

Scrutiny of the Public Services Ombudsman for Wales's Estimate for 2019-2020

November 2018



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Finance Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

Tel: **0300 200 6565**
Email: **SeneddFinance@assembly.wales**
Twitter: **@SeneddFinance**

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Scrutiny of the Assembly Commission's Draft Budget 2019-20

November 2018



About the Committee

The Committee was established on 22 June 2016. Its remit can be found at:
www.assembly.wales/SeneddFinance

Committee Chair:



Llyr Gruffydd AM
Plaid Cymru
North Wales

Current Committee membership:



Neil Hamilton AM
UKIP Wales
Mid and West Wales



Mike Hedges AM
Welsh Labour
Swansea East



Jane Hutt AM
Welsh Labour
Vale of Glamorgan



Rhun ap Iorwerth AM
Plaid Cymru
Ynys Mon



Nick Ramsay AM
Welsh Conservatives
Monmouth



David Rees AM
Welsh Labour
Aberavon

The following Member was also a member of the Committee during this inquiry:



Steffan Lewis AM
Plaid Cymru
South Wales East

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1. Scrutinising the Public Services Ombudsman for Wales's Estimate

1. The Public Services Ombudsman for Wales (the Ombudsman) produces an Estimate (the Estimate) for each financial year in accordance with the Public Services Ombudsman (Wales) Act 2005¹, as amended by the Government of Wales Act 2006². The Estimate is required to set out the resources required for the Ombudsman to carry out his statutory functions, with the exception of the Ombudsman's own salary (and associated costs) which are directly charged on the Welsh Consolidated Fund.³

2. Standing Order 20.23 sets out that:

“The Ombudsman must submit the estimate of income and expenses required under paragraph 15 of Schedule 1 to the Public Services Ombudsman (Wales) Act 2005 to the responsible committee as soon as practicable but in any event no later than 1 November in each financial year.”⁴

3. The Committee is responsible for reporting on this Estimate. Standing Order 20.24 sets out:

“The responsible committee must consider and lay before the Assembly, no later than 22 November, the estimate, with any modifications which the Committee, having consulted and taken into account any representations made by the Ombudsman, considers appropriate.”⁵

4. The Ombudsman submitted an initial Estimate for 2019-20⁶ to the Finance Committee (the Committee) on 26 September 2018. The Committee considered this initial Estimate on 11 October 2018 and took evidence from:

- Nick Bennett, Public Services Ombudsman for Wales;

¹ **Public Services Ombudsman (Wales) Act 2005**

² **Government of Wales Act 2006**

³ **Public Services Ombudsman (Wales) Act 2005** (Schedule 1, paragraph 9(6))

⁴ Standing Orders of the National Assembly for Wales, **SO 20.23**, October 2018

⁵ Standing Orders of the National Assembly for Wales, **SO 20.24**, October 2018

⁶ Finance Committee, **FIN(5)-22-18 P1: Public Services Ombudsman for Wales Estimate for the Financial Year 2019-20**, 11 October 2018

- Chris Vinestock, Chief Operating Officer and Director of Investigations;
and
- David Meaden, Financial Accountant.

5. Following this evidence session the Committee asked the Ombudsman to review his initial Estimate, specifically in relation to the inclusion of possible costs relating to the Public Services Ombudsman (Wales) Bill (chapter 2) and with a view to reducing the requested funding from 3.82% to 1.67% (chapter 3). Correspondence in relation to the Estimate can be accessed on the Committee's webpage.

6. Subsequently, on 30 October the Ombudsman resubmitted his Estimate for 2019-20 and this is attached at Annex 1 to this report.

2. The Public Services Ombudsman (Wales) Bill

7. In October 2017, this Committee introduced into the Assembly the **Public Services Ombudsman (Wales) Bill** (the Bill). The Bill is currently passing through the Assembly and is currently at stage 2.

8. The Ombudsman's Estimate 2018-19 set out costs of £340,000 associated with the new powers contained in the Bill, these costs were in line with the estimate for the first year following enactment as set out in the **Explanatory Memorandum** prepared by the Committee to accompany the Bill. The 2018-19 Estimate noted that costs relating to the Bill were not part of the formal submission, however, the 2018-19 Estimate stated:

“In view of the additional powers included in the draft Public Services Ombudsman (Wales) Bill, the Annex shows, as well as the submission for the 2018/19 financial year, an indication of the full year budget requirement once the legislation is in place. This is for completeness and does not imply any assumption that the legislation will proceed in its current form or at all. The costs included in the final column include the costs of staff and associated office and IT costs arising from the additional powers to consider oral complaints, to undertake own initiative investigations and introduce a complaints standards function. (No costs are included in respect of the proposed limited extension of powers to investigate health complaints that include an element of private health treatment. It is expected that these can be absorbed within the existing resources available to the office.)”⁷

9. The initial Estimate 2019-20 sets out the funding required for the Ombudsman to discharge his duties under the 2005 Act. However, the initial estimate did not set out an estimate of costs should the Bill proceed. The initial estimate states:

“... during 2017/18 we saw welcome progress on stage 1 of the proposed new legislation governing my work. I was delighted to see the Plenary meeting of the National Assembly vote 47/1 in favour of the principles of the Public Services Ombudsman (Wales) Bill and I hope that further progress can be made during the year ahead. ...If new legislation, governing the work of the Ombudsman, is introduced the costs

⁷ Finance Committee, **FIN(5)24-17 Pl: Public Services Ombudsman for Wales Estimate for the Financial Year 2018-19**, 11 October 2017

associated with new powers would be included in a Supplementary Budget submission, as they are not included in this formal budget submission.”⁸

10. The Ombudsman was asked why potential costs relating to the Bill were not included in the initial Estimate, the Ombudsman said:

“The reason why I haven’t put full figures in for next year is because I don’t want to predetermine things, and I don’t know when the powers will be passed by the Senedd, or when, during the year, they will come into force. So, I think it’s better for us to submit a supplementary budget when it’s clear to us whether we’re talking about a budget for half of next year, or, perhaps, three quarters or the full year.”⁹

11. Following the evidence session the Committee wrote¹⁰ to the Ombudsman detailing the Committee’s belief that costs in relation to the Bill should be included in the Estimate. The Committee firmly believe that where there is a known possibility of a supplementary budget, to ensure openness and transparency, Members would expect an estimation of costs to be included.

12. The Ombudsman initially responded to the Committee’s request, saying that as he hadn’t received advice on the likely date for Royal Assent he was not confident that the new powers would be available to his office for a full year¹¹. However, in a further letter to the Committee¹², the Ombudsman revised his Estimate to include potential costs which maybe brought forward as a supplementary budget should the Bill receive Royal Assent.

