



City and County of Swansea

Notice of Meeting

You are invited to attend a Meeting of the

Standards Committee

At: Committee Room 5 - Guildhall, Swansea

On: Friday, 16 November 2018

Time: 10.00 am

Chair: Jill Burgess

Membership:

Councillors: J A Hale, M B Lewis and L G Thomas

Co-opted Members: Gareth Evans, Michaela Jones, Mike Lewis and Margaret Williams

Community / Town Council Rep: Philip Crayford

Agenda

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| 1 | Apologies for Absence. | |
| 2 | Disclosures of Personal and Prejudicial Interests.
www.swansea.gov.uk/disclosuresofinterests | |
| 3 | Minutes.
To approve & sign the Minutes of the previous meeting(s) as a correct record. | 1 - 5 |
| 4 | Annual Meeting with Political Group Leaders, Chairs of Committees and Chief Executive.
10.10 am – Councillor Rob Stewart, Leader;
10.30 am – Phil Roberts, Chief Executive. | |
| 5 | Public Services Ombudsman for Wales Annual Report and Accounts 2017-2018. | 6 - 136 |
| 6 | Code of Conduct Casebook. | 137 - 144 |
| 7 | Breach of Code of Conduct - Complaints made to the Public Services Ombudsman for Wales (PSOW). | 145 |

Next Meeting: Friday, 22 February 2019 at 10.00 am

Huw Evans

Huw Evans
Head of Democratic Services
Thursday, 8 November 2018

Contact: Democratic Services - 01792 636923

STANDARDS COMMITTEE

Councillors

Councillors Labour: 2

Joe A Hale	Mike B Lewis
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Councillors Liberal Democrat & Independent Group 1

L Graham Thomas	
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Independent Members

Name	Term of Office	Name	Term of Office
Jill Burgess *	19.10.2012 to 18.10.2018 Re-appointed to 18.10.2022	Michaela Jones	01.10.2017 to 30.09.2023
Philip Crayford *	05.10.2012 to 04.05.2017 Re-appointed until next Local Government Elections	Mike Lewis	01.10.2017 to 30.09.2023
Gareth Evans	01.04.2015 to 31.03.2021	Margaret Williams	01.04.2015 to 31.03.2021

NOTE:

1. * Denotes that the **period of office cannot be extended further**.
2. The **term of office for Independent Members** can be for not less than 4 nor more than 6 years. They can be reappointed for one further consecutive term but that term cannot be for more than 4 years.
3. **Members of the Local Authority/Community Town Councillors** who are members of the Standards Committee will have a term of office of no more than 4 years or ending at the next ordinary local government election following their election, whichever is the shorter.
4. The Standards Committee **shall not sit if the Independent Members are outnumbered by Councillors**. A Councillor shall remove him/herself from the meeting in order for the business to be transacted.
5. Only one Executive Member (except Leader) can sit on Standards Committee.

Agenda Item 3



City and County of Swansea

Minutes of the **Standards Committee**

Committee Room 5 - Guildhall, Swansea

Friday, 20 July 2018 at 10.00 am

Present:

Councillor(s)

L G Thomas

Co-opted Member(s)

Gareth Evans
Margaret Williams

Co-opted Member(s)

Michaela Jones

Co-opted Member(s)

Mike Lewis

Community / Town Council Rep:

Philip Crayford

Officer(s)

Huw Evans	Head of Democratic Services
Allison Lowe	Democratic Services Officer
Tracey Meredith	Head of Legal, Democratic Services & Business Intelligence

Apologies for Absence

Councillor(s): J A Hale and M B Lewis
Independent Member(s): J Burgess

1 Election of Chair for the Municipal Year 2018-2019.

Resolved that Jill Burgess be elected Chair of the Standards Committee for the Municipal Year 2018-2019.

2 Election of Vice Chair for the Municipal Year 2018-2019.

Resolved that Margaret Williams be elected Vice Chair of the Standards Committee for the Municipal Year 2018-2019.

Margaret Williams (Vice Chair) Presided

3 Disclosures of Personal and Prejudicial Interests.

In accordance with the Code of Conduct adopted by the City & County of Swansea no interests were declared.

4 Minutes.

Resolved that the Minutes of the Standards Committee held on 20 April 2018 be approved and signed as a correct record.

5 Annual Meeting with Political Group Leaders, Chairs of Committees and Chief Executive.

The Vice Chair reported that each year the Standards Committee invited each Political Group Leader, the Chief Executive and a selection of Chairs to attend the Committee to seek their understanding and opinions on the work of the Committee.

Due to the Local Government Elections 2017 and there being a new influx of Councillors, the invitations were delayed to allow Councillors to settle into their new role.

The themes for discussion, which had been circulated in advance were as follows:

- 1) Do you consider that it is still appropriate to have a Code of Conduct in Wales, which applies to all councillors and co-opted members?
- 2) What do you understand the role of the Standards Committee to be?
- 3) Is there any work you feel the Standards Committee should be undertaking over the next year?
- 4) How can Political Group Leaders / Committee Chairs promote standards and good governance through Leadership?
- 5) How can the Standards Committee become more active in promoting ethical conduct among Councillors / Co-opted Members?
- 6) The Ombudsman, Adjudication Panel for Wales and the High Court has taken a view on politicians (and in some cases senior officers) having a “thick skin” and on political banter being part of the political landscape. What are your own views and how would you as a Political Group Leader ensure that the line is not crossed?
- 7) What are your views on the Authority’s Code of Conduct training? How could it be improved so as to raise the ethical standards of Councillors / Co-opted Members?
- 8) Training for Councillors / Co-opted Members is vitally important. How can the Standards Committee tackle those that do not see training as important?
- 9) The Authority’s Internal Dispute Resolution Process (IDRP)(Cllr v Cllr) has not yet been utilised. In the event of a dispute will you be encouraging your party to use the process? Do you consider the lack of referrals to the IDRP demonstrates that councillors are behaving within the Code?

10) What is the future role of the Standards Committee?

The Vice Chair welcomed Councillors Peter Black, Chair of Democratic Services Committee and Penny Matthews, Chair of General and Statutory Licensing Committee to the meeting. They outlined the following:

- Both felt that it was still appropriate to have a Code of Conduct in Wales that applies to all Councillors and Co-Opted Members;
- They stated the role of the Standards Committee was to police the Code of Conduct and to promote and safeguard the integrity of Councillors and its staff;
- Cllr P Matthews Suggested that the Standards Committee could consider looking at the Community & Town Councils;
- Most Group Leaders spend a considerable amount of time dealing with disciplinary matters and most will try to resolve any relevant issues through good governance;
- Group Leaders/Chairs can promote standards and good governance through leading by example, via good decision making and being open and transparent;
- They were not aware of any unethical conduct amongst Councillors / Co-Opted Members;
- Agreed with the view of the PSOW that those in the Political arena do need a thick skin. Many have strong views and occasionally some can cross the line but those that overstep the mark should be dealt with appropriately by the PSOW;
- Code of Conduct training is excellent, however suggested that refresher training be held for Councillors in relation to declaration of interests;
- Also suggested that on-line training or more interactive training be developed as training delivered via a powerpoint presentation can be dis-engaging for Councillors;
- Discussed compulsory training for those on Licensing Committee or Planning Committee and the difficulties for making other training deemed as compulsory;
- Cllr P Black suggested that Councillors could also be provided with certain "skills" training such as how to scrutinise / interrogate documents or how to manage a Councillors' workload;
- Agreed that the lack of referrals to the PSOW demonstrated that Councillors were behaving within the Code, however it was unclear where Councillors could find details of the Internal Dispute Resolution Protocol;

The Vice Chair thanked both Councillors for attending.

6 Standards Committee Annual Report 2017-2018.

The Head of Democratic Services outlined the Standards Committee Annual Report 2017-2018.

The report sets out the work of the Standards Committee during 2017-2018.

The Head of Democratic Services stated that he would like to include an additional paragraph in the report in order to outline information in relation to the Authority not having to utilise the Local Resolution Protocol for Councillors.

Resolved that:

- 1) An additional paragraph be inserted to outline information relating to the Local Dispute Resolution Protocol for Councillors;
- 2) The report be forwarded to Council for information.

7 Report on R (Harvey) v Ledbury Town Council.

The Monitoring Officer presented a “for information” report to update the Standards Committee on a recent High Court decision which sets out how a council should deal with a complaint against a councillor.

The case related to a Councillor who had served as a Ledbury Town Councillor since 2011.

Resolved that the report be noted.

8 Code of Conduct Casebook.

The Monitoring Officer updated the Committee on the latest Public Services Ombudsman for Wales Code of Conduct Casebook.

The latest issue – Issue 16 May 2018 covered the period January to March 2018 and was attached at Appendix A.

Resolved that

- 1) The report be noted;
- 2) The report be circulated to all Councillors.

9 Breach of Code of Conduct - Complaints made to the Public Services Ombudsman for Wales (PSOW).

The Monitoring Officer advised the Committee of the decisions made by the Public Services Ombudsman for Wales in relation to allegations that Local Authority and Community Town Councillors had breached the Code of Conduct.

Resolved that the report be noted.

10 Standards Conference Wales 2018. (Verbal)

The Monitoring Officer reported that the Standards Conference Wales 2018 would be held at Aberystwyth University on Friday, 14 September 2018. The invitation allowed up to 4 delegates which would include the Monitoring Officer or Deputy Monitoring Officer.

Several Co-Opted Members expressed an interest in attending.

Resolved that the Democratic Services Officer email the Co-Opted Members to agree attendance.

11 Workplan 2018-2019. (Verbal)

The Head of Democratic Services stated that the interviews with Group Leaders, Chairs and Chief Executive would continue for the next few meetings. The Leader of the Council had accepted the invitation to attend the next meeting.

Resolved that the Chief Executive also be invited to attend the next meeting.

The meeting ended at 11.30 am

Chair

Agenda Item 5



Report of the Monitoring Officer

Standards Committee – 16 November 2018

Public Service Ombudsman for Wales Annual Report & Accounts 2017/18

Purpose: To update the Standards Committee on the Annual Report of the Public Service Ombudsman for Wales 2017/18

Report Author: Tracey Meredith

Finance Officer: Ben Smith

Legal Officer: Tracey Meredith

Access to Services Officer: Rhian Millar

For Information

1. Background

- 1.1 The Public Service Ombudsman for Wales (PSOW) has published his Annual Report for 2017/18 which is attached at Appendix A.
- 1.2 The Annual Report sets out performance over the year including both complaints about public service providers as well as code of conduct complaints.

2. Code of Conduct statistics

- 2.1 The number of code of conduct complaints increased by 14% compared to 2016/17 and related entirely to complaints against community councils which had increased by 33%. The majority of complaints received during 2017/18 related to matters of promotion of equality and respect which accounted for 42% (compared to 37% in 2016/17) of the complaints made. There was a slight reduction in complaints related to failure to disclose or register interests from 23% in 2016/17 to 19%; 16% related to failure to act with integrity; 7% related to failure to be objective or act with propriety and 8% related to accountability and openness.

- 2.2 The most common outcome of a complaint is “Closed after initial consideration”. Of the complaints made 213 complaints were closed under the category “Closed after initial consideration”. This includes decisions such as
- There was no prima facie evidence of breach of the Code
 - It is not in the public interest to investigate.
- 2.3 Interestingly 26 complaints were closed after full investigation which is less than in the previous year because the Ombudsman in applying the public interest test only investigated the most serious complaints. A detailed breakdown of the outcome of code of conduct complaints is found at page 22 of the Annual Report.
- 2.4 Three cases closed and investigated during 2017/18 were referred to the Adjudication Panel for Wales. Two of the cases were considered by the Panel during the year and in both serious breaches of the Code were found on the basis of the Ombudsman’s investigations and reports. Both related to derogatory remarks and unfounded allegations against staff and engaging in bullying, harassment, intimidation and malicious behaviour. The Committee will also note that of those investigations completed by the Ombudsman there were no referrals to the Standards Committee.
- 2.5 A statistical breakdown of code of conduct complaints by outcomes and local authority is contained at Annex B page 113 of the Annual Report.

3. Legal Implications

- 3.1 There are no legal implications associated with this report.

4. Financial Implications

- 4.1 There are no financial implications associated with this report.

5. Equality and Engagement Implications

- 5.1 There are no equality and engagement implications associated with this report.

Background papers: None

Appendices: Appendix A – Public Service Ombudsman for Wales Annual Report and Accounts 2017/18



Annual Report and Accounts 2017/18

INNOVATION  IMPROVEMENT  INFLUENCE

Annual Report & Accounts

of

The Public Services Ombudsman for Wales
for the year ended
31 March 2018

Laid before the National Assembly for Wales
under paragraphs 14,16 and 17 of Schedule 1
of the Public Services Ombudsman (Wales) Act 2005

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**Performance
Report**

Ombudsman's Review of the Year



It is with great pleasure that I present this combined annual report and accounts for the Public Services Ombudsman for Wales (PSOW) for the year ended 31 March 2018, which was my third full year in office. In accordance with paragraph 18 of Schedule 1 to the Public Services Ombudsman (Wales) Act 2005 (the Act), I have personal responsibility for the overall organisation, management and staffing of the office and for its procedures in relation to financial and other matters.

Progress in Innovation, Improvement and Influence: A Review of 2017/18

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 very 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 *improvement* bodies gives me some reason to be cheerful. Of the five health boards and two local authorities my Improvement Officers have been working with, I was delighted to see reductions against the overall health trend for Betsi Cadwaladr, Hywel Dda and Cwm Taf. There were, however, substantial increases in complaint volumes for both Abertawe Bro Morgannwg and Aneurin Bevan.

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 and multiple advisers, which can inevitably result in a longer investigation process.

However, it was also pleasing to see the number of cases of maladministration and service failure reduce in the course of the year, 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 continues 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 for health complaints and best practice in June 2017, 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 PSOW 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



Nick Bennett
Ombudsman

SNAPSHOT OF THE YEAR 2017/18

April

The Ombudsman met with the Welsh Government's new Permanent Secretary Shan Morgan



Llywodraeth Cymru
Welsh Government

May

The Ombudsman is appointed Chair of the Ombudsman Association Executive Committee



June

Hosted a complaint handling seminar for health bodies in jurisdiction
Took part in Urdd Eisteddfod in Pencoed



Urdd

July

The first public interest report of the year was issued regarding Cwm Taf University Health Board



August

Our annual report highlighted an 8% rise in NHS complaints

The second public interest report of the year was issued regarding Betsi Cadwaladr University Health Board



September

Held the first PSOW Local Government Sounding Board



SNAPSHOT OF THE YEAR 2017/18

October

The Public Services Ombudsman (Wales) Bill is introduced by the National Assembly for Wales' Finance Committee

Two public interest reports are issued against two health boards



November

The Ombudsman appears in front of the National Assembly for Wales' Equality, Local Government and Communities Committee for scrutiny of the 2016/17 Annual Report



December

The Ombudsman appears in front of the National Assembly for Wales' Equality, Local Government and Communities Committee to give evidence on the Public Services Ombudsman (Wales) Bill



January

Attended the International Ombudsman Institute workshop on Human Rights in the Digital Age



February

The Ombudsman hosted a spring seminar on complaint handling culture in Llandrindod Wells



March

The general principles of the Public Services Ombudsman (Wales) Bill are agreed by the National Assembly for Wales



Who we are, what we do

Role of the Public Services Ombudsman for Wales

As Ombudsman, I have two specific roles. The first is to consider complaints about public services 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) and
- the Welsh Government, together with its sponsored bodies.

I am also able to consider complaints about 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. The main approach taken when recommending redress is, where possible, to put the complainant (or the person who has suffered the injustice) back in 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.

Code of Conduct Complaints

Under the provisions of Part III of the Local Government Act 2000 together with relevant Orders made by the National Assembly for Wales under that Act, I consider complaints that members of local authorities have breached their authority's Code of Conduct. I am 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. 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.

All these authorities have a code of conduct which sets out in detail how members must follow recognised principles for behaviour in public life.

If a county councillor wishes to make a complaint about another county councillor within their own authority, I expect them to first of all make their complaint to that authority's Monitoring Officer, as it may be possible to resolve the matter locally without my involvement.

Management Team

The Management Team has continued to support and advise me in relation to strategic direction as well as the operational, day to day, running of the office.

Shared Services and Collaboration

My Finance, ICT and HR staff, who enable the delivery of our objectives, work collaboratively when appropriate, sharing professional knowledge through a network comprising Welsh Government sponsored bodies and Commissioners and they will continue to do so.

Improvement Officers

In 2016, I introduced into the roles of a number of investigation staff in my office, the additional role of ‘improvement officer’. Whilst the main element of their 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 the quality of public services.

During 2017/18 organisations assigned an Improvement Officer were:

- Abertawe Bro Morgannwg University Health Board
- Aneurin Bevan University Health Board
- Betsi Cadwaladr University Health Board
- Ceredigion County Council
- Cwm Taf University Health Board
- Hywel Dda University Health Board
- Powys County Council

Subject leads were specifically tasked with identifying trends from casework across the office, leading on thematic reports, and monitoring legislative and other developments affecting the subject areas.

Subject leads were put in place for:

- health
- housing
- local government planning services
- social services
- school appeals
- the code of conduct for local authority members
- our service provision in the Welsh language, and
- recommendations and compliance

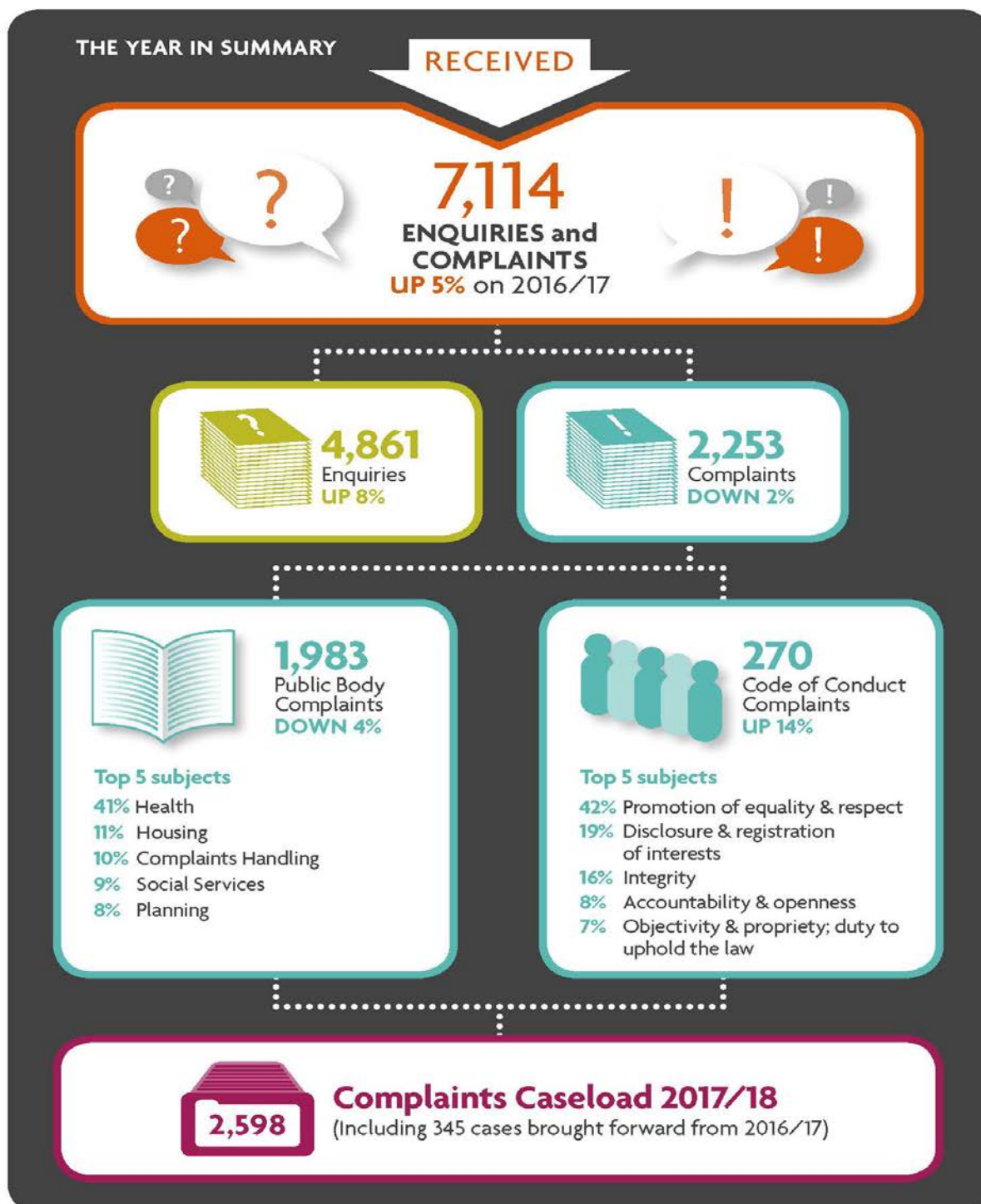
My improvement officers report a number of changes and improvements across health boards in the past year. A cultural change in the way in which Cwm Taf Health Board views complaints is emerging, with a keenness to engage with the Ombudsman and learn from complaints playing a role in this. The Health Board has embraced the closer involvement of the Ombudsman’s Improvement Officer, with senior clinicians and nursing staff welcoming a presentation on the Board’s performance and its relationship with the Ombudsman at its second annual “Listening and Learning from Concerns” seminar. In quantitative terms, the Health Board’s performance in the timeliness of its responses to requests for information and in complying with the Ombudsman’s recommendations has significantly improved.

