

To: Members of Standards Committee Date: 23 November 2018  
Direct Dial: 01824 712624  
e-mail: democratic@denbighshire.gov.uk

Dear Member of the Committee,

You are invited to attend a meeting of the **STANDARDS COMMITTEE** to be held at **10.00 am** on **FRIDAY, 30 NOVEMBER 2018** in **CONFERENCE ROOM 1A, COUNTY HALL RUTHIN.**

Yours sincerely

G. Williams  
Head of Legal, HR and Democratic Services

## **AGENDA**

### **PART 1: THE PRESS AND PUBLIC ARE INVITED TO ATTEND THIS PART OF THE MEETING**

#### **1 APOLOGIES**

#### **2 DECLARATION OF INTERESTS (Pages 5 - 6)**

Members to declare any personal or prejudicial interests in any business identified to be considered at this meeting.

#### **3 URGENT MATTERS AS AGREED BY THE CHAIR**

Notice of items which, in the opinion of the Chair, should be considered at the meeting as a matter of urgency pursuant to Section 100B(4) of the Local Government Act, 1972.

#### **4 MINUTES OF THE LAST MEETING (Pages 7 - 12)**

To receive the minutes of the Standards Committee meeting held on 21 September 2018 (copy enclosed).

**5 A REVIEW OF ATTENDANCES AT TOWN, CITY AND COMMUNITY COUNCILS**

To receive a verbal report by Lisa Jones, Legal Services Manager on attendances at Town, City and Community Councils.

**6 PUBLIC SERVICES OMBUDSMAN FOR WALES - ANNUAL REPORT AND ACCOUNTS 2017/18** (Pages 13 - 146)

To consider a report by the Monitoring Officer (copy enclosed) on the 2017/18 Annual Report and Accounts of the Public Services Ombudsman for Wales.

**7 ATTENDANCE AT MEETINGS**

To note the attendance by members of the Standards Committee at County, Town and Community Council and to receive their reports.

**8 HEARING PROCEDURES** (Pages 147 - 160)

To consider a report by the Monitoring Officer (copy attached) about the procedure adopted by the Council for the conduct of hearings by the Standards Committee of allegations of a breach of the Code of Conduct.

**9 STANDARDS COMMITTEE FORWARD WORK PROGRAMME** (Pages 161 - 162)

To consider the Standards Committee Forward Work Programme (copy attached).

**10 DATE OF NEXT MEETING**

The next meeting of the Standards Committee is scheduled for 10.00 a.m. on the 15 March 2019 in Conference Room 1B, County Hall, Ruthin.

**PART 2: CONFIDENTIAL ITEMS**

It is recommended in accordance with Section 100A(4) of the Local Government Act 1972, that the Press and Public be excluded from the meeting during consideration of the following item(s) of business because it is likely that exempt information as defined in paragraph 12 and 13 of Part 4 of Schedule 12A of the Act would be disclosed.

**11 CODE OF CONDUCT - PART 3 LOCAL GOVERNMENT ACT 2000** (Pages 163 - 168)

To consider a confidential report by the Monitoring Officer (copy enclosed) providing an overview of complaints against members lodged with the Public Services Ombudsman for Wales.

## **MEMBERSHIP**

Independent Members:

Mr Ian Trigger (Chair), Julia Hughes, Anne Mellor, Peter Lamb and Gordon Hughes

Town/Community Council Member

County Councillors

Councillor Paul Penlington

Councillor Andrew Thomas

## **COPIES TO:**

All Councillors for information

Press and Libraries

Town and Community Councils

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## LOCAL GOVERNMENT ACT 2000

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### Code of Conduct for Members

### DISCLOSURE AND REGISTRATION OF INTERESTS

I, ( <i>name</i> )	<input type="text"/>
a *member/co-opted member of <i>(*please delete as appropriate)</i>	<b>Denbighshire County Council</b>
<b>CONFIRM</b> that I have declared a <b>*personal / personal and prejudicial</b> interest not previously declared in accordance with the provisions of Part III of the Council's Code of Conduct for Members, in respect of the following:- <i>(*please delete as appropriate)</i>	
Date of Disclosure:	<input type="text"/>
Committee ( <i>please specify</i> ):	<input type="text"/>
Agenda Item No.	<input type="text"/>
Subject Matter:	<input type="text"/>
Nature of Interest: <i>(See the note below)*</i>	<input type="text"/>
Signed	<input type="text"/>
Date	<input type="text"/>

\*Note: Please provide sufficient detail e.g. 'I am the owner of land adjacent to the application for planning permission made by Mr Jones', or 'My husband / wife is an employee of the company which has made an application for financial assistance'.