13. The revised Estimate was submitted detailing possible costs in relation to the Bill, and stated:

“The estimated costs of new powers reflect those in the Explanatory Memorandum. The figures are at April 2017 prices. If new powers are approved, the value of any Supplementary Budget submission will

⁸ Finance Committee, **FIN(5)-22-18 P1: Public Services Ombudsman for Wales Estimate for the Financial Year 2019-20**, 11 October 2018

⁹ Finance Committee, **RoP [para 125]**, 11 October 2018

¹⁰ **Letter from the Temporary Chair to the Public Services Ombudsman for Wales**, 17 October 2018

¹¹ **Letter from the Public Services Ombudsman for Wales to the Chair**, 24 October 2018

¹² **Letter from the Public Services Ombudsman for Wales to the Chair**, 30 October 2018

reflect current pay and prices and the timing of the commencement of new powers.”¹³

Committee view

14. The Committee believes it is clear that, should the Bill proceed, the costs arising from the new powers would fall on the Ombudsman in the year to which this Estimate relates, 2019-20, as such it is clear that the likely costs should have been included in the initial Estimate.

15. As the Ombudsman included likely costs in the 2018-19 Estimate it is surprising that the Ombudsman chose not to include costs in the initial 2019-20 Estimate.

16. Furthermore, the Bill, is a Committee Bill, being proposed by the Finance Committee. In considering this Estimate we need to ensure that all financial information is included where possible to ensure the utmost transparency and financial good practice.

Conclusion 1. The Committee notes the information provided in the Estimate 2019-20 regarding the likely costs which will form the basis of a supplementary budget should the Public Service Ombudsman (Wales) Bill receive Royal Assent, and notes that these costs will need to be uplifted to reflect current pay and prices.

¹³ Revised Public Services Ombudsman for Wales Estimate for the Financial Year 2019-20, Annex 1

3. The Ombudsman's overall estimate for 2019-20

Overall changes to the Ombudsman's estimate for 2019-20

18. The initial Estimate 2019-20 submitted to the Committee looked for an increase of £171,000 in Total Managed Expenditure (TME) from £4,480,000 in 2018-19 to £4,651,000 in 2019-20: an increase of 3.8%. The corresponding increase in the Ombudsman's budget for 2018-19 when compared with the prior year was £232,000 or 5.5%. However, in terms of the net cash requirement, the Ombudsman was initially seeking £4,591,000 for 2019-20, which is £181,000 more than the corresponding sum for 2018-19.

19. The initial Estimate details that "the increase in resources sought (3.8%) is lower than the 3.9% change in the Welsh Block (TME)".

20. The Ombudsman was asked how he calculated the change in the Welsh Block, the Ombudsman's Financial Accountant told the Committee:

"We don't base those figures on the estimate of what the block is going to change. We always calculate it in arrears, so we compare the annual budget motion, for example, in 2018-19, with the annual budget motion of 2017-18, and we've consistently done that over the last 10 years. So, in the last two years, the block moved from £17.3 billion to £18 billion of total managed expenditure, which is where we get the 3.9 per cent. So, we consistently use the December budget motion change of what's actually happened, rather than estimate or guess what the block is going to change. We don't have any access to know what's going to happen to the block next year."¹⁴

Changes in caseload and differential costs for elements of the caseload

21. In the [report on the scrutiny of the Ombudsman's Estimate 2018-19](#), the Committee said:

"Given the pressures on funds for public services, the Committee recommends that the Ombudsman demonstrates clearly the reasons for any related requests in future for additional resources, including the

¹⁴ Finance Committee, [RoP \[para 132\]](#), 11 October 2018

differential cost of elements of his caseload and the related financial pressures.”¹⁵

22. The Ombudsman’s initial Estimate 2019-20 explains the increase in resources sought, stating that the Ombudsman is seeking to “prioritise funding for staff to help manage” his growing caseload, which he assumes will grow between 5% and 12% in 2019-20.¹⁶

23. Consistent with the approach taken in previous years, the Ombudsman’s Estimate sets out information in respect of the trends in his caseload and the reduction in the unit cost for his office, which reflects all elements of his work (enquiries, public body complaints and Code of Conduct complaints). The Ombudsman’s Chief Operating Officer and Director of Investigations explained:

“... the budget submission isn’t simply a mathematical exercise ...what we do is look at the projection of workload and the impact of that on our resources and, in particular, on our staff and on our IT systems. So, the budget reflects what we think are the staffing resources that we need to manage that workload, which does increase every year, but that increase does fluctuate ...The estimate reflects our best estimate.”¹⁷

24. In terms of the cost of the different elements of the Ombudsman’s workload, the Chief Operating Officer and Director of Investigations explained:

“... what we have done is look at the different types of cases, the balance of enquiries to complaints, the types of complaints that we are typically getting, and the balance of health complaints compared with local government complaints, and tried to come up with a view based on the differential time that is involved in each of those types of cases and, consequently, the difference in costs of dealing with them.”¹⁸

25. Noting that there were different ways to look at costs, no two cases were the same and emphasising the need to “keep it proportional”, the Chief Operating Officer and Director of Investigations also provided some headlines in terms of unit costs:

¹⁵ National Assembly for Wales, [CR-LD11272](#), Scrutiny of Public Services Ombudsman for Wales’s Estimate for 2018-19, 16 November 2017

¹⁶ Finance Committee, [FIN\(5\)-22-18 P1: Public Services Ombudsman for Wales Estimate for the Financial Year 2019-20](#), 11 October 2018

¹⁷ Finance Committee, [RoP \[para 137-138\]](#), 11 October 2018

¹⁸ Finance Committee, [RoP \[para 144\]](#), 11 October 2018

“... dealing with an enquiry will typically cost about £114 in terms of unit costs; with complaints, it depends on the type, but typically a complaint will cost £1,600, but that obviously varies a lot from one that is dealt with very quickly, which would be below £1,600, to a long and complex health complaint with professional advice and a full report in the public interest, which might be up to maybe £13,000 or £14,000. So, there is a range. We've done quite a lot of work to try and analyse those costs. They inform the budget submission, but it isn't simply a mathematical calculation of health complaints multiplied by £14,000 or £9,000 equals—. It is based on an assessment of how that case load can be accommodated within our office and what implications that has for our staffing and resources.”¹⁹

26. In his revised Estimate 2019-20, the Ombudsman has restricted the increase in TME (before taking account of the costs of new powers set out in the Bill) to 1.67%: an increase of £75,000 (from £4,480,000 in 2018-19 to £4,555,000 in 2019-20). The Ombudsman states that this is “substantially below the increase in the Welsh Block”²⁰ and “would result in a reduction in the proportion of the Welsh Block budget allocated to the Ombudsman's services”²¹. The Ombudsman also sought a corresponding increase in the net cash requirement excluding the costs of new powers in the Bill: £4,485,000 for 2019-20, which is £75,000 more than the corresponding sum for 2018-19, £4,410,000.

27. The Ombudsman notes the revised Estimate 2019-20 “should be viewed in the context of significant pay and price inflation pressures, and ongoing growth in caseload, particularly in more complex complaints, of 8% to 12% per annum”. He states:

“In determining whether or not to investigate a complaint, the extent of maladministration and the level of personal injustice and factors that are considered. As a result of funding pressures and continued growth in caseload, it may be necessary to ‘raise the bar’ so that only complaints with more significant levels of maladministration or service failure and more significant levels of personal injustice are taken forward. The office will seek to manage caseload in this way to avoid creating a growing backlog of cases.”²²

¹⁹ Finance Committee, **RoP [para 147]**, 11 October 2018

²⁰ Revised Public Services Ombudsman for Wales Estimate for the Financial Year 2019-20, Annex 1

²¹ Revised Public Services Ombudsman for Wales Estimate for the Financial Year 2019-20, Annex 1

²² Revised Public Services Ombudsman for Wales Estimate for the Financial Year 2019-20, Annex 1

Committee view

28. While the Ombudsman notes the assumption on which he prepared his initial and revised Estimate 2019-20, he does not provide information to explain the link between the increase in caseload and budget or to differentiate between the costs for the respective elements of his workload.