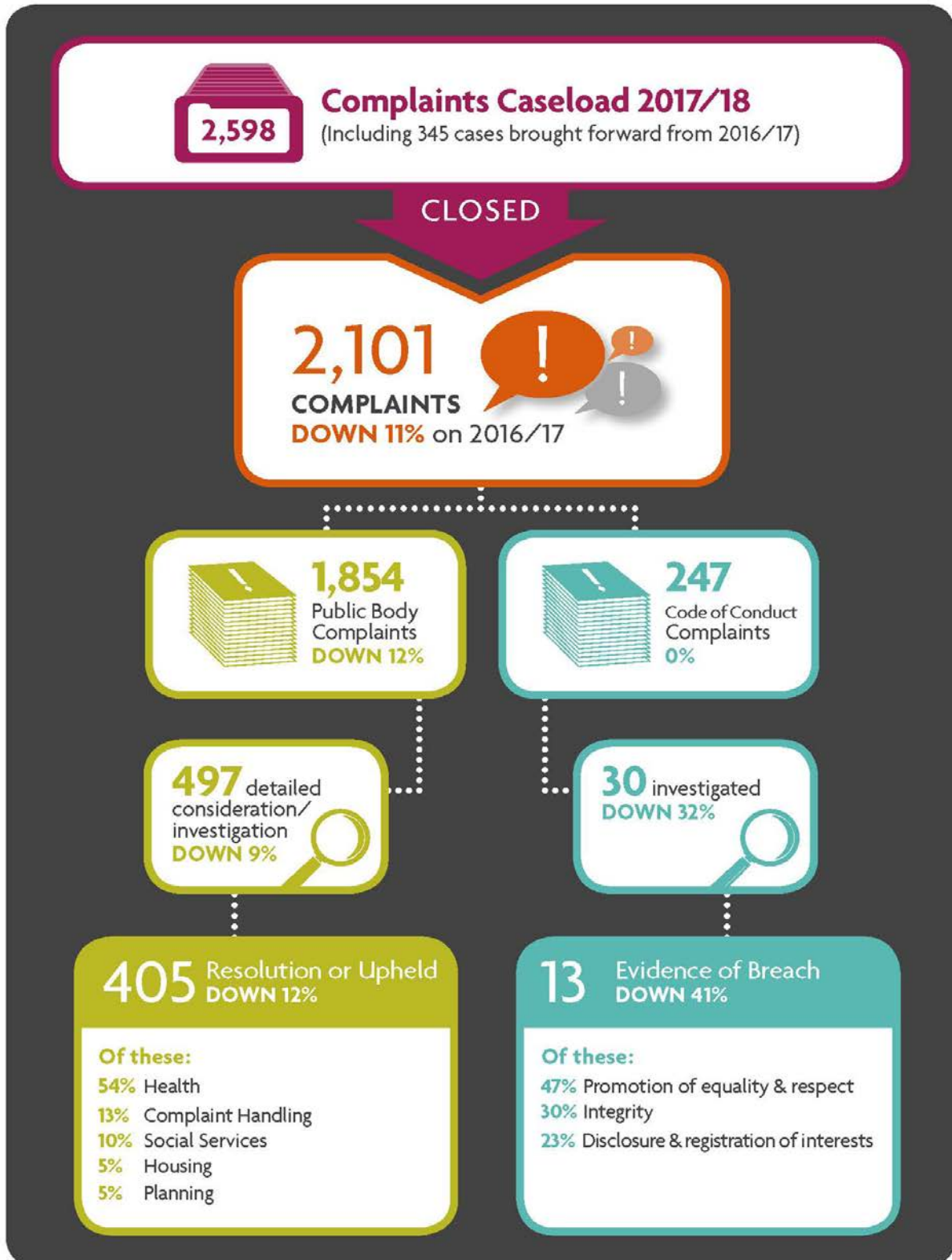
One of my Improvement Officers has worked collaboratively with Ceredigion County Council on a complaint handling toolkit for internal use within the Council. It aims to improve the way in which complaints generally, and those which are made to my office, are handled, by promoting accountability and a culture which is receptive to complaints. I hope that the toolkit will prove to be a useful resource for the Council and other local authorities who wish to adopt a similar approach.

In engaging with other bodies, we hope to see ongoing improvements in complaints handling, learning and putting things right, along with further development of the governance arrangements necessary for continuous improvement.

For 2018/19 I have decided to concentrate the work of the improvement officers on a smaller number of public bodies most needing support.

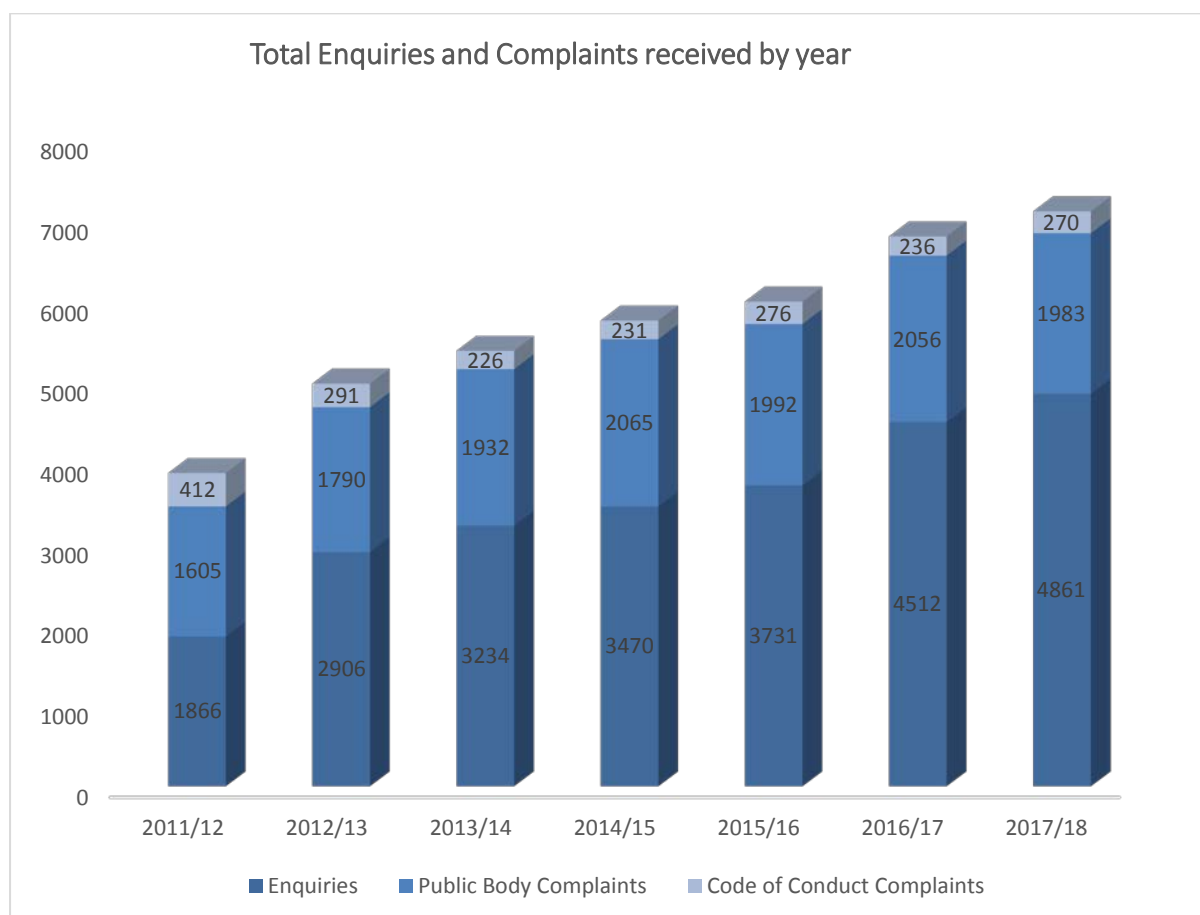
The Complaints Service





Overall Casework Statistics

The overall number of enquiries and complaints (public body complaints, and complaints about the conduct of members of local authorities) has increased by 83% since 2011/12. In 2017/18 enquiries and complaints totalled 7,114, a 5% increase on the previous year.



Graph 1.1

Enquiries

An enquiry is a contact made by a potential complainant asking about the service provided, which does not result in a formal complaint being made to me at that time. At this point in our service we will advise people how to make a complaint to me or, where the matter is outside my jurisdiction, direct the enquirer to the appropriate organisation able to help them. Where appropriate, the Complaints Advice Team will also seek to resolve a problem at enquiry stage without taking the matter forward to the formal complaint stage.

2017/18 saw the office deal with the highest number of enquiries since it was established. In total, there were 4,861 enquiries in 2017/18 compared to 4,512 in 2016/17 – an 8% increase. This may be explained by the higher visibility the office has experienced over the

past few years, both in terms of press activity and outreach, with more members of the public being aware of our service.

We set ourselves the target of answering our main line telephone calls within 30 seconds in 95% of cases. The team has performed well, answering 97% of calls within this timescale.

Public Body Complaints

During 2017/18 we received 1,983 complaints about public service providers – a 4% reduction on the previous financial year. This reduces such complaints to the 2015/16 level when my office received 1,992 complaints. Whilst it is not possible to demonstrate a direct causal link, I am confident that the considerable work my office has undertaken with key public bodies, on the improvement agenda and cultural change, is now beginning to bear fruit.

Detailed breakdowns of the numbers of complaints received by public body can be found at Annex C.

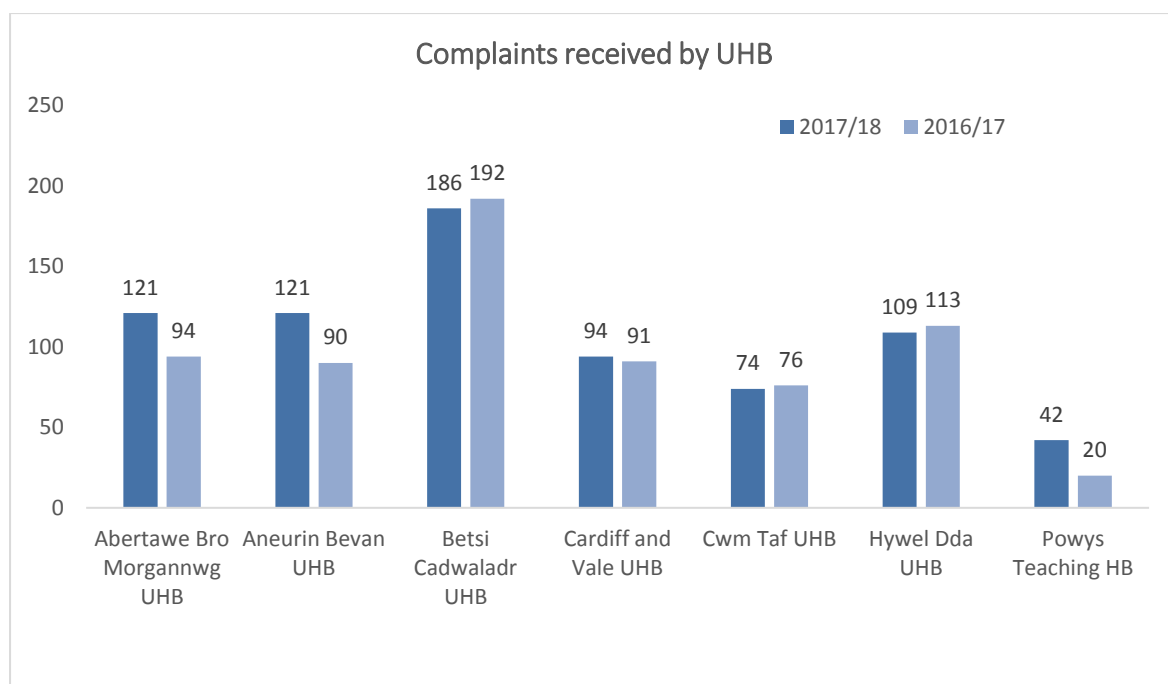
Sectoral breakdown of complaints received

For the second year running, I am delighted to report a decrease in complaints against county councils. During 2017/18 my office received 791 complaints, compared with 881 in 2016/17 – a 10% drop. This year has also seen a considerable (28%) drop in social housing complaints compared to the previous year.

However, there has been an increase in the total number of complaints against NHS bodies, with 927 complaints made in 2017/18 compared with 863 in 2016/17. This represents a 7% increase. This is attributable to health board complaints which rose from 676 in 2016/17 to 747 in 2017/18 – an 11% increase.

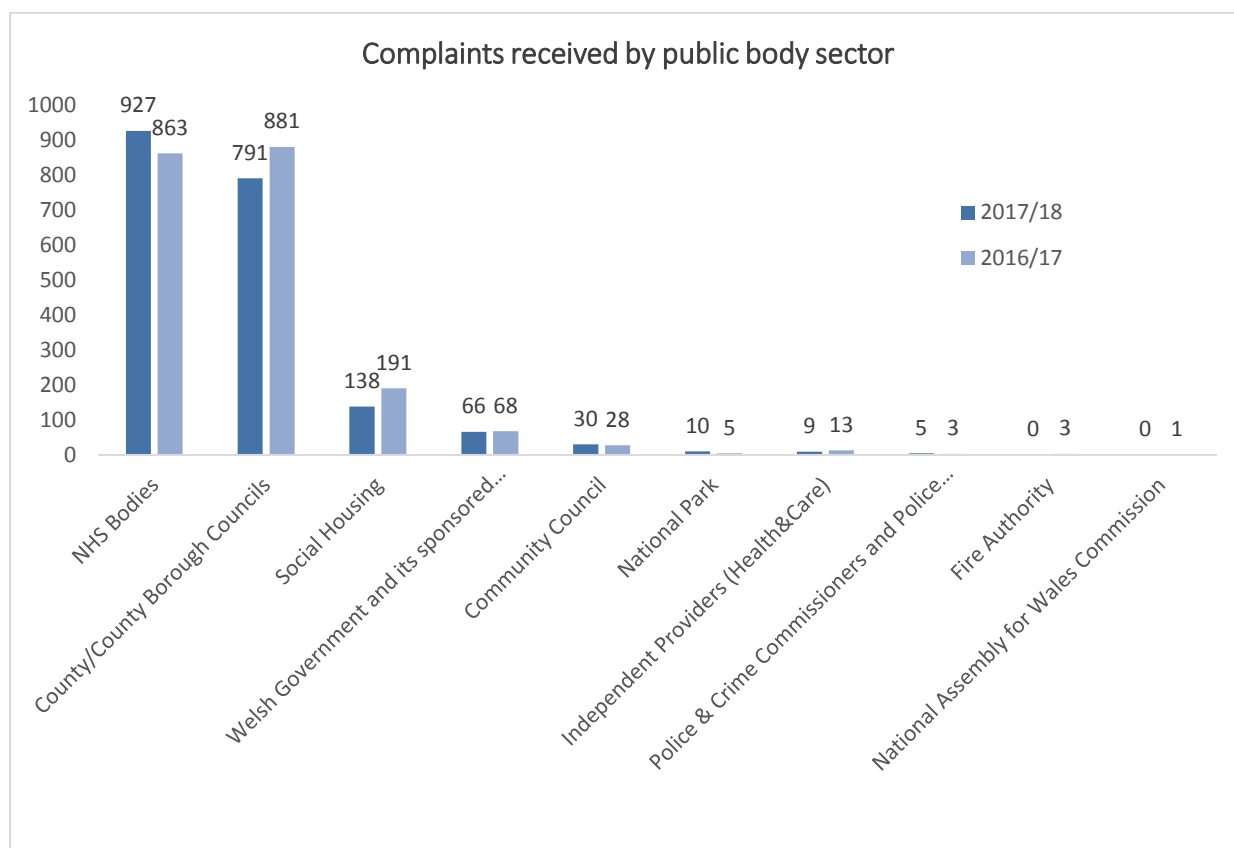
Graph 1.2 shows significant year-on-year increases in complaints received about Abertawe Bro Morgannwg (29%) and Aneurin Bevan University Health Boards (34%), as well as Powys Teaching Health Board (110%).

More encouragingly the graph shows that, despite the number of complaints received about Betsi Cadwaladr University Health Board remaining high, they have fallen moderately (3%) compared with the previous year. I am hopeful this trend will continue next year.



Graph 1.2

Graph 1.3 (below) shows the breakdown of complaints received by sector, together with comparisons with the previous year. NHS Bodies and County/County Borough Councils continue to dominate our caseload.



Graph 1.3

Complaints received about public bodies by subject

Turning to consider complaints by subject, rather than sector, unsurprisingly complaints about healthcare made up the largest part of our caseload. This trend has continued for a number of years. Complaints about healthcare increased from 38% of our caseload in 2016/17 to 41% in 2017/18. This was followed by complaints about housing services and complaint handling. Complaints about Social Services and Planning and Building Control are the other complaints subjects in the top five. These top five complaint subjects, together with the percentage of complaints they account for, are shown below.



The subjects of complaints received are shown in more detail in Chart 1.1 below.

Complaints received about public bodies by subject

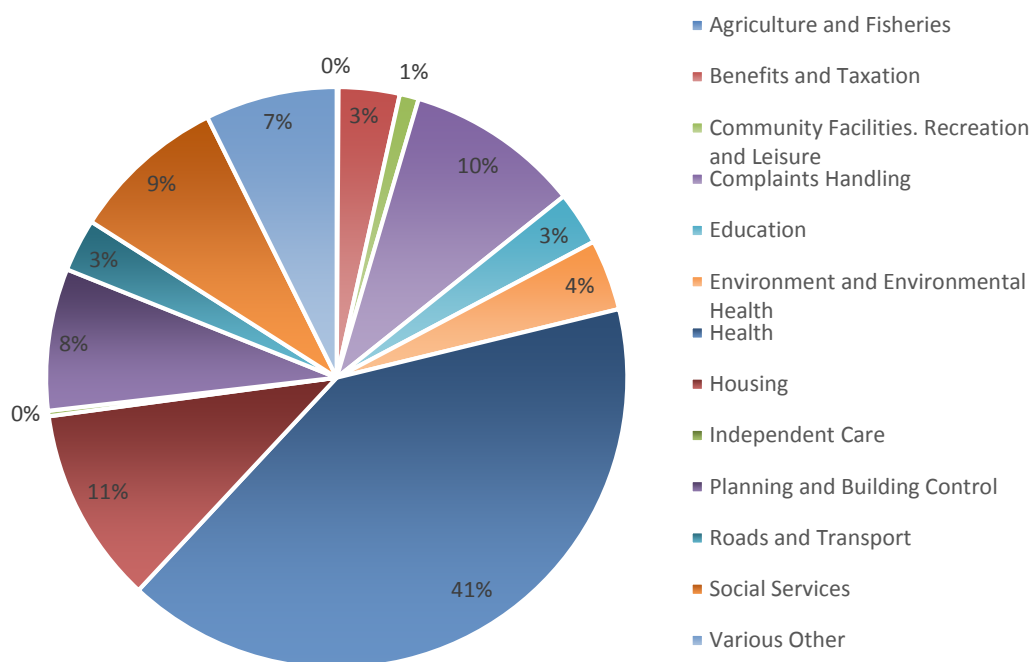


Chart 1.1

Outcomes of complaints considered – cases closed during 2017/18

During 2017/18 we closed 1,854 complaints about public service providers, compared with 2,114 in 2016/17 (a reduction of 12%). This is a matter of some concern to me.

Complaints about healthcare are complex, time-consuming and, as indicated above, they are increasing in number. These significantly increase our workload for three reasons.

Firstly, we are less likely to be able to resolve a complaint or reach a decision about these complaints without securing additional information, including medical records, from the public body. To do this we must commence an investigation. Consequently, complaints about healthcare are five times more likely to require an investigation than complaints about other public services.

Secondly, these complaints are more complex and time-consuming to investigate. Since I am able to consider professional judgement in these cases, I will also generally need to seek professional clinical advice, often from more than one specialist. This extends the time needed to complete the investigation, as well as increasing the associated costs.

Thirdly, the subjects of many complaints about healthcare are sensitive and significant, often involving harm or the death of a family member. Health boards and clinical staff involved in the matters complained about will, quite rightly, want to ensure that their perspectives are fully and accurately reflected in our reports and decisions. The importance and significance of the matters considered in our healthcare investigations, and the fact that they involve professional judgement, are such that draft reports are more likely to be challenged by one or both of the parties. The important stage of inviting comments on our draft reports and proposed decisions is more time-consuming in complaints about healthcare than in other complaints. In some cases additional specialist advice may also be required.

