3,918	77.2
<b>Strategic Aim 2:</b> Promote learning from complaints and stimulate improvements on a wider scale.	1,083	20.3	944	18.6
<b>Strategic Aim 3:</b> Identify and adopt best practice. Secure value for money and services that are fit for the future. Support staff and ensure good governance which supports and challenges us.	246	4.6	215	4.2
<b>Net Resources Out-turn</b>	<b>5,341</b>	<b>100.0</b>	<b>5,077</b>	<b>100.0</b>

The Aims analysis excludes capital expenditure.



## 6a. Property, Plant and Equipment

2022/23	Plant	Computers and other equipment	Furniture and other fittings	Surplus assets	Total
	£000	£000	£000	£000	£000
<b>Cost or valuation at 1 April</b>	<b>156</b>	<b>240</b>	<b>442</b>	<b>-</b>	<b>838</b>
Additions	-	-	-	-	-
Reclassifications	-	(48)	(89)	137	-
Disposals	-	(45)	-	-	(45)
<b>At 31 March</b>	<b>156</b>	<b>147</b>	<b>353</b>	<b>137</b>	<b>793</b>
<b>Depreciation as at 1 April</b>	<b>(156)</b>	<b>(171)</b>	<b>(361)</b>	<b>-</b>	<b>(688)</b>
Charged in the year	-	(19)	(18)	-	(37)
Reclassifications	-	48	89	(137)	-
Disposals	-	45	-	-	45
<b>At 31 March</b>	<b>(156)</b>	<b>(97)</b>	<b>(290)</b>	<b>(137)</b>	<b>(680)</b>
<b>Carrying amount as at 31 March 2023</b>	<b>-</b>	<b>50</b>	<b>63</b>	<b>-</b>	<b>113</b>
Carrying amount as at 31 March 2022	-	69	81	-	150



2021/22	Plant	Computers and other equipment	Furniture and other fittings	Total
	£000	£000	£000	£000
<b>Cost or valuation at 1 April</b>	<b>156</b>	<b>224</b>	<b>442</b>	<b>822</b>
Additions	-	16	-	16
Disposals	-	-	-	-
<b>At 31 March</b>	<b>156</b>	<b>240</b>	<b>442</b>	<b>838</b>
<b>Depreciation as at 1 April</b>	<b>(156)</b>	<b>(154)</b>	<b>(342)</b>	<b>(652)</b>
Charged in the year	-	(17)	(19)	(36)
Disposals	-	-	-	-
<b>At 31 March</b>	<b>(156)</b>	<b>(171)</b>	<b>(361)</b>	<b>(688)</b>
<b>Carrying amount as at 31 March 2022</b>	<b>-</b>	<b>69</b>	<b>81</b>	<b>150</b>
Carrying amount as at 31 March 2021	-	70	100	170



## 6b. Intangible Assets

2022/23	Information Technology	Software Licences	Total
	£000	£000	£000
<b>Cost or valuation at 1 April</b>	<b>518</b>	<b>52</b>	<b>570</b>
Additions	-	-	-
Disposals	-	-	-
<b>At 31 March</b>	<b>518</b>	<b>52</b>	<b>570</b>
<b>Amortisation as at 1 April</b>	<b>(398)</b>	<b>(52)</b>	<b>(450)</b>
Amortisation charged in the year	(27)	-	(27)
Disposals	-	-	-
<b>At 31 March</b>	<b>(425)</b>	<b>(52)</b>	<b>(477)</b>
<b>Carrying Value as at 31 March 2023</b>	<b>93</b>	<b>-</b>	<b>93</b>
Carrying Value as at 31 March 2022	120	-	120

2021/22	Information Technology	Software Licences	Total
	£000	£000	£000
<b>Cost or valuation at 1 April</b>	<b>497</b>	<b>52</b>	<b>549</b>
Additions	21	-	21
Disposals	-	-	-
<b>At 31 March</b>	<b>518</b>	<b>52</b>	<b>570</b>
<b>Amortisation as at 1 April</b>	<b>(373)</b>	<b>(52)</b>	<b>(425)</b>
Amortisation charged in the year	(25)	-	(25)
Disposals	-	-	-
<b>At 31 March</b>	<b>(398)</b>	<b>(52)</b>	<b>(450)</b>
<b>Carrying Value as at 31 March 2022</b>	<b>120</b>	<b>-</b>	<b>120</b>
Carrying Value as at 31 March 2021	124	-	124

In the opinion of the Public Services Ombudsman for Wales there is no material difference between the net book value of assets at current values and at their historic cost.





## 6c. Right of Use Assets

2022/23	IFRS 16 right of use asset	Total
	£000	£000
<b>Transition asset as at 1 April</b>	<b>571</b>	<b>571</b>
Additions	-	-
Disposals	-	-
<b>At 31 March</b>	<b>571</b>	<b>571</b>
<b>Depreciation as at 1 April</b>	<b>-</b>	<b>-</b>
Charged in the year	(170)	(170)
Disposals	-	-
<b>At 31 March</b>	<b>(170)</b>	<b>(170)</b>
<b>Carrying amount as at 31 March 2023</b>	<b>401</b>	<b>401</b>
Carrying amount as at 31 March 2022	-	-

The discount factor used in our IFRS 16 calculations is 0.95% for the financial year in line with the guidance issued by the Treasury. There are no prior year figures as IFRS 16 was implemented from 1 April 2022.

## 7. Trade and other Receivables

	2022/23	2021/22
	£000	£000
<b>Amounts falling due within 1 year</b>		
Prepayments	280	255
Trade debtors	-	-
<b>Amounts falling due after more than 1 year</b>		
Prepayments	-	-
<b>Total</b>	<b>280</b>	<b>255</b>

## 8. Cash and Cash Equivalents

Any bank balance held at the year-end must be returned to the Welsh Consolidated Fund. A figure of £1k (£120k in 2021/22) has been included within the accounts, being the net balance at the year-end on all the bank accounts operated by the Public Services Ombudsman for Wales, irrespective of whether the individual account is in debit or credit.

The year-end balance will be repaid to the Welsh Consolidated Fund in 2023/24 under the Government of Wales Act 2006.

## 9. Trade Payables and other Current Liabilities

	2022/23	2021/22
	£000	£000
<b>Amounts falling due in 1 year</b>		
Untaken annual leave	115	122
Deferred rent reduction	5	5
Welsh Consolidated Fund - unspent balances	1	120
Trade payables	8	3
Right of use asset creditor	411	-
Accruals	54	47
	<b>594</b>	<b>297</b>
<b>Amounts falling due in more than 1 year</b>		
Deferred rent reduction	6	10
<b>Total</b>	<b>600</b>	<b>307</b>

The 2022/23 figures are prepared on an IFRS 16 basis.



## 10. Provisions for Liabilities and Charges

	2022/23				2021/22
	Pensions for Former Commissioners	Dilapidation Costs	Other Costs	Total	Total
	£000	£000	£000	£000	£000
Balance at 1 April	204	323	-	527	516
Additional provision required	43	-	-	43	54
Discount rate movement	(14)	-	-	(14)	2
Provisions utilised in the year	(46)	-	-	(46)	(45)
<b>Balance at 31 March</b>	<b>187</b>	<b>323</b>	<b>-</b>	<b>510</b>	<b>527</b>

Analysis of expected timings of payment of provisions:

	2022/23	2021/22
	£000	£000
Payable within 1 year	49	46
Payable within 2 to 5 years	461	474
Payable in more than 5 years	-	7
<b>Balance at 31 March 2021</b>	<b>510</b>	<b>527</b>

Pension provisions are calculated based on the National Life Tables for England and Wales issued by the Office of National Statistics. Later year pension increases are in line with GDP deflator information issued by HM Treasury. The discount factor has been amended to 1.70% for the financial year (-1.30% in 2021/22) in line with the guidance issued by the Treasury. Two surviving spouses of former Commissioners remain as a pension liability.

## 11. Reconciliation of Operating Cost to Operating Cash Flows

	Notes	2022/23	2021/22
		£000	£000
<b>Net operating cost</b>		<b>(5,341)</b>	<b>(5,077)</b>
Adjust for non-cash items	3	(337)	61
Decrease/(Increase) in trade and other receivables	7	(25)	(26)
Increase/(Decrease) in trade and other payables	9	293	42
Movement in provisions	10	(17)	11
Movement in cash repaid to Welsh Consolidated Fund	8	119	(100)
<b>Net cash outflow from operating activities</b>		<b>(5,308)</b>	<b>(5,089)</b>

The 2022/23 figures are prepared on an IFRS 16 basis.

## 12. Non-Current Asset Expenditure and Financial Investment

	2022/23	2021/22
	£000	£000
Purchases of property, plant and equipment	-	(16)
Proceeds of disposals of property, plant and equipment	-	-
Purchases of intangible assets	-	(21)
<b>Net cash outflow from investing activities</b>	<b>-</b>	<b>(37)</b>



### 13. Reconciliation of Net Cash Requirement to Increase/(Decrease) in Cash

	2022/23	2021/22
	£000	£000
Net Cash Requirement:		
Operating activities	(5,308)	(5,089)
Capital Expenditure	-	(37)
	<b>(5,308)</b>	<b>(5,126)</b>
Financing from Welsh Parliament	5,309	5,246
Repayment to Welsh Consolidated Fund	(120)	(20)
<b>Increase/(Decrease) in cash and cash equivalents</b>	<b>(119)</b>	<b>100</b>

### 14. Commitments under Operating Leases

	2022/23	2021/22
	£000	£000
Total future minimum operating lease payments on building:		
Payable within 1 year	198	198
Within 2 and 5 years	304	502
More than 5 years	-	-
	<b>502</b>	<b>700</b>
Other:		
Payable within 1 year	-	-
Within 2 and 5 years	-	-
More than 5 years	-	-
	-	-
<b>Total of all operating leases</b>	<b>502</b>	<b>700</b>

## 15. Contingent Liabilities

There are no claims or litigations that would affect the financial statements themselves but there is one Code of Conduct case where leave to appeal has been sought. The outcome is uncertain and the amount of any potential liability is unknown.

## 16. Capital Commitments

There were no capital commitments at 31 March 2023 (2021/22 Nil).

## 17. Related Party Transactions

The PSOW is headed by the Public Services Ombudsman for Wales. The office was established under the Public Services Ombudsman (Wales) Act 2005 and is now governed by the Public Services Ombudsman (Wales) Act 2019. The Ombudsman is independent of Government and the funding arrangements of the Office are set up to ensure that the independence of the Office is secured. The PSOW has had a number of material transactions with the Welsh Parliament, HM Revenue and Customs (Tax and National Insurance) and the Cabinet Office (payments in respect of the Principal Civil Service Pension Scheme). During the year, no directors, key members of staff or their close relatives have undertaken any material transactions.

## 18. Events after the Reporting Period

None.



# Pension Disclosures

One pension scheme was operated on behalf of current staff during 2021/22 – The Principal Civil Service Pension Scheme (PCSPS). There also remains an ongoing liability to meet the unfunded pensions of two dependant relatives of former Local Government Commissioners.

## Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switch into **alpha** sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of



their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of **classic**, **premium**, **classic plus**, **nuvos** and **alpha**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of





that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

## Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

## Real Increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

## Compensation for loss of office

No staff left under Voluntary Exit or Voluntary Redundancy terms during the financial year.