29. While acknowledging that preparing the budget submission is not a mathematical calculation based on the unit cost, the Committee believe it is important that the Estimate clearly demonstrates the reasons for requests for resources, including the differential cost of elements of his caseload and the different types of complaint.

Conclusion 2. In considering the initial Estimate it was apparent that the Ombudsman has been basing his calculations for his budgets on the previous financial year's block grant. The Committee is surprised by this approach, but also recognises there are difficulties in estimating the block grant for the upcoming financial year. However, the Committee also believes the directly funded bodies should, be aware of the constraints on public sector finances, and not assume an increase in funding, regardless of the block grant change. The Committee notes the detail in the revised "Public Services Ombudsman for Wales: Estimate 2019-20" and considers the Estimate acceptable. Subject to the comments and recommendations in this report, the Committee supports the overall request for resource.

Conclusion 3. The Committee acknowledges the Ombudsman's representations in respect of the Committee's request to reduce his Estimate and the impact this may have on his office. Additionally, the Committee recognises that linking the funding of directly funded bodies to the Welsh Block Grant is problematic, particularly in light of devolved taxes, the fiscal framework and how fiscal devolution impacts on the Block Grant. As such the Committee will further consider if this is still an appropriate means of aligning the directly funded bodies' budgets.

Recommendation 1. Given the continued austerity in public sector finances and the pressure on public services, the Committee recommends that the Ombudsman focusses his resources on his statutory functions and more specifically, on considering and investigating complaints.

Recommendation 2. The Committee recommends that, in presenting his future Estimates, the Ombudsman explain clearly the basis for the resources sought, linking the budget submission to his strategic plan and objectives. It

should set out and quantify the changes on the previous year, as well as explain the rationale where the resources sought, and the analysis of the total across headings, remain unchanged.

4. Staffing

30. The Ombudsman's estimate initially sought £3.4 million for staff costs for 2019-20, compared to £2.9 million incurred by his office in 2017-18; an increase of £0.5 million. The Ombudsman's Financial Accountant explained that this increase:

“... probably represents something like eight staff more, 2 per cent pay awards in each year, pension increases and increments. For example, the pay award and increment effect in this estimate would be something like £80,000.”²³

31. The Ombudsman's budget for 2018-19 for salaries and related costs reflected an increase of £173,000 on the prior year. In scrutinising the Ombudsman's Estimate for 2018-19, the Committee noted that around half of this increase (£86,000) had been requested to cover maternity costs.²⁴

32. The Ombudsman was asked about the expected increase in staff costs for 2019-20. The Ombudsman's Financial Accountant told the Committee that other staff would be taking maternity/adoption leave in 2019-20 so “at least half of that will continue” but that some services, such as Welsh language translation, had been brought in-house, therefore the cost would now be incurred as staff rather than other costs.²⁵

Improvement officers and new post of Learning and Development Officer

33. In 2015-16 the Ombudsman noted the introduction of the role of “improvement officers”. In his Annual Report and Accounts 2017-18, the Ombudsman notes that - whilst the main element of the role remains the investigation of complaints - their “improvement role includes stakeholder engagement with certain bodies in jurisdiction as well as subject leads for areas which continue to affect quality public services”.²⁶

²³ Finance Committee, **RoP [para 166]**, 11 October 2018

²⁴ National Assembly for Wales, **CR-LD11272**, Scrutiny of Public Services Ombudsman for Wales's Estimate for 2018-19, 16 November 2017

²⁵ Finance Committee, **RoP [para 173-177]**, 11 October 2018

²⁶ National Assembly for Wales, **AGR-LD11676**, Public Services Ombudsman For Wales - Annual Accounts and Report for the year ended 31 March 2018, 17 July 2018

34. During scrutiny of the Estimate 2018-19, the Committee asked the Ombudsman about the impact of improvement officers and how they are driving improvement. He said:

“It’s early days, and what I hope our improvement and investigation officers can do is assist in a better culture of complaint handling and responsiveness from what I call some of our best customers—so, those bodies, perhaps five or six of them, that in the past have accounted for perhaps 25 or 30 per cent of the overall universe of complaints that I receive.”²⁷

35. In its report on the Ombudsman’s Estimate 2018-19, the Committee welcomed the progress made by the introduction of improvement officers, which has led to specific improvements in complaint handling cultures within some organisations and a reduction in the number of complaints.²⁸

36. In the Estimate the Ombudsman states the improvement work has been undertaken by a small number of investigation staff who were spending 15 to 20 per cent of their time on improvement work but an increase in complex complaints has made it difficult to sustain planned level of improvement work.²⁹ The initial Estimate states the Ombudsman’s intention to appoint a Learning and Improvement Officer and included provision to fund this new post.³⁰

37. In evidence the Ombudsman explained the role of improvement officers, specifically those who worked with health boards:

“Their role is one day a week. What we’ve got is a cadre of improvement officers, the most experienced investigators that we have. Most of their jobs are still about investigating complaints, and our role is still very much about investigating complaints about public services, and we’re very clear about that.

I think there’s a lot more learning that could happen in the health boards across Wales, so their role is to really try and develop that culture of better complaint handling in those health boards through ensuring that the health boards, their staff, understand what good

²⁷ Finance Committee, **RoP [para 32]**, 11 October 2017

²⁸ National Assembly for Wales, **CR-LD11272**, Scrutiny of Public Services Ombudsman for Wales’s Estimate for 2018-19, 16 November 2017

²⁹ Revised Public Services Ombudsman for Wales Estimate for the Financial Year 2019-20, Annex 1

³⁰ Finance Committee, **FIN(5)-22-18 P1: Public Services Ombudsman for Wales Estimate for the Financial Year 2019-20**, 11 October 2018

complaint handling looks like, the way in which front-line staff should be empowered to deal with complaints effectively and soon, the way in which boards and leaders of health boards should be looking at complaints...So, I think it's really important that we see that there is adequate accountability and attention given to complaints, and due prominence within the different corporate cultures of those health boards as well.”³¹

38. The Ombudsman explained the proposal to create the role of a Learning and Development Officer:

“... our proposal is to have a full-time learning and development officer to really ratchet up our activity in this area. I think that that could provide a number of benefits, not least, given that we're analysing our health complaints so much more now—. Twenty-five per cent of the health complaints that we receive are about complaint handling, which I find very, very surprising. Less than 5 per cent are about surgery. Less than 10 per cent are about waiting times. ... And I think, for a very modest investment, we could do a lot more to reduce not just the complaints coming to us but to improve the experience of taxpayers and health service users across Wales.”³²

39. In considering the case for a Learning and Development Officer the Committee considered the Public Services Ombudsman (Wales) Bill, a policy intent of which is to drive improvement in public services and in complaint-handling. The Regulatory Impact Assessment, included in the Explanatory Memorandum, set out the financial implications of the Bill. This includes the cost of additional staff for both own initiative investigations and the proposal that the Ombudsman has power to undertake a role in relation to complaints handling standards and procedures. As noted in the Explanatory Memorandum, these powers will drive improvement in public services.