The increase in the number of complaints about healthcare has, for these reasons, had a substantial impact on my investigation teams, reducing the number of cases closed whilst increasing the number of cases they are working on.

A summary of the outcomes is set out in table 1.1 below. The table shows that the number of straightforward complaints that could be closed after initial consideration was considerably lower than in the previous year. Whilst the number of investigations being progressed has increased, the number of investigations completed in the year was slightly lower than in 2016/17.

Detailed breakdowns of the outcomes by public service provider can be found at Annex A.

Complaints about a Public Body – Outcomes of cases closed	2017/18	2016/17
Closed after initial consideration	1357	1570
Complaint settled voluntarily	257	287
Investigation discontinued	8	16
Investigation: complaint not upheld	84	66
Investigation: complaint upheld in whole or in part	144	168
Investigation: complaint upheld in whole or in part - public interest report	4	6
Special report under Section 22 of the PSOW Act – public body failed to carry out actions it had previously agreed with the Ombudsman	0	1
Total Outcomes - Complaints	1854	2114

Table 1.1

Detailed breakdowns of the numbers of cases per local authority and health board where my office intervened (either by seeking an early resolution, settlement or by upholding a complaint following investigation) can be found at Annex D.

Decision times

Time taken to tell the complainant if I will take up their complaint

We have set ourselves target times within which we will decide and tell complainants whether or not we will take up their complaints. As explained in the 2016/17 annual report, we changed our approach to ensure that we measure our performance in a way that reflects the service user's experience.

We aim to achieve the following times:

- Decision on whether complaint is within jurisdiction/premature - within three weeks.
- Decision on whether or not to investigate, following detailed assessment - within six weeks.
- Resolution of complaint, where we seek early resolution without the need to investigate - within nine weeks.
- Investigation start, where investigation is required – within six weeks of the Date Sufficient Information is Received (DSIR).

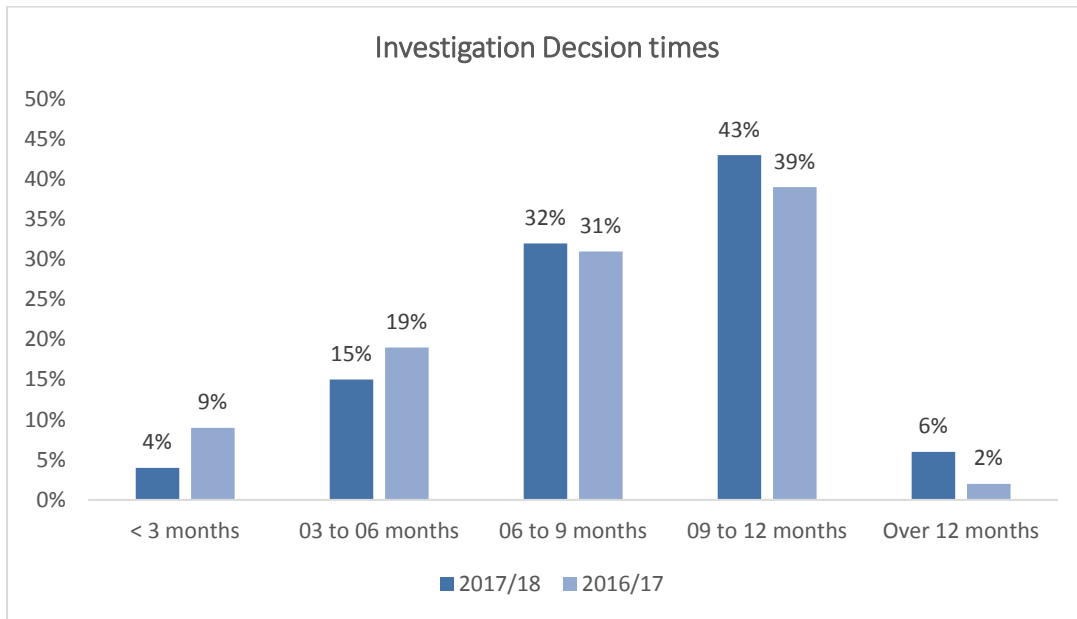
The following table shows the percentage of cases where we met these targets.

	Percentage 2017/18
Decision on whether complaint is within jurisdiction/premature – within three weeks	92%
Decision on whether or not to investigate, following detailed assessment - within six weeks.	89%
Resolution of complaint, where we seek early resolution without the need to investigate - within nine weeks	91%
Investigation start, where investigation is required – within six weeks of the Date Sufficient Information is Received (DSIR)	74%

Table 1.2

Investigation Decision Times

In 2017/18 we completed 94% of investigations within 12 months. There were 17 investigations that took longer than 12 months. These cases were complex and required further investigatory work, or were cases where there were significant challenges, from the complainant or public body, to draft findings. Graph 1.4 gives further details of investigation timescales.



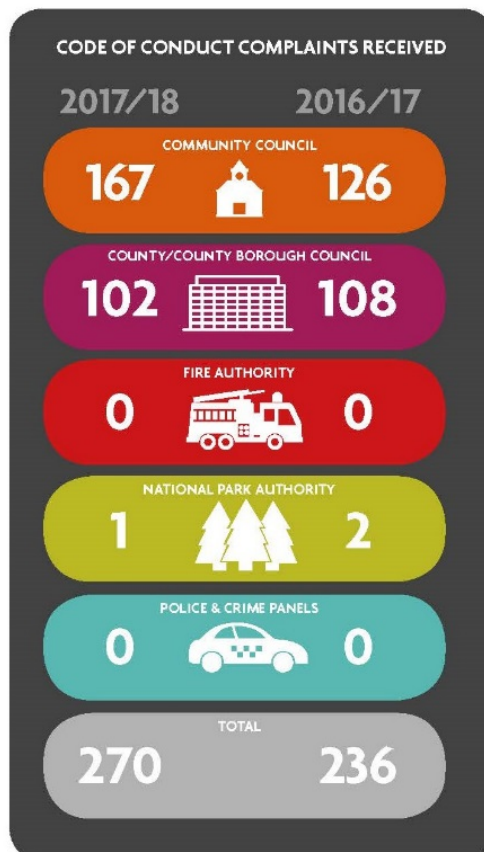
Graph 1.4

Code of Conduct Complaints

The number of code of conduct complaints received increased to 270, an increase of 14% compared with 2016/17.

The increase relates entirely to Code of Conduct complaints involving Community Councils which have increased by 33%.

It is difficult at this stage to say exactly why there has been a significant rise in complaints about members of Town and Community Councils. Many of the complaints have arisen following changes in the membership of these council and difficulties have arisen between long established and new members. I am continuing to promote the concept of local resolution which has been adopted by a significant number of Town and Community councils, and I am encouraged by the efforts of One Voice Wales in this area which has, in collaboration with my office, created a model process for its members.



Nature of Code of Conduct complaints received

As in previous years, the majority of Code of Conduct complaints received during 2017/18 related to matters of ‘promotion of equality and respect’. These accounted for 42% of complaints (37% in 2016/17). Disclosure and registration of interests (19%) and integrity (16%) were the second and third most common types of complaint, which is consistent with the previous year. Chart 1.2 below provides a full breakdown of the nature of Code of Conduct Complaints received.

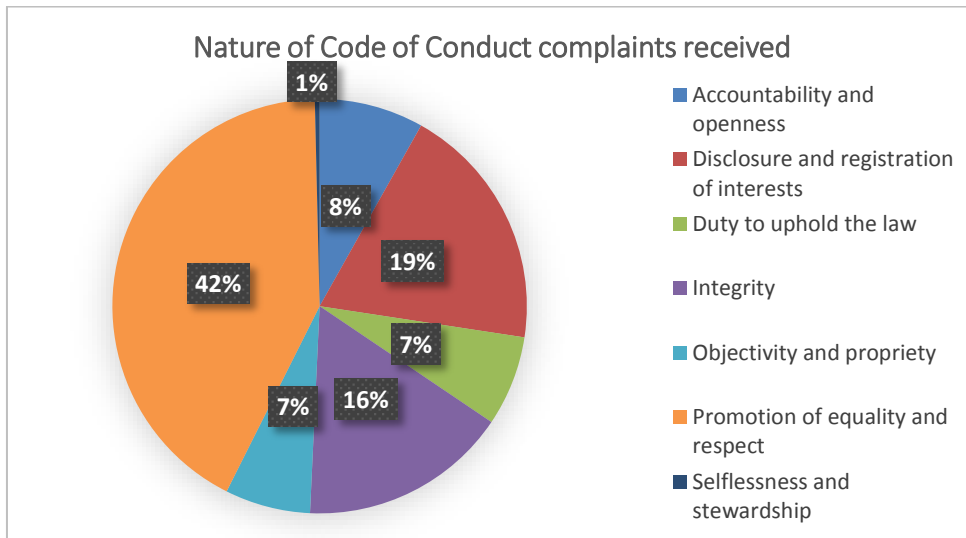


Chart 1.2

Summary of Code of Conduct complaint outcomes

The most common outcome is ‘Closed after initial consideration.’ Of the 247 complaints in 2017/18, the majority were closed (213) under this outcome. These include decisions where:

- there is no ‘prima facie’ evidence of a breach of the Code, and
- it is not in the public interest to investigate.

Fewer complaints were closed after full investigation in 2017/18 (26) than in 2016/17 (34). This is because I have continued to apply a public interest test when deciding whether to investigate Code of Conduct complaints. This means that I investigate only the more serious complaints where an investigation is required in the public interest.

In 2017/18 I received nine complaints which raised potential whistleblowing concerns about alleged breaches of the Code of Conduct. These complainants either did not provide ‘prima

facie' evidence of a breach of the code or did not warrant investigation in the public interest.

However, of the cases I investigated and closed this year, three cases were referred to the Adjudication Panel for Wales. The Adjudication Panel for Wales considers the evidence I prepare, together with any defence put forward by the member concerned. The Panel then determines whether a breach has occurred and, if so, what penalty, if any, should be imposed. Two of these cases were considered by the Panel during the year and in both cases serious breaches of the Code were found on the basis of my investigations and reports. Both cases involved councillors making derogatory remarks and unfounded allegations against staff and engaging in bullying, harassment, intimidation and malicious behaviour. As a result, a former member of [Flintshire County Council](#) was disqualified from holding office for 14 months and a former member of [Conwy County Borough Council](#) was disqualified from holding office for 18 months.

A summary of outcomes is below, with a detailed breakdown showing the outcomes of Code of Conduct complaints, by authority, provided in Annex B:



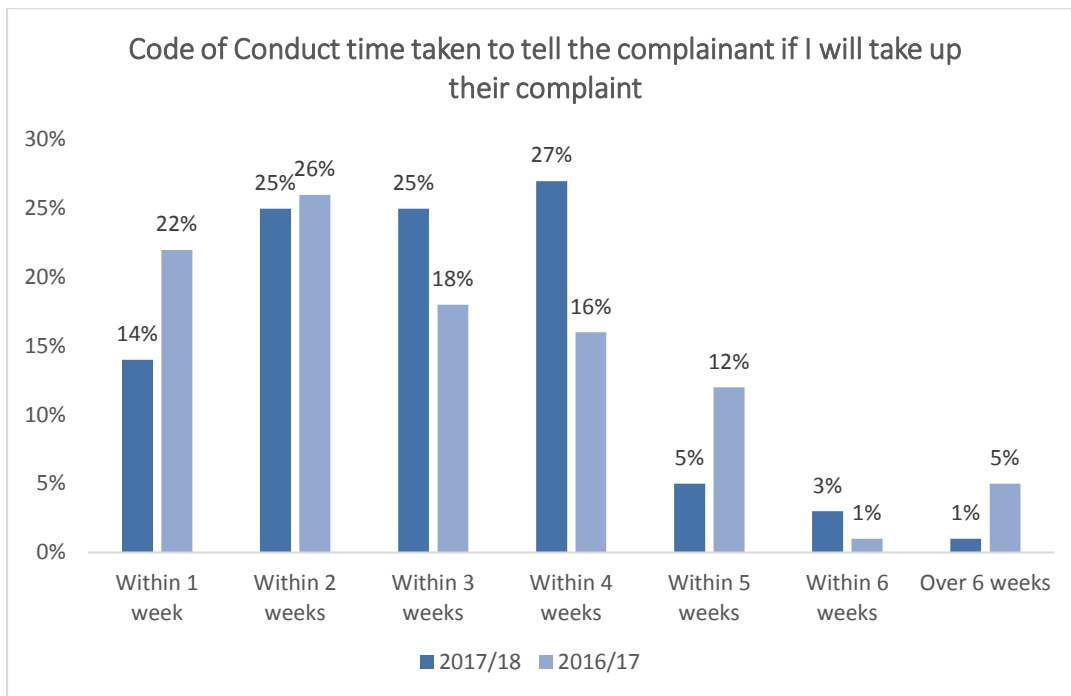
Decision times

Time taken to tell the complainant if I will take up their complaint

In respect of Code of Conduct complaints, 91% of complainants were informed within four weeks of the date I received sufficient information of whether I would take up their complaint. I am pleased to report that this is considerably higher than during 2016/17 where 82% were informed within four weeks.

Further details on these decision timescales are shown below.

Code of Conduct time taken to tell the complainant if I will take up their complaint



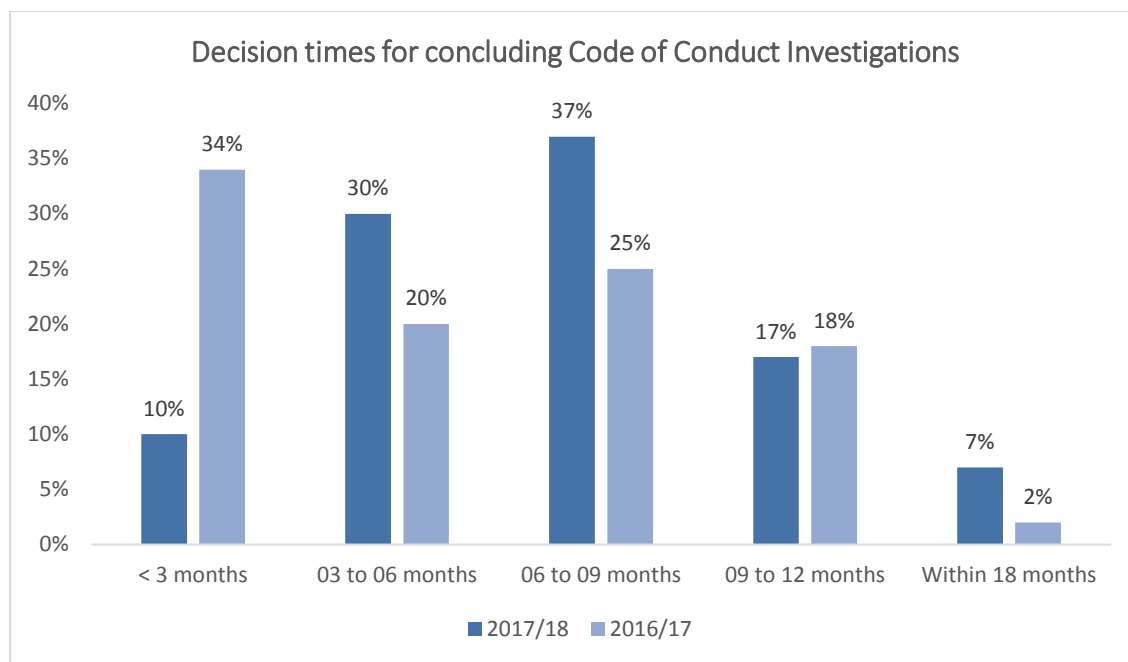
Graph 1.5

Decision times for concluding Code of Conduct investigations

The overall number of decisions on Code of Conduct complaints in 2017/18 was similar to that in the previous year. However, due to the fact that the cases which require investigation are often complex, coupled with external factors beyond our control and the pressures of the “health heavy” investigation caseload, fewer cases were concluded within three months – 10% compared with 34% in 2016/17.

I recognise the implications of longer decision times in these cases, for the complainant, for the councillors complained about and for the wider public interest. I will continue to work to reach timely conclusions in these cases in the year ahead.

Graph 1.6 below shows decision times for Code of Conduct complaints for 2017/18 compared with 2016/17.



Graph 1.6

Cases of Note

During 2017/18 I issued four public interest reports which generated considerable national interest. These can be found on my office's website [here](#).

Each of the public interest reports were health related - two concerned services at Betsi Cadwaladr University Health Board, one was about Cwm Taf University Health Board and one related to Hywel Dda University Health Board.

The cases included:

- A patient who died on a hospital trolley following shortfalls in the provision of end of life care and poor complaints handling. My investigator found that the patient's dignity had not been respected and she had not received sufficiently considerate end of life care. My office issued a number of recommendations, including that Betsi Cadwaladr UHB apologise and provide the complainant with financial redress of £1,500, refer the report to the Health Board's Equalities and Human Rights team, remind medical staff of their obligations for ethical and clinical management during end of life care, consider further staff training in end of life care and carry out a clinical audit of the wards involved in this case.
- A patient who suffered a cardiac arrest and died after staff failed to correctly diagnose and manage his heart failure. My office found that junior doctors had been inadequately supported, the patient's family had not been suitably advised and there were substantial delays in responding to the complaint. An apology and redress totalling £2,750 was secured for the complainant. A number of recommendations were also made, including that the Health Board produce a detailed escalation policy, remind medical staff of daily review recording procedures and their obligations to adequately support and supervise Junior Doctors, and review pre-operative assessment protocols.
- A Health Board that took more than three years to provide a final response to a complaint. I found evidence of maladministration, including misplaced records and communication failures, and a lack of transparency in investigating a complaint about a breach of duty of care. The Health Board agreed to make a total redress payment of £4,000, arrange free legal advice and independent clinical adviser for the complainant, and to remind all medical staff of their duty to be open and transparent with patients and families.

- Failure by medical staff to reach reasonable standards of care and treatment of a patient. Several opportunities to identify and prevent a patient's deterioration were missed leading to him suffering a fatal cardiac arrest. Furthermore, the complaint was poorly handled and an unreasonable length of time was taken to provide the complainant with a response. The Health Board agreed to a number of recommendations including an apology and a payment of £10,000 for the complainant, in recognition of the distress and uncertainty caused.

The last of these complaints was made by the patient's daughter, Ms C, who worked for Betsi Cadwaladr University Health Board handling complaints.

Commenting on this final report at the time, I said:

"I find it extremely concerning that the Health Board refuses to admit that, had they approached the patient's care differently, his death could have been prevented. Not only was the care substandard in this case, I find the Health Board comments disingenuous and indicate an unwillingness to accept the seriousness of the situation.

"The fact that a member of its own staff, accustomed to the concerns process, found the Health Board's approach to her complaint so frustrating that she was forced to seek assistance from an advocate, does not instil confidence for members of the public using the system."

Following our investigation, Ms C got in touch with my office.

She said:

"Thank you once again for all you have done to bring my family and I some sense of closure but, most of all, the truth."

Annual Sustainability Report

The protection of the environment is a priority, with focus on this at local and national levels. The Public Services Ombudsman for Wales and his staff are encouraged to make changes where possible to reduce the impact of the office on the environment and operate in a sustainable and responsible manner.

Our Building

We have one office in Pencoed, near Bridgend. We originally took up the lease for the ground floor in 2005 and have, since then, expanded to occupy part of the first and second floors to accommodate approximately 60 staff and visitors in a largely open plan office space.

Electricity is the only energy supply used and this provides lighting and heating/cooling as well as powering normal office equipment. The building is leased, which limits our ability to make changes to the energy efficiency of the building.

Building Statistics

The table below provides key information about our offices in Pencoed, heating arrangements and energy usage for the year.

Building	Constructed	No. of Floors	Total Usable Floor Area (ft ²)	Heating Type	Electricity usage (kWh)
1 Ffordd yr Hen Gae	2004	3	16,460	Air Handling Units	120,791

Table 1.3

Accessibility

The offices have reasonable transport links. The railway station at Pencoed (less than one mile away) together with bus services to/from the site, provide public transport options for staff and visitors. Our offices are also easily accessed by car from the M4 motorway.

Emissions

Staff are encouraged to use public transport where suitable, for business meetings and commuting. Showers and bicycle stands are provided at our offices.

Local suppliers are used where possible to help reduce carbon emissions.

Lighting & Energy

A programme to replace existing lighting with LED light bulbs commenced in 2017/18 with 50% upgraded to bulbs that use 90% less energy than standard bulbs and have a longer life span, resulting in less maintenance and less waste.

A recent staff workshop on sustainability identified a number of other measures to improve management of energy usage. These ranged from ensuring that lights are switched off when rooms are not in use to replacing kettles and freestanding water coolers with plumbed water heaters/coolers.

Waste management

We recycle all waste paper confidentially and recycle general waste such as plastic and tins, along with batteries and toner cartridges. General waste produced by PSOW has seen little change over the last year, though recyclable waste has increased. Delivery packaging, such as large cardboard boxes, is now being recycled, which should help to reduce general waste.