## Pensions for former Ombudsmen

With the agreement of the Secretary of State for Wales in 1991 and subsequent confirmation by Statutory Instrument 1993 No. 1367, Local Government Commissioners became eligible to join the Local Government Pension Scheme. However, the pensions of the three previous Local Government Commissioners remained the responsibility of the Public Services Ombudsman for Wales and are met through the Statement of Comprehensive Net Expenditure.

At 31 March 2023 two surviving spouses of former Commissioners continued to receive a pension.

Pensions are increased annually in line with other pension schemes within the Public Sector. The basis of calculations of the Annual Pensions Increase has been changed from using the annual movement based on the Retail Price Index (RPI) to the Consumer Price Index (CPI). The amount of the uplift applied is normally set out in the Statutory Instrument Pensions Increase (Review) Order. This uplift for 2022/23 was 10.1%.

The total payments during 2022/23 were £46k (£45k in 2021/22). The liabilities arising out of the obligation to finance these pensions together with any dependant pensions has been calculated to be £186k (£204k in 2021/22). The calculation to determine the overall liability has been carried out internally using life expectancy tables for males and females in Wales obtained from the website of the Government Actuary's Department. A discount rate, from PES (2022), of 1.70% (-1.30% in 2021/22) has been applied in accordance with the Treasury guidance that all pension liabilities should be discounted.



# Appendices

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## Some terms that we use in this report

<p><b>Case:</b> any matter raised with us by a member of the public</p>	<p><b>Caseload:</b> all cases that we handle.</p>
<p><b>Enquiry:</b> a case where a member of the public contacts us with a general query but is not yet ready to complain – or we know straight away that we cannot look into their issue. If that happens, we try to offer advice or direct people to another organisation that can help.</p>	<p><b>Pre-assessment:</b> a Code of Conduct case which is not a duly made complaint. People who complain to us about the Code of Conduct need to sign a declaration to say that the details of the complaint are true and they are aware that their details and the complaint will be shared with the member. If they do not sign that declaration, we close the case as preassessment.</p>
<p><b>Complaint:</b> a case where we have had enough information to start looking into an issue to see what we can do. Once we consider the information received, we can reject a complaint, suggest how it can be resolved quickly ('early resolution') or start an investigation.</p>	
<p><b>Outcome:</b> our decision after we have considered a complaint.</p>	
<p><b>Intervention:</b> a complaint outcome when we decided that something has gone wrong with public services and things must be put right. This could be by making recommendations or agreeing early resolution or settlement of a complaint.</p>	<p><b>Referral:</b> a type of outcome in Code of Conduct cases where we refer a matter to a Standards Committee or the Adjudication Panel for Wales. We generally do this for cases which involve serious breaches of the Code.</p>



# The complaint journey

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## Check - we check that we can look into your complaint

### What we will do

When you first contact us, we will check if we can look into your complaint. This includes checking that:

- we can look at the issue you are complaining about
- we can look into the organisation you are complaining about
- we have enough information about your complaint.

### What can we decide?

If we can look into your complaint, we will let you know (see 'Assess').

If we cannot look into your issue further, we will let you know. We will do our best to suggest what you can do next. If we know of an organisation that could help, we will give you more information about it.

## Assess – we take a closer look at your complaint to see if we can resolve it early or if we need to investigate

### What we will do

We will look at your complaint in more detail. These are examples of the things we will think about:

- whether you complained to us within a year of knowing about the issue
- you have (or had) the option of taking legal action instead to put things right for you
- another organisation is better placed to deal with your complaint
- there are signs that the organisation potentially got things wrong and that it had a negative effect on you or the person you are complaining for
- there is more that the organisation could do to put things right for you.

### What can we decide?

We are an independent decision-maker. To be fair to you and the organisation you have complained about, we will look at the evidence and the facts before we make a decision.

As we assess your complaint, we can:

- decide to investigate your complaint (see 'Investigate')
- arrange early action for the organisation to put things right for you. We will write to you to explain what we have arranged and we will close your complaint. We will make sure that the organisation did what it agreed to do (see 'Make sure').

If we can't do either of these things, we will write to you to tell you why.

We close most of our complaints at 'Assess'. We only investigate about 1 in 10 of our complaints, usually when the issue is very complicated or if it may affect other people.

### How long will it take?

On average, it takes us about 25 days to assess a complaint. It can sometimes take longer, for example, if we are arranging early action for the organisation to put things right.



## Investigate – we investigate some or all of your concerns

### What we will do

We will talk to you about the investigation process. We will then write to you to let you know when the investigation starts and confirm what we are investigating.

We'll gather all the information we need, including from you and the organisation you have complained about. We will also often ask for advice from professional advisors. We will then make our decision on your complaint.

### What can we decide?

As we investigate your complaint, we can:

- complete the investigation and decide to uphold your complaint
- complete the investigation and decide not to uphold your complaint
- decide to settle the complaint where the organisation can take action to put things right
- decide to end the investigation early if we find that there is not enough evidence to show that the organisation has done something wrong

If we uphold your complaint, we will recommend what the organisation should do to put things right.

At the end of the investigation we will explain what we found and why we did or did not uphold your complaint.

Of the complaints we investigate each year, we uphold or settle around 7 out of 10.

### How long will it take?

An investigation can take around 12 months from when you first complain to us. When the complaint is very complicated it can take us longer to investigate it. We will keep in touch with you during the investigation.

## Follow up – we check that the organisation did what it promised to do

### What we will do

When we arrange early action for the organisation to put things right for you, or we settle or uphold your complaint after we investigated, we will recommend what the organisation should do to put things right for you.

We will tell the organisation how much time it has to show us that it did what it promised to do.

If the organisation does not show us that it acted on our recommendations, we will take further action.





# Our Key Performance Indicators

We check how well we perform against a set of measures called Key Performance Indicators (KPIs). Below we explain how we aimed to perform and how we did.

Performance indicator	Target	2022/23	2021/22
<b>Public services complaints</b>			
decision that a complaint is not within jurisdiction within 3 weeks	90%	94%	90%
decision taken not to investigate a complaint (after making initial enquiries) within 6 weeks	90%	87%	83%
where we seek early resolution, decision within 9 weeks	90%	90%	88%
decision to investigate and start investigation within 6 weeks of the date sufficient information is received	80%	37%	69%
cases closed within 12 months	85%	37%	76%
<b>Code of Conduct complaints</b>			
decision taken not to investigate within 6 weeks.	90%	95%	98%
decision to investigate and start investigation within 6 weeks of the date sufficient information is received	90%	89%	80%
cases closed within 12 months	90%	66%	67%
<b>Customer satisfaction*</b>			
we are easy to find	-	87 / 95%	80 / 95%
we offer a helpful service	-	64 / 85%	60 / 86%
we clearly explain our process and decision	-	65 / 95%	65 / 91%
<b>How bodies fulfil our recommendations ('compliance')</b>			
proportion of recommendations due and complied with by public service providers	-	90%	81%
number of compliance visits	7	10	6

\* We present these results for all respondents (the first figure) as well as those satisfied with the outcome (the second figure).



Performance indicator	Target	2022/23	2021/22
Human resources			
completion of appraisal process	-	100%	100%
employee response to staff survey	-	89%**	84%
Staff training			
proportion of staff achieving target number of days of continuing professional development	-	80%	72%
Staff attendance			
average number of days lost through sickness per member of staff	-	8.59	7.2
proportion of working days lost through staff sickness	-	3.29%	2.70%
proportion of working days lost through short term sickness	-	1.01%	1.04%
proportion of working days lost through long term sickness	-	2.28%	1.70%
Financial performance			
cash repaid to Welsh Consolidated Fund	< 3%	0.01%	2.3%
unit cost per case	£700	£473	£491***
support costs as percentage of budget	< 5%	4.6%	4.2%
external Audit Opinion on Accounts	Unqualified accounts	Unqualified accounts	Unqualified accounts
internal Audit Opinion on internal controls	Substantial Assurance	Substantial Assurance	Substantial Assurance
Complaints about us			
number of complaints received	N/A	30	32
number of complaints upheld	N/A	12	12
Sustainability			
waste (kg)	26,000	17,696	9,205
electricity (kWh)	104,000	74,102	73,754

\*\* We carry out our main staff survey every two years. For 2022/23 we are reporting response rate on an interim survey linked to FairPlay Employer status.

\*\*\* Figures reported for unit costs reflect the approach introduced in 2020/21. The target and previous years' figures have been restated using the same approach, so figures are meaningful.



# Complaints data

## Public services - new complaints

Subject	2022/23	2021/22
Health	37%	34%
Housing	18%	16%
Complaints Handling	18%	14%
Social Services	7%	8%
Planning and Building Control	4%	8%
COVID19	1%	3%
Other	15%	17%
<b>Grand Total</b>	<b>100%</b>	<b>100%</b>

Sector	2022/23	2021/22
NHS Bodies (including Health Boards, NHS Trusts, Dentist, GPs, Opticians and Pharmacists)	1288	1115
Local Authorities (including County/ County Borough Councils and School Appeal Panels)	1032	1162
Social Housing sector (housing associations)	348	302
Welsh Government and its sponsored bodies	61	74
Community Councils	30	31
Other	31	42
<b>All sectors</b>	<b>2790</b>	<b>2726</b>



Health Board	2022/23		2021/22	% change from 2021/22
	Number	Received per 1000 residents	Number	
Aneurin Bevan University Health Board	166	0.28	142	17%
Betsi Cadwaladr University Health Board	225	0.33	213	6%
Cardiff and Vale University Health Board	137	0.28	89	54%
Cwm Taf Morgannwg University Health Board	134	0.30	113	19%
Hywel Dda University Health Board	104	0.27	88	18%
Powys Teaching Health Board	23	0.17	10	130%
Swansea Bay University Health Board	137	0.36	110	25%
<b>All Health Boards</b>	<b>926</b>	<b>0.30</b>	<b>765</b>	<b>21%</b>



County and County Borough Council	2022/23		2021/22	% change from 2021/22
	Number	Received per 1000 residents	Number	
Blaenau Gwent County Borough Council	16	0.24	14	14%
Bridgend County Borough Council	55	0.38	55	0%
Caerphilly County Borough Council	49	0.28	60	-18%
Cardiff Council (Incl. Rent Smart Wales)	142	0.39	182	-22%
Carmarthenshire County Council	53	0.28	54	-2%
Ceredigion County Council	35	0.49	52	-33%
Conwy County Borough Council	31	0.27	27	15%
Denbighshire County Council	32	0.33	34	-6%
Flintshire County Council	65	0.42	99	-34%
Cyngor Gwynedd	36	0.31	39	-8%
Isle of Anglesey County Council	25	0.36	29	-14%
Merthyr Tydfil County Borough Council	17	0.29	27	-37%
Monmouthshire County Council	23	0.25	20	15%
Neath Port Talbot Council	39	0.27	45	-13%
Newport City Council	42	0.26	40	5%
Pembrokeshire County Council	44	0.36	39	13%
Powys County Council	38	0.29	55	-31%
Rhondda Cynon Taf County Borough Council (Incl South Wales Parking Group)	54	0.23	51	6%
Swansea Council	94	0.39	71	32%
Torfaen County Borough Council	16	0.17	18	-11%
Vale of Glamorgan Council	49	0.37	61	-20%
Wrexham County Borough Council	65	0.48	71	-8%
<b>All County and County Borough Councils</b>	<b>1020</b>	<b>0.33</b>	<b>1143</b>	<b>-11%</b>