40. Following the Committee's request that the Ombudsman reduce his requested budget increase, the Ombudsman resubmitted his Estimate. The revised Estimate 2019-20 did not propose the appointment of a Learning and Development Officer and further noted:

“In the context of understandable pressure to limit the PSOW budget, it will not be possible to extend improvement work to additional bodies

³¹ Finance Committee, **RoP [para 189-190]**, 11 October 2018

³² Finance Committee, **RoP [para 191]**, 11 October 2018

(as previously recommended by the Finance Committee). Indeed, this improvement work will be scaled back, but will seek to focus on key organisations of concern.”³³

Pensions

41. Some of the Ombudsman's staff are in the Local Government Pension Scheme (LGPS), which is administered by Cardiff Council and for which a deficit had been identified since 2010-11. The initial Estimate 2019-20 noted that the Ombudsman had eliminated the deficit at the end of March 2017 and £292,000 had been returned to the Welsh Consolidated Fund during 2017-2018. During scrutiny of his Estimate 2018-19, the Ombudsman told the Committee they had moved into a low or no-risk fund within the LGPS, with its share of pension assets fully invested in Government bonds. The Ombudsman's Financial Accountant told the Committee:

“the actuary has made a statement in writing to say that he does not believe that a deficit will ever arise in the future. I guess there are no guarantees, but he has actually said that based on the decisions we've made. I think it was important to say, 'This has happened. There was a £1.6 million deficit a few years ago. How can we stop that happening again?' And we feel we've done just about everything we can to eliminate that risk.”³⁴

42. In his revised Estimate 2019-20, the Ombudsman notes that the actuarial valuation of the Fund at the end of March 2018 was £1.5 million. However, he reports that the Government Actuary's Department was currently undertaking a valuation of the Civil Service Pension Scheme of which some of his other staff are members. The results would determine the employer contributions that his office will pay to the scheme from 1 April 2019. The Ombudsman reports:

“It is possible that that the PSOW's contributions could increase from an average of 21% to an average of 28%. This increase could result in PSOW paying additional contributions of around £180k. This increase is not reflected in the figures contained within this budget document.

We will review the implications of an increase to the employer contributions once the increase is known with certainty. If this increase cannot be accommodated within the 2019-20 budget, a

³³ Revised Public Services Ombudsman for Wales Estimate for the Financial Year 2019-20, Annex 1

³⁴ Finance Committee, **RoP [para 144]**, 11 October 2017

supplementary budget will be considered during the 2019-20 financial year.”³⁵

Committee view

- 43.** The Committee is disappointed that the Ombudsman’s staffing costs are expected to increase in the coming financial year, following the re-assurance that last year’s increase was due to a specific circumstance. In 2018-19 the increase was to cover a specific set of circumstances and was not a recurrent cost to the Ombudsman’s office in carrying out his statutory functions, yet the Committee notes that the majority of the staffing increase for 2019-20 is for recurrent costs.
- 44.** The Committee considers that the Ombudsman should provide greater transparency in his budget submission. The Committee would welcome greater detail in respect of the resources sought, including explanations for changes. These should be quantified and differentiated between increases that are sought on a recurrent and non-recurrent basis.
- 45.** The Committee acknowledges that the Ombudsman does not wish to pre-determine the passage of the Bill. However, it is not clear how the proposal for a learning and development officer fits with the provisions in the Bill for additional staff required should the Bill proceed through the Assembly. As such, the Committee is pleased that the Ombudsman’s revised Estimate has resulted in this proposal not progressing at this stage.
- 46.** The Committee recognises that the possibility of a supplementary budget in relation to pension changes in the next financial year are due to factors beyond the Ombudsman’s control, and appreciates the inclusion of this information in the revised Estimate.
- 47.** The Committee notes that the issue in relation to pension changes was also raised in the budget submissions for 2019-20 from the Assembly Commission and the Wales Audit Office. These bodies also raised the possibility of a supplementary budget arising from forthcoming changes to HM Treasury accounting rules. This will require operating leases to be recognised as assets in the Statement of Financial Position and subject to depreciation, in order to increase transparency regarding an organisation’s committed liabilities. This change is likely to take effect from the start of the 2019-20 financial year.

³⁵ Revised Public Services Ombudsman for Wales Estimate for the Financial Year 2019-20, Annex 1

Recommendation 3. The Committee recommends the Ombudsman provide an update regarding the impact of the change to HM Treasury rules in respect of leases on the Estimate 2019-20.

Recommendation 4. A policy intent of the Public Services Ombudsman (Wales) Bill as drafted is to drive improvement in public services, As such, the Committee recommends that the Ombudsman reflects on his proposal to appoint a Learning and Development Officer in light of the operation of the new powers should the Bill be passed by the Assembly.

Recommendation 5. The Committee recommends that, in presenting his future Estimates, the Ombudsman quantifies the impact of proposed changes to his staffing, such as the cost of new members of staff or those to be recruited to cover absences for maternity or adoption leave and pay settlements. This should set out whether the related resources are being sought on a recurrent or non-recurrent basis. Where costs are likely to continue beyond the year for which the budget submission is made, this should be made clear and the impact on future estimates quantified.

5. Technology

48. In the Estimate for 2018-19, the allocation for “Computer systems and support” increased from £191,000 in 2017-18 to £225,000 in 2018-19. The Estimate for 2018-19 explained that the £225,000 included extra funding to manage the transition of suppliers or processes and estimated increased costs for systems and support. It also included £25,000 to bring the planned expenditure on IT to around 5% of resource budgets.

49. Following scrutiny of the 2018-19 Estimate the Committee recommended that the Ombudsman produces an ICT programme for between 3-5 years to demonstrate the intended use of resources for ICT for 2018-19 and in future years is integrated in the strategic planning for his office.³⁶

50. The initial Estimate for 2019-20 analyses the revenue budget over different headings. These include a line for IT for which the budget for 2019-20 is £225,000: an increase of £69,000 from 2018-19, £156,000.