We are continuing to work with staff to minimise waste, particularly that sent to landfill. Following suggestions from staff, all individual waste bins will be removed, and shared recycling bins for mixed recycling will be placed in the main office. Any general waste will be placed in one of a small number of general waste bins.

Since the introduction of 'paper light' case files, there has been a dramatic reduction in the use of paper throughout the office. Savings have also been made with the introduction of the electronic letter head, allowing printing onto plain paper, which has helped reduce the amount of waste paper. Trials are currently taking place to produce electronic sub files, used to share documents and records with professional advisers, instead of producing and sending hard copy documents. If the trial is successful, the environmental impact of printing and delivering the files will decline, and in turn the paper usage within the office will be further reduced.

Office waste is currently collected by two different companies, one for general waste and one for confidential waste and mixed recycling. It is planned that in the future PSOW will be able to find one provider who will be able to cover all services needed, which will have a positive effect on the environment.

Reduction to the use of plastic used in the office

The UK government aspires to eliminate all avoidable plastic within 25 years. We do not use disposal cups for hot drinks, with staff and visitors using ceramic cups and mugs. With the removal of bottled water coolers, disposal plastic cups are no longer purchased. We will ensure that all staff and visitors have access to a reusable cup/glass.

Current Waste Figures

Table 1.4 below shows the amount of waste, of different types, we produce weekly and annually.

	Per week (average)	Per year (average)
Confidential Waste	600 litres	31,200 litres
Mixed Recycling	600 litres	31,200 litres
General Waste (including food waste)	1,100 litres	57,200 litres
Total waste per year	2,300 litres	119,600 litres

Table 1.4

We will continue to work to reduce waste in 2018/19.

Annual Equality Report

Under the Equality Act 2010 and the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 laid down by the National Assembly for Wales, the Ombudsman is required to produce an annual report in respect of equality matters. I do so here as part of my overall Annual Report and Accounts for 2017/18.

Accessibility

As part of our complaint process, we do our very best to identify as early as possible any individual requirements that may need to be met so that a service user can fully access our services. In particular, we ask people to tell us their preferred method of communication. We continue to develop strong links with third sector organisations which support our service-users, using their expertise to advise on how we can make our services more accessible.

Where we can, we make reasonable adjustments to help people make and present their complaint to us. This year we have updated our forms and letters to make our arrangements for reasonable adjustments clearer.

We will consider and respond to any request for a reasonable adjustment and have a number of facilities readily available. These include:

- providing correspondence in Easy Read
- the use of Language Line for interpretation where a complainant is not comfortable with making their complaint in English or Welsh
- obtaining expert assistance to help us to understand the particular requirements of complainants with certain conditions, such as Asperger's syndrome; and
- visiting complainants at their homes.

We also work to provide information on our website in a number of accessible formats, and produce key documents in alternative formats, such as CD/tape and Braille, and translate these into the eight most-used ethnic minority languages used in Wales.

Our website has continually been upgraded, and now features an enhanced BrowseAloud service. Additionally, the Google Translate service has been embedded so that the PSOW website content pages can be automatically translated into any one of over 100 languages on selection. A British Sign Language video and SignVideo service are also available on the website.

The Complaints Advice Team continues to signpost service users, who may need assistance in making their complaints, to advocacy and advice organisations. This information is readily available on our website. We have also developed links with advocacy organisations this year to assist those complainants who need reasonable adjustments.

Equality Data Gathering/Monitoring – Service Users

Throughout the past year we continued with our equality monitoring in respect of service users, which informs our annual outreach strategy. We invite service users to complete a questionnaire and analyse the responses we receive. The outcome of the monitoring during 2017/18 in respect of the protected characteristic groups (as defined in the Equality Act) is set out below.

In view of the nature of the work of this office, we expect the proportion of complainants with protected characteristics at least to mirror that in the overall population of Wales. However, since those with some protected characteristics may be more likely to access or rely on public services, the proportion of complainants from disadvantaged or vulnerable groups is likely to exceed the appropriate share of the population.

From the results below I am satisfied, after making comparisons with official data available (particularly the Census 2011), that the proportion of service users with protected characteristics meets or exceeds the population proportion in the way I would expect.

I am anxious to ensure that those who have concerns about public services are aware of my office and know how to contact me. It is good to see that, for the second year running, 5% of those who responded identified themselves as being from a minority ethnic background, which is slightly higher than the relevant proportion (4%) of the Welsh population.

I note that 60% of complaints are made by people aged between 35 and 64. Whilst some of these complaints will be made **on behalf of** children, young people or older people this figure does suggest that there is work to do to ensure that older and younger people, who rely most on health and social care and education support services, are aware of and able to access my services.

I will be undertaking further analysis in the coming year and will use that analysis to shape my future outreach activities.

Protected characteristic group	Percentage Outcome
Age	
Under 25	3%
25-34	14%
35-44	17%
45-54	23%
55-64	20%
65-74	13%
75 or over	3%
Prefer not to say / No response	7%

Disability	
Yes	25%
No	64%
Prefer not to say/No response	11%
Health problem or disability limiting day-to-day activities?	
Yes, limited a lot	23%
Yes, limited a little	15%
No	51%
Prefer not to say/No response	12%
Gender reassignment	
Yes	2%
No	86%
Prefer not to say/No response	12%
Religion or belief	
No religion	40%
Christian (all denominations)	48%
Other religions	6%
Prefer not to say/No response	6%
Married or same-sex civil partnership	
Yes	50%
No	38%
Prefer not to say/No response	12%
Race/Ethnicity	
White	89%
Other ethnic background	5%
Prefer not to say/No response	6%
Sex	
Male	48%
Female	45%
Prefer not to say/ No response	7%
Sexual orientation	
Heterosexual or straight	82%
Gay or Lesbian	2%
Bisexual	2%
Other	1%
Prefer not to say/No response	13%

Table 1.5

Outreach

We continued to focus on children and young people in our outreach work during 2017/18. We maintained our links with the Children’s Commissioner for Wales and in June 2017, we hosted a stand at the Urdd Eisteddfod which allowed us to interact with children and young people, as well as raise awareness of our work to their parents and guardians.

We have continued to run our three Sounding Boards – Service User, Health and Local Government – to give us an opportunity to learn from our stakeholders and use their feedback to improve our services.

We have established a database of contacts, from our Service User Sounding Board, that staff can contact should they need advice on a particular issue or topic. This provides a valuable resource and expands our knowledge base.

We have also actively engaged with a range of third sector bodies including the RNIB Cymru, Diverse Cymru, Citizens Advice and various housing associations, and have hosted stands at both Learning Disability Wales’ and the Welsh Council for Voluntary Action’s annual conferences.

Staff Equality Data Gathering/Monitoring

Our staff are asked annually to complete and return a monitoring form seeking information in respect of each of the protected characteristics. That disclosure is, of course, on a voluntary basis. 44 staff responded to the survey.

Age	The composition of staff ages is as follows: Under 25: 5% 25 to 34: 18% 35 to 44: 32% 45 to 54: 29% 55 to 64: 16%
Gender	68 % of staff stated they were female and 32% male. When asked if the gender staff identify with was the same as described at birth, 100% of the staff who answered the question said yes whilst 3 staff did not answer the question.
Disability	93% of staff said they were not disabled, 7% of staff said that they were a disabled person (2 staff did not answer the question). However, when asked if their day-to-day activities were limited because of a health problem or disability which had lasted, or was expected to last, at least 12 months, 7% said

	that they were limited a lot, 2% said they were limited a little, 89% said their day to day activities were not limited (2% preferred not to say)
Nationality	In describing their nationality, 60% said they were Welsh; 31% said British, 7% said they were English, 2% said Irish.
Ethnic group	The ethnicity of staff is: 96% White (Welsh, English, Scottish, Northern Irish, British); 2% White (Irish); 2% Black (African, Caribbean, or Black British/Caribbean).
Language	When asked about the main language of their household, 84% of staff said this was English; 16% said Welsh.
Religion or Belief	Responses to the question asking staff about their religion were as follows: No religion: 55%; Christian: 39%; Other: 2% (4% preferred not to say)
Marriage/Civil Partnership	60% of staff stated they were married; 2% were in a civil partnership; 20% were single; 11% replied other (7% preferred not to say)
Sexual Orientation	Responding on this, 89% said that they were heterosexual or straight, 2% said gay or lesbian (9% preferred not to say)

Table 1.6

Staff Training

Staff training is provided to support staff in their specific job roles or for their ongoing development. All training requested by individual staff and supported by the line manager has been approved. There are therefore no equality-related differences between approved and non-approved training requests. A new Performance Review and Development Process has been introduced with a strong focus on training and development for all staff across the organisation. A new training and development policy and process has also been introduced.

Pay and Gender – data as at 31 March 2018

Under the specific Equality Act duties, we are required to set an equality objective for gender and pay; if we do not do so, we must explain why. I currently do not have any specific objective in this regard because females are very well represented at the higher pay scales within my office. The position is kept under continual review and I will continue to maintain and promote equality in the workplace. Equality objectives will be developed if necessary. The table below shows the current position.

Pay (FTE)	Male*	Female*
Up to £20,000	1	7
£20,001 to £30,000	1	8
£30,001 to £40,000	2	13
£40,001 to £50,000	8	17
£50,001 to £60,000	3	1
£60,001 +	2	2
Subtotal	17	48
Total	65	

*Headcount includes staff on maternity/adoption leave

Table 1.7

In relation to the working patterns of the above, all staff work on a full-time basis with permanent contracts, with the exception of the following:

12 members of staff work part time (10 female, 2 male).

Recruitment

During the past year five members of staff have left. There has been recruitment to replace departing staff, for a new post and for fixed term cover for maternity/adoption leave and a secondment. Ten new employees were recruited, four on permanent contracts and six on fixed term contracts.

Equality data gathered from the past year's recruitment campaigns are shown below:

Key

CWS/CO	Casework Support Officer/Casework Officer (joint recruitment campaign)
FO	Finance Officer
IO	Investigation Officer
P&RA	Policy & Research Analyst

		CWS/CO	FO	IO	P&RA
Age	Did not say	4%	-	2%	17%
	under 25	5%	25%	2%	6%
	25-34	24%	-	16%	33%
	35-44	19%	50%	35%	22%
	45-54	24%	25%	33%	22%
	55-64	24%	-	10%	-
	65-74	-	-	2%	-
	75 and over	-	-	-	-
		100%	100%	100%	100%
Gender	Did not say	14%	-	3%	16%
	Male	43%	100%	42%	17%
	Female	43%	-	55%	67%
		100%	100%	100%	100%
Nationality	Did not say	4%	-	5%	17%
	Welsh	62%	75%	47%	44%
	English	5%	-	3%	-
	Scottish	-	-	-	-
	Northern Irish	-	-	-	-
	British	19%	-	43%	33%
	Irish	-	-	1%	-
	Other	10%	25%	1%	6%
		100%	100%	100%	100%
Ethnic Group	Did not Say	14%	-	7%	16%
	White	76%	75%	89%	67%
	(Welsh/Scottish/English/NI/British)				
	White (Irish)	-	-	1%	-
	White (Gypsy/Irish traveller)	-	-	-	-
	White (Other)	-	-	1%	-
	Asian /Asian British	-	-	-	6%
	Black, African, Caribbean or Black British	5%	25%	1%	-
	Mixed or multiple ethnic group	-	-	1%	11%
	Other ethnic Group	5%	-	-	-
		100%	100%	100%	100%
Language	Did not say	5%	-	3%	16%
	English	90%	75%	93%	67%
	Welsh	5%	-	3%	6%
	Bilingual (Welsh / English)	-	-	1%	6%
	Other	-	25%	-	5%

		CWS/CO	FO	IO	P&RA
		100%	100%	100%	100%
Disability	Did not say	4%	-	4%	16%
	Yes	10%	-	6%	6%
	No	86%	100%	90%	78%
		100%	100%	100%	100%
Limited Activities	Did not say	5%	-	5%	22%
	Yes, limited a little	5%	-	5%	6%
	Yes, limited a lot	-	-	-	-
	No	90%	100%	90%	72%
		100%	100%	100%	100%
Religion	Did not say	19%	-	8%	16%
	None	38%	25%	42%	50%
	Christian	43%	75%	48%	28%
	Buddhist	-	-	-	-
	Hindu	-	-	-	6%
	Jewish	-	-	1%	-
	Muslim	-	-	-	-
	Sikh	-	-	-	-
	other	-	-	1%	-
		100%	100%	100%	100%
Married or civil partnership	Did not say	15%	-	6%	16%
	Yes	33%	50%	49%	28%
	No	52%	50%	45%	56%
		100%	100%	100%	100%
Sexuality	Did not say	10%	25%	11%	27%
	Heterosexual	90%	75%	84%	67%
	Gay or Lesbian	-	-	4%	6%
	Bisexual	-	-	1%	-
	Other	-	-	-	-
		100%	100%	100%	100%

Table 1.8

Due to the low number of staff recruited, the equality data for the individuals appointed has been reported as part of the all staff information.

Disciplinary/Grievance

Due to the small numbers of staff working in the office, and the very small number of instances of disciplinary/grievance, it is not considered appropriate to report on equality

data for this category due to the risk of identification. I remain satisfied that there are no identifiable issues in this area that would cause concern.

Procurement

Our procurement policy refers to the relevant equality requirements that we expect our suppliers to have in place.

My services - satisfaction and complaints

Customer Satisfaction

We have continued with our satisfaction survey practice in relation to customer satisfaction for our first contact service. The table below gives details for 2017/18. In 2018/19 we intend to change our approach to improve response rates, and the level of detail of feedback we gather, to help us improve our service.

	% of respondents answering either 'strongly agree' or 'agree' 2017-18
It was easy to find out how to contact the Public Services Ombudsman for Wales	90%
The service I have received has been helpful and sensitive	91%
Staff were able to understand my query / complaint	91%
I was given a clear explanation of what would happen to my query / complaint	92%

Table 1.9

Complaints About PSOW service

We aim to provide a first-class Ombudsman service for Wales. As part of that commitment we aim to:

- provide an accessible, simple, effective and transparent process for looking into complaints about the service we give;
- respond quickly to complaints about the service we have provided; and,
- if we have got things wrong or given poor service, apologise and learn from our mistakes.

Our 'How to complain about us' policy can be used when complainants feel that we have:

- treated them unfairly or rudely; or
- failed to explain things clearly; or
- caused unreasonable delays; or
- failed to do what we have said we would; or

- failed to follow our processes correctly.

The table below reports on the number of complaints received during 2017/18 and their outcomes, together with a comparison of the position in 2016/17.

	2017/18	2016/17
Complaints brought forward from previous year*	2	0
Complaints about us received	33	62
TOTAL COMPLAINTS	35	62
OUTCOMES		
Upheld	3	11
Not Upheld	29	51
TOTAL CLOSED DURING YEAR	32	62
Ongoing and carried forward at 31 March 2017	3	2*

*2016/17 Annual Report showed 1 in error

Table 1.10

The number of complaints about our service reduced by 48%. 9% of these complaints were upheld (in whole or part). This is a reduction of 8% compared with 2016/17 when 17% were upheld (in whole or part).

The nature of the complaints that were upheld were:

Lack of response or update	2
Dissatisfaction with process or policy	1
TOTAL	3

Table 1.11

The following action was taken in respect of the upheld complaints:

- an apology was issued to the complainant in each upheld case;
- we reviewed the case complained about to establish whether a decision on compliance with recommendations could have been reached earlier;
- we determined, within two months, whether compliance with outstanding recommendations in the case complained about had been achieved.

Independent Complaint Resolution Services (ICRS)

Whilst the Ombudsman is independent of government and is not overseen by a regulator, to ensure that we are open to scrutiny and review in our handling of complaints about us,

the Ombudsman has appointed an Independent External Reviewer of Complaints about our service. The Independent External Reviewer will consider the service provided by the Ombudsman but will not review the outcome of complaints about a public body, public service or councillor.

Seven complainants asked ICRS to review their complaints about PSOW during the year. Four reviews were completed and one complaint was resolved by an apology from PSOW. Two complaints were considered by ICRS to be outside their remit / cases where they could not assist. These arise primarily where the complaint is about disagreement with PSOW's decision in respect of a complaint about a public body.

ICRS reported that this year the majority of complaint issues were not upheld as they were satisfied that PSOW had dealt with matters appropriately in line with its published procedures and service standards. ICRS upheld or partly upheld three complaint issues and made a number of recommendations to PSOW, either for a formal apology or for PSOW to consider process improvements. The recommendations included explaining more fully the Ombudsman's authority, and the extent of his discretion, to a particular complainant in order to manage expectations, improving the recording of reasonable adjustments and ensuring that communication was clear and did not create inaccurate expectations about what my office could or would do.

The recommendations have been addressed and shared with relevant staff.

Welsh language services

I fully support the rights of individuals who use my service to do so in Welsh. I have a dedicated pool of staff who are Welsh language speakers. They deal with enquiries from the public in Welsh and investigate complaints about public services which have been made to me in Welsh.

Our public documents are available in both English and Welsh and I have a fully bilingual website.

Key Financial Data

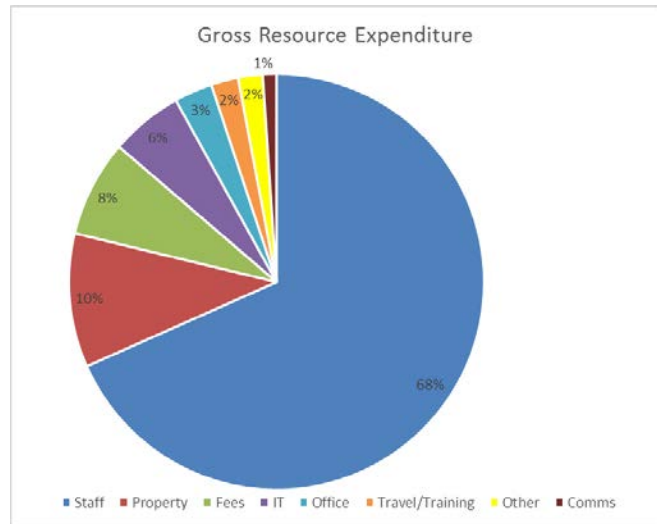
Net Resource Funding:	£4,248k	Total Assets:	£386k
Net Resource Expenditure:	£4,210k	Total Liabilities:	£742k
Cash to be Repaid:	£32k	Net Liabilities:	£356k

Gross Resource Expenditure (pages 82/3)

PSOW's funding comes from the Welsh Consolidated Fund (WCF). Each year the estimated costs of running the Office have to be submitted to the Finance Committee of the National Assembly for Wales for consideration. When agreed, funds are drawn down monthly with any surpluses returned to the WCF during the following Financial Year.

Gross resource expenditure was £4,241k compared to funding of £4,280k. The under-spend was mostly attributable to a reduction in capital charges.

A cash under spend of £32k will be returned to the WCF in 2017/18.



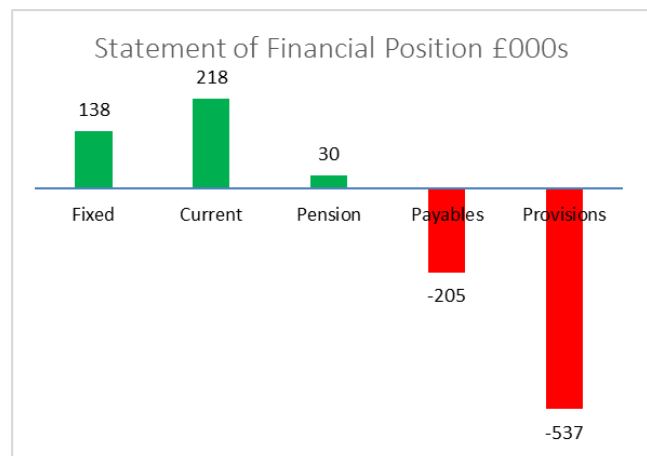
Assets and Liabilities £000s (page 75)

Fixed assets include plant and equipment £128k, software £7k, receivables > 1 year of £3k.

Current assets consist of receivables £186k and cash £32k.

Liabilities are accounted for by payables (£205k) and provisions for pensions and dilapidations (£537k).

There is a net liability of (£356k).



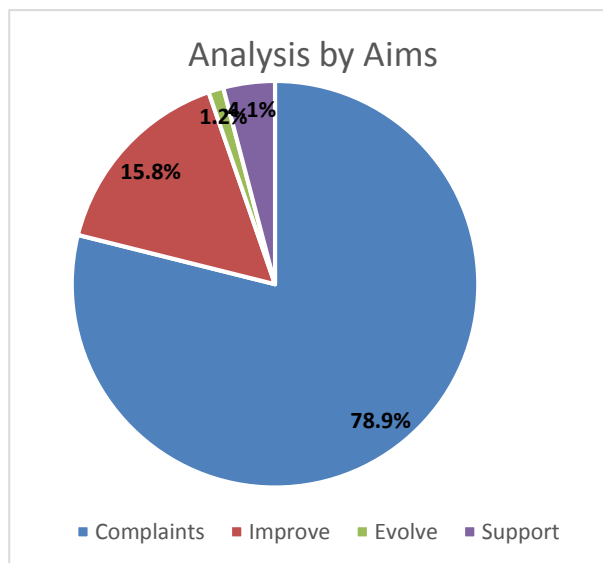
Operating Costs by Strategic Aims (page 84)

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 services 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 create a new Public Services Ombudsman (Wales) Act.