Housing Association	2022/23	2021/22	% change from 2021/22
Adra	15	10	50%
Aelwyd Housing Association Ltd	1	2	-50%
Ateb Group Ltd	2	4	-50%
Barcud	4	3	33%
Bro Myrddin Housing Association	0	1	-100%
Bron Afon Community Housing Ltd	17	17	0%
Cadwyn Housing Association Ltd	6	0	
Cardiff Community Housing Association	7	15	-53%
Caredig	3	0	
Cartrefi Conwy	6	14	-57%
Charter Housing Association (part of the Pobl Group)	7	4	75%
Clwyd Alyn Housing Association	10	10	0%
Coastal Housing Group Ltd	6	14	-57%
Cynon Taf Community Housing Group	4	6	-33%
Derwen (part of the Pobl Group)	0	0	
Family Housing Association (Wales) Ltd	0	5	-100%
First Choice Housing Association Ltd	1	0	
Grwp Cynefin	5	4	25%
Hafan Cymru	0	1	-100%
Hafod Housing Association	62	28	121%
Linc Cymru Housing Association	14	9	56%
Melin Homes Ltd	3	5	-40%
Merthyr Tydfil Housing Association Ltd	1	5	-80%
Merthyr Valleys Homes	8	4	100%

## Complaints data

Monmouthshire Housing Association	2	6	-67%
Newport City Homes	19	8	138%
Newydd Housing Association	9	9	0%
North Wales Housing	4	8	-50%
Pobl	23	19	21%
Rhondda Housing Association Ltd	9	1	800%
Taff Housing Association	4	3	33%
Tai Calon Community Housing	10	5	100%
Tai Ceredigion Ltd	0	0	
Tai Tarian	21	15	40%
Trivallis	13	17	-24%
Ty Gwalia (part of Pobl Group)	3	3	0%
United Welsh Housing Association	16	16	0%
Valleys To Coast Housing	19	20	-5%
Wales & West Housing Association	14	11	27%
<b>All Housing Associations</b>	<b>348</b>	<b>302</b>	<b>15%</b>

## Public services - closed complaints

Health Board	2022/23			2021/22		
	No. of Interventions	No. of Closures	Intervention rate	No. of Interventions	No. of Closures	Intervention rate
Aneurin Bevan University Health Board	48	160	30%	42	125	34%
Betsi Cadwaladr University Health Board	80	231	35%	61	193	32%
Cardiff and Vale University Health Board	30	129	23%	18	81	22%
Cwm Taf Morgannwg University Health Board	37	141	26%	30	99	30%
Hywel Dda University Health Board	41	100	41%	23	82	28%
Powys Teaching Health Board	5	23	22%	3	6	50%
Swansea Bay University Health Board	33	134	25%	29	105	28%
<b>All Health Boards</b>	<b>274</b>	<b>918</b>	<b>30%</b>	<b>206</b>	<b>691</b>	<b>30%</b>





County and County Borough Council	2022/23			2021/22		
	No. of Interventions	No. of Closures	Intervention rate	No. of Interventions	No. of Closures	Intervention rate
Blaenau Gwent County Borough Council	0	16	0%	0	13	0%
Bridgend County Borough Council	5	57	9%	7	54	13%
Caerphilly County Borough Council	6	52	12%	7	58	12%
Cardiff Council (Incl Rent Smart Wales)	26	154	17%	46	175	26%
Carmarthenshire County Council	7	60	12%	7	49	14%
Ceredigion County Council	13	44	30%	13	46	28%
Conwy County Borough Council	5	35	14%	2	24	8%
Denbighshire County Council	2	33	6%	4	33	12%
Flintshire County Council	5	70	7%	15	94	16%
Cyngor Gwynedd	5	33	15%	6	41	15%
Isle of Anglesey County Council	5	25	20%	3	28	11%
Merthyr Tydfil County Borough Council	1	18	6%	2	26	8%
Monmouthshire County Council	1	22	5%	2	21	10%
Neath Port Talbot Council	7	38	18%	5	45	11%
Newport City Council	8	48	17%	4	36	11%
Pembrokeshire County Council	3	45	7%	2	40	5%
Powys County Council	8	44	18%	7	55	13%



Rhondda Cynon Taf County Borough Council (Incl South Wales Parking Group)	2	56	4%	3	45	7%
Swansea Council	10	99	10%	10	76	13%
Torfaen County Borough Council	1	17	6%	2	20	10%
Vale of Glamorgan Council	15	53	28%	9	62	15%
Wrexham County Borough Council	6	67	9%	4	67	6%
<b>All County and County Borough Councils</b>	<b>141</b>	<b>1086</b>	<b>13%</b>	<b>160</b>	<b>1108</b>	<b>14%</b>



Housing Association	2022/23			2021/22		
	No. of Interventions	No. of Closures	Intervention rate	No. of Interventions	No. of Closures	Intervention rate
Adra	2	16	13%	1	9	11%
Aelwyd Housing Association Ltd	0	1	-	0	2	-
Ateb Group Ltd	0	2	-	2	4	50%
Barcud	0	4	-	0	3	-
Bro Myrddin Housing Association	0	0	-	0	1	-
Bron Afon Community Housing Ltd	2	18	11%	3	18	17%
Cadwyn Housing Association Ltd	1	6	17%	0	0	-
Cardiff Community Housing Association	0	8	-	1	14	7%
Caredig	0	3	-	0	0	-
Cartrefi Conwy	2	7	29%	0	13	-
Charter Housing Association (Part of the Pobl Group)	0	7	-	1	5	20%
Clwyd Alyn Housing Association	0	9	-	0	10	-
Coastal Housing Group Ltd	0	6	-	1	14	7%
Cynon Taf Community Housing Group	0	4	-	1	6	17%
Family Housing Association (Wales) Ltd	0	0	-	0	5	-
First Choice Housing Association Ltd	0	1	-	0	0	-
Grwp Cynefin	0	5	-	1	4	25%
Hafan Cymru	0	1	-	0	0	-
Hafod Housing Association	15	59	25%	7	27	26%
Linc Cymru Housing Association	2	13	15%	2	10	20%
Melin Homes Ltd	0	3	-	0	6	-
Merthyr Tydfil Housing Association Ltd	0	1	-	1	7	14%
Merthyr Valleys Homes	1	8	13%	1	5	20%



Monmouthshire Housing Association	0	4	-	3	6	50%
Newport City Homes	2	18	11%	0	8	-
Newydd Housing Association	1	10	10%	1	9	11%
North Wales Housing	1	5	20%	1	8	13%
Pobl	3	22	14%	1	17	6%
Rhondda Housing Association Ltd	0	8	-	1	1	100%
Taff Housing Association	2	5	40%	0	1	-
Tai Calon Community Housing	0	9		0	5	-
Tai Tarian	0	22	-	2	14	14%
Trivallis	2	15	13%	3	17	18%
Ty Gwalia (Part Of Pobl Group)	0	3	-	0	3	-
United Welsh Housing Association	2	18	11%	2	14	14%
Valleys To Coast Housing	5	17	29%	3	22	14%
Wales & West Housing Association	1	14	7%	2	13	15%
<b>Grand Total</b>	<b>44</b>	<b>352</b>	<b>13%</b>	<b>41</b>	<b>301</b>	<b>14%</b>



## Code of Conduct - new complaints

Subjects	2022/23	2021/22
Accountability and openness	10%	5%
Disclosure and registration of interests	9%	11%
Duty to uphold the law	8%	9%
Integrity	6%	8%
Objectivity and propriety	3%	11%
Promotion of equality and respect	61%	51%
Selflessness and stewardship	3%	5%

Body	2022/23	2021/22	% change from 2021/22
Town and Community Councils	158	171	-8%
County and County Borough Councils	122	114	7%
National Parks	3	5	-40%
Fire Authorities	0	0	n/a
Police and Crime Panels	0	4	-100%
<b>Total</b>	<b>283</b>	<b>294</b>	<b>-4%</b>





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## Public Services Ombudsman for Wales

### Estimate 2024/25

#### 1. Introduction

- 1.1 This Estimate submission for 2024/25 has been prepared for consideration by the Senedd Finance Committee. The office's Annual Report & Accounts for 2022/2023 provide details of activities and achievements in that year. The Estimate has been prepared in the context of the [Strategic Plan 2023–2026: A new chapter](#) which sets the direction of the office for the next 3 years.

#### 2. Executive Summary

- 2.1 We have prepared our Estimate to reflect the Strategic Aims set out in our Strategic Plan. In summary, the Resource and Cash requirements are £6,358k and £6,344k respectively. This is an overall cash increase of £490k. The increase is made up as follows:

	£000	£000	%
April 2024 pay award and staff increments	235		
Other cost and price increases	235		
Less efficiencies to cover staff increments	(34)		
<b>Total increase in cost of business as usual</b>		<b>436</b>	<b>(7.4%)</b>
Investment in strategic priorities – staff	120		
Less amount to be funded by efficiency savings	(66)		
<b>Balance sought for investment</b>		<b>54</b>	<b>(0.9%)</b>
<b>Total</b>		<b>490</b>	

- 2.2 £235k is required to meet the staff-related cost pressures from the April 2024 pay award (£201k for an award estimated at 5%) and committed staff increments (£34k). £201k arises from the local government pay award, which our staff receive under their contracts of employment. We are not party to these pay award negotiations, and the pay award is therefore outside our control. In addition, the cost of staff increments (£34k) is an additional pressure but we will cover this through efficiencies in other areas of the budget.
- 2.3 £235k is required to help us meet the cost of price inflation covering the range of non-staff expenditure across the budget.
- 2.4 We are seeking two additional members of staff (+£120k): one caseworker and one data analyst to help us make good use of the data we hold about the complaints we receive and the complaints standards data we receive about complaints received by public bodies. Specifically, this post will enable more intelligent use of data to support prioritisation of caseload, identify systemic and thematic issues arising from our complaints and better inform our service improvement work. This is to be more than



half-funded by cash-saving efficiencies of £66k which we will make across most of our non-pay budgets.

- 2.5 These efficiencies are in addition to both past and future volume efficiencies ('doing more with the same') as a result of not increasing our staff numbers in proportion with the increases in casework that we are continuing to experience (see section 6). Whilst these efficiencies do not generate cash savings, they reflect real efficiencies made.
- 2.6 We make no charge for our services and receive no fee income. We charge at cost for the provision of payroll services to the Future Generations Commissioner and for the part-time staff secondment to the Ombudsman Association. We are therefore entirely dependent on funding from the Welsh budget, following the recommendations of the Senedd Finance Committee.
- 2.7 We are mindful of the huge pressure that public finances are under and the difficulties this presents in balancing the demand for public services and the funding available. Whilst PSOW remains ambitious, it has phased its work over the next few years, to reflect the anticipated limitations of public sector finance. In particular, investment in technology has been paused until savings from our property rationalisation are fully delivered, releasing funding for reinvestment.
- 2.8 The continued increase in caseload, and the pressure being placed on the well-being of our workforce as a result, has led us to include a modest investment in additional staff in this budget estimate, and this is our clear priority for 2024/25.
- 2.9 While we fully appreciate the difficult choices that will have to be made by the Senedd in setting next years' budget, we need to be clear that this is not the year to reduce funding to PSOW. The pressure on public services which has prevailed for some time is set to continue and intensify and this makes our role all the more essential. If our funding, and consequently our services, are cut this will result in fewer people being able to access our service which inevitably means that more vulnerable people and those who have suffered injustice, from service failure and maladministration, will not have their voices heard. Opportunities for learning and service improvements will simply not be achieved.
- 2.10 The proposed budget ambit is shown in Appendix A.