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## STANDARDS COMMITTEE

Minutes of a meeting of the Standards Committee held in Conference Room 1a, County Hall, Ruthin on Friday, 21 September 2018 at 10.00 am.

### PRESENT

Ian Trigger (Chair), Julia Hughes, Anne Mellor and Peter Lamb together with Councillors Andrew Thomas

### ALSO PRESENT

Monitoring Officer (GW) and Committee Administrator (RTJ)

#### 1 APOLOGIES

Apologies were received from Councillor Gordon Hughes and Paul Penlington.

#### 2 DECLARATION OF INTERESTS

No declarations of interests were raised.

#### 3 URGENT MATTERS AS AGREED BY THE CHAIR

No urgent matters had been raised.

#### 4 MINUTES OF THE LAST MEETING

The minutes of the meeting held on the 10 July 2018 were submitted:

Matters arising –

Page 2 – The monitoring officer expressed an apology for the chairman's annual report not being submitted to Council, but confirmed it would be added to the agenda for Council in either January or February to encompass both years.

Page 3 - The Social media policy was in the final stages of design, a launch event would be carried out. The monitoring officer informed the committee that the policy would be circulated once finished. The Committee were also made aware that there were no plans for any training or workshops for the social media policy.

Page 4 – The monitoring officer advised the committee not to share any photos where a child could be identified. It was clarified that Councillors could repost or share images on social images if they originated from the Schools account.

Page 5 – The monitoring officer apologised for forgetting to add the extra column to the table, it would be added by the next meeting.

***RESOLVED** that, subject to the above, the minutes of the meeting held on 10 July 2018 be received and approved as a correct record.*

## **5 APPLICATION FOR DISPENSATION BY MEMBERS OF LLANBEDR DYFFRYN CLWYD COMMUNITY COUNCIL**

The Monitoring Officer presented a report (previously circulated) in regards to the application for a dispensation made by members of Llanbedr Dyffryn Clwyd Council.

The Monitoring Officer informed the committee that a request for an extension of the dispensation in respect of the two councillors to whom the dispensation was granted in April, Councillors Lyn Evans and Tim Baker had been submitted, together with a request for an additional Councillor to be granted a dispensation, namely Councillor Dave Ritchie.

The committee were reminded that the original date the dispensation would expire was the 3<sup>rd</sup> October.

Councillors Lyn Evans from Llanbedr DC Community Council informed the committee that the membership of the Community Council had gone up to 9 members, with co-opted members.

Councillor Evans also raised that the Griffin Community Hub project would be raising money for the sites development which would allow people to buy shares in the Griffin Inn. The dates when the shares could be purchased were from the 1<sup>st</sup> October to the 17<sup>th</sup> November 2018.

A discussion was held in regards to the Community Councillors who could have a prejudicial interest in the Griffin Inn, if they purchased any shares.

Following the deadline with the share purchasing, a request for a dispensation would be brought to the next committee which would be meeting on the 30<sup>th</sup> November.

The board agreed to the option that was raised was accepted by the committee.

***RESOLVED** – That the Committee grant:*

- a dispensation for an additional six months, for the Councillors Lyn Evans and Tim Baker and grant of dispensation for six months for Councillor Dave Ritchie.

## **6 GRANTING OF DISPENSATIONS**

The monitoring officer presented the report (previously circulated) seeking the Committees approval of an application form and guidance document for members of Town, City and Community Councils as well as County Councillors in respect of applications for dispensations.



The Monitoring officer highlighted that the form and guidance were meant to streamline the process.

The idea of the form was praised by the committee and the following points were raised:

- The wording could be changed to avoid large amounts of people attending a dispensation meeting and specify only one person attending would be required but any other members would be welcome.
- Whether the wording could be altered into layman's terms. The monitoring officer responded by stating that the wording was deliberately based on regulatory requirement for clarity.

**RESOLVED** – *The committee approved the guidance and application form for Dispensations attached appendix 1 and 2 to the report.*

## **7 PUBLIC SERVICES OMBUDSMAN FOR WALES - CODE OF CONDUCT CASEBOOK**

The Monitoring Officer presented a report (previously circulated) informing members of the most recent editions of the Ombudsman's Code of Conduct Casebook covering the period April to June 2018.

Details of the three complaints investigated during the period had been outlined in the report and were summarised by the Monitoring Officer. None of the cases related to Councillors in Denbighshire.

All three cases were deemed to have no further action required.

## **8 ADJUDICATION PANEL FOR WALES - SANCTIONS GUIDANCE**

The Monitoring Officer presented the report (previously circulated) that the Committee note the content of the Adjudication Panel for Wales – Sanctions Guidance.

The Monitoring Officer highlighted that the guidance was to assist the Standards Committee on how to impose the appropriate sanctions, but to also help those who have had sanctions imposed on them understand how the sanctions work.