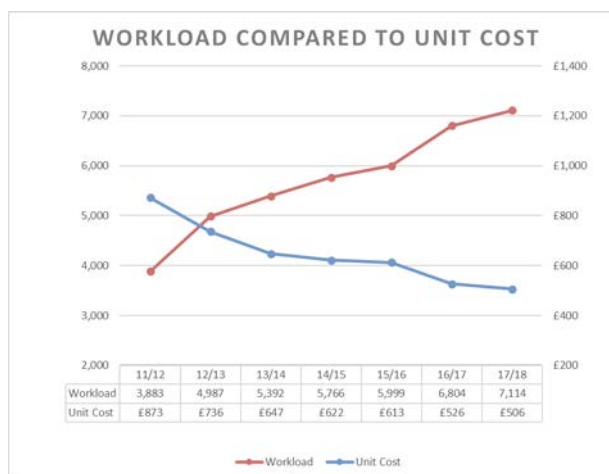
Aim 4: To be accountable for the service we provide and the public money we spend.



Trend (page 48)

Over the period 2011/112 to 2017/18 workload increased by 83% whilst the unit cost reduced by 42%.

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



Nick Bennett
 Accounting Officer
 Public Services Ombudsman for Wales

27 June 2018



**Accountability
Report**

Corporate Governance Report

Ombudsman's Report

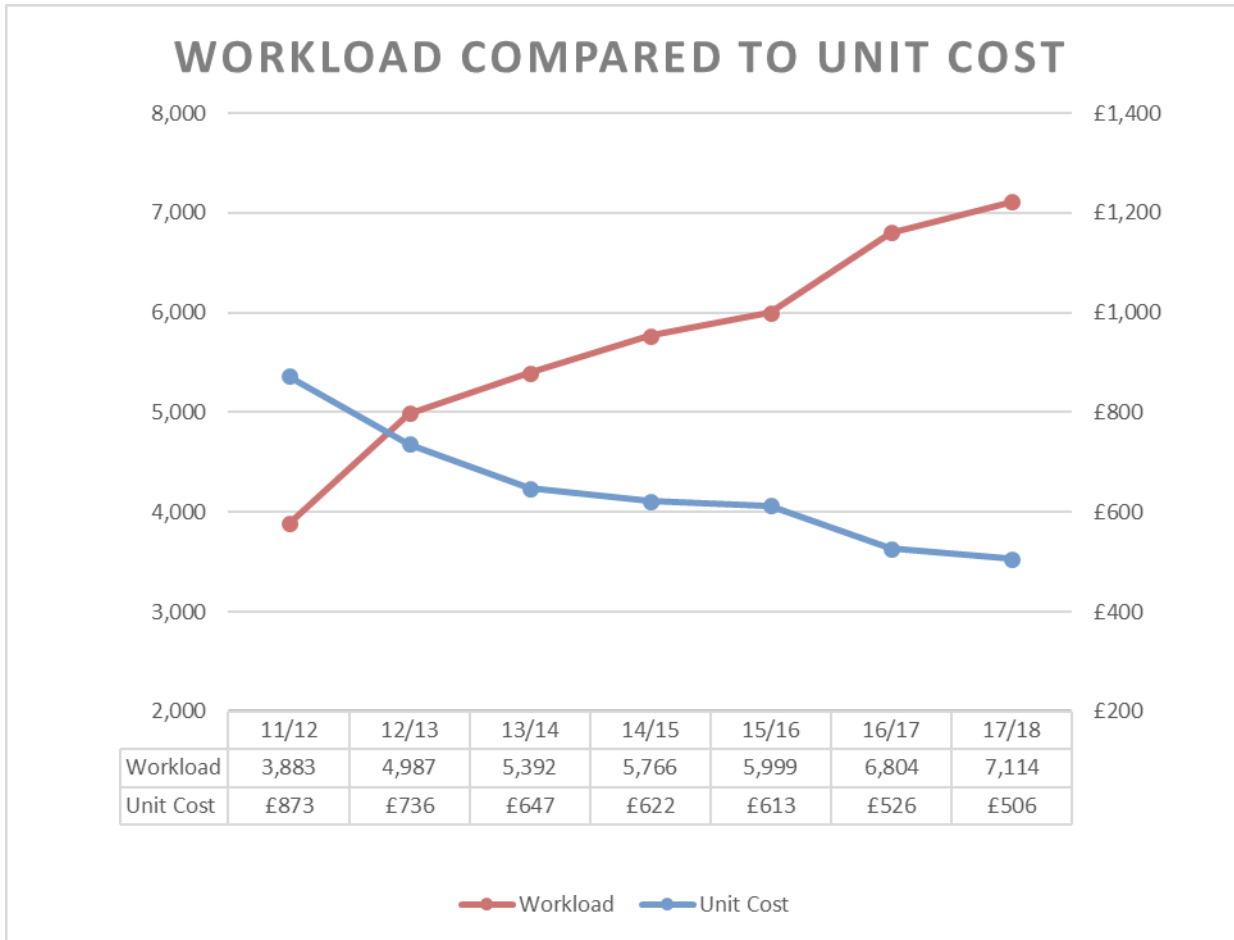
Background

Under the Government of Wales Act 2006 the office is financed through the Welsh Consolidated Fund (WCF). Any unspent cash balances must be repaid into the WCF no later than four weeks after a certified copy of the accounts has been laid before the National Assembly for Wales. 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 National Assembly for Wales.

As at 31 March 2018, the Office comprised 60 staff based in Pencoed, Bridgend including the Ombudsman, Chief Operating Officer, Director of Policy, Legal and Governance as well as investigation and support staff.

The National Assembly for Wales provided cash of £4.2 million for the funding of the Office although £32k of this is due to be returned to the WCF being the unused cash balance at the year end. The sum of £32k is within the accepted year-end balance criteria of 3% funding. The Office has achieved a level of spending in line with changes in the overall level of the Welsh block which is especially noteworthy considering the upward demand for the services of the Office.

Great strides have been made over recent years in improving efficiency in the way we consider complaints. This has been essential in view of the ever-increasing caseload. The table below shows that over the past seven years, the Office has seen an increase of over 82% in all contacts (that is, in enquiries, public body complaints and complaints about the conduct of members of local authorities) whilst unit costs have reduced by 42% when adjusted for CPI inflation. The past year has seen yet another increase in enquiries and complaints of 4%. Despite this, we have still managed to exceed the majority of our performance targets. We continued with our information technology upgrade programme with a view to getting new technology to take some of the strain of the administrative tasks associated with complaint handling.



Remuneration

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

Pension Liabilities

The pension obligations to present and past employees are discharged through:

- (a) the Principal Civil Service Pension Scheme (PCSPS);
- (b) the Local Government Pension Scheme administered through the Cardiff and Vale of Glamorgan Pension Scheme (the Fund); and
- (c) 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. In addition, upon taking up my role as Ombudsman, I was appointed by the Treasury as the Accounting Officer for the public funds with which the National Assembly entrusts me to undertake my functions. The Advisory Panel, established during 2011/12, has continued to meet on a regular basis over the past year. A review of its effectiveness conducted during 2015/16 concluded that the Panel added the additional scrutiny and support sought by the Ombudsman. 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 and Risk Assurance Committee.

Accounts Direction

Under the Accounts Direction issued by HM Treasury dated 21 December 2006, I was required to prepare accounts for the financial year ended 31 March 2018 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 2017/18.

The accounts have been prepared to:

- (a) give a true and fair view of the state of affairs at 31 March 2018 and of the net resource outturn, resources applied to objectives, recognised gains and losses and cash flows for the financial year then ended; and
- (b) provide disclosure of any material expenditure or income that has not been applied for the purposes intended by the National Assembly for Wales 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 17 of Schedule 1 to the Public Services Ombudsman (Wales) Act 2005. The cost of the audit for 2017/18 was £18k, no change from 2016/17.

So far as I am aware I have taken all the steps necessary to make the auditors aware of any relevant audit information.

Nick Bennett
Accounting Officer
Public Services Ombudsman for Wales

27 June 2018

Statement of Accounting Officer's Responsibilities

Under the Public Services Ombudsman (Wales) Act 2005 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 Office during the year in the form of and on the basis set out in the Accounts Direction. 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 outturn, resources applied to objectives, changes in tax payer's equity 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 HM 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 financial statements; and
- prepare the financial statements on a going concern basis.

My relevant responsibilities as Accounting Officer include responsibility for the propriety and regularity of the public finances for the PSOW, keeping proper records and safeguarding the Office's assets as set out in the Accounting Officer's memorandum issued by HM Treasury that is published in "Managing Welsh Public Money", and are in accordance with the Public Services Ombudsman (Wales) Act 2005.

Annual Governance Statement 2017/18

Status of the Public Services Ombudsman for Wales

As laid down in Schedule 1 paragraph 2 of the Public Services Ombudsman (Wales) Act 2005, the Ombudsman is a Corporation Sole holding office under Her Majesty and discharges his function on behalf of the Crown. Schedule 1 paragraph 18 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 ensure that the Office operates effectively and to a high standard of probity. In addition, I have responsibility for maintaining a sound system of internal control that supports the achievement of the PSOW's policies, aims and objectives whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in "Managing Welsh Public Money".

I am independent of the National Assembly for Wales, but am accountable to its Public Accounts Committee for the use of resources made available to support my statutory functions. In determining the level of resources available to the Office, the PSOW's budget proposals are considered by the Finance Committee of the National Assembly for Wales in accordance with the process laid down in the Act. I produce a combined Annual Report and Accounts for consideration by the Equality, Local Government and Communities Committee and the Finance Committee.

I am required to include this 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. To enable me to satisfy these requirements, I have established 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 scope and robust financial management, risk planning and monitoring procedures.

Strategic Planning and Performance Monitoring

In considering the Strategic Plan for the three years 2016/17 to 2018/19, I have established the following:

Vision: A public service culture that values complaints and learns from them to improve public service delivery, and a

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

Whilst individual teams within the Office are charged with implementing the actions identified, the Management Team and the Advisory Panel monitor progress made against targets and the outcomes achieved via quarterly reports. I was very pleased that all key activities for 2017/18 had been delivered by the end of the financial year.

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 2018 and up to the date of approval of these accounts, and accords with HM Treasury guidance. 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 and Risk Assurance Committee.

Corporate Governance arrangements

Governance arrangements include an Advisory Panel of external advisers supplemented by an Audit and Risk Assurance Committee which is a sub-committee of the Panel. The respective responsibilities are:

Advisory Panel

(a) Role of the Panel

The Advisory Panel is a non-statutory forum whose main role is to provide support and advice to the Ombudsman in providing leadership and good governance of the office of the PSOW. The Advisory Panel also brings an external perspective to assist in the development of policy and practice.

The Advisory Panel provides specific advice and support to the Ombudsman on:

- vision, values and purposes
- strategic direction and planning
- accountability to citizens for the public funds it receives, and
- internal control and risk management arrangements

The Advisory Panel is an advisory only body to the Ombudsman, and does not make decisions in its own right.

The Panel also assists the Ombudsman in establishing:

- governance arrangements, including Terms of Reference of any sub-committees
- the PSOW's strategic direction, aims and objectives and targets
- key business policies
- key employment strategies and policies

and scrutinising and assuring:

- the Three Year Strategic Plan and the Annual Business Plan
- high level budget allocation
- the budget Estimates submission to the Finance Committee of the National Assembly for Wales
- resource accounts (delegated to the Audit and Risk Assurance Committee); and
- contracts over £25k (delegated to the Audit and Risk Assurance Committee).

It also monitors and reviews:

- risk and internal control (delegated to the Audit and Risk Assurance Committee)
- operational performance and delivery
- financial performance

- effectiveness of employment strategies and policies
- diversity and equal opportunities, particularly in relation to the Equality Act 2010
- external communications strategies and stakeholder relations, and
- health and safety and business continuity.

Four meetings were held in July, September and December 2017 and March 2018.

(b) Membership

Membership comprises:

- the Ombudsman (Chair due to constitutional accountability considerations)
- up to six external members (who offer specific skills and experience sought by the Ombudsman and one of whom may be from another ombudsman office).

The Director of Policy, Legal & Governance acts as Secretary to the Panel; other Management Team members as decided by the Ombudsman may attend the Panel's meetings but are not formally members of the PSOW Advisory Panel.

Panel Members are recruited via open recruitment exercises, with the latest of these being conducted in the first quarter of 2017/18, due to the terms of office of a number of independent members of both the Advisory Panel and Audit & Risk Assurance Committee concluding in 2017/18 or early 2018/19.

Attendance during 2017/18 was as follows:

Membership:

Nick Bennett – Ombudsman and Chair	4
Jonathan Morgan	4
Margaret Griffiths	3
Anne Jones (from September)	3
Tom Frawley (from December)	2
Jim Martin (from December)	2
Bill Richardson (July - September)	2
Sharon Warnes (July – September)	2
Beverley Peatling (December only)	1
Jan Williams (to July)	1
John Williams (to July)	1

Audit and Risk Assurance Committee

(a) Terms of Reference

The Advisory Panel is responsible for agreeing the Terms of Reference of the Audit and Risk Assurance Committee. The Audit and Risk Assurance Committee supports the Ombudsman 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.

(b) Membership

Due to a number of Independent Members' terms of office concluding in 2017/18, a recruitment exercise took place in June 2017. Three new Independent Members were recruited and attended their first meetings in December 2017. The new Members are Dr Tom Frawley CBE, former Assembly Ombudsman and Northern Ireland Commissioner for Complaints; Jim Martin, former Scottish Public Services Ombudsman; and Beverley Peatling, Project Manager/Business Analyst for the Metropolitan Police Service (Counter Terrorism Unit) (Beverley only attended the December meeting having resigned in early January due to a change in circumstances which led to a conflict of interest). William Richardson's term of office concluded in September 2017 and Jonathan Morgan was appointed Chair with effect from the December 2017 meeting. As mentioned previously, Mr Morgan's experience as an Assembly Member and as former chair of the National Assembly's Public Accounts Committee, has provided added value to the ARAC and to the role of Chair. Sharon Warnes stepped down from her role as Independent Member in September 2017

(c) Training

Members of the Committee are invited to assess their training needs annually. An induction programme is provided for all members of the Advisory Panel, which includes Audit and Risk Assurance Committee induction as appropriate. An induction day took place in December 2017 and all new members attended. In October 2017, the Financial Accountant attended a Cyber Security workshop held for chairs of Audit and Risk Assurance Committees facilitated by Wales Audit Office on behalf of the Chair. This was useful for networking and sharing best practice and information.

(d) Meetings

The Committee sets for itself an annual work programme. There were four meetings of the Committee during the year. At each meeting, the Committee received a number of standing agenda items. One of these covered Risk Management - a new approach to the

risk register was proposed in 2016/17 and, following consideration by both the PSOW's Management Team and the Committee, the revised format was approved and adopted in 2017. The main principle of the current risk management report format is that there are five key risk horizons, and that an assessment is made by each team and then PSOW Management Team, on a regular basis, for each of these risk horizons:

- Core Function
- Data Privacy / information security
- Financial
- Operational & Support
- Governance

This replaced the previous approach of identifying risks and then allocating the risks to a risk category. The Committee is presented with a risk summary table and assessment of the five risk horizons as a method of ensuring that they are kept aware of key risks. The overall level of risk facing the Office has remained relatively low and generally static. Attendance was as follows:

Membership:

Jonathan Morgan (Chair December – March)	4
William Richardson (Chair July - September)	2
John Williams	4
Tom Frawley (from December)	2
Jim Martin (from December)	2
Sharon Warnes (July – September)	2
Beverley Peatling (December only)	1

Other standing reports submitted to the Committee related to declarations of any fraud or losses, including any data losses, identified.

During the year the Committee also received reports on any appropriate matters that fell within its Terms of Reference. They included: the 9 and 12-month accounts, internal audit plans, updates on the business continuity plan, and relevant financial and corporate governance matters issued by HM Treasury.

At each meeting, the Committee received for information purposes 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 a regular scrutiny of the financial position within the Office.

The Committee provided advice to the Ombudsman to ensure that the 2017/18 Annual Governance Statement included appropriate information and complied with best practice.

(e) Internal and External Audit

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

The rolling audit programme covering the other aspects of the Office's work and controls also noted the satisfactory internal control framework within the Office and made recommendations for improvement where necessary. The overall assessments were as follows:

IT General Controls	MODERATE assurance
Open Source Data	SUBSTANTIAL assurance
Professional Advisors	SUBSTANTIAL assurance
Financial Systems:	
Budgetary Control	SUBSTANTIAL assurance
Purchasing and Payments	MODERATE assurance
Banking and Cash Management	SUBSTANTIAL assurance
Risk Management	SUBSTANTIAL assurance

In most audits, the level of assurance was considered "Substantial". However, there were two areas where the assurance level was "Moderate". One related to IT General Controls and the formal recording and documentation of the IT penetration tests that had been completed. This has been addressed and a full report on the testing was provided and shared with IT support providers. The other area of "Moderate" assurance was Purchasing and Payments, where one purchase order for translation services was found not to have been countersigned. The audit also noted that purchase orders are not required for rent, business rates, utility bills etc. and was not covered in documented procedures. This will be addressed at the next review of documented processes in Quarter 3 of 2018/19 (i.e. by December 2018).

The internal auditors' Annual Report for 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 the PSOW's objectives'. These findings 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.

The role of external audit is undertaken by the Wales Audit Office (WAO). The Committee considered the Annual Accounts that included the Governance Statement of the Office for 2016/17 together with the External Audit of Financial Statements Report and Management Letter. The audit conclusions for the 2016/17 financial year were reviewed at the September 2017 meeting of the Committee.

An unqualified opinion was given on the 2016/17 Accounts on 21 July 2017 with the two recommendations accepted in full by management. These have been implemented in the 2017/18 annual accounts review.

Both Internal and External Auditors have the right, if considered appropriate, 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 co-operating effectively with each other. The quality of the audit work and that of the Committee 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 28 March 2018.

(f) Monitoring processes

At each meeting during 2017/18 the Committee received a report on progress made on implementation of External and Internal Audit recommendations. The Committee members were satisfied that all the recommendations made had been implemented or will be implemented by the first quarter of 2018/19.

(g) Annual Review and Assessment

This annual review is undertaken to ensure that the work of the Audit and 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 Report for 2017/18.

The report 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 effectively support me as the Public Services Ombudsman for Wales to comply with my Accounting Officer responsibilities in providing evidence to assist in the preparation of this Annual Governance Statement.

Reporting of Personal Data Related Incidents

All incidents involving personal data are reported to the Audit and Risk Assurance Committee, regardless of whether the PSOW is at fault. Where PSOW is at fault, guidance issued by the Information Commissioner's Office is considered to establish whether it is necessary to report the incident to that office.

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 and Risk Assurance Committee.

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 2018 I have been supported by a Chief Operating Officer to whom some of the Ombudsman's responsibilities have been delegated. In addition, the Management Team which I chair has responsibility for overseeing risk management. 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. As already stated the Audit and Risk Assurance Committee receives regular reports on the Risks relating to this Office.

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

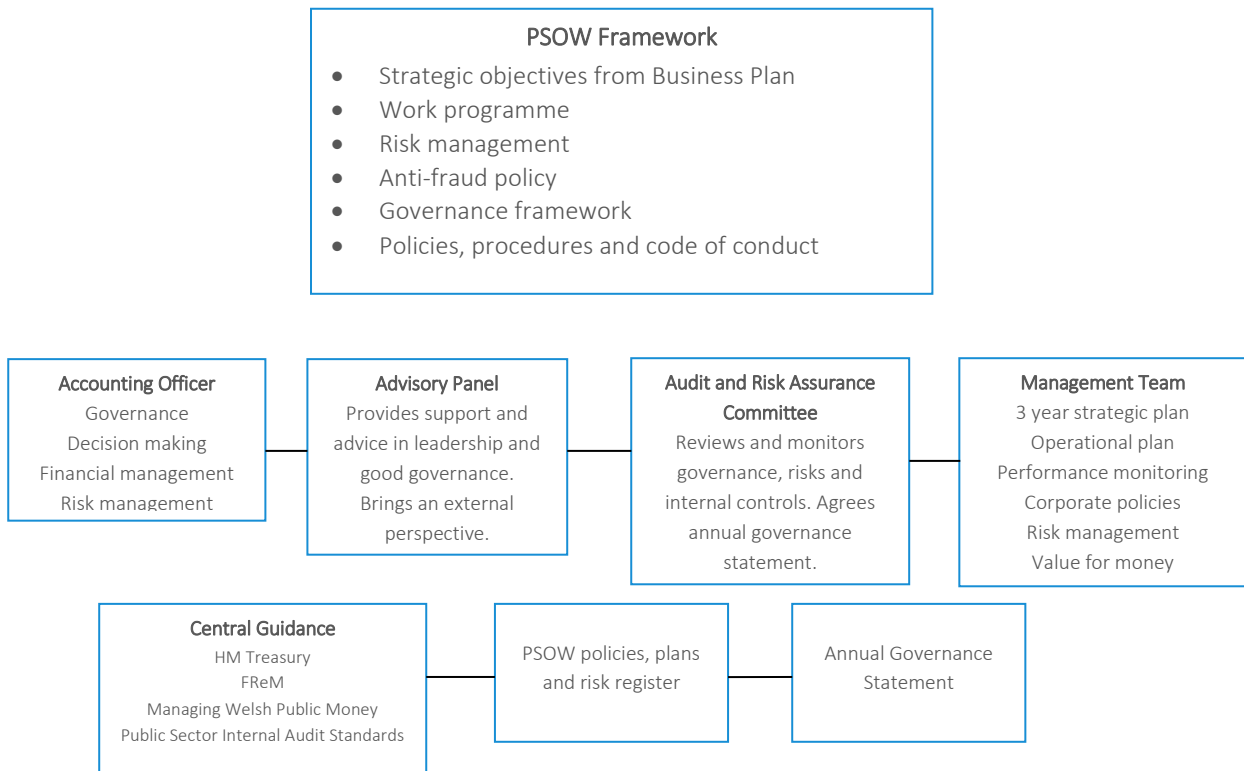
- risks that could affect my ability to fulfil my core functions;
- risks affecting data security;
- financial risks;
- governance risks; and
- risks affecting facilities and support arrangements (such as premises and IT services).