### **3. 2023/24 Update**

- 3.1 After research and wide consultation, we published our new Strategic Plan in April 2023. It sets out our vision and ambition for public services in Wales. It also sets four new Strategic Aims:
1. Delivering justice with a positive impact for people and public services
  2. Increasing accessibility and inclusion
  3. Increasing the impact of our proactive improvement work
  4. Ensuring that we are a healthy, efficient and accountable organisation.

- 3.2 We have developed new Key Performance Indicators (KPIs), which will help us drive even better performance, influence change and capture more accurately the impact of our work. We have a new Business Plan in place capturing key actions that will help us meet our Strategic Aims.
- 3.3 Last year, we were concerned that the National Nosocomial Covid-19 Programme to investigate the hospital acquired Covid cases was likely to result in many of these cases being referred to the Ombudsman. To manage this risk, we made internal arrangements to oversee handling of such complaints and prepared a factsheet on our approach. We engaged with the Welsh Government and health boards and shared the learning from cases we had considered. The actual number of nosocomial Covid complaints reaching the Ombudsman remains small at the moment, though we will continue to monitor this closely.
- 3.4 Caseload pressures are a cause for concern, with staff health and wellbeing increasingly affected by growing numbers of complaints without an increase in resources to consider them. Under our new Strategic Plan, we will continue to work to identify opportunities to increase efficiency. We will also review and improve the measures we have in place to support staff and provide a healthy workplace. The continued growth in the number of complaints, together with the increasing complexity of the complaints we receive, is putting additional pressure on staff – and staff feedback shows a significant rise in concerns about workload and reduced satisfaction with PSOW as a place to work.
- 3.5 In the current year (and as previously notified to the Committee in previous Estimates, our Supplementary Budget submission in May 2023 and in-year correspondence), there remain two significant financial uncertainties:
- The April 2023 local government pay award, which applies to our staff under their contracts of employment. The initial PSOW Estimate for 2023-24 allowed 3% for the April 2023 pay award. The National Employers for local government services in England, Wales and Northern Ireland made an offer of around 5% which has been rejected by trade unions who are seeking 12.7%. Since pay award costs are outside the Ombudsman's control, a Supplementary Budget was submitted and subsequently approved. This provided for a pay award of up to 7.9%. The current position is unchanged – trade unions have balloted for strike action; some are now taking strike action and the pay award remains unresolved. If the actual pay award is above 7.9%, we will work to contain the additional cost as far as possible but might need to submit a further Supplementary Budget.
  - The ongoing Code of Conduct case, where leave to appeal the decision of the Adjudication Panel for Wales in the High Court has been sought (by the former Councillor involved). The decision on permission has been delayed and the outcome remains uncertain. The amount of any potential liability in terms of legal costs is unknown.

3.6 Recognising the substantial pressures from increasing casework and constrained public finances in Wales, early this year we commissioned Perago Wales to undertake a short advisory project with us to review our service processes, identify scope for efficiency and service improvement and make recommendations for our future IT & Digital Strategy. This valuable piece of work made recommendations for incremental changes that cumulatively will help continue the efficiency improvements achieved in recent years. These include improving how we display and understand the status of current cases and improving our processes for securing clinical advice. The work recommended a number of areas for inclusion in our IT & Digital Strategy, including investment in technology and capacity to improve use of data to inform our work, management of increasing caseloads and help identify thematic and systemic issues to inform service improvement.

## 4. Casework Pressures

4.1 Last year (2022/23) we received the highest ever number of public service complaints. This reflects pressures on public services, particularly health services, and public dissatisfaction with those services.

4.2 In the current year (April to August 2023) we have seen further increases in our overall workload from enquiries and complaints. New maladministration enquiries and Code pre-assessments are up 38% ('Enquiries' in Table 1), new Code of Conduct complaints are up 64% and public service complaints received are up 6%.

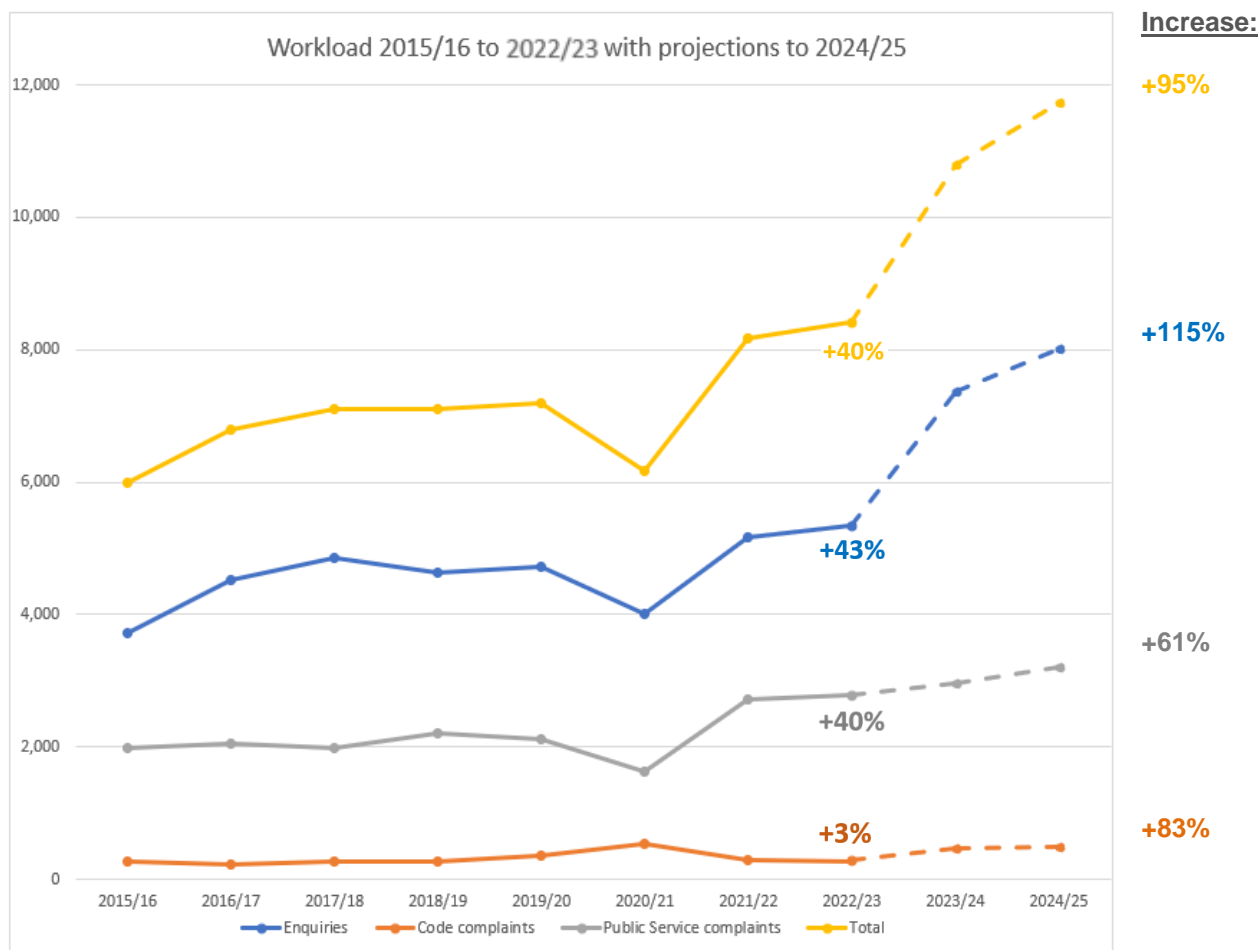
4.3 The Explanatory Memorandum for the Public Services Ombudsman (Wales) Act 2019 anticipated annual increases of between 5% and 12%. Whilst the annual increases have been towards the lower end of this range, they amount to an overall increase of **between 89% and 102% in total casework** for the period (2015/16 to 2024/25 (projected)). In that time, the number of casework staff has increased by **only 13%**.

Year	Enquiries received	Code of conduct complaints received	Public Service complaints received	Totals
2015/16	3,731	276	1,992	5,999
2016/17	4,512 (+21%)	236 (-14%)	2,056 (+3%)	6,804 (+13%)
2017/18	4,861 (+8%)	270 (+14%)	1,983 (-4%)	7,114 (+5%)
2018/19	4,627 (-5%)	282 (+4%)	2,207 (+11%)	7,116 (-)
2019/20	4,726 (+2%)	365 (+29%)	2,109 (-4%)	7,200 (+1%)
2020/21	4,006 (-15%)	535 (+47%)	1,638 (-22%)	6,179 (-14%)
2021/22	5,158 (+29%)	294 (-45%)	2,726 (+66%)	8,178 (+32%)
2022/23	5,350 (+4%)	283 (-4%)	2,790 (+2%)	8,423 (+3%)
2023/24 (projected YTD)	7,383 (+38%)	464 (+64%)	2,957 (+6%)	10,804 (+28%)
2024/25 (projected at 5%)	7,752 (+5%)	487 (+5%)	3,105 (+5%)	11,344 (+5%)
2024/25 (projected at 12%)	8,269 (+12%)	520 (+12%)	3,312 (+12%)	12,101 (+12%)

Table 1: Workload 2015/16 to 2022/23 with projections to 2024/25 – see note below.

Note: For 2023/24 our projections are based on current year to date (YTD) figures as detailed in 4.2 above. For 2024/24 we have shown both the 5% and 12% increases, in line with the increases anticipated in the Explanatory Memorandum to the 2019 Public Services Ombudsman (Wales) Act.

4.4 Graph 1 below shows past, current and projected numbers of enquiries and complaints. 2022/23



**Graph 1: Workload 2015/16 to 2022/23 with projections to 2024/25**

Note: For illustrative purposes we have used the midpoint of the 5% and 12% projected increases for 2024/25.

4.5 The cumulative effect of ongoing annual increases is substantial. We seek to provide timely, empathetic and appropriate outcomes to complaints. However, these casework pressures reflect the very real concerns of residents of Wales and increasing caseloads risk delaying resolution and prolonging distress. Concerningly, the pressures of increased caseload are such that 40% of public service complaints currently being investigated have been with the Ombudsman for more than 12 months. Whilst it may currently be unavoidable, that level of delay is not one that anyone should be comfortable with. Each complaint brings with it a real human impact for complainants. Delay compounds and extends that impact. These delays also mean that learning from our investigations and implementation of our systemic recommendations by public bodies takes longer, so maladministration and service failure may continue for longer than would otherwise be the case.