51. The Estimate also notes:

“Key Information and Communication Technology contracts were re-tendered during 2017-18 and a new website is now in place. Following tendering for a case management system, work is scheduled for completion by 31 March 2019 to provide an improved case management system, which supports paper-light working and supports valuable analysis of data on complaints. The IT systems architecture has recently been reviewed and this will be updated to provide greater stability and to future-proof our systems. In addition, new infrastructure will address current concerns about recovery time following an event that affects business continuity.”³⁷

52. The Ombudsman confirmed that the Committee’s previous recommendation to produce a 3-5 year ICT plan had been implemented³⁸, and he expanded on the investment in ICT, he said:

“We can see the value in joint working when it comes to things like governance, so joint working and training when it comes to ensuring

³⁶ National Assembly for Wales, [CR-LD11272](#), Scrutiny of Public Services Ombudsman for Wales’s Estimate for 2018-19, 16 November 2017

³⁷ Revised Public Services Ombudsman for Wales Estimate for the Financial Year 2019-20, Annex 1

³⁸ Finance Committee, [RoP \[para 223\]](#), 11 October 2018

that the right type of audit and risk arrangements are available when it comes to cyber security. Fundamentally, with our expenditure here, though, I have to say we are not looking for efficiencies in that way. What I'm looking for is a cyber security level that means there are no payments requested from anywhere in bitcoin and also no fines that emanate from the Information Commissioner given GDPR and other developments there, so it's safety first rather than looking for further savings."³⁹

53. The Ombudsman was asked to expand on how the investment would mitigate data security risks,

"What we've done is we've changed our IT support arrangements; ... we are in the process of implementing a complete change to our infrastructure that tries to boost that security to reflect the risk profile, to try and make our systems as robust against cyber security issues as they can be. ... there's a lot of emphasis on making sure there are robust firewalls and filters and access controls."⁴⁰

54. In his revised Estimate, the Ombudsman revised the amount sought for IT, excluding the cost relating to the Bill, to £180,000 (from £225,000 in the initial Estimate). He outlined:

"In line with the Finance Committee's recommendation last year, a five-year Information Technology plan has been prepared. This will be revised to reflect reduced expenditure. However, this will be managed to minimise impact, by reprogramming improvement and replacement of aging equipment, whilst seeking to maintain strong security and resilience arrangements."⁴¹

Committee view

55. The Committee is pleased that the Ombudsman is continuing to invest in the ICT infrastructure but recognises that the request to reduce his planned expenditure has resulted in the Ombudsman seeking less resource for ICT in 2019-20. The Committee notes and welcomes confirmation from the Ombudsman that this has not resulted in changes to the plans to maintain security and resilience arrangements.

³⁹ Finance Committee, **RoP [para 225]**, 11 October 2018

⁴⁰ Finance Committee, **RoP [para 228]**, 11 October 2018

⁴¹ Revised Public Services Ombudsman for Wales Estimate for the Financial Year 2019-20, Annex 1

Annex A: Estimate for the Financial Year 2019/20



Estimate for the Financial Year 2019/20

INNOVATION ρ IMPROVEMENT ρ INFLUENCE

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Ombudsman's Review of the Year



Despite a challenging complaints context, I am delighted to be able to report positive progress in the activities of the office over the past year, with specific reference to our three-year strategic themes of innovation, improvement and influence, in what will be the final year of this corporate plan.

In terms of *innovation* the office made further progress on data analysis, data security and cyber security and has invested substantial resources in renewing and future-proofing our casework management system and developing a new website and intranet.

Our recently established Sounding Boards bedded down this year, providing valuable insight from both healthcare provider and service user perspectives, and we established a local government sounding board which met for the first time.

The volume of health complaints coming to the office continues to be a concern. This year, whilst we've seen a welcome 2% reduction in the total number of complaints, complaints about health boards increased by 11%. The number of local government complaints fell by 10% for a further year.

The performance of most of the bodies that my *improvement* officers have been working with gives me some reason to be cheerful. I was delighted to see reductions against the overall health trend for Betsi Cadwaladr, Hywel Dda and Cwm Taf. I am, however, concerned at substantial increases in complaint volumes for both Abertawe Bro Morgannwg and Aneurin Bevan, and I and my staff will be focussing additional attention on these areas.

Continued pressure on the office as a result of increased numbers of health complaints has been an issue of real strain, resulting in a 11% reduction in the number of cases closed during the past year. Health complaints are generally more complex and there is often a need for

clinical advice, sometimes from multiple advisers, which inevitably extends the investigation process.

However, it was also pleasing to see that the overall number of cases of maladministration and service failure has reduced, with 56% of investigated complaints upheld, compared to 61% in 2016/17. Furthermore, only one improvement body, Hywel Dda Health Board, saw an increase in upheld complaints.

Early resolution and voluntary settlement continue to play an important part in providing administrative justice, now accounting for 63% of positive outcomes for complainants.

The variance in Health Board performance in complaint handling continues to give concern and therefore my office organised a special seminar in June 2017 to share good practice in health service complaints handling and investigation, and a further seminar for all public services in the spring of 2018. At the latter event, I was very pleased to see further progress on Out of Hours services with the Rapid Response for Acute Illness Learning Set (RRAILS) project improving out of hours services in Health Boards across Wales, partly in response to my office's thematic report on the subject.

I published four public interest reports in the course of the year, all health-related and two of which were in relation to Betsi Cadwaladr University Health Board.

In order to meet the needs of the people of Wales, my office can only function effectively by getting the best out of the talented people in its employ. During 2017/18 further developments were made to a new staff performance review and development process, with further investment in training including increased HR support, management training and coaching.

I am particularly pleased with the work conducted on developing our internal values:

- Achievement – doing the best we can
- Togetherness – showing respect and collaborating for success
- Positivity – enthusiasm and pride about who we are and what we do
- Supportiveness – being there for each other and appreciating diversity
- Ownership – taking responsibility for everything we do
- Willingness – a keen and flexible can-do approach

In terms of our *influence* and collaboration with other bodies inside and outside Wales, I was delighted to host visits to the office from the Basque Ombudsman, the Local Government and Social Care Ombudsman for England and the Legal Ombudsman. I attended a workshop on own initiative investigations, hosted by the Dutch Ombudsman, in the Hague, and I also spoke at a seminar to promote peace and understanding between Georgia and Abkhazia in the Basque Country, an event supported by the Council of Europe.

I met with NHS and local government Chief Executives, monitoring officers and corporate complaints officers. In October I visited and addressed Flintshire Standards Committee and

Cymdeithas y Feddygon (Welsh Speaking Doctors Society). In terms of broader stakeholder engagement, I was delighted that PSOW had a stand at the Urdd Eisteddfod in Pencoed and also a presence at the National Eisteddfod in my native Anglesey.

During the course of the year I met with Assembly Members from across the political spectrum and also gave evidence to the Equality, Local Government and Communities Committee and the Finance Committee of the National Assembly for Wales.

Having been elected to both the European and World Boards of the International Ombudsman Institute (IOI) I was also honoured to be elected Chair of the Ombudsman Association (OA) in May 2017.

Finally, during 2017/18 we saw welcome progress on stage 1 of the proposed new legislation governing my work. I was delighted to see the Plenary meeting of the National Assembly vote 47/1 in favour of the principles of the Public Services Ombudsman (Wales) Bill and I hope that further progress can be made during the year ahead. The combination of the challenging complaints context, experience of improvement activities and the possibility of additional legislative power will inform our strategic focus for the year ahead. The next corporate plan is likely to result in:

1. A concentration of improvement resources on bodies facing the greatest complaints challenges
2. A thematic specialisation of investigations to ensure that the office can continue to deal with high health volumes whilst not losing know how and efficiency in other areas
3. A continued focus on good practice and compliance

Introduction to this estimates submission

I submit this budget estimate as required by paragraph 15 of Schedule 1 of the Public Services Ombudsman (Wales) Act 2005, as amended by the Government of Wales Act 2006. It sets out the resources required from the Welsh Consolidated Fund to carry out my statutory functions apart from my salary, National Insurance and pension costs, which are a separate direct charge on the Welsh Consolidated Fund and do not, therefore, form part of this estimate. However, they are reported in my Annual Accounts in order to ensure that they reflect the total running costs of the office.