Key risks at the year-end were identified as follows:

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.

Risk Assurance Framework Arrangements



Assurance Map Components

<p>1st line of defence</p> <p>Strategic and operational delivery reporting</p> <p>KPI reporting</p> <p>Financial controls/Budget monitoring</p>
<p>2nd line of defence</p> <p>Risk register reviews</p> <p>Quality assurance</p> <p>Information security assurance</p>
<p>3rd line of defence</p> <p>Internal audit reports</p> <p>Financial accountant spot checks</p> <p>Scrutiny by Finance Committee and PAC</p>
<p>Other Assurances</p> <p>External audit</p>

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 and actions required to ensure that the office remains within its budgeted expenditure are agreed. No major issues arose in respect of the PSOW's budget for 2017/18.

As far as the process of producing the PSOW's financial estimate for 2018/19 is concerned, a paper setting out initial budget criteria was considered by the Advisory Panel in July 2017. Following on from this a draft budget estimate paper was considered at the meeting in September 2017. That paper set out in full the financial resources that the PSOW had identified as being necessary to enable the PSOW to carry out his duties. The final Estimates paper was submitted to the Finance Committee of the National Assembly for Wales. The Finance Committee considered the paper in October 2017 and I was pleased to be able to attend the meeting to answer Assembly Members' specific questions on the submission.

The National Assembly for Wales subsequently approved the financial estimate in full for 2018/19.

Conclusion

I can report that there were no significant weaknesses in the Office's system of internal controls in 2017/18 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.

Nick Bennett
Accounting Officer
Public Services Ombudsman for Wales

27 June 2018

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: Nick Bennett - Ombudsman, Chris Vinestock - Chief Operating Officer and Director of Investigations and Katrin Shaw - Director of Policy, Legal and Governance.

Single Total Figure of Remuneration										
Officials	Salary (£'000)		Bonus payments (£'000)		Benefits in Kind (to nearest £100)		Pension benefits (to nearest £1,000)		Total (£'000)	
	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17
Nick Bennett	145-150	140-145	-	-	-	-	56,000	57,000	200-205	200-205
Chris Vinestock	90-95	90-95	-	-	-	-	27,000	79,000	120-125	170-175
Katrin Shaw	75-80	70-75	-	-	-	-	30,000	74,000	105-110	145-150

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 2017/18 was £145-150,000 (2016/17, £140-£145,000). This was 3.6 times (2016/17, 3.5) the median remuneration of the workforce, which was £41,025 (2016/17, £40,623). In 2017/18, no employee received remuneration in excess of the highest-paid director (2016/17, none).

Remuneration ranged from £17,000 to £150,000 (2016/17, £14,000-£145,000). Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance 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 1% pay increase was awarded to staff that covered the year April 2017 to March 2018.

Pensions

Pension entitlements for the persons shown above are detailed below:

Name	Accrued pension at pension age as at 31/03/18 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/18	CETV at 31/03/17	Real Increase in CETV	Employer contribution to partnership pension accounts
	£000	£000	£000	£000	£000	Nearest £100
Nick Bennett	35-40	2.5-5	395	347	25	-
Chris Vinestock	55-60	0-2.5	706	651	12	-
Katrin Shaw	25-30	0-2.5	403	364	13	-

Pension Liabilities

The pension obligations to present and past employees are discharged through:

- (a) the Principal Civil Service Pension Scheme (PCSPS)
- (b) the Local Government Pension Scheme administered through the Cardiff and Vale of Glamorgan Pension Scheme (the Fund) and
- (c) the pensions paid directly to former Commissioners or their dependants.

Fuller details are given in the Pensions Disclosures.

Sickness

During the year, an average of 5.6 days per employee were lost through sickness compared with 4.0 days in 2016/17. This is the equivalent of 2.1% (1.5% in 2016/17) of total possible workdays.

The increase was attributable to three staff on long term sick that accounted for 61% or 3.4 days lost through sickness.

Reporting of Civil Service and other compensation schemes

No exit packages were paid in 2017/18 (2016/17 Nil).

Advisory Panel and Audit and Risk Assurance Committee

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

	2017/18	2016/17
	£	£
Jonathan Morgan	1,565	1,244
William Richardson	1,263	2,737
John Williams	904	1,711
Jan Williams	-	-
Margaret Griffiths	564	1,269
Sharon Warnes	622	1,711
Jim Martin	622	-
Tom Frawley	622	-
Anne Jones	846	-
Beverley Peatling	622	-

Due to the late timing of the March 2018 meetings only 3 payments were made to committee members in 2017/18.

For staff reporting issues see the Annual Equality Report.

Nick Bennett
Accounting Officer
Public Services Ombudsman for Wales

27 June 2017

National Assembly for Wales

Accountability and Audit Report

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

Summary of Net Resource Outturn

For the year ended 31 March 2018

	Revised Estimate			Outturn				2016/17
	Gross Expenditure	Income	Net Total	Gross Expenditure	Income	Net Total	Net total outturn compared to estimate	Net Total
	£000	£000	£000	£000	£000	£000	£000	£000
Revenue	4,255	(32)	4,223	4,221	(31)	4,190	33	4,025
Capital	25	-	25	20	-	20	5	27
Net Resource	4,280	(32)	4,248	4,241	(31)	4,210	38	4,052
Net Cash Requirement	4,242	(32)	4,210	4,209	(31)	4,178	32	4,240

The Ombudsman is paid directly from the Welsh Consolidated Fund and not by the Office and is not included in the PSOW accounts.

For transparency, the Ombudsman's remuneration continues to be disclosed in the Remuneration Report.

Reconciliation of Net Resource to Net Cash Requirement

For the year ended 31 March 2018

	Note	2017/18 Revised estimate	2017/18 Net total Outturn	Net total outturn compared to revised estimate	2016/17 Outturn
		£000	£000	£000	£000
Net Revenue	2-4	4,223	4,190	33	4,025
Net Capital	6	25	20	5	27
Net Resource		4,248	4,210	38	4,052
Excess income to WCF	4	-	-	-	(5)
Movement in provisions	10	22	7	15	(21)
Capital charges	6	(80)	(43)	(37)	(82)
Movements in working capital	7-9	20	24	(4)	16
Pension charges (LGPS)	Pensions Disclosures	-	(20)	20	280
Net cash requirement		4,210	4,178	32	4,240

No pension deficit payments are payable from 2017/18 onwards due to the Local Government Pension Scheme (LGPS) being in surplus. A final deficit payment of £279k was made in 2016/17.

Nick Bennett
Accounting Officer
Public Services Ombudsman for Wales

27 June 2018

The Certificate and Independent Auditor's Report of the Auditor General for Wales to the National Assembly for Wales

Report on the audit of the financial statements

Opinion

I certify that I have audited the financial statements of the Public Services Ombudsman for Wales for the year ended 31 March 2018 under paragraph 17 (2) of Schedule 1 of the Public Services Ombudsman (Wales) Act 2005. These comprise the Summary or Net Resource Outturn, Statement of Comprehensive Net Expenditure, Statement of Financial Position, Consolidated Statement of Cash Flows, Statement of Changes in Taxpayers Equity and related notes, including a summary of significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and HM Treasury's Financial Reporting Manual based on International Financial Reporting Standards (IFRSs) as adopted by the European Union. I have also audited the information in the Remuneration Report that is described in that report as having been audited. In my opinion the financial statements:

- give a true and fair view of the state of Public Services Ombudsman for Wales affairs as at 31 March 2018 and of its net cash requirement, net resource outturn and net operating cost, for the year then ended; and
- have been properly prepared in accordance with HM Treasury directions issued under the Public Services Ombudsman (Wales) Act (2005).

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am 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 opinion.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accounting Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the body's ability to continue to adopt the

going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Accounting Officer is responsible for the other information in the annual report and accounts. The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Opinion on regularity

In my opinion, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the National Assembly for Wales and the financial transactions recorded in the financial statements conform to the authorities, which govern them.

Report on other requirements

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 the Public Services Ombudsman (Wales) Act (2005).

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

- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Governance Statement has been prepared in accordance with HM Treasury guidance;
- 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 has been prepared in accordance with the Public Services Ombudsman (Wales) Act (2005).

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

- proper accounting records have not been kept;
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns;

- information specified by HM Treasury regarding the remuneration and other transactions is not disclosed; or
- I have not received all of the information and explanations I require for my audit.

Report

I have no observations to make on these financial statements.

Responsibilities

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 preparing the financial statements in accordance with the Public Services Ombudsman (Wales) Act 2005 and HM Treasury directions made there under, for being satisfied that they give a true and fair view and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for 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 deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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.

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. This description forms part of my auditor's report.

Responsibilities for regularity

The Accounting Officer is responsible for ensuring the regularity of financial transactions. I am required to obtain sufficient evidence to give reasonable assurance that the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities, which govern them.

Huw Vaughan Thomas
Auditor General for Wales
17 July 2018

24 Cathedral Road
Cardiff
CF11 9LJ



**Financial
Statements**

Statement of Comprehensive Net Expenditure

for the year ended 31 March 2018

	Note	2017/18	2016/17
		£000	£000
Administration costs			
Staff costs	2	2,898	2,827
Other non-staff administration costs	3	1,323	1,198
Gross Administration Costs		4,221	4,025
Operating Income	4	(31)	(5)
Net Administration Costs		4,190	4,020
Net Revenue Outturn		4,190	4,020

All activities commenced in the period are continuing.

Notes 1 to 19 and the Pensions Disclosures form part of these statements.

Statement of Financial Position

as at 31 March 2018

	Note	2017/18 £000	2016/17 £000
Non-current assets			
Property, Plant and Equipment	6a	128	140
Intangible assets	6b	7	18
Receivables due after more than one year	7	3	-
Pension fund surplus	Pensions Disclosures	30	40
		168	198
Current Assets			
Trade and other receivables	7	186	163
Cash and cash equivalents	8	32	34
		218	197
Total assets		386	395
Current liabilities			
Trade and other payables	9	(177)	(172)
Provisions less than one year	10	(43)	(83)
		(220)	(255)
Total assets less current liabilities		166	140
Non-current liabilities			
Trade and other payables due after one year	9	(28)	(33)
Provisions greater than one year	10	(494)	(461)
		(522)	(494)
Total assets less liabilities		(356)	(354)
Taxpayers equity:			
General Fund		(356)	(354)

Notes 1 to 19 and the Pensions Disclosures form part of these statements. The financial statements were approved by the Accounting Officer and authorised for issue on 27 June 2018 by:

Nick Bennett
Accounting Officer

27 June 2018

Statement of Cash Flows

for the year ended 31 March 2018

	Note	2017/18 £000	2016/17 £000
Net cash outflow from operating activities	11	(4,158)	(4,218)
Net cash flow from investing activities	12	(20)	(27)
Financing from National Assembly for Wales	13	4,210	4,279
Prior year cash balance repaid		(34)	(36)
Net increase (decrease) in cash equivalents after adjustments for payments to Welsh Consolidated Fund		(2)	(2)
Cash and cash equivalents at the beginning of period		34	36
Cash and cash equivalents at the end of period		32	34

Notes 1 to 19 and the Pensions Disclosures form part of these statements.

The 2016/17 figures have been restated to reflect a change in presentation.

Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2018

	General Fund 2017/18 £000	General Fund 2016/17 £000
Balance as at 1 April	(354)	(564)
Net operating costs	(4,190)	(4,020)
Funding by National Assembly for Wales	4,210	4,279
Due back to Welsh Consolidated Fund		
- Cash	(32)	(34)
- Income in excess of approved budget	-	(5)
Actuarial (deficit) surplus	10	(10)
Total recognised income and expense for year	(2)	210
Balance as at 31 March	(356)	(354)

Notes 1 to 19 and the Pensions Disclosures form part of these statements.

Notes to the Financial Statements

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 2017/18. 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.

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 one year and the cost exceeds £1k. Assets costing less than £1k may be capitalised providing they are capital in nature and are part of a larger scheme that is in total more than £1k. 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 the fixed assets previously acquired and the prices paid for the 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 year's depreciation in the year of purchase. Assets in the course of construction are depreciated from the year 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 £1k or more is incurred and the useful life is more than one year. Intangible assets costing less than £1k may be capitalised providing they are capital in nature and are part of a larger scheme that is in total more than £1k. 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, a full year's amortisation charge is made with the balance amortised on a straight-line basis over the balance of the estimated life.

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), the Local Government Pension Scheme administered through the Cardiff and Vale of Glamorgan Pension Scheme (the Fund) and by direct payment to previous Commissioners for Local Administration in Wales and any surviving beneficiaries. Full details are disclosed in the Pensions Disclosures at the end of the Financial Statements. The costs of providing these pensions are charged through the Statement of Comprehensive Net Expenditure with actuarial gains and losses relating to the Cardiff and Vale of Glamorgan Pension Scheme being recognised in the year in which they occur.

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 Operating Leases

Expenditure on leased property is charged in the period to which it relates. Operating lease charges for equipment are spread equally over the life of the lease.

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 risk-adjusted 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.

1.12 Impact of Standards Not Yet Effective

Standard	Effective date	Further details
IFRS 9 Financial Instruments	2018/19	IFRS 9 Financial Instruments will replace IAS 39 and includes a new principles-based approach for the classification and measurement of financial assets. It also introduces a new impairment methodology for financial assets based on expected losses rather than incurred losses. This will result in earlier and more timely recognition of expected credit losses. The accounting requirements for financial liabilities are almost all carried forward unchanged from IAS 39.
IFRS 15 Revenue from Contracts with Customers	2018/19	IFRS 15 Revenue from Contracts with Customers introduces a principles-based five-step model for recognising revenue arising from contracts with customers. It is based on a core principle requiring revenue recognition to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration the body expects to be entitled to, in exchange for those goods or services. It will also require more extensive disclosures than are currently required.
IFRS 16 Leases	2019/20	IFRS 16 will replace the current leases standard IAS 17. The key change is that it largely removes the distinction between operating and finance leases for lessees by introducing a single lessee accounting model that requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. It will lead to all leases being recognised on the balance sheet as an asset based on a right of use principle with a corresponding liability for future rentals. This is a significant change in lessee accounting.

2. Staff Costs and Numbers

The aggregate employment costs were as follows:

	2017/18	2016/17
	£000	£000
Permanent staff:		
Salaries	2,194	2,130
Social Security Costs	210	221
Pension costs	439	448
Pension fund charges	55	28
Total	2,898	2,827

There were no temporary staff employed by the PSOW during 2017-18 and 2016-17.

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

	2017/18	2016/17
	No.	No.
Directors	2	2
Investigations	45	42
Corporate Services and ITC	7	7
Communications and PA	3	4
Total	57	55

3. Non-Staff Administration Costs

	2017/18	2016/17
	£000	£000
Rentals under operating leases	265	261
External Audit fee	18	18
Professional Advisers	319	230
Other property costs	205	174
Computer services	239	177
Office costs	98	115
Travel and subsistence	36	39
Training and Recruitment	55	45
Communications	45	57
Sub-total	1,280	1,116
Depreciation	32	33
Amortisation charge	11	49
Loss on disposal	-	-
Sub-total	43	82
Total Other Administration Costs	1,323	1,198

4. Operating Income

	2017/18	2016/17
	£000	£000
Seconded staff	(30)	(4)
Interest receivable	-	-
Other – Future Generations Commissioner	(1)	(1)
Total	(31)	(5)

5. Operating Costs by Strategic Aims

The costs of providing a first-class Ombudsman service to Wales are set out below. We have identified four new strategic aims for delivering our mission and the allocation to each of the aims has been based on the following:

- (a) An estimate of the staff time spent on the objective
- (b) Direct allocation of expenditure where applicable
- (c) Apportionment of other costs pro rata to the estimate of staff time

	2017/18		2016/17	
	£000	%	£000	%
Strategic Aim 1: To provide a complaints service that is of the highest quality, proportionate and effective.	3,307	78.9	3,097	77.0
Strategic Aim 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.	661	15.8	677	16.8
Strategic 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 create a new Public Services Ombudsman (Wales) Act.	52	1.2	59	1.5
Strategic Aim 4: To be accountable for the service we provide and the public money we spend.	170	4.1	187	4.7
Net operating costs	4,190	100.0	4,020	100.0

6a. Property, Plant and Equipment

	Plant	Computers and other equipment	Furniture and other fittings	Total
2017/18	£000	£000	£000	£000
Cost or valuation at 1 April 2017	156	182	415	753
Additions	-	5	15	20
Disposals	-	(37)	-	(37)
At 31 March 2018	156	150	430	736
Depreciation				
At 1 April 2017	(156)	(152)	(305)	(613)
Charged in the year	-	(16)	(16)	(32)
Disposals	-	37	-	37
At 31 March 2018	(156)	(131)	(321)	(608)
Carrying amount as at 31 March 2018	-	19	109	128
Carrying amount as at 31 March 2017	-	30	110	140
	Plant	Computers and other equipment	Furniture and other fittings	Total
2016/17	£000	£000	£000	£000
Cost or valuation at 1 April 2016	156	222	406	784
Additions	-	8	19	27
Disposals	-	(48)	(10)	(58)
At 31 March 2017	156	182	415	753
Depreciation				
At 1 April 2016	(156)	(183)	(299)	(638)
Charged in the year	-	(17)	(16)	(33)
Disposals	-	48	10	58
At 31 March 2017	(156)	(152)	(305)	(613)
Carrying amount as at 31 March 2017	-	30	110	140
Carrying amount as at 31 March 2016	-	39	107	146

6b. Intangible Assets

	Information Technology	Software Licences	Total
	£000	£000	£000
2017/18			
Cost or valuation at 1 April 2017	328	71	399
Additions	-	-	-
Disposals	-	(19)	(19)
At 31 March 2018	328	52	380
Amortisation as at 1 April 2017	(310)	(71)	(381)
Amortisation charged in the year	(11)	-	(11)
Disposals	-	19	19
At 31 March 2018	(321)	(52)	(373)
Carrying amount as at 31 March 2018	7	-	7
Carrying amount as at 31 March 2017	18	-	18
	Information Technology	Software Licences	Total
	£000	£000	£000
2016/17			
Cost or valuation at 1 April 2016	502	71	573
Additions	-	-	-
Disposals	(174)	-	(174)
At 31 March 2017	328	71	399
Amortisation as at 1 April 2016	(435)	(71)	(506)
Amortisation charged in the year	(49)	-	(49)
Disposals	174	-	174
At 31 March 2017	(310)	(71)	(381)
Carrying Value as at 31 March 2017	18	-	18
Carrying Value as at 31 March 2016	67	-	67

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. A full verification of IT assets was completed during the year with numerous items no longer in use removed from the asset register.

7. Trade and other Receivables

	2017/18 £000	2016/17 £000
Amounts falling due within one year		
Prepayments	186	163
Trade debtors	-	-
Amounts falling due after more than one year		
Prepayments	3	-
Total	189	163

8. Cash and Cash Equivalents

Any bank balance held at the year-end must be returned to the Welsh Consolidated Fund. A figure of £32k (£34k in 2016/17) has been included within the accounts, being the net balance at the year end on all the bank accounts operated by the PSOW, irrespective of whether the individual account is in debit or credit. This balance will have to be repaid to the Welsh Consolidated Fund in 2018/19 under the Government of Wales Act 2006.