- 4.6 There is also a significant impact on our staff. Public service complaints account for the majority of staff time, and even a small percentage increase results in a significant number of additional complaints. The projected 61% increase in public service complaints since 2015/16 (see Graph 1) is therefore particularly challenging. These increases in casework since 2015/16 have been largely managed through efficiencies: 40% more public service complaints (see Graph 1 2022/23 figure) with only 13% more staff. The scale of these efficiencies is significant. However, continuing caseload pressures cannot simply be absorbed.
- 4.7 Our new Strategic Plan includes a strategic aim to increase accessibility and inclusion in our services. Whilst resources continue to be constrained, this remains an important aim. We will work to improve access to our services by those groups currently under-represented in our service users. We expect that this will result in more enquiries and complaints from these groups.
- 4.8 In our 2020 staff survey 76% of staff considered that workload pressure was reasonable. This fell to 58% in 2022. Similarly, the proportion of staff who considered PSOW to be a good place to work fell from 97% in 2020 to 87% in 2022. The next staff survey will be in 2024, but recent informal feedback from staff suggests that increasing workload pressures are having a substantial impact and are adversely affecting staff perceptions of PSOW as a place to work. In that context, the ongoing increases in caseload are of significant concern.
- 4.9 Our initial 2023/24 Estimate submission included an increase in staff numbers and investment to help us better guide complainants without their having to contact us and to help staff manage high caseloads more effectively. In view of the financial climate and pressures on public spending, the Finance Committee was unable to support the Estimate, so there was no increase in staff numbers.
- 4.10 We remain committed to driving efficiency, embracing innovation and improving our performance. However, without investment and appropriate staffing our scope to address declining staff wellbeing and poorer complainant experience is limited. Whilst the public finance context is understood, the Estimate for 2024/25 necessarily includes modest increases to help address these concerns.

## 5. Cost pressures

- 5.1 Almost all our budget continues to be taken up by fixed or semi-fixed costs – premises costs and IT costs are largely fixed, and staff costs cannot be varied in the short term, other than through redundancies (which would involve additional one-off costs).

### Staff costs

- 5.2 Nearly 80% of our costs are staff costs, so our biggest cost pressures arise from pay awards and employer pension and National Insurance contributions. These are not costs that we can directly control, at least in the short term. As indicated above, staff are contractually entitled to pay awards agreed for local government staff in England, Wales and Northern Ireland by the local government National Employers organisation.

- 5.3 Our Estimate submission assumes a 7.9% national local government pay award for April 2023. We also need to allow for the April 2024 pay award. Assuming that pay awards continue to be below current inflation, we have included provision for a 5% pay award from April 2024. However, if the actual local government pay awards are higher than we have provided for, we may have a further funding shortfall in the current year.

### **Case Management System**

- 5.4 The current contract for our case management system expires at the end of March 2024. We are therefore in the process of a full procurement exercise. Increased funding for case management systems was sought in last year's initial Estimate, though this was unsuccessful. We have therefore agreed to seek tenders based largely on the existing specification. Nonetheless, re-tendered contracts are likely to be more costly than the expiring contracts, especially given the current economic climate of supplier price inflation.

### **Price inflation**

- 5.5 For the current year we anticipated low inflation based on OBR forecasts in July 2022, with a 2% increase in premises costs, a 4% increase in IT costs and negligible inflation on other non-pay costs. (We also allowed more for professional fee costs as hourly rates paid for clinical advice had increased significantly.) In practice, however, we have experienced substantial increases in all costs, including energy costs, supplier contracts and, for IT costs, increases much greater than we had allowed for. Many of our contracts include annual CPI indexation to reflect inflation (in line with good public sector procurement practice), and so costs have increased in line with actual CPI for 2022/23, which was more than 10%. CPI for the current year to date has averaged 8%.
- 5.6 Appendix B shows the incidence of these inflationary pressures which have been assessed line-by-line. Whilst inflation has been above 10%, we have generally worked on the basis of latest CPI for August 2023 (6.7%) but have also included excess inflation for 2023/24. There are significant increases in IT costs, on a like-for-like basis, with particular increases in licence costs and the costs of secure cloud-hosting. Whilst we will continue to seek best value prices from suppliers, cost pressures make further increases likely. We are seeking £235k to help us meet these costs of inflation.

## 6. Efficiencies

### Cost efficiencies

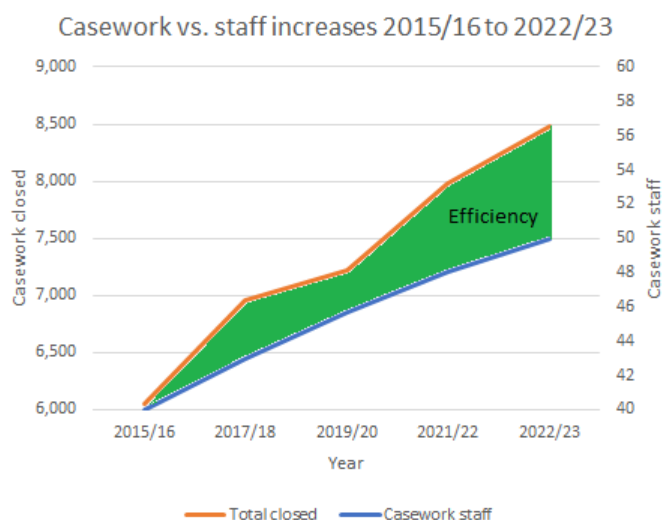
6.1 We have continued to deliver substantial cost efficiencies. We have looked to fund many price inflation pressures for 2024/25 and staff increments over the past 2 years as a result of process improvements and other internal efficiency savings such as:

- Staff efficiencies through reorganisation and staff turnover
- Greater use of staff to present at Code of Conduct hearings, where appropriate, rather than using external lawyers
- IT efficiencies following investment and reduced use of third-party suppliers
- Reducing our operational office area to the ground floor only, bringing savings in heating, lighting, cleaning and other maintenance costs
- Reducing the number of printers/copiers the office now owns.

6.2 In addition to the volume efficiencies below, the Estimate includes cash-saving efficiencies of £34k to cover staff increments and £66k towards investment in additional staff – details below.

### Volume efficiencies – past

6.3 Our enquiries and complaints caseload has increased substantially since 2015/16 as set out above. There has not been a commensurate increase in staff numbers dealing with complaints and enquiries. This demonstrates our commitment to achieving greater efficiency and our track record of doing so. We have successfully worked to increase volume efficiency and manage this growing caseload by ‘doing more with the same’.



This diagram shows **closed** caseload growth and casework staff growth between the years 2015/16 and 2022/23.

This shows the continued growing gap between casework staff and the casework we are dealing with, and the efficiency (cost avoidance) savings we have made as a result.

**Graph 2 – Closed casework vs. staff numbers**

6.4 The increased number of cases handled implies 6 extra members of casework staff. In practice we are seeking funding for one additional casework post, at a cost of approx. £60k including on-costs. This yields an estimated volume efficiency of £300k. Whilst these efficiencies do not generate cash savings, they reflect real efficiencies made.

### ***Volume efficiencies – future***

- 6.5 In 2022/23 we closed 8,475 cases with 50 casework staff, with a unit cost per case of £473. For 2024/25 we anticipate closing 9,323 cases (a 5% increase in each of the next 2 years – we are not anticipating case **closures** to increase in line with the projected increase in cases **received** as we will not have sufficient resources). Using the same unit cost, this would cost an additional £401k. This Estimate proposes only one additional member of casework staff so there is an estimated efficiency saving, albeit not cash-releasing, of £341k.

### ***Update on office accommodation***

- 6.6 During the latter part of 2022/23, we worked to vacate parts of our leased accommodation. The surplus accommodation is currently being marketed with a view to releasing it before the end of the lease. There is currently limited interest, as many organisations are similarly reducing their office accommodation. However, if successful, this could result in some additional upfront costs (dilapidations etc.) but future savings in reduced rent and service charges. This will, in the end, help meet the cost of necessary investment in technology and service improvement. We will report further on this next year.

## **7. Investment in Strategic Priorities**

- 7.1 Our new Strategic Plan sets out four strategic aims. Under the Plan we will be:
1. Delivering justice with a positive impact for people and public services
  2. Increasing accessibility and inclusion
  3. Increasing the impact of our proactive improvement work
  4. Ensuring that we are a healthy, efficient and accountable organisation.
- 7.2 These strategic aims are ambitious and define a new set of priorities for the office. However, the pressures facing the Ombudsman, and indeed wider public services, are not likely to be resolved quickly – there will be continued cost and caseload pressures, as well as increased expectations. These pressures make the four proposed strategic aims even more important.
- 7.3 We remain concerned that some groups across Wales are less likely to be aware of and use our services. These include some who may be particularly reliant on public services, and we are determined to increase our outreach and accessibility work to reach them. Our outreach and communications work, together with the factors set out earlier when discussing caseload pressure, mean that more will be expected of our service and our organisation. No additional investment has been included for increased outreach work as part of our Strategic Plan, so we will aim to do this by prioritising target groups within existing resources.
- 7.4 Recognising that we cannot simply keep working in the same way, last year we sought funding to invest in service improvement. The investment we sought reflected increasing digitisation and was to allow the development of a new website and to commence work on an improved casework management system. The Committee



was unable to support this in full. With the limited available funding, our key priority was the development of a new website. Work to develop this is underway.

- 7.5 We are not seeking funding for investment in improved digital and IT services at this stage, but we are determined to keep our IT services as effective and secure as possible, without loss of functionality as resources are squeezed. The very limited investment we can make inevitably leads to a risk that we will not be able to do what we want to do. If we are to have a lasting positive impact on people, public services and local government in Wales, business as usual is not an option.
- 7.6 Going forward, where we identify areas where we need to invest to achieve our strategic priorities and make a difference, we will look to identify property-related savings that could support some of this investment in the future. In the meantime, we will work to maintain and improve cyber security and efficiency, but we reluctantly accept that investment in significant change will be delayed until such time as these property-related savings can be achieved.
- 7.7 In our original estimate submission for 2023/24, we also requested a small investment in additional staff. The Committee was unable to support this for 2023/24. Mindful of this and the adverse impact of restricting staff numbers on staff wellbeing, service levels and service quality, this Estimate includes funding for two additional staff. The first will lead new data analytics work, using complaints data to better manage caseload through prioritisation, identify systemic and thematic issues arising from casework and to inform opportunities for learning and service improvement. The scope of data analytics, and the available tools, continue to increase, and investment here would help us to better target our interventions. Further details of this work can be found in Appendix E.
- 7.8 The second post will assist with casework. To manage caseloads, we have trialled a new way of working where we start investigations before cases are transferred to our investigation team. This has had some success in consistently focusing our resources on the most significant cases and, although caseloads remain high, in reducing workload pressures in the investigation team. This has also allowed staff to focus on ageing cases. The additional caseworker post would allow us to continue and extend this approach to help reduce ageing cases.
- 7.9 In summary, our Estimate seeks sufficient resources to deliver our core complaints service and to make better use of data. We are seeking investment of £54k to support our work on strategic aims 1 and 3. The remaining £66k required will be met from efficiencies from within our current budgets.

## 8. 2024/25 Estimate

8.1 In preparing this Estimate we have sought to address the Statement of Principles developed by the Senedd Finance Committee for the preparation of annual budget proposals. Appendix D shows these Principles and how they have been addressed in this Estimate submission.

8.2 Changes between the 2023/24 budget and 2024/25 Estimate are summarised below:

	Cash £000	Resource £000
2023/24 budget	5,854	5,963
Pay, price and increment cost pressures	+470	+470
Efficiencies (£34k for increments + £66k towards the investment below)	-100	-100
Investment in staff – caseload and data analytics	+120	+120
IFRS 16 changes	-	-95
<b>2024/25 budget</b>	<b>6,344</b>	<b>6,358</b>

**Table 2: Changes between the 2023/24 budget and the 2024/25 Estimate**

8.3 The Estimate for 2024/25 is shown in more detail in Appendix B and is prepared on an IFRS 16 basis. Unit costs are included in Appendix C.