Three tribunals were discussed –

- Case tribunals - These tribunals responsible are for deciding whether a local member had breached the Code of Conduct of their authority and, if so, for determining an appropriate sanction (if any).
- Appeal tribunals - Appeal tribunals are responsible for reviewing a decision that a local member has breached the Code of Conduct and any sanction imposed. They may uphold and endorse any sanction imposed or refer the matter back to the Standards Committee with a recommendation as to a different sanction or overturn the determination of the Committee that there has been a breach of the Code. An appeal tribunal cannot recommend a sanction which was not available to the Standards Committee.

- Interim case tribunals - The tribunal was responsible for determining the need to suspend, or partially suspend, the member or co-opted member from the authority or a role within the authority. The maximum duration of the suspension or partial suspension was 6 months. Unlike case and appeal tribunals, suspension by an interim case tribunal was a neutral act, given the ongoing nature of the Ombudsman's investigation.

The Monitoring Officer informed the Committee that if a member wanted to appeal any sanctions, a permission process would need to be followed, a request would need to be sent to the adjudication panel.

The Committee discussed what information would need to be noted for any decision that may be taken by the Committee in the event that it held a hearing. be taken. It was clarified that all the information that would be relevant to the reason for the decision would be noted. It would be done to inform the person who would be being sanctioned, this would allow them to have all the relevant information that they would need in considering whether to appeal the sanction.

The Monitoring Officer stated that following publication of the guidance that the Council would look at the Standards Committee's hearing procedure set out in the Constitution and make sure that the Guidance and Constitution were consistent.

In November a report would be brought to the committee with information in regarding the procedure in the Constitution, and whether the information corresponded to the sanctions guidance.

**RESOLVED** - that the Committee note the content of the Adjudication Panel for Wales Sanctions Guidance.

## 9 FEEDBACK FROM STANDARDS CONFERENCE

The chair stated the Standards Conference was held in Aberystwyth on the 14<sup>th</sup> September.

The chair asked for those who attended alongside himself –

- The Monitoring Officer attended alongside a solicitor from Denbighshire.
- Julia Hughes attended but stated that she had attended on behalf of Flintshire rather than Denbighshire.

The committee was informed that there were 4 workshops held during the conference –

- Social Media and Bullying –led by officers of the Ombudsman's office.
- Sharing good practices including the role of the ethics and standard committees - led by Ceredigion and Gwynedd Council.
- Standards the only way in Wales – led by the Mid and West Wales Fire and Rescue Service and Ceredigion Council.
- Standards hearings and practice – led by members of the Powys Standards Committee.

The Monitoring Officer said that all who were present had information to send it to forward to allow a pack to be created and circulated to the committee.

The following points were raised during the discussion about the Standard Conference –

- The system and practice of the standards system in Wales was good.
- The level of complaints had increased over the years, due to the public's loss of faith in elected members due to the MP's expenses scandal.
- Social media was raised as an issue for members, it was the consensus that members should not put on social media things that they wouldn't say to someone directly. Social media was also raised as a concern due to things that could be published prior to being an elected member.
- The age of elected members was raised and that the lack of representation of young people. Members noted that young people should be encouraged to engage in the democratic process.

**RESOLVED** – *The committee note the information about the standards conference.*

## **10 ATTENDANCE AT MEETINGS**

There hadn't been an updated list of meetings, the monitoring officer would get an updated list.

## **11 STANDARDS COMMITTEE FORWARD WORK PROGRAMME**

The Standards Committee Forward Work Programme was presented for consideration.

The application of dispensations for the Community Council in Llanbedr DC to be added to the Forward Work Programme.

In November a report would be brought to the committee on the Adjudication Panel for Wales Sanctions Guidance and the comparable provisions in the Council's Constitution.

## **12 DATE OF NEXT MEETING**

30<sup>th</sup> November 2018 in the Council Chamber, Ruthin at 10.00 a.m.

**RESOLVED** *that under Section 100A of the Local Government Act 1972, the Press and Public be excluded from the meeting for the following item of business on the grounds that it would involve the likely disclosure of exempt information as defined in Paragraphs 12 and 13 of Part 4 of Schedule 12A of the Act.*

## **13 CODE OF CONDUCT - PART 3 LOCAL GOVERNMENT ACT 2000**

The Monitoring Officer presented the confidential report (previously circulated) to provide Members with an overview of complaints lodged with the Public Services Ombudsman for Wales since 1 April 2014.

Standards Committee had previously requested to be regularly informed of the level of complaints lodged with the Public Services Ombudsman for Wales.

Part 1 of the tables provided details of completed items.

Part 2 of the tables provided details of ongoing complaints.