9. Trade Payables and other Current Liabilities

	2017/18 £000	2016/17 £000
Amounts falling due in one year		
Untaken annual leave	70	72
Deferred rent reduction	5	5
Welsh Consolidated Fund - unspent balances	32	34
Welsh Consolidated Fund - excess income	-	5
Trade payables	24	22
Accruals	46	34
	177	172
Amounts falling due in more than one year		
Deferred rent reduction	28	33
Total	205	205

10. Provisions for Liabilities and Charges

	2017/18			2016/17	
	Pensions for Former Commissioners £000	Dilapidation Costs £000	Legal Costs £000	Total £000	Total £000
Balance at 1 April	266	236	42	544	523
Additional provision required	34	41	-	75	59
Discount rate movement	1	-	-	1	11
Provisions utilised in the year	(41)	-	(42)	(83)	(49)
Balance at 31 March	260	277	-	537	544

Analysis of expected timings of payment of provisions:

	2017/18 £000	2016/17 £000
Payable within one year	43	83
Payable within 2 to 5 years	172	166
Payable in more than 5 years	322	295
Balance at 31 March	537	544

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 0.10% for the financial year (0.24% in 2016/17) in line with the guidance issued by the Treasury. Two surviving spouses of former Commissioners remain as a pension liability.

Dilapidations have been increased in line with BCIS building indices for general building costs provided by PSOW's building consultants.

Legal fees were provided for to defend a legal case, the case was settled in year and the provision utilised.

11. Reconciliation of Operating Cost to Operating Cash Flows

	Notes	2017/18 £000	2016/17 £000
Net operating cost		(4,190)	(4,020)
Adjust for non-cash items	3	63	92
Decrease /(Increase) in trade and other receivables	7	(26)	(12)
Increase/(Decrease) in trade and other payables	9	-	(6)
Payment to meet pension fund deficit	Pensions Disclosures	-	(290)
Movement in provisions	10	(7)	21
Movement in cash repaid to Welsh Consolidated Fund	8	2	(3)
Net cash outflow from operating activities		(4,158)	(4,218)

No pension deficit payments are payable from 2017/18 onwards due to the Local Government Pension Scheme (LGPS) being in surplus.

12. Non-Current Asset Expenditure and Financial Investment

	2017/18 £000	2016/17 £000
Purchases of property, plant and equipment	(20)	(27)
Proceeds of disposals of property, plant and equipment	-	-
Purchases of intangible assets	-	-
Net cash outflow from investing activities	(20)	(27)

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

	2017/18 £000	2016/17 £000
Net Cash Requirement:		
Operating activities	(4,158)	(4,218)
Capital Expenditure	(20)	(27)
	(4,178)	(4,245)
Financing from National Assembly for Wales	4,210	4,279
Repayment to Welsh Consolidated Fund	(34)	(36)
Increase /(Decrease) in cash and cash equivalents	(2)	(2)

14. Commitments under Operating Leases

	2017/18	2016/17
	£000	£000
Total future minimum operating lease payments on Building:		
Payable within one year	183	183
Within two and five years	732	732
More than five years	473	656
	1,388	1,571
Other:		
Payable within one year	20	20
Within two and five years	12	32
More than five years	-	-
	32	52
Total – all operating leases	1,420	1,623

15. Contingent Liabilities

None.

16. Capital Commitments

There were no capital commitments at 31 March 2018 (2016/17 Nil).

17. Related Party Transactions

The PSOW is headed by the Public Services Ombudsman for Wales and was established under the Public Services Ombudsman (Wales) Act 2005. 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 National Assembly for Wales, the Office of the Parliamentary Ombudsman, HM Revenue and Customs (Tax and National Insurance payments) 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 related parties have undertaken any material transactions.

18. Events after the Reporting Period

None.

19. Special Payments

Three payments totalling £94k were made to staff who left PSOW's employment during the year.

Pensions Disclosures

Two pension schemes are operated on behalf of current staff – The Principal Civil Service Pension Scheme (PCSPS) and the Cardiff and Vale of Glamorgan Pension Fund (the Fund). 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 will switch into **alpha** sometime between 1 June 2015 and 1 February 2022. 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 'money purchase' stakeholder 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 a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. 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

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.

Cardiff and Vale Pension Fund - Local Government Pension Scheme

The disclosures below relate to the funded liabilities of the Cardiff and Vale of Glamorgan Pension Fund (the Fund) which is part of the Local Government Pension Scheme (the LGPS). The funded nature of the LGPS requires the PSOW and its employees who are members of the scheme to pay contributions into the Fund, calculated at a level intended to balance the pension's liabilities with investment assets.

The PSOW recognises gains and losses in full, immediately through the Statement of Comprehensive Net Expenditure. In accordance with International Financial Reporting Standards, disclosure of certain information concerning assets, liabilities, income and expenditure relating to pension schemes is required.

No further employer contributions are required to be paid to the Fund by the PSOW.

Disclosure under IAS19 (LGPS funded benefits)

Introduction

The disclosures below relate to the funded liabilities within the Fund which are part of the LGPS.

Results under IAS 19 (LGPS funded benefits)

Date of the last full actuarial valuation	31 March 2016
Expected employer contributions next year (£M)	-
Duration of liabilities	12.8 years

Key assumptions (% per annum)

	31 March 2018	31 March 2017	31 March 2016
	%	%	%
Discount rate	2.60	2.50	3.30
RPI Inflation	3.20	3.10	2.80
CPI Inflation	2.10	2.00	1.70
Pension increases	2.10	2.00	1.70
Pension accounts revaluation rate	2.10	2.00	1.70
Salary increases	3.10	3.00	2.70

Mortality assumptions

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below:

Assumed life expectancy at age 65	31 March 2018	31 March 2017
Males		
Member aged 65 at accounting date	23.1	23.0
Member aged 45 at accounting date	24.2	24.0
Females		
Member aged 65 at accounting date	25.8	25.7
Member aged 45 at accounting date	27.2	27.1

Asset allocation

	Value at 31 March 2018		Value at 31 March 2017	
	Quoted %	Unquoted %	Total %	Total %
Equities	0.0	0.0	0.0	0.0
Property	0.0	0.0	0.0	0.0
Government bonds	100.0	0.0	100.0	100.0
Corporate bonds	0.0	0.0	0.0	0.0
Cash	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Total	100.0	0.0	100.0	100.0

Reconciliation of funded status to Statement of Financial Position

	Value at 31 March 2018 £M	Value at 31 March 2017 £M
Fair value of assets	6.84	7.00
Present value of funded defined benefit obligation	5.32	5.35
Funded status	1.52	1.65
Unrecognised asset	(1.49)	(1.61)
Asset/(Liability) recognised on the balance sheet	0.03	0.04

The split of the liabilities at the last valuation between the various categories of members is as follows:

Active Members	6%
Deferred Pensioners	12%
Pensioners	82%

Amounts recognised in Statement of Comprehensive Net Expenditure

	Period ending 31 March 2018 £M	Period ending 31 March 2017 £M
Operating cost		
Current service cost	0.02	0.01
Past service cost (incl. curtailments)	0.00	0.00
Settlement cost	0.00	0.00
Financing Cost		
Interest on net defined benefit liability (asset)	0.00	0.00
Pension expense recognised in profit and loss	0.02	0.01
Remeasurements in Other Comprehensive Income		
Return on plan assets (in excess)/below that recognised in net interest	0.12	(0.59)
Actuarial (gains)/losses due to change in financial assumptions	(0.01)	0.88
Actuarial (gains)/losses due to changes in demographic assumptions	0.00	(0.30)
Actuarial (gains)/losses due to liability experience	0.04	(0.19)
Adjustments due to the limit in paragraph 64	(0.16)	0.21
Total amount recognised in other comprehensive income (OCI)	(0.01)	0.01
Total amount recognised in profit and loss OCI	0.01	0.02
Allowance for administration expenses included in current service cost (£M)	0.00	0.00

Changes to the present value of the defined benefit obligation during the accounting period

	Period ending 31 March 2018 £M	Period ending 31 March 2017 £M
Opening defined benefit obligation	5.35	5.00
Current service cost	0.02	0.01
Interest expense on defined benefit obligation	0.13	0.16
Contributions by participants	0.00	0.00
Actuarial (gains)/losses on liabilities – financial assumptions	(0.01)	0.88
Actuarial (gains)/losses on liabilities – demographic assumptions	0.00	(0.30)
Actuarial (gains)/losses on liabilities – experience	0.04	(0.19)
Net benefits paid out	(0.21)	(0.21)
Past service cost (incl. curtailments)	0.00	0.00
Net increase in liabilities from disposals/acquisitions	0.00	0.00
Settlements	0.00	0.00
Closing defined benefit obligation	5.32	5.35

Changes to the fair value of assets during the accounting period

	Period ending 31 March 2018 £M	Period ending 31 March 2017 £M
Opening fair value of assets	7.00	6.12
Interest income on assets	0.17	0.21
Re measurement gains/(losses) on assets	(0.12)	0.59
Contributions by the employer	0.00	0.29
Contributions by participants	0.00	0.00
Net benefits paid out	(0.21)	(0.21)
Net increase in assets from the disposals/acquisitions	0.00	0.00
Settlements	0.00	0.00
Closing fair value of assets	6.84	7.00

Actual return on assets

	Period ending 31 March 2018 £M	Period ending 31 March 2017 £M
Interest income on assets	0.17	0.21
Remeasurement gain/(losses) on assets	(0.12)	0.59
Actual return on assets	0.05	0.80

Funded Benefits

The following data was provided by the Fund Administering Authority and/or the Employer and has been used to produce the IAS 19 results in this report. Details of the split of assets between the various asset classes were also provided by the Fund Administering Authority and are shown in Section 1. We have also shown some of the intermediate calculations used in evaluating the figures in this report.

Active Members as at 31 March 2016

	Number	Total Pay £(M)
Total	1	0.05

Pensioner and deferred pensioner members as at 31 March 2016

Type	Number	Total Pension £(M)
Deferred members	5	0.02
Pensioners and dependants	11	0.23

Funded cash-flow data provided

	Months Provided	Amount Provided (£M)	Amount Used (£M)
Employer – Normal contributions	12	0.00	
Employer – Additional capital contributions	12	0.00	
Employer – Early retirement strain on fund payments	12	0.00	
Total contributions by the Employer			0.00
Employee – Normal contributions	12	0.00	
Employee – Added years contributions	12	0.00	
Total contributions by participants			0.00
Transfers in	12	0.00	
Other income	12	0.00	
Transfers out	12	0.00	
Retirement lump sums	12	0.00	
Other outgoings	12	0.00	
Death in service lump sums *	12	0.00	
Benefits paid (i.e. pension paid)	12	0.21	
Net benefits paid out **			0.21

* We have calculated the expected death in service lump sums over the year to be (£M)
0.00

** The 'Net benefits paid out' figure includes an allowance for expenses of (£M)
0.00

Annualised pensionable payroll over the accounting period

Type	(£M) *
Period ending 31 March 2018	0.05
Period ending 31 March 2017	0.05

* The annualised pensionable payroll has been derived from the contributions paid over the relevant accounting period

Fund return

The overall Fund return over the accounting period has been calculated as 0.7%. This includes any adjustment to reflect the difference between Fund returns and estimated index returns used over the last accounting period, where appropriate.

The asset return over the accounting period for the employer has been taken as the index return on the published FTSE Index Linked UK Gilts over 5 years total return index, to reflect the notional low risk investment strategy which has been put in place with effect from 1st December 2016 in respect of the Employer.

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 2018 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 2017/18 was 1%.

The total payments during 2017/18 were £41k (£49k in 2016/17). The liabilities arising out of the obligation to finance these pensions together with any dependant pensions has been calculated to be £260k (£266k in 2016/17). 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 (2017), of 0.10% (0.24% in 2016/17) has been applied in accordance with the Treasury guidance that all pension liabilities should be discounted



Annex A: Public Body Complaints closed—Statistical Breakdown by outcomes by public body

County/County Borough Councils

County/County Borough Councils	OJ	P	OC	R	D	NPINU	NIPU	PIU	Total Cases closed
Blaenau Gwent	2	3	3	1			2		11
Bridgend County	8	10	16	5					39
Caerphilly	6	7	22	2		1	1		39
Cardiff	22	21	41	36	1	1	1		123
Carmarthenshire	5	11	4	1	1	2			24
Ceredigion	11	11	8	2		1	2		35
Swansea	15	16	19	10		1	1		62
Conwy	5	13	10	3			1		32
Denbighshire	3	5	6	1					15
Flintshire	4	20	12	7			4		47
Gwynedd	7	4	13	1		1			26
Isle of Anglesey	4	9	11	1			1		26
Merthyr Tydfil		5	5	1			2		13
Monmouthshire	4	3	6	1					14
Neath Port Talbot	4	15	8	4					31
Newport City	6	11	9	6			2		34
Pembrokeshire	4	11	13	3		1			32
Powys County	5	12	13	6		2			38
Rhondda Cynon Taf	6	12	12	6					36
Torfaen County	1	5	9	1					16
Vale of Glamorgan	9	7	12	3		1			32
Wrexham	6	6	20	6	1		2		41
TOTAL	137	217	272	107	3	11	19	0	766

Key

OJ Out of Jurisdiction

P Premature

OC Other cases closed after initial consideration

R Early Resolutions/Voluntary Settlements

D Discontinued

NPINU Other Report – Not Upheld

NPIU Other Report Upheld - in whole or in part

PIU Public Interest Report Upheld – in whole or in part

Other Local Authority

School Appeal Panels	OJ	P	OC	R	D	NPINU	NPIU	PIU	Grand Total
Admissions Appeal Panel - Roath Park Primary School			1						1
Admissions Appeals Panel - St Joseph's Cathedral Primary School			1						1
Admissions Appeal Panel - Cardiff High School			1						1
Admissions Appeal Panel - Bishop of Llandaff	1								1
Admissions Appeal Panel - Mary Immaculate Catholic High School			1						1
Admissions Appeal Panel - Penllergaer Primary School			1						1
Admissions Appeal Panel - Rhydypenau Primary School			1						1
Admissions Appeal Panel - St Joseph's High School			1						1
Admissions Appeal Panel - Ysgol Treganna			1						1
Admissions Appeal Panel - Y Pant School			1						1
Admissions Appeal Panel - Bishopston Comprehensive School			2						2
Admissions Appeals Panel - Ysgol Rhostyllen			1						1
TOTAL	1	0	12	0	0	0	0	0	13

Key	
OJ Out of Jurisdiction	D Discontinued
P Premature	NPINU Other Report – Not Upheld
OC Other cases closed after initial consideration	NPIU Other Report Upheld - in whole or in part
R Early Resolutions/Voluntary Settlements	PIU Public Interest Report Upheld – in whole or in part

National Park Authorities

National Park Authority	OJ	P	OC	R	D	NPINU	NPIU	PIU	Grand Total
Brecon Beacons National Park Authority	2	1	2						5
Snowdonia National Park Authority	2		3						5
TOTAL	4	1	5	0	0	0	0	0	10

Police and Crime Commissioners and Police and Crime Panels

Police and Crime Commissioners/Police and Crime Panels	OJ	P	OC	R	D	NPINU	NPIU	PIU	Grand Total
Dyfed-Powys Police and Crime Commissioner		1		1					2
South Wales Police and Crime Commissioner		1							1
South Wales Police and Crime Panel	1		1						2
TOTAL	1	2	1	1	0	0	0	0	5

Key

OJ Out of Jurisdiction	D Discontinued
P Premature	NPINU Other Report – Not Upheld
OC Other cases closed after initial consideration	NPIU Other Report Upheld - in whole or in part
R Early Resolutions/Voluntary Settlements	PIU Public Interest Report Upheld – in whole or in part

Community/Town Councils

Community Councils	OJ	P	OC	R	D	NPINU	NPIU	PIU	Grand Total
Abertillery & Llanhilleth Community Council			1						1
Ammanford Town Council	1								1
Barry Town Council		1							1
Bodelwyddan Town Council			1						1
Cilcain Community Council		1	1						2
Cosheston Community Council			1						1
Dolwyddelan Community Council			1						1
GUILSFIELD Community Council	1	1	1						3
Johnston Community Council			1						1
Llanddowror and Llanmiloe Community Council	1								1
Llanfrynach Community Council	1	1	3						5
Llansannan Community Council	1	1							2
Llanwinio Community Council				1					1
Magor with Undy Community Council	2								2
Mawr Community Council		1							1
Nercwys Community Council		1							1
Penarth Town Council		2							2
Pentyrch Community Council			1						1
Raglan Community Council							1		1
Trefeglwys Community Council	1								1
TOTAL	8	9	11	1	0	0	1	0	30

Key	
OJ Out of Jurisdiction	D Discontinued
P Premature	NPINU Other Report – Not Upheld
OC Other cases closed after initial consideration	NPIU Other Report Upheld - in whole or in part
R Early Resolutions/Voluntary Settlements	PIU Public Interest Report Upheld – in whole or in part

Registered Social Landlords

Housing Association	OJ	P	OC	R	D	NPINU	NPIU	PIU	Grand Total
Ateb Group Limited		1		1					2
Bro Myrddin Housing Association		1							1
Bron Afon Community Housing Ltd	3	1	5				1		10
Cadwyn Housing Association Ltd		3							3
Cardiff Community Housing Association Ltd		5	3	1					9
Cartrefi Conwy		1							1
Cartrefi Cymunedol Gwynedd	1	1	6	2					10
Charter Housing Association			2	1			1		4
Clwyd Alyn Housing Association Ltd	2	1	2	1					6
Coastal Housing Group Ltd	1		1						2
Cymdeithas Tai Cantref (now Wales & West Housing)		1							1
Cynon Taf Community Housing	1								1
Family Housing Association (Wales) Ltd				1					1
Grwp Cynefin		3	2	1					6
Gwalia Cyf		4							4
Hafod Housing Association			1						1
Linc-Cymru Housing Association	1	4	2						7
Melin Homes Ltd	3	2	1						6
Merthyr Tydfil Housing Association Ltd			1						1
Merthyr Valleys Homes	2	1	3						6
Mid Wales Housing Association Ltd				1					1
Monmouthshire Housing Association			4	1					5
Newport Care and Repair	1								1
Newport City Homes	1	1		1					3
Newydd Housing Association			2						2
North Wales Housing	1	1	3	1					6
Pobl		1							1
Taff Housing Association		1	1						2
Tai Calon		2							2

Housing Association	OJ	P	OC	R	D	NPINU	NPIU	PIU	Grand Total
Tai Ceredigion Cyf		1		1					2
Tai Tarian		3	3						6
Trivallis	1	4		3		1			9
United Welsh Housing Association		3	1						4
Valleys To Coast		1	4						5
Wales & West Housing Association		3	5						8
Wrexham Care and Repair		1							1
TOTAL	18	51	52	16	0	1	2	0	140

Key	
OJ	Out of Jurisdiction
P	Premature
OC	Other cases closed after initial consideration
R	Early Resolutions/Voluntary Settlements
D	Discontinued
NPINU	Other Report – Not Upheld
NPIU	Other Report Upheld - in whole or in part
PIU	Public Interest Report Upheld – in whole or in part

Local Health Boards and NHS Trusts

Local Health Board/NHS Trust	OJ	P	OC	R	D	NPINU	NPIU	PIU	Grand Total
Abertawe Bro Morgannwg	20	14	33	12		7	15		101
Aneurin Bevan	19	10	26	14	2	6	17		94
Betsi Cadwaladr	27	18	44	34		16	34	2	175
Cardiff and Vale	13	12	17	19		7	13		81
Cwm Taf	11	5	16	10		9	13	1	65
Hywel Dda	24	10	22	23	2	6	16	1	104
Powys Teaching	1	7	19	4					31
Public Health Wales		1							1
Velindre			1			1			2
Welsh Ambulance Service	3	1	8	2		3	4		21
TOTAL	118	78	186	119	4	55	112	4	675

Community Health Councils

Community Health Councils	OJ	P	OC	R	D	NPINU	NPIU	PIU	Grand Total
Abertawe Bro Morgannwg		1							1
TOTAL	0	1	0	0	0	0	0	0	1

Key	
OJ	Out of Jurisdiction
P	Premature
OC	Other cases closed after initial consideration
R	Early Resolutions/Voluntary Settlements
D	Discontinued
NPINU	Other Report – Not Upheld
NPIU	Other Report Upheld - in whole or in part
PIU	Public Interest Report Upheld – in whole or in part

Other Health Bodies

Other Health	OJ	P	OC	R	D	NPINU	NPIU	PIU	Grand Total
Dentist	4	5	6	1	1	2	3		22
GP	9	26	41	9		11	5		101
Optician	1	1							2
Pharmacist	1	1	1	1					4
TOTAL	15	33	48	10	1	13	8	0	129

Other

Special Health Authorities	OJ	P	OC	R	D	NPINU	NPIU	PIU	Grand Total
NHS Business Services Authority		2		1					3
NHS Wales Shared Services Partnership			1						1
Welsh Health Specialised Services Committee		1	2						3
TOTAL	0	3	3	1	0	0	0	0	7

Key	
OJ Out of Jurisdiction	D Discontinued
P Premature	NPINU Other Report – Not Upheld
OC Other cases closed after initial consideration	NPIU Other Report Upheld - in whole or in part
R Early Resolutions/Voluntary Settlements	PIU Public Interest Report Upheld – in whole or in part