8.4 Further detail, together with brief narrative for each area of expenditure group, is attached. The table shows the current year's budget, budget pressures, efficiencies and the proposed Estimate for 2024/25.

8.5 The estimate:

- Includes 7.9% estimated pay award for April 2023 and 5% estimated pay award from April 2024.
- Includes no contingency. Since we have no contingency or reserves, any significant unexpected costs (such as pay awards above levels allowed for, or significant legal costs arising, for example, from case-related court cases or judicial review) would result in a Supplementary Budget.
- Reflects cash-saving efficiencies of £100k used to meet the cost of staff increments and contribute to investment in two staff
- Includes two additional staff, one to help develop our use of data and one to make a small increase in casework capacity.

## 9. Consequences of Estimate not being approved

9.1 The Estimate seeks to balance the financial pressures and need for investment on the one hand with an understanding of the challenging state of public finances in Wales. In the main, the increases sought are the result of externally generated pay and price pressures. An investment in two additional staff posts is included to help

manage increasing caseloads and pressures on staff and to increase the impact of our work through the better use of data.

### ***Consequences of £436k 'business as usual' costs not being approved***

#### *Impact on staff*

- 9.2 If the Estimate does not cover pay award inflation, this will result in reductions in staff numbers. If these cannot be achieved through natural turnover of staff, redundancies would be necessary. These would involve significant additional costs as staff are covered by the civil service redundancy scheme. Reductions in staff numbers would result in further deterioration in the level of service we are able to provide.
- 9.3 If we are forced to make redundancies, to achieve the savings required to meet our pay and inflation pressures we would have to lose around 7 members of staff (approx. 10% of our workforce). This would be hugely concerning at a time when demands for our services are the highest they have ever been, the pressures on our staff are the greatest they have ever been, and when the role of the Ombudsman is as important as ever in securing accountability and justice from Welsh public services. Such redundancies would also require the submission of a Supplementary Budget to meet one-off redundancy costs.

#### *Impact on service users*

- 9.4 Any reduction in staff numbers would also have an adverse impact on service levels, resulting in less time to engage with individual complainants and further extended investigation delays. This in turn has an adverse effect on complainants, adding to their concerns. Caseloads already mean that we are not able to conclude our investigations as promptly as we would like, with more complaints taking over 12 months to conclude. We are mindful of the impact that complaints can have on all those involved. Particularly in health complaints, our involvement tends to come at the end of what can be a long complaints journey. Further delays would be a cause of real concern and would increase the distress of complainants.
- 9.5 Going forward we want to continue to assess complaints on their merit and carefully decide whether it is proportionate to fully investigate any complaint. We want to take a proportionate approach and devote our resources to ensure that we remedy injustice in serious cases and where systemic failings may impact on groups of individuals. If the estimate is not approved, these aims will no longer be achievable.
- 9.6 We already ensure that we investigate only serious complaints, but if the Estimate is not approved, we would have to increase further the threshold for intervention ('raise the bar'). As health cases dominate our investigation caseload (80%), this would mean that only very serious health cases, perhaps cases where there are indicators of an avoidable death, would be investigated. As the Committee will be aware, everyone who makes a complaint considers it to be serious and if our Estimate is not approved, we would have more disappointed and dissatisfied complainants. This might also result in some complaints, such as those about local government and housing, receiving less priority.

- 9.7 Considering only the most serious complaints would also run counter to our efforts, and the legislative decisions of the Senedd, to make the Ombudsman's services more accessible, for example through acceptance of oral complaints. In many cases, it is only when we start to investigate a single complaint, that might not appear very serious, that we identify systemic issues that could have very serious consequences for others. The feedback we receive makes us acutely aware of the impact of our work on members of the public. We do not wish to deny complainants the opportunity to have genuine concerns investigated.

*Impact on technology and organisational efficiency*

- 9.8 There is limited scope to cut our non-staff costs – most non-staff budgets are fixed or semi-fixed, with only small savings possible from, for example, a fall in the number of software licence users in the event of reductions in staff numbers.
- 9.9 The imminent re-tendering exercise for a case management system was originally intended to be an opportunity to seek improved functionality and greater efficiency. The budget restrictions in place mean that this is not realistic, but we are hoping to maintain existing functionality in the re-tendered system. If the Estimate is not approved, there is a danger that the affordable case management system could offer much reduced functionality. £58k of the increase sought is the likely increase in costs on re-tendering, based on information from the current supplier and comparisons with alternative providers that tendered previously.
- 9.10 Our work is entirely reliant on technology. We have achieved Cyber Essentials Plus accreditation, and it is vital that we are able to keep our systems and software up to date. This inevitably has a cost, but the consequences of not keeping our systems as secure as possible are potentially huge in terms of the risks of sensitive personal data disclosure, inability to provide a service and the costs of recovering from a cyber incident.

***Consequences of (net) £54k investment in staff not being approved***

*Impact on staff*

- 9.11 Our staff are already experiencing significant pressure and stress affecting wellbeing. The proposal to add one additional caseworker will not solve these problems but will help. If the Estimate is not approved, incidence of lost time through stress are likely to increase. Increased complaints have already put more pressure on our staff, with each member of staff carrying a large and more demanding caseload. Whilst we are working to improve this, current caseloads remain high, and we cannot continue to absorb this additional work without additional resources to recruit more staff.

*Impact on service users*

- 9.12 To help manage competing priorities, use our resources wisely and target our interventions well, good data analytics is key. The benefits are widely recognised across the private and public sectors. The scope of data analytics, and the available tools, continue to increase, but we do not currently have the capacity, expertise or facilities to get the most from available data. If this element of the Estimate is not

approved, the opportunities to use data to identify priorities for our caseload and public service improvement, to help identify and support public service users less likely to complain and to identify areas for Own Initiative or thematic investigations and reports will not be grasped. This would be an opportunity missed.

*Impact on technology and organisational efficiency*

- 9.13 As indicated above (see 3.6) we engaged expert support from Perago Wales to review our processes and help us develop an IT & Digital Strategy. One of the key outcomes was that we should increase and improve our use of data, helping us to target our improvement work, identify patterns and trends and inform our decisions on use of Own Initiative powers. The investment in data analytics will allow us to take forward this vital work.

## Appendix A – Budget Ambit - Public Services Ombudsman for Wales

This Estimate submission has been completed consistently with Standing Orders 18A.2 and 20.23 of the Welsh Parliament dated November 2021.

Ambit	Resources (£000)	Accruing Resources (£000)
Public Services Ombudsman for Wales	6,358	27

<u>Services and Purposes</u>	
Resources other than accruing resources for use by the Public Services Ombudsman for Wales on resource and capital costs associated with the administration of the Ombudsman's office; payments to the British and Irish Ombudsman Association; payments to the International Ombudsman Institute and associated non fiscal items.	<b>£000</b>  <b>6,358</b>

<u>Category of accruing resource</u>	<u>Services and purposes for which income may be retained</u>
Income from commercial sales and other services provided to the public or others.	For use on related services and the administration of the Ombudsman service.
<b>Overall amount of Income (£000)</b>	<b>27</b>

### Resource to cash reconciliation for 2024/25 (£000)

<b>Net Resource Requirement</b>	<b>6,353 *</b>
<b>Net Capital Requirement</b>	<b>5 *</b>
Adjustments:	
Capital Charges	(225)
Impairments	-
Movements in Provisions	-
Profit/Loss on sale of assets	-
Movements in stocks	-
Movements in debtors/creditors	20
Use of Provisions	-
Other	191
<b>Net Cash Requirement for issue from the Welsh Consolidated Fund</b>	<b>6,344</b>

\* £6,353k + £5k capital = £6,358k Total Resource Expenditure in Appendix B

## Appendix B – Estimate 2024/25

All figures in £000s	2023/24	2024/25			
	Budget 2023/24	Pressures / Inflation 2024/25	Investment in Strategic Priorities	Efficiencies	Estimate
Staff salaries and related costs (note 1)	4,725	+235			4,960
Investment in service improvement - staff (note 2)	-		+120		120
Premises and facilities (note 3)	171	+71		(26)	216
Professional fees (note 4)	244	+41		(22)	263
IT costs (note 5)	250	+88		(11)	327
Investment in IT & Digital Strategy (note 6)	47	+3			50
Office costs (note 7)	108	+16		(22)	102
Travel, training and recruitment (note 8)	40	+6		(4)	42
Communications (note 9)	65	+10		(7)	68
<b>Total Revenue Expenditure</b>	<b>5,650</b>				<b>6,148</b>
Total Income (note 10)	(19)			(8)	(27)
<b>Net Revenue Expenditure</b>	<b>5,631</b>	<b>+470</b>	<b>+120</b>	<b>(100)</b>	<b>6,121</b>
Capital Expenditure – DEL (note 11)	5				5
<b>Total Resources Required</b>	<b>5,636</b>	<b>+470</b>	<b>+120</b>	<b>(100)</b>	<b>6,126</b>
Depreciation and amortisation	70				70
Depreciation – leased assets	222			(67)	155
Interest charge – leased assets	7				7
Capital AME – dilapidations	28			(28)	-
<b>Total Resource Expenditure</b>	<b>5,963</b>	<b>+470</b>	<b>+120</b>	<b>(195)</b>	<b>6,358</b>
Depreciation and amortisation	(70)				(70)
Depreciation – leased assets (note 12)	(222)			67	(155)
Interest charge – leased assets (note 12)	(7)				(7)
Capital AME – dilapidations (note 12)	(28)			28	-
Change in working capital (note 13)	198				198
Other non-cash movements	20				20
<b>Cash Requirement from WCF</b>	<b>5,854</b>	<b>+470</b>	<b>+120</b>	<b>(100)</b>	<b>6,344</b>

## Notes

### 1. Salaries and Related Costs

Under our employment contracts, staff salaries are increased annually in accordance with Local Government NJC pay negotiations. The 2023/24 budget figure includes a provision for a 7.9% pay award as outlined in our first Supplementary Budget. For 2024/25 the table shows pressures of £235k (estimated 5% pay award from April 2024 and staff increments). Overall change +£235k.

Note that pay awards for April 2023 and April 2024 are not yet settled so figures are estimates. Higher pay awards would be contained within existing resources where possible but would be likely to require the submission of a Supplementary Budget. The Committee has previously indicated its preference for this method of Estimate construction, rather than the inclusion of a contingency to cover any potentially higher pay settlement.

The cost of staff increments (£34k) will be met through efficiencies in other budgets (see below).

### 2. Investment in staff

The Estimate includes two new posts – one data analyst to draw valuable information from the data we hold about the complaints we receive, together with complaints data collected from public bodies. This will inform thematic reports and own initiative investigations but will also help us identify priorities for improvement work with public bodies. The other additional post is an additional Investigation Officer to assist with ongoing increases in caseload.

### 3. Premises

This major item of expenditure is the lease and running costs of our premises at Bocam Park. The rent was subject to a rent review in August 2020. Since our last Estimate submission, we have reduced the amount of office space in active use, and the surplus office accommodation is currently advertised, with a view to sub-letting or early surrender. There is currently very limited interest, but we will continue to market the vacated space.