This is the second submission of the Public Services Ombudsman for Wales's (PSOW) estimates to the Fifth Assembly. The Finance Committee is responsible for considering this estimates submission. The Equality, Local Government and Communities Committee is responsible for considering the work of the office. The PSOW also appears before the Public Accounts Committee to discuss the Annual Accounts as and when required by that Committee. The information provided in this paper relates particularly to those matters within the remit of the Finance Committee.

The Public Services Ombudsman (Wales) Act 2005 establishes the office of the Ombudsman as a 'corporation sole'. The Ombudsman is accountable to the National Assembly for Wales, both through the mechanism of the annual report, and as Accounting Officer for the public funds with which the National Assembly entrusts the Ombudsman to undertake his functions.

The net resource expenditure sought for 2019/20 is £4,555k with a net cash requirement of £4,485k. These figures would provide a resource increase of 1.67%, which is lower than the proposed 5.8% change in the Welsh Block and would result in a reduction in the proportion of the Welsh Block budget allocated to the Ombudsman's services.

The submission reflects staff pay awards and other inflationary pressures, although the annual local government pension scheme deficit payment is no longer required.

If new legislation, governing the work of the Ombudsman, is approved the costs associated with new powers would be included in a Supplementary Budget submission.

The timing of Royal Assent and commencement of new powers will determine the value of any Supplementary Budget submission. For completeness the costs associated with new powers are shown in the Annex for information only. The costs of new powers are shown as they appear in the Explanatory Memorandum for the Bill. They are for a full year and at April 2017 pay prices.

The role of the Public Services Ombudsman for Wales

As Ombudsman, I have two specific roles. The first is to consider complaints about public service providers in Wales; the second role is to consider complaints that members of local authorities have broken the Code of Conduct. I am independent of all government bodies and the service that I provide is free of charge.

Complaints about public service providers

Under the PSOW Act 2005, I consider complaints about bodies which, generally, are those that provide public services where responsibility for their provision has been devolved to Wales. The types of bodies I can look into include:

- local government (both county and community councils);
- the National Health Service (including GPs and dentists);
- registered social landlords (housing associations);
- the Welsh Government, together with its sponsored bodies; and
- privately arranged or funded social care and palliative care services.

When considering complaints, I look to see whether people have been treated unfairly or inconsiderately, or have received a bad service through some fault on the part of the service provider. Attention will also be given to whether the service provider has acted in accordance with the law and its own policies. If a complaint is upheld I will recommend appropriate redress. When recommending redress, where possible, I will aim to put the complainant (or the person who has suffered the injustice) back to the position they would have been in if the problem had not occurred. Furthermore, if from the investigation I see evidence of a systemic weakness, recommendations will be made with the aim of reducing the likelihood of others being similarly affected in future.

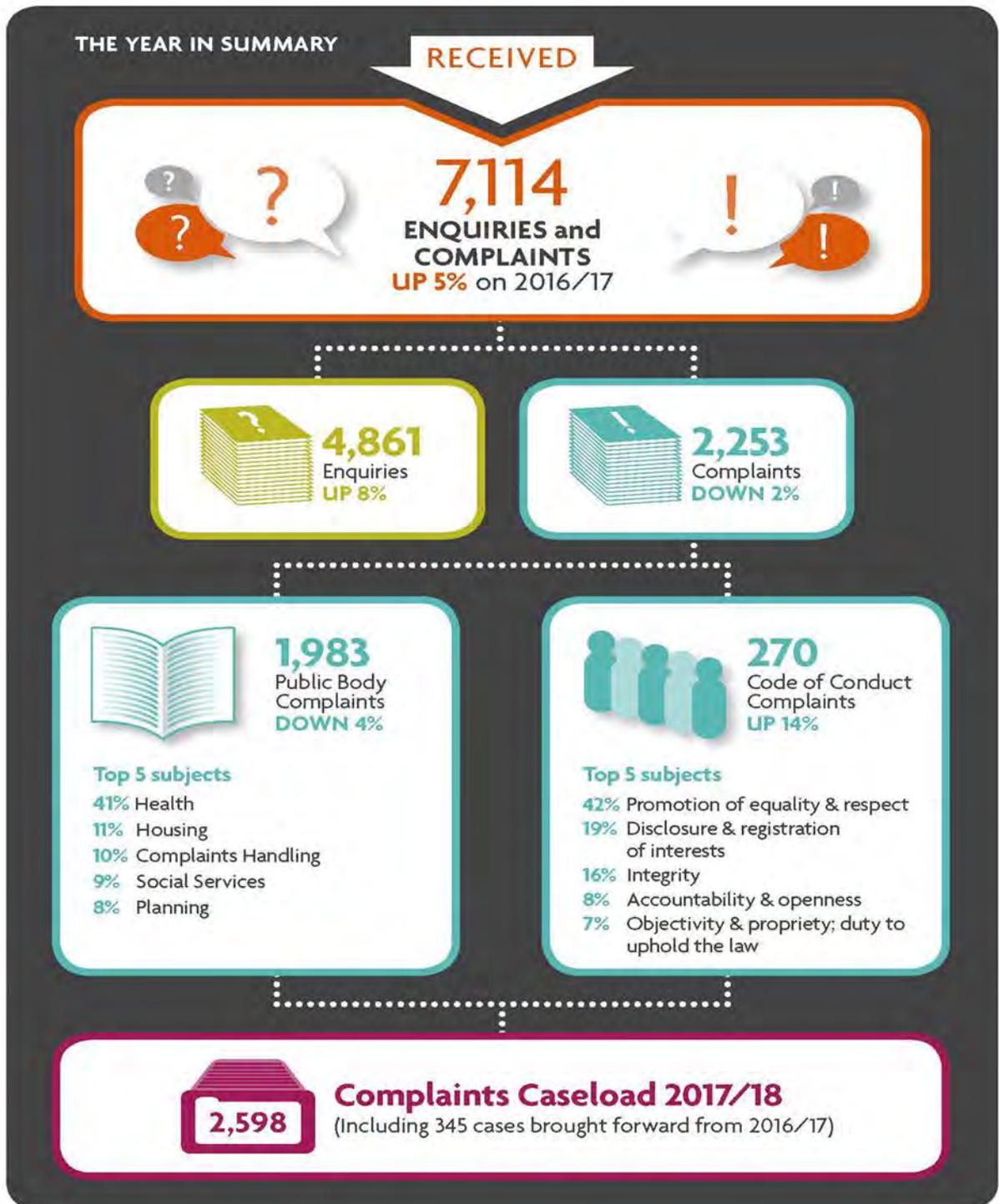
My Complaints Advice Team also provides an independent and impartial telephone and web-based signposting service. It offers advice to members of the public on how to complain about a public service and signposts their complaint to the organisation that provides the service that they wish to complain about, or to the appropriate independent complaint handler or ombudsman.

Code of Conduct Complaints

Under the provisions of Part III of the Local Government Act 2000 and relevant Orders made by the National Assembly for Wales under that Act, I consider complaints that members of local authorities have breached their authorities' Codes of Conduct. I can consider complaints about the behaviour of members of:

- county and county borough councils
- community councils
- fire authorities
- national park authorities and
- police and crime panels.