Welsh Government and Welsh Government Sponsored Bodies

Welsh Government and its sponsored bodies	OJ	P	OC	R	D	NPIN U	NPIU	PIU	Grand Total
Welsh Government									
East Wales Valuation Tribunal			1						1
Welsh Government	4		6						10
CADW	1	1							2
CAFCASS Cymru		1	1	1					3
Care Inspectorate Wales	2		5						7
Healthcare Inspectorate Wales			1						1
Planning Inspectorate	2	1	3						6
Welsh Government Total	9	3	17	1	0	0	0	0	30

Welsh Government Sponsored Body	OJ	P	OC	R	D	NPIN U	NPIU	PIU	Grand Total
Welsh Government Sponsored Body									
ESTYN			1						1
Natural Resources Wales	5	8	5	1		1			20
Social Care Wales	1		1						2
Student Loans Company	1	10							11
Welsh Government - Rural Payments Wales			1						1
Welsh Government Sponsored Public Body Total	7	18	8	1		1			35

TOTAL	16	21	25	2	0	1	0	0	65
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Key

OJ Out of Jurisdiction

P Premature

OC Other cases closed after initial consideration

R Early Resolutions/Voluntary Settlements

D Discontinued

NPINU Other Report – Not Upheld

NPIU Other Report Upheld - in whole or in part

PIU Public Interest Report Upheld – in whole or in part

Independent Care Providers

Self Funding Independent Care	OJ	P	OC	R	D	NPINU	NPIU	PIU	Grand Total
Allied Healthcare						1			1
HC One Ltd						1			1
Hengoed Court Care Home							1		1
Parkside Residential Homes	1								1
Plas y Bryn Nursing Home			1						1
Right At Home	1								1
TOTAL	2	0	1	0	0	2	1	0	6

NHS Independent Care	OJ	P	OC	R	D	NPINU	NPIU	PIU	Grand Total
Active Assistance			1						1
Icare Dom Care Ltd			1						1
Integra Community Living Options Ltd		1							1
Partnerships In Care						1			1
St John's Cymru - Wales			2				1		3
Grand Total	0	1	4	0	0	1	1	0	7

Key	
OJ	Out of Jurisdiction
P	Premature
OC	Other cases closed after initial consideration
R	Early Resolutions/Voluntary Settlements
D	Discontinued
NPINU	Other Report – Not Upheld
NPIU	Other Report Upheld - in whole or in part
PIU	Public Interest Report Upheld – in whole or in part

Annex B: Code of Conduct Complaints closed— Statistical Breakdown by outcomes by local authority

County/County Borough Councils

County/County Borough Councils	C	D	NE	NA	SC	AP	W	Grand Total
Blaenau Gwent	3	1						4
Bridgend	3			1				4
Caerphilly	4							4
Cardiff	2		1					3
Carmarthenshire	6							6
Ceredigion	1							1
Swansea	6							6
Conwy	4			1		1		6
Denbighshire	2							2
Flintshire	3					1		4
Gwynedd	6		1					7
Isle of Anglesey	3							3
Merthyr Tydfil	6		1					7
Monmouthshire	3					1		4
Neath Port Talbot	1							1
Newport	3							3
Pembrokeshire	9							9
Powys	13		5	1				19
Rhondda Cynon Taf	1							1
Torfaen	4			2				6
Vale of Glamorgan	1		1					2
Wrexham	1							1
Grand Total	85	1	9	5	0	3	0	103

Key

C Closed after initial consideration
D Discontinued
NE No evidence of Breach
NA No action necessary

SC Refer to Standards Committee
AP Refer to Adjudication Panel
W Withdrawn

Community/Town Councils

Community/Town Council	C	D	NE	NA	SC	AP	W	Grand Total
Abertillery & Llanhilleth Community Council				1				1
Barmouth Town Council	1							1
Barry Town Council	3							3
Beaumaris Town Council	1							1
Bedlinog Community Council	2							2
Bishton Community Council	1							1
Brackla Community Council	3							3
Brawdy Community Council	3							3
Bridgend Town Council	1							1
Caerphilly Town Council	1							1
Chepstow Town Council	5							5
Clyro Community Council	10							10
Conwy Town Council	1							1
Cosheston Community Council	2							2
Cwmbran Community Council	1							1
Dinas Powys Community Council	1							1
Garw Valley Community Council	2	1						3
Glynneath Town Council	6	1					1	8
Gorseinon Town Council	2							2
Guilfield Community Council	4							4
Hirwaun & Penderyn Community Council	1						3	4
Johnston Community Council	9							9
Knighton Town Council	3							3
Langstone Community Council	2							2
Llanbedrog Community Council	3			2				5
Llanddowror and Llanmiloe Community Council	2							2
Llanelli Rural Council			1					1
Llanfechain Community Council	1							1
Llanfrynach Community Council	2							2
Llangefni Town Council	1							1
Llangristiolus Community Council	1							1
Llangybi Community Council (Monmouthshire)	2							2
Llanover Community Council	1							1
Llansannan Community Council	1		1					2

Community/Town Council	C	D	NE	NA	SC	AP	W	Grand Total
Llay Community Council	4			1				5
Magor with Undy Community Council	1							1
Milford Haven Town Council	1							1
Mold Town Council	2							2
Mumbles Community Council	3	1						4
Nantyglo & Blaina Town Council	1							1
Neath Town Council	1							1
New Quay Community Council	1							1
Northop Hall Community Council	4							4
Ogmore Valley Community Council	1							1
Pembrey & Burry Port Town Council	14							14
Pembroke Dock Town Council	1							1
Pencoed Town Council	1							1
Penmaenmawr Town Council	1							1
Pentyrch Community Council	1							1
Porthmadog Town Council	1							1
Prestatyn Town Council	2							2
Saltney Town Council				1				1
Sully and Lavernock Community Council	1							1
Taffs Well Community Council	2							2
Trawsgoed Community Council	1							1
Tywyn Town Council	1		2					3
Welshpool Town Council	1							1
Ynysawdre Community Council	3							3
Grand Total	128	3	4	5	0	0	4	144

Key	
C	Closed after initial consideration
D	Discontinued
NE	No evidence of Breach
NA	No action necessary
SC	Refer to Standards Committee
AP	Refer to Adjudication Panel
W	Withdrawn

Annex C: Public Body Complaints received– by public body

Relevant Body Type	Relevant Body	Total
Community Council	Abertillery & Llanhilleth Community Council	1
	Ammanford Town Council	2
	Barry Town Council	1
	Betws Community Council	1
	Bodelwyddan Town Council	1
	Brackla Community Council	1
	Cilcain Community Council	1
	Cosheston Community Council	1
	Dolwyddelan Community Council	1
	Guilsfield Community Council	3
	Johnston Community Council	1
	Llanddowror and Llanmiloe Community Council	1
	Llanfrynach Community Council	5
	Llansannan Community Council	2
	Llanwinio Community Council	1
	Magor with Undy Community Council	2
	Mawr Community Council	1
	Nercwys Community Council	1
	Penarth Town Council	1
	Pentyrch Community Council	1
Trefeglwys Community Council	1	
Community Council Total		30
Community Health Council	Abertawe Bro Morgannwg Community Health Council	1
Community Health Council Total		1
Dentist	Dentist	1
Dentist Total		23
GP	GP	119
GP Total		119

Relevant Body Type	Relevant Body	Total
Housing Association	Ateb Group Limited	3
	Bro Myrddin Housing Association	1
	Bron Afon Community Housing Ltd	11
	Cadwyn Housing Association Ltd	3
	Cardiff Community Housing Association Ltd	8
	Cartrefi Conwy	2
	Cartrefi Cymunedol Gwynedd	8
	Charter Housing Association	3
	Clwyd Alyn Housing Association Ltd	7
	Coastal Housing Group Ltd	1
	Cymdeithas Tai Cantref (now Wales & West Housing)	1
	Cynon Taf Community Housing	1
	Grwp Cynefin	6
	Gwalia Cyf	4
	Hafod Housing Association	2
	Linc-Cymru Housing Association	7
	Melin Homes Ltd	6
	Merthyr Tydfil Housing Association Ltd	1
	Merthyr Valleys Homes	6
	Mid Wales Housing Association Ltd	1
	Monmouthshire Housing Association	4
	Newport Care and Repair	1
	Newport City Homes	4
	Newydd Housing Association	2
	North Wales Housing	6
	Pobl	1
	Taff Housing Association	2
	Tai Calon	2
	Tai Ceredigion Cyf	3
	Tai Tarian	8
	Trivallis	7
	United Welsh Housing Association	4
	Valleys To Coast	5
Wales & West Housing Association	7	
Wrexham Care and Repair	1	
Housing Association Total		139

Relevant Body Type	Relevant Body	Total
Local Authority	Admissions Appeal Panel - Roath Park Primary School	1
	Admissions Appeal Panel - St Joseph's Cathedral Primary School	1
	Admissions Appeal Panel - Cardiff High School	1
	Admissions Appeal Panel - Bishop of Llandaff	1
	Admissions Appeal Panel - Mary Immaculate Catholic High School	1
	Admissions Appeal Panel - Penllergaer Primary School	1
	Admissions Appeal Panel - Rhydypenau Primary School	1
	Admissions Appeal Panel - St Joseph's High School	1
	Admissions Appeal Panel - Ysgol Treganna	1
	Admissions Appeal Panel - Y Pant School	1
	Admissions Appeal Panel - Bishopston Comprehensive School	2
	Admissions Appeal Panel - Ysgol Rhostyllen	1
	Blaenau Gwent County Borough Council	10
	Bridgend County Borough Council	40
	Caerphilly County Borough Council	40
	Cardiff Council	109
	Carmarthenshire County Council	25
	Ceredigion County Council	35
	City and County of Swansea	62
	Conwy County Borough Council	36
	Denbighshire County Council	20
	Flintshire County Council	50
	Gwynedd Council	29
	Isle of Anglesey County Council	29
	Merthyr Tydfil County Borough Council	13
	Monmouthshire County Council	16
	Neath Port Talbot County Borough Council	35
	Newport City Council	37
	Pembrokeshire County Council	34
	Powys County Council	39
	Rhondda Cynon Taf County Borough Council	36
	Torfaen County Borough Council	15
	Vale of Glamorgan Council	30
	Wrexham County Borough Council	41
Local Authority Total		794

Relevant Body Type	Relevant Body	Total
Local Health Board/NHS Trust	Abertawe Bro Morgannwg University Health Board	121
	Aneurin Bevan University Health Board	121
	Betsi Cadwaladr University Health Board	186
	Cardiff and Vale University Health Board	95
	Cwm Taf University Health Board	74
	Hywel Dda University Health Board	109
	NHS Business Services Authority	4
	NHS Wales Shared Services Partnership	1
	Powys Teaching Health Board	42
	Public Health Wales	2
	Velindre NHS Trust	2
	Welsh Ambulance Services NHS Trust	21
	Welsh Health Specialised Services Committee	3
Local Health Board/NHS Trust Total		781

National Park	Brecon Beacons National Park Authority	4
	Snowdonia National Park Authority	6
National Park Total		10

NHS Independent Provider	Active Assistance	1
	Icare Dom Care Ltd	1
	Integra Community Living Options Ltd	1
	St John's Cymru - Wales	3
NHS Independent Provider Total		6

Optician	Optician	2
Optician Total		2

Pharmacist	Pharmacist	4
Pharmacist Total		4

Relevant Body Type	Relevant Body	Total
Police & Crime Commissioners and Police & Crime Panels	Dyfed-Powys Police and Crime Commissioner	2
	South Wales Police and Crime Commissioner	1
	South Wales Police and Crime Panel	2
Police Authority Total		5
Self Funding Care Provider	Parkside Residential Homes	1
	Plas y Bryn Nursing Home	1
	Right At Home	1
Self Funding Care Provider Total		3
Welsh Government	East Wales Valuation Tribunal	1
	Welsh Government	11
	Welsh Government - CADW	1
	Welsh Government - CAFCASS Cymru	3
	Welsh Government - Care Inspectorate Wales	7
	Welsh Government - Healthcare Inspectorate Wales	1
	Welsh Government - Planning Inspectorate	6
Welsh Government Total		30
Welsh Government Sponsored Public Body	ESTYN	1
	Natural Resources Wales	21
	Social Care Wales	2
	Student Loans Company	11
	Welsh Government - Rural Payments Wales	1
Welsh Government Sponsored Public Body Total		36
Grand Total		1983

Annex D: Intervention Data - Statistical Breakdown by local authority, health board and trust

The below tables provide numbers and percentages of cases received by the PSOW in which an intervention has occurred. This includes all upheld complaints, early resolutions and voluntary settlements.

Relevant Body	Number of cases with PSOW intervention	Total number of closed cases	% of cases with PSOW intervention
Abertawe Bro Morgannwg University Health Board	27	101	27
Aneurin Bevan University Health Board	31	94	33
Betsi Cadwaladr University Health Board	70	175	40
Cardiff and Vale University Health Board	32	81	40
Cwm Taf University Health Board	24	65	37
Hywel Dda University Health Board	40	104	38
Powys Teaching Health Board	4	31	13
Public Health Wales	0	1	0
Velindre NHS Trust	0	2	0
Welsh Ambulance Services NHS Trust	6	21	29

Relevant Body	Number of cases with PSOW intervention	Total number of closed cases	% of cases with PSOW intervention
Blaenau Gwent County Borough Council	3	11	27
Bridgend County Borough Council	5	39	13
Caerphilly County Borough Council	3	39	8
Cardiff Council	37	123	30
Carmarthenshire County Council	1	24	4
Ceredigion County Council	4	35	11
City and County of Swansea	11	62	18
Conwy County Borough Council	4	32	13
Denbighshire County Council	1	15	7
Flintshire County Council	11	47	23
Gwynedd Council	1	26	4
Isle of Anglesey County Council	2	26	8
Merthyr Tydfil County Borough Council	3	13	23
Monmouthshire County Council	1	14	7
Neath Port Talbot County Borough Council	4	31	13
Newport City Council	8	34	24
Pembrokeshire County Council	3	32	9
Powys County Council	6	38	16
Rhondda Cynon Taf County Borough Council	6	36	17
Torfaen County Borough Council	1	16	6
Vale of Glamorgan Council	3	32	9
Wrexham County Borough Council	8	41	20

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Agenda Item 6



Report of the Monitoring Officer

Standards Committee – 16 November 2018

Code of Conduct Casebook

Purpose: To update the Standards Committee on the Ombudsman's Code of Conduct Casebook

Report Author: Tracey Meredith

Finance Officer: Ben Smith

Legal Officer: Tracey Meredith

Access to Services Officer: Rhian Millar

For Information

1. Background

- 1.1 The Public Service Ombudsman for Wales has published a Code of Conduct Casebook for the period April to June 2018 – Issue 17 July 2018, which is attached at Appendix A.

2. Equality and Engagement Implications

There are no equality and engagement implications associated with this report.

3. Legal Implications

There are no legal implications associated with this report.

4. Financial Implications

There are no financial implications.

Background Papers: None

Appendices: Appendix A – Code of Conduct Casebook

The Code of Conduct Casebook

Issue 17 July 2018

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Introduction

The Public Services Ombudsman for Wales considers complaints that members of local authorities in Wales have broken the Code of Conduct. The Ombudsman investigates such complaints under the provisions of Part III of the Local Government Act 2000 and the relevant Orders made by the National Assembly for Wales under that Act.

Where the Ombudsman decides that a complaint should be investigated, there are four findings, set out under section 69 of the Local Government Act 2000, which the Ombudsman can arrive at:

- (a) that there is no evidence that there has been a breach of the authority's code of conduct;
- (b) that no action needs to be taken in respect of the matters that were subject to the investigation;
- (c) that the matter be referred to the authority's monitoring officer for consideration by the standards committee;
- (d) that the matter be referred to the President of the Adjudication Panel for Wales for adjudication by a tribunal (this generally happens in more serious cases).

In the circumstances of (c) and (d) above, the Ombudsman is required to submit the investigation report to the standards committee or a tribunal of the Adjudication Panel for Wales and it is for them to consider the evidence found by the Ombudsman, together with any defence put forward by the member concerned. It is also for them to determine whether a breach has occurred and, if so, what

penalty (if any) should be imposed.

The Code of Conduct Casebook contains summaries of reports issued by this office for which the findings were one of the four set out above. However, in reference to (c) and (d) findings, The Code of Conduct Casebook only contains the summaries of those cases for which the hearings by the standards committee or Adjudication Panel for Wales have been concluded and the outcome of the hearing is known. This edition covers April to June 2018.

Case summaries

No evidence of breach

Merthyr Tydfil County Borough Council – Promotion of equality and respect

Case Number: 201704719 – Report issued in April 2018

An employee (“the Complainant”) of Merthyr Tydfil County Borough Council (“the Council”) complained that, at a staff meeting, an elected member of the Council (“the Councillor”) had made reference to some members of staff being “dead men walking”. The Complainant said that the Councillor made further comments which led some members of staff to conclude that this phrase referred to him. The Complainant said that this put him in fear for his job.

The Ombudsman investigated the complaint on the basis that the Councillor may have breached the paragraphs 4(b), 4(c), 6(1)(a) and 7(a) of the Code of Conduct for Members (“the Code”), relating to showing respect, bullying behaviour, disrepute and creating a disadvantage for others.

In the absence of any formal record of the meeting, the Ombudsman interviewed a selection of those present, as well as the Councillor, the Complainant and his manager. The Ombudsman considered what the Councillor said, his explanation of what he had meant and how his comments had been received.

The Ombudsman found that although the Councillor had used the phrase “dead men walking” there was no evidence to support the complaint that the comment was specifically directed at the Complainant or that it was intended to be seen as a threat to anybody’s job. The Ombudsman concluded that there was no evidence that the Councillor had breached the Code.

No action necessary

Chepstow Town Council – Disclosure and registration of interests

Case Number: 201703539 – Report issued in May 2018

A complaint was received that a member of Chepstow Town Council (“Councillor A”) had participated in discussions about the future ownership and management arrangements for a local public facility at a meeting of the Town Council, despite having declared a prejudicial interest in the matter.

The Ombudsman’s investigation found that it was likely that Councillor A had spoken at the meeting, despite having a prejudicial interest in the item, contrary to the requirements of paragraphs 14(1)(a), (c) and (e) of the Code of Conduct.

The Ombudsman decided that despite the fact the evidence suggested that there had been a breach of the Code, no further action should be taken. This was because Councillor A did not stand to gain personally from any decision made, the evidence suggested that he had withdrawn from the room for the vote, his preferred option was not agreed by the Council, and the Chair of the Council had indicated that he could speak. The Ombudsman did, however, remind Councillor A of his responsibilities in relation to prejudicial interests.

Trellech United Community Council – Objectivity and propriety

Case number 201700946 – Report issued in April 2018

The Ombudsman received a complaint that a Councillor (“the Councillor”) of Trellech United Community Council (“the Council”) had breached the Code of Conduct for members. It was alleged that the Councillor had breached the Code when he wrote to an adjudicator of a competition, giving the impression that he was acting as a representative of the Council, in an attempt to negatively influence the chance of a specific entry winning the competition and thereby creating disadvantage for a member of the public who would benefit if that entry was successful.

The Ombudsman investigated whether the Councillor’s actions amounted to a breach of paragraph 7(a) of the Code of Conduct which states that members must not, in their official capacity or otherwise, use or attempt to use their position improperly to create a disadvantage for another person.

The Ombudsman found that the Councillor, by writing to the adjudicator with information intended to lessen the likelihood of that specific entry winning the competition and by signing off that correspondence as a Councillor, may have breached paragraph 7(a).

The Ombudsman noted, however, that the entry subsequently won the competition, so the Councillor’s intervention did not actually cause a disadvantage to the person in question. The Ombudsman concluded that, on balance, it was not in the public interest to refer the matter to a Standards Committee or Adjudication Panel for Wales and, therefore, no further action should be taken.

Referred to Standards Committee

There are no summaries in relation to this finding

Referred to Adjudication Panel for Wales

There are no summaries in relation to this finding

More information

We value any comments or feedback you may have regarding The Code of Conduct Casebook. We would also be happy to answer any queries you may have regarding its contents. Any such correspondence can be emailed to Matthew.Aplin@ombudsman-wales.org.uk or sent to the following address:

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Further information about the service offered by the Public Services Ombudsman for Wales can also be found at www.ombudsman-wales.org.uk



Report of the Monitoring Officer

Standards Committee – 16 November 2018

Breach of Code of Conduct - Complaints made to the Public Services Ombudsman for Wales (PSOW).

The Committee is advised of the following decisions by the PSOW in relation to allegations that Local Authority and Community and Town Councillors have breached the Code of Conduct.

Name of Council / Councillor	Name of Complainant	Ombudsman Reference	Complaint Date	Result of Investigation and date or the current situation
City & County of Swansea Councillor	Member of the Public	201802771	Between 23 May 2017 and 24 January 2018	Original complaint received 10 August 2018. Further letter received 18 September 2018 – PSOW investigating.
City & County of Swansea Councillor	Member of the Public	201804579	August 2018	Original complaint received 26 October 2018