There are inflationary cost pressures on our premises budgets, including rates, energy and maintenance costs (+£38k). We will seek to meet £26k of these cost pressures through efficiencies. Additional resource expenditure is also required as a result of VAT now being excluded from our IFRS 16 figures (in line with revised HM Treasury guidance, +£33k), though this has no effect on cash. Overall change +£45k.

### 4. Professional Fees

Inflationary pressures have increased the costs of professional fees by (+£41k). This includes the Audit Wales external audit fee which has increased the cost of our external



audit by 10%. We will seek to make efficiencies in our use of professional services to offset this in part (-£22k). Overall change +£19k.

## 5. IT - Computer Systems and IT Support

We have a number of contractually committed IT contract price increases. In 2023/24 we allowed for a 4% inflationary increase, but actual increases for the year are higher (+£11k). We will contain this above expected increase in-year through efficiencies. There is a further £77k of cost pressures for 2024/25 – these relate to the inflationary increases of our committed IT contracts (£19k) and the costs associated with the necessary re-tendering for a case management system, using current levels of functionality as the basis (£58k).

## 6. Investment in IT & Digital Strategy

Our revised estimate for 2023/24 included £47k for service improvement. With inflation this increases to £50k for 2024/25. We are using this to invest in an improved website, recognising the different needs of those who access the website. The new website is intended to help potential complainants to see what complaints we can and cannot handle. For 2024/25 we propose to use this budget to invest in our IT & Digital Strategy and help implement the findings of our recent digital and service improvement work undertaken with Perago Wales.

## 7. Office Costs

Office costs are subject to inflationary cost pressures of £16k. We will seek to meet these through efficiency savings. We are now occupying only our ground floor offices and we anticipate making further efficiency savings of 65k as a result.

## 8. Travel, Training and Recruitment

Travel costs have increased by more than allowed for in the 2023/24 budget (+£3k) and offsetting savings are being made through increased use of online facilities for training and meetings. For 2024/25 we anticipate an increase in travel costs of £3k, reflecting the 6% national increase in rail fares. The majority of our long-distance travel is undertaken by train. Whilst costs have increased, we will look to reduce the amount of travel.

## 9. Communications

Our new Strategic Plan requires considerable outreach and communications work. Inflationary communications cost increases have exceeded (+£6k) the amount allowed for in the 2034/24 budgets. These are being met through efficiencies. A further cost increase of £4k is forecast for 2024/25. We will manage this budget carefully and make use of low and no-cost options wherever possible.

## 10. Income

The Estimate includes ongoing income from a staff secondment to the Ombudsman Association and the provision of payroll services to the Future Generations Commissioner. Our contract with the Ombudsman Association was renewed from September 2023. This has resulted in a small increase in income.

## 11. Capital

The small annual capital allowance of £5k is maintained.

## 12. IFRS 16

The 2023/24 Estimate included VAT in asset valuations. However, in the last 12 months revised guidance from HM Treasury has indicated that VAT should be excluded. We have therefore revalued our 'right of use' asset which has resulted in savings of £67k from the revised annual depreciation figures.

We have also decided not to increase our dilapidation provision in 2024/25 following an independent review undertaken in 2022/23. This results in a saving of £28k. Overall change -£95k.

## 13. Working Capital

This is the accounting adjustment needed to offset the depreciation created by IFRS 16 and provide the appropriate cash requirement from the Welsh Consolidated Fund.

## Appendix C – Unit costs

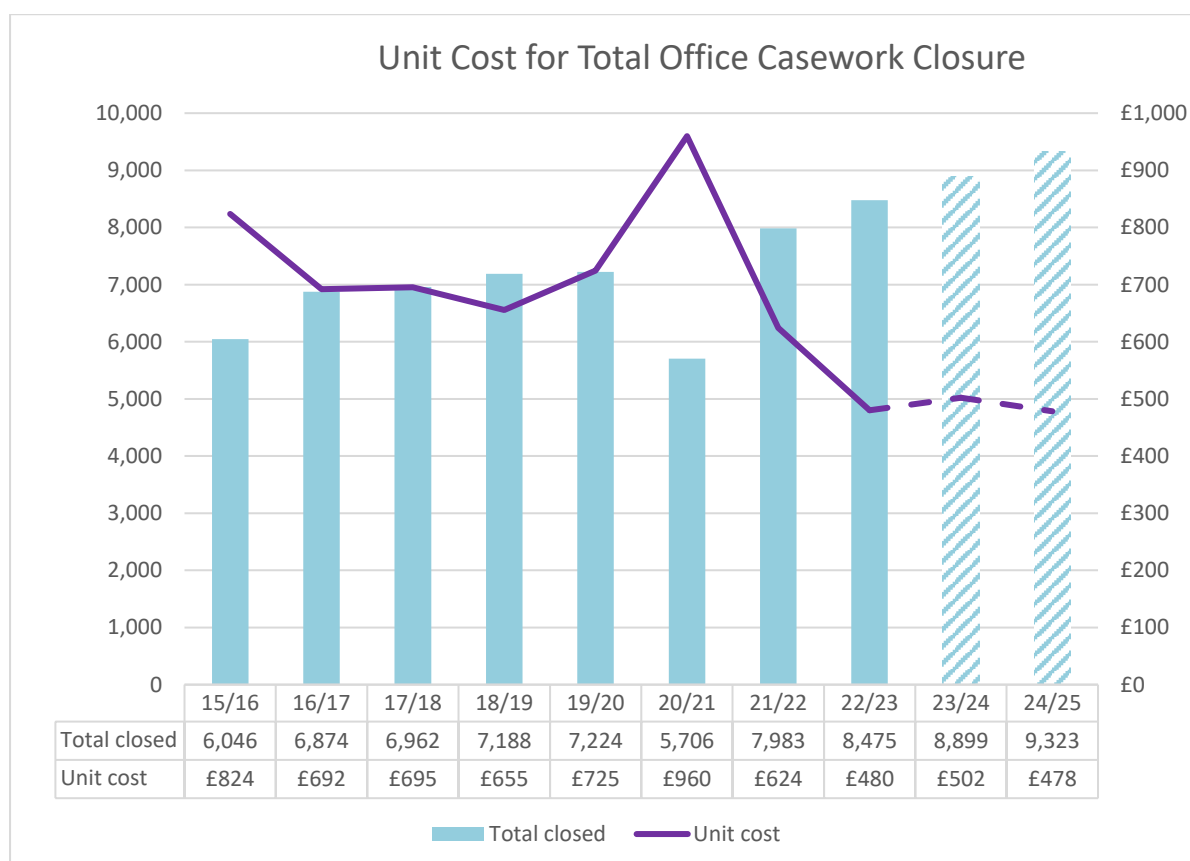
We continue to present unit costs calculated for our main activity – receiving, considering, investigating and responding to enquiries and complaints. This is our activity under Strategic Aim 1, and we use the audited figures for Operating Costs by Strategic Aim, presented within the accounts. We expect our new Strategic Aim 1 to account for around 70% of our expenditure, and the main costs here are direct staff costs, costs of our case management system, costs of professional advice and an allocation of overheads such as premises and office costs.

The graphs below show firstly unit cost for the full enquiry **and** complaints work **completed** (closed) in the year and secondly for complaints cases only, **completed** (closed) in the year. Projections for the current year and next year are included for completeness. As indicated in 6.5 above, if cases increase at the rate anticipated we will continue to seek efficiencies but, in the light of ongoing resource constraint, do not anticipate being able to increase the number of cases **closed** in line with the increase in cases **received**.

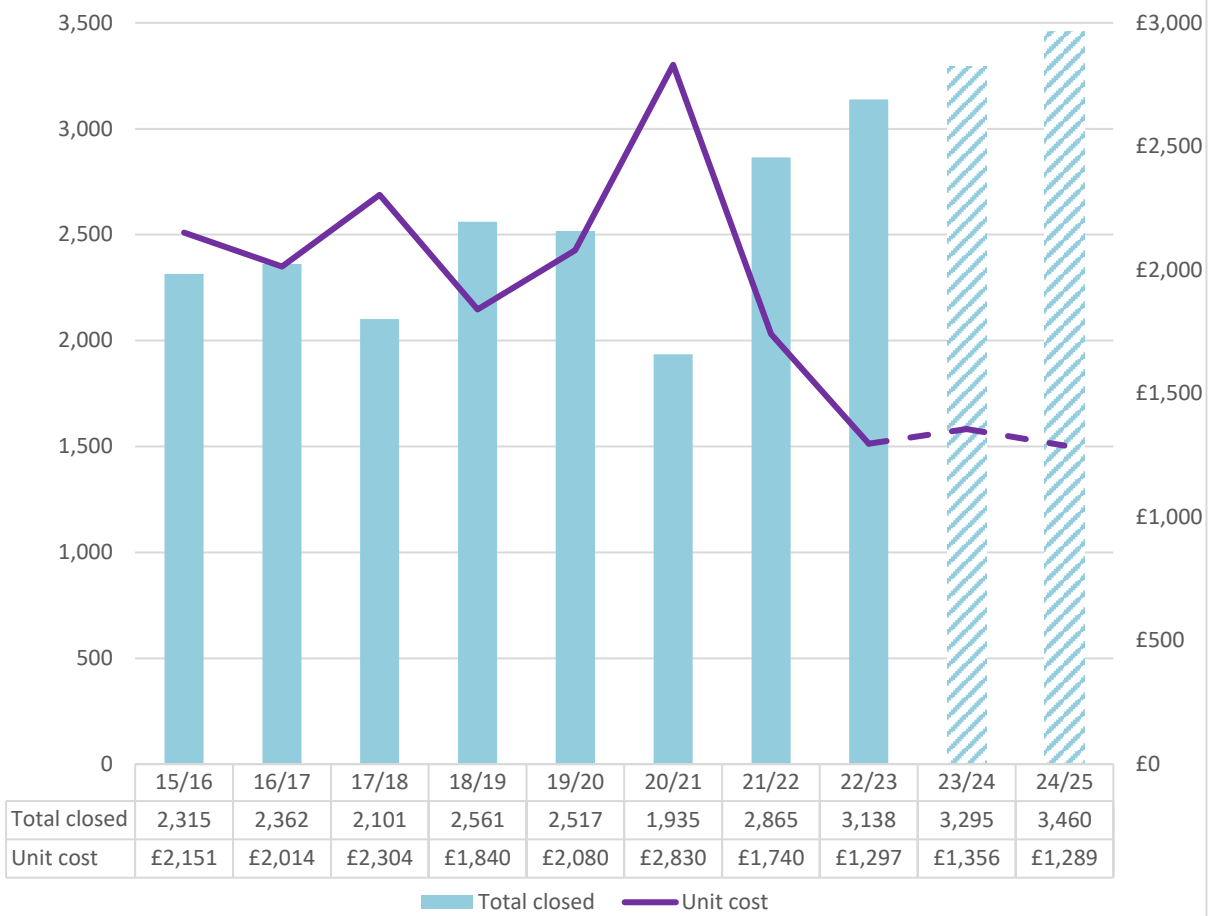
### Real terms

All cost figures here have been adjusted to 2025 prices to allow meaningful comparison.

We have used the actual rates of CPI inflation for 2015/16 to 2022/23. For 2023/24 we have used CPI inflation as of July 2023, and for 2024/25 we have assumed that inflation will fall back to a rate of 4.5%.