The Complaints Service 2017/18





Complaints Caseload 2017/18

(Including 345 cases brought forward from 2016/17)

CLOSED

2,101

COMPLAINTS

DOWN 11% on 2016/17



1,854

Public Body
Complaints
DOWN 12%



247

Code of Conduct
Complaints
0%

497 detailed
consideration/
investigation
DOWN 9%



30 investigated
DOWN 32%



405 Resolution or Upheld
DOWN 12%

Of these:

- 54% Health
- 13% Complaint Handling
- 10% Social Services
- 5% Housing
- 5% Planning

13 Evidence of Breach
DOWN 41%

Of these:

- 47% Promotion of equality & respect
- 30% Integrity
- 23% Disclosure & registration of interests

Corporate Governance

The constitutional position of a corporation sole means that responsibility and accountability for the activities carried out by my office must remain with me, as Ombudsman.

Whilst bearing in mind the constitutional position of a corporation sole, I have established an Advisory Panel which provides both challenge and support to me as Ombudsman. There is also an Audit & Risk Assurance Committee, a sub-committee of the Panel, which provides particular support to me in relation to my responsibilities as Accounting Officer. The work of both these for over the past year has been addressed in greater detail as part of the Governance Statement within my Annual Accounts for 2017-18, which were published in July 2018.

Key risks identified were:

Risk horizon	Risk affects:	Risk management and mitigation:	Residual risk:
Core function	Ability to manage large and complex caseload effectively	Recruiting staff to maintain full staff establishment. Review and improve internal processes Close management of performance and caseload. Training and support for staff.	In view of growth in health complaints, increased complexity of cases and increased challenge from bodies complained about the residual risk is considered RED (serious)
Data Security	Security of personal data	Information security policy and training for staff. Password restriction of documents and encryption of data. Regular reminders and sharing of lessons from any data loss.	The number of letters, emails and documents handled by my office makes this a significant risk. Human error can occur even with robust control measures in place. The residual risk is considered RED (serious)
Data Security	System security – physical and cyber security	Robust, documented and audited IT controls, password controls, back up arrangements, external IT support, penetration testing, regular software updates.	IT security is a high priority with controls in place, but the risk of cyber security attacks remains real for everyone and for all organisations. The residual risk is considered RED (serious)

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.

Financial Performance

The arrangements for financial management and internal control have been independently reviewed by Deloitte as the PSOW's internal auditors. Their Internal Audit Annual Report in respect of the year 2017/18 stated: "Based on the work we have undertaken during the year we are able to conclude that the Public Services Ombudsman for Wales (PSOW) has a basically sound system of internal control, which should provide substantial assurance regarding the achievement of PSOW's objectives." Their reports highlighted the satisfactory internal control framework in place within the organisation and made recommendations for improvement where necessary.

The Auditor General gave the annual accounts for the year 2017/18 an unqualified audit opinion in keeping with previous years.

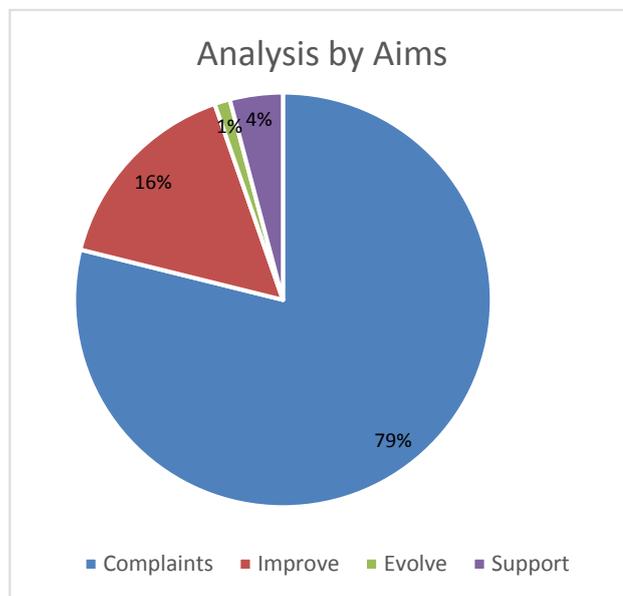
The PSOW has worked on the principle that the overheads of the office should be less than 5% of the total expenditure. This has always been achieved since the office was established under the Public Services Ombudsman (Wales) Act 2005 and is a principle that was derived from good practice within the public sector. This is evidenced in the analysis of expenditure on the aims and objectives of my Strategic Plan, as set out in the Annual Accounts, where overheads are identified as 5% of total costs.

Aim 1: To provide a **complaints** service that is of the highest quality, proportionate and effective.

Aim 2: To use the knowledge and insight, obtained from the complaints we consider, to **improve** complaint handling by public service providers and to have an impact on improving public service delivery and informing public policy.

Aim 3: To continue to **evolve** and grow as an office, specifically planning for implementation of the Ombudsman's new powers should the National Assembly for Wales approve a new Public Services Ombudsman (Wales) Act.

Aim 4: To be accountable for the service and **support** we provide and the public money we spend.



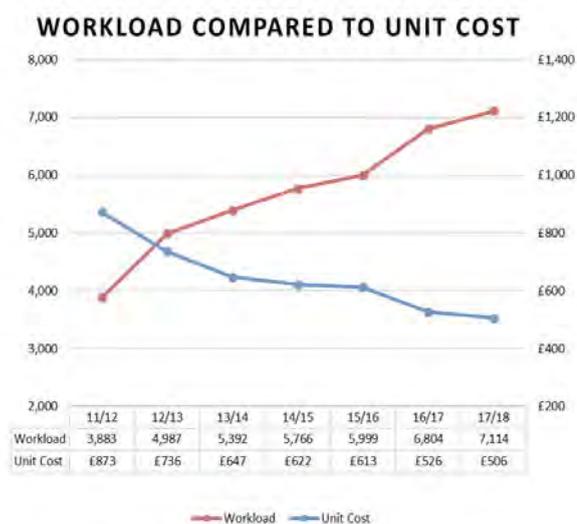
Efficiency and Effectiveness

The PSOW has previously reported to the Finance Committee on the concerted effort made to provide a more efficient and effective service at the early stages of the complaints handling process, together with streamlining the investigation stage. These arrangements have continued to be crucial in the context of dealing with the ever-increasing caseload.

	11-12	12-13	13-14	14-15	15-16	16-17	17-18	Change
Enquiries	1,866	2,906	3,234	3,470	3,731	4,512	4861	+161%
Public Body Complaints	1,605	1,790	1,932	2,065	1,992	2,056	1983	+24%
Code of Conduct Complaints	412	291	226	231	276	236	270	-35%
Total Workload	3,883	4,987	5,392	5,766	5,999	6,804	7,114	+83%
Expenditure (£000s) ¹	£3,389	£3,672	£3,488	£3,585	£3,677	£3,580	£3,599	-6%
Unit Cost	£873	£736	£647	£622	£613	£526	£506	-42%

Over the period 2011/12 to 2017/18 workload increased by 83% whilst the unit cost reduced by 42%.