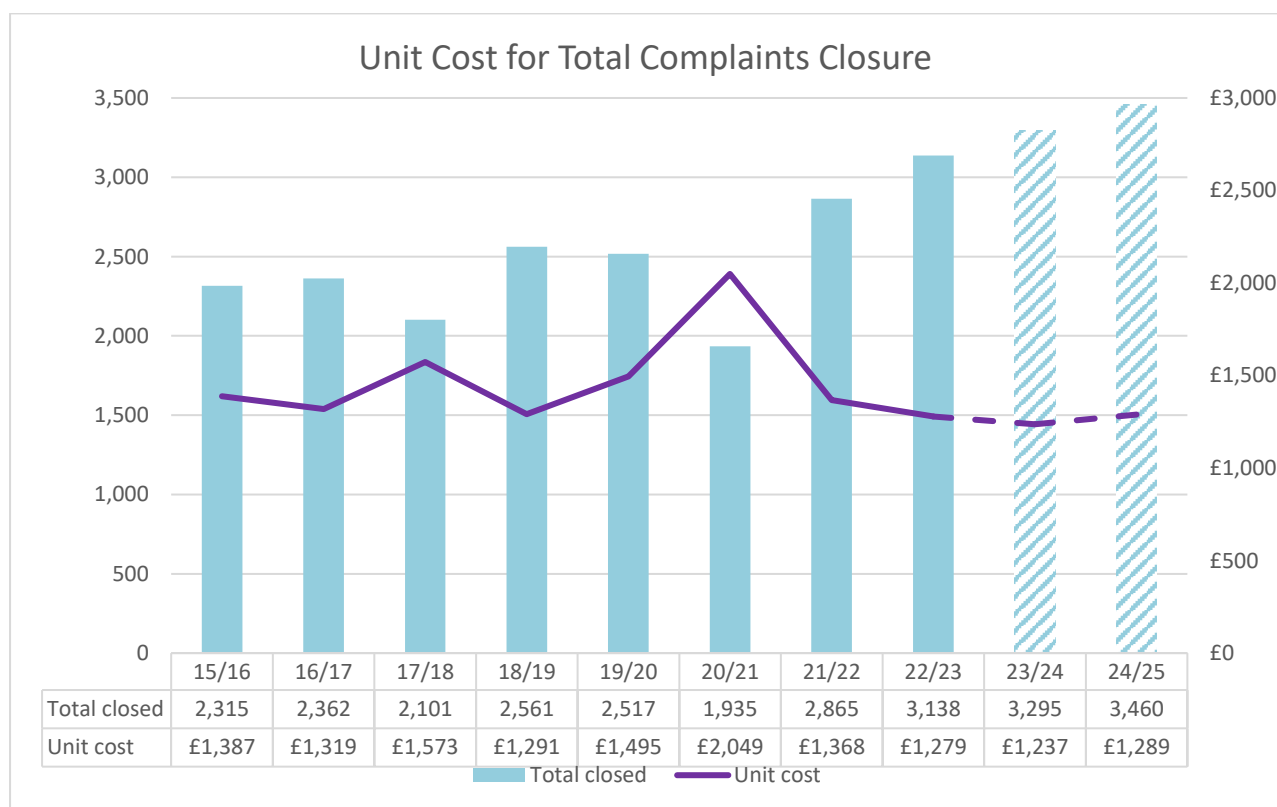
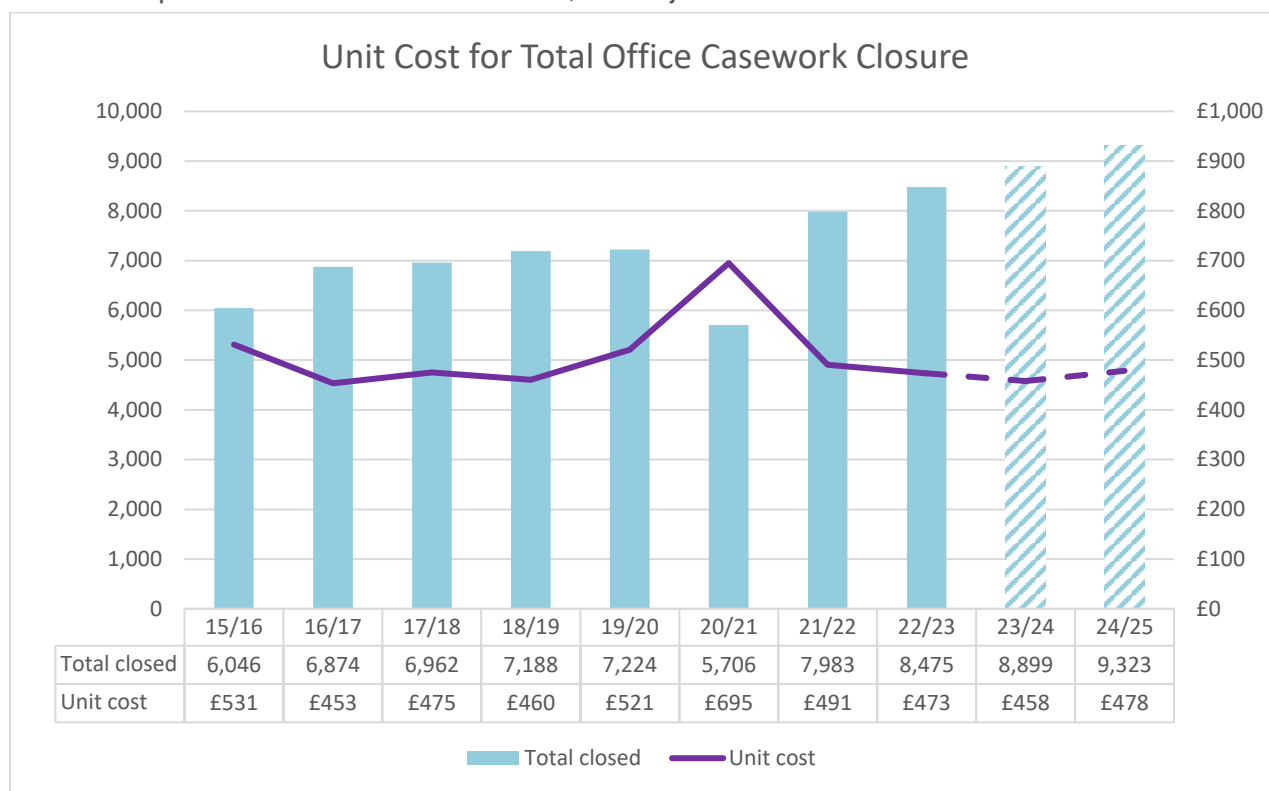


### Unit Cost for Total Complaints Closure



## Cash terms

The Finance Committee has previously requested unit cost figures expressed in cash terms. These are presented here for completeness. All cost figures here are the actual costs as reported in the Annual Accounts, not adjusted for inflation.



## Appendix D – Principles that Directly Funded Bodies should consider when preparing their annual budget proposals

The Finance Committee of the Senedd has developed a Statement of Principles that Directly Funded Bodies should consider when preparing their budget proposals. This Appendix sets out the key principles and shows how they are addressed in the Estimate submission:

Principle	Comment
<ul style="list-style-type: none"> <li>The Finance Committee believes budget estimates should be transparent, prudent and reflect the financial constraints in the public sector.</li> </ul>	<ul style="list-style-type: none"> <li>The Estimate is set out in a transparent way and seeks to be prudent in recognising significant pressures facing the office (sections 4 and 5) and our ambitions (section 7). These ambitions include continued productivity and cost efficiencies (section 6) and better access to our services for all.</li> </ul>
<ul style="list-style-type: none"> <li>Budget requests should be set in the context of the long-term financial funding situation in Wales and funding pressures in the wider public sector.</li> </ul>	<ul style="list-style-type: none"> <li>The Estimate reflects the financial constraints in the public sector, and includes investment in improvement (section 7), resources to meet unavoidable pressures (sections 4 and 5) and significant cost-saving efficiencies (£100k and volume efficiencies – section 6).</li> </ul>
<ul style="list-style-type: none"> <li>Requests should show how annual and multi-annual objectives will be prioritised, monitored and achieved.</li> </ul>	<ul style="list-style-type: none"> <li>The Estimate is intended to support the multi-year aims set out in the Strategic Plan 2023-2026. This sets out our proposed priorities. We will report annually, in our Annual Report &amp; Accounts, on progress in line with our revised Strategic Plan.</li> </ul>
<ul style="list-style-type: none"> <li>Bodies should not assume an increase in funding, regardless of the block grant change as any increase to their funding reduces resources available to other devolved public bodies.</li> </ul>	<ul style="list-style-type: none"> <li>No assumptions have been made about block grant changes. The Estimate reflects workload pressures (section 4), unavoidable cost pressures (section 5), productivity and cost efficiencies (section 6) and investment priorities (section 7).</li> </ul>
<ul style="list-style-type: none"> <li>Bodies should continually seek to improve processes and accrue efficiencies.</li> </ul>	<ul style="list-style-type: none"> <li>The Estimate shows (section 6) efficiencies by completing more work since 2015/16 within the resources we have. The Estimate also shows specific efficiencies to be achieved in 2024/25.</li> </ul>
<ul style="list-style-type: none"> <li>Where any increases in funding are requested, these should be backed by evidence both of the need, benefit and attempts that have been made to reduce such costs. Also, the consequences of not obtaining the requested increase in resource should be made clear and quantified.</li> </ul>	<ul style="list-style-type: none"> <li>The Estimate and the Strategic Plan set out the drivers that influence budget needs, together with the investment sought.</li> <li>Section 9 shows the consequences of the Estimate not being supported.</li> </ul>

## Appendix E – Data analytics

The estimate seeks funding for one data analytics post. This Appendix sets out the rationale for including this additional post.

The Ombudsman holds data on all enquiries and complaints we receive. We also, under our complaints standards powers, collect data from public bodies on the complaints they receive and consider. There is also data in the public domain on public service performance. Whilst we already undertake analysis of the data we hold (including analysis reported in our Annual Report), our analysis is limited and does not involve multiple data sets.

Data analytics would take our data analysis to a higher level and increase our ability to analyse raw data to draw robust conclusions. This would help optimise performance, identify inefficiencies and provide insight to inform strategic decisions. Data analytics uses spreadsheets (which we currently use) but also extends to data visualisation, more powerful reporting tools and enhanced manipulation of data and multiple data sets.

By increasing our capacity and our expertise in data analytics we can gain a much better understanding of patterns and changes over time, of underlying causes of service failure and maladministration, identifying future trends and targeting our work and our interventions so they have greatest effect.

In particular, greater use of data analytics will help us:

- Prioritise our caseload to ensure we are focussing on the most serious complaints and, where feasible, bringing complaints together to form wider investigations;
- Identify trends and patterns that could inform the subjects of our systemic and thematic reports and to better target the recommendations we make in them;
- Identify recurring themes in lower-level complaints that could help us with appropriate and targeted improvement work with specific public bodies; and
- Guide our decisions on the appropriate focus for our Own Initiative investigations where they can have greatest impact, particularly in areas where people are less likely to complain.

A data analyst would give the organisation the capacity and expertise to be able to make best use of the data we hold but would also be able to explore the scope to work with other public bodies and regulators to use multiple datasets to achieve greater insight.

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# Agenda Item 4

By virtue of paragraph(s) ix of Standing Order 17.42

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# Agenda Item 8

By virtue of paragraph(s) vi of Standing Order 17.42

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