Enquiries caseload +160%
 Complaints:
 Code of Conduct caseload -35%
 Public Body caseload +24%



¹ Adjusted for inflation

PSOW Vision, Mission, Strategic Aims

The office is currently working to the Vision, Mission and Strategic Aims set out in the Three-Year Strategic Plan 2016-17 to 2018-19. As we near the end of that period, work is underway to develop a new strategic plan for 2019-20 onwards, with input from our Sounding Boards, public bodies and the PSOW Advisory Panel, followed by an open consultation.

The current vision is:

A public service culture that values complaints and learns from them to improve public service delivery.

The current mission is:

By considering complaints, to put things right for service users and contribute to improved public service delivery and standards in public life.

The current strategic aims are:

1. To provide a complaints service that is of the highest quality, proportionate and effective.
2. To use the knowledge and insight obtained from the complaints we consider to improve complaint handling by public services providers and to have an impact in improving public service delivery and informing public policy.
3. To continue to evolve and grow as an office, specifically planning for implementation of the Ombudsman's new powers should the National Assembly for Wales create a new Public Services Ombudsman (Wales) Act.
4. To be accountable for the service we provide and the public money we spend.

Budget Submission

In view of the public sector funding squeeze, the estimates submission seeks an increase of 1.67%, substantially below the increase in the Welsh Block. This should be viewed in the context of significant pay and price inflation pressures, and ongoing growth in caseload, particularly in more complex complaints, of 8% to 12% per annum.

Enquiries and complaints increased by 5% in 2017-18. Complaints have increased by 12% in the first six months of 2018-19 (compared with the equivalent period in 2017-18). Complaints about health boards, GPs and dentists continue at levels similar to those in 2017-18. Such complaints are generally complex and time-consuming, making it difficult to manage the overall caseload as quickly as I would wish.

In determining whether or not to investigate a complaint, the extent of maladministration and the level of personal injustice and factors that are considered. As a result of funding pressures and continued growth in caseload, it may be necessary to 'raise the bar' so that only complaints with more significant levels of maladministration or service failure and more significant levels of personal injustice are taken forward. The office will seek to manage caseload in this way to avoid creating a growing backlog of cases.

The budget submission seeks, therefore, to prioritise funding for staff, to help manage this growing caseload. Staff pay is linked to Local Government National Joint Council pay negotiations. In line with the settlement for 2018-19 we have included a 2% pay increase for 2019-20. The proposed budget reflects the full year cost of planned appointments to vacant posts during the current year and small sums to support staff development in key investigative roles.

The Finance Committee, in its November 2017 report, recognised the work done with public bodies to reduce the number of complaints and upheld complaints. This work was undertaken by a small number of investigation staff who were expected to spend 15% to 20% of their time on improvement work. This approach has secured some progress and improvement, but it is, of course, difficult for one officer working on improvement activity for up to 20% of their working hours to secure substantial change across large organisations employing thousands of staff. The pressure of increasing numbers of complex complaints about healthcare, and the associated increase in the caseload of these staff, have made it more difficult to sustain the planned level of improvement work.

In the context of understandable pressure to limit the PSOW budget, it will not be possible to extend improvement work to additional bodies (as previously recommended by the Finance Committee). Indeed, this improvement work will be scaled back, but will seek to focus on key organisations of concern. In line with the Finance Committee's recommendation last year, a five-year Information Technology plan has been prepared. This will be revised to reflect reduced expenditure. However, this will be managed to minimise impact, by reprogramming improvement and replacement of aging equipment, whilst seeking to maintain strong security and resilience arrangements.

The local government pension fund deficit was eliminated at the end of March 2017 and £292k was returned to the Welsh Consolidated Fund in 2017-18. It is anticipated that, with the move to a low risk pension funding strategy, no further deficit payments will be required. The actuarial valuation of the Fund at the end of March 2018 was £1.5 million.

The Government Actuary's Department is currently undertaking a valuation of the Civil Service Pension Scheme. The results of the valuation will determine the employer contributions that PSOW will pay to the scheme from 1 April 2019. It is possible that the PSOW's contributions could increase from an average of 21% to an average of 28%. This increase could result in PSOW paying additional contributions of around £180k. This increase is not reflected in the figures contained within this budget document.

We will review the implications of an increase to the employer contributions once the increase is known with certainty. If this increase cannot be accommodated within the 2019-20 budget, a supplementary budget will be considered during the 2019-20 financial year.

We continue to rent our offices in Pencoed at a low cost of £9 per square foot, providing value for money for office space, but the budget is subject to inflationary pressures on business rates, insurance and utilities.

Key Information and Communication Technology contracts were re-tendered during 2017-18 and a new website is now in place. Following tendering for a case management system, work is scheduled for completion by 31 March 2019 to provide an improved case management system, which supports paper-light working and supports valuable analysis of data on complaints. The IT systems architecture has recently been reviewed and this will be updated to provide greater stability and to future-proof our systems. In addition, new infrastructure will address current concerns about recovery time following an event that affects business continuity.

Income of £17k represents the recharged costs of managing the Future Generations Commissioner's payroll as well as staff secondments.

This budget estimate does not include any contingency provision for meeting unexpected items of expenditure, such as legal challenges to my casework decisions.

Costs Associated with Additional Powers

The Annex shows the costs associated with additional powers arising from the new legislation as explained in the draft Regulatory Impact Assessment.

The costs in the Annex are for a full year and reflect those in the Explanatory Memorandum. A Supplementary Budget will be prepared and will reflect progress with the legislation, together with the timing of Royal Assent and Commencement Order(s).

Annex

Public Services Ombudsman for Wales - Estimate for 2019-20

	Actual 2017/18	Budget 2018/19	Estimate 2019/20	Cost of New Powers*	New Powers Estimate 2019/20*
	£000s	£000s	£000s	£000s	£000s
A Capital	20	147	22	0	22
B Fiscal Revenue					
Staff costs	2,898	3,224	3,385	265	3,650
Training and recruitment	55	51	55	7	62
Advisory and legal	319	281	260	20	280
Communications	45	45	45	0	45
Travel and subsistence	36	32	35	9	44
Office costs	128	138	120	21	141
IT	239	156	180	18	198
Premises	440	378	380	0	380
Other	18	0	0	0	0
Sub total	4,178	4,427	4,460	340	4,800
Income	-31	-62	-17	0	-17
Total Revenue	4,147	4,365	4,443	340	4,783
C Non cash DEL					
Depreciation	43	70	70	0	70
Revenue DEL (B+C)	4,190	4,435	4,513	340	4,853
Total DEL (A+B+C)	4,210	4,460	4,535	340	4,875
D Annually Managed Expenditure					
Provisions movement	0	20	20	0	20
Total AME	0	20	20	0	20
E Total Managed Expenditure	4,210	4,480	4,555	340	4,895
Resources Required	4,210	4,480	4,555	340	4,895
Depreciation	-43	-70	-70	0	-70
Change in Provisions	0	-20	-20	0	-20
Other non-cash movements	11	20	20	0	20
Total cash requirement	4,178	4,410	4,485	340	4,825

* The estimated costs of new powers reflect those in the Explanatory Memorandum. The figures are at April 2017 prices. If new powers are approved, the value of any Supplementary Budget submission will reflect current pay and prices and the timing of the commencement of new powers.