**The meeting concluded at 12.44**

<b>Report To:</b>	<b>Standards Committee</b>
<b>Date of Meeting:</b>	30 <sup>th</sup> November 2018
<b>Lead Member / Officer:</b>	Gary Williams, Monitoring Officer
<b>Report Author:</b>	Gary Williams, Monitoring Officer
<b>Title:</b>	<b>Public Services Ombudsman for Wales Annual Report and Accounts 2017/18</b>

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## **1. What is the report about?**

The report is about the 2017/18 Annual Report and Accounts of the Public Services Ombudsman for Wales (the Ombudsman).

## **2. What is the reason for making this report?**

To give the members of the Standards Committee an opportunity to consider the contents of the Annual Report of the Ombudsman and to provide their comments and observations.

## **3. What are the Recommendations?**

That members consider the Public Services Ombudsman for Wales' Annual Report 2017/18 (the Report).

## **4. Report details**

- 4.1** Each year the Ombudsman publishes an annual report on the activities of the office of the Ombudsman in dealing with complaints against public bodies in Wales.
- 4.2** The Ombudsman's office has two main roles. The first is to investigate complaints of maladministration by public bodies. The second, and of more relevance to this Committee, is the responsibility of the Ombudsman's office for investigating complaints relating to alleged breaches of the Code of Conduct by elected members of Unitary, City, Town and Community Councils.
- 4.3** The Ombudsman's Annual Report for the year ending 31<sup>st</sup> March 2018 is attached as Appendix 1. The information relating to Code of Conduct complaints is set out on pages 21 – 25 of the Report and at Annex B on pages 113 – 115.
- 4.4** The number of Code of Conduct complaints received by the Ombudsman during the period covered by the Report has risen by 14% from 236 complaints in 2016/17 to 270 in 2017/18. The position regarding Unitary Authorities is markedly different to that of City, Town and Community Councils. The number of complaints received in respect of Unitary Authorities has fallen from 108 in 2016/17 to 102 in 2017/18. By

contrast, the number of complaints in respect of City, Town and Community Councils has risen by 33% from 126 in 2016/17 to 167 in 2017/18.

- 4.5 The Ombudsman breaks down the nature of the complaints received on page 22 of the Report. The top 3 categories of complaint are Equality and Respect (42%), Disclosure and Registration of Interests (19%), and Integrity (16%).
- 4.6 In terms of outcome, of the 247 complaints that were closed during the period, 213 were closed after initial consideration. This means either that there was no prima facie evidence of a breach of the Code of Conduct, or, the Ombudsman concluded that it was not in the public interest to investigate.
- 4.7 There were fewer cases that were closed after a full investigation, 26 in 2017/18 compared with 34 in 2016/17. The Ombudsman considers that this is because his office continues to apply the public interest test and is therefore only investigating the most serious allegations. Of the cases that resulted in a completed investigation, none were referred to Standards Committees and 3 were referred to the Adjudication Panel for Wales. Of the remainder, no evidence of a breach of the Code was found in 13 cases, and in 10 cases the Ombudsman's office determined that no further action was necessary.
- 4.8 The Ombudsman reports that 91% of complainants were informed within four weeks, of the Ombudsman receiving sufficient information of their complaint, whether the complaint would be investigated. This is an improvement from the previous year's figure of 82%.
- 4.9 There has however been a reduction in the percentage of investigations that are completed within 3 months to 10% from 34% in 2016/17. The Ombudsman considers the increased complexity of these cases and the heavy caseload in considering health complaints are the reasons for this reduction. The graph set out on page 25 of the Report shows that the majority of cases are concluded within 3 to 9 months.
- 4.10 The table at page 113 of the Report sets out the outcome of cases by Unitary Authority. There were 2 cases relating to Denbighshire County Councillors both of which were closed after initial consideration.
- 4.11 The table on pages 114 and 115 sets out the outcomes in respect of complaints relating to City, Town and Community Councils. This shows that in Denbighshire, there were 2 cases, both relating to Prestatyn Town Council and both closed after initial consideration.

## **5. How does the decision contribute to the Corporate Priorities?**

The Committee is not requested to make a decision.

## **6. What will it cost and how will it affect other services?**

There are no costs directly associated with this report.

**7. What are the main conclusions of the Well-being Impact Assessment?**

This report does not require a Well-being Impact Assessment.

**8. What consultations have been carried out with Scrutiny and others?**

There have been no consultations with Scrutiny.

**9. Chief Finance Officer Statement**

There are no significant financial implications arising from the report.

**10. What risks are there and is there anything we can do to reduce them?**

There are no risks associated with this report.

**11. Power to make the Decision**

There is no decision required.

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# 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**

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## Ombudsman's Review of the Year

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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

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### 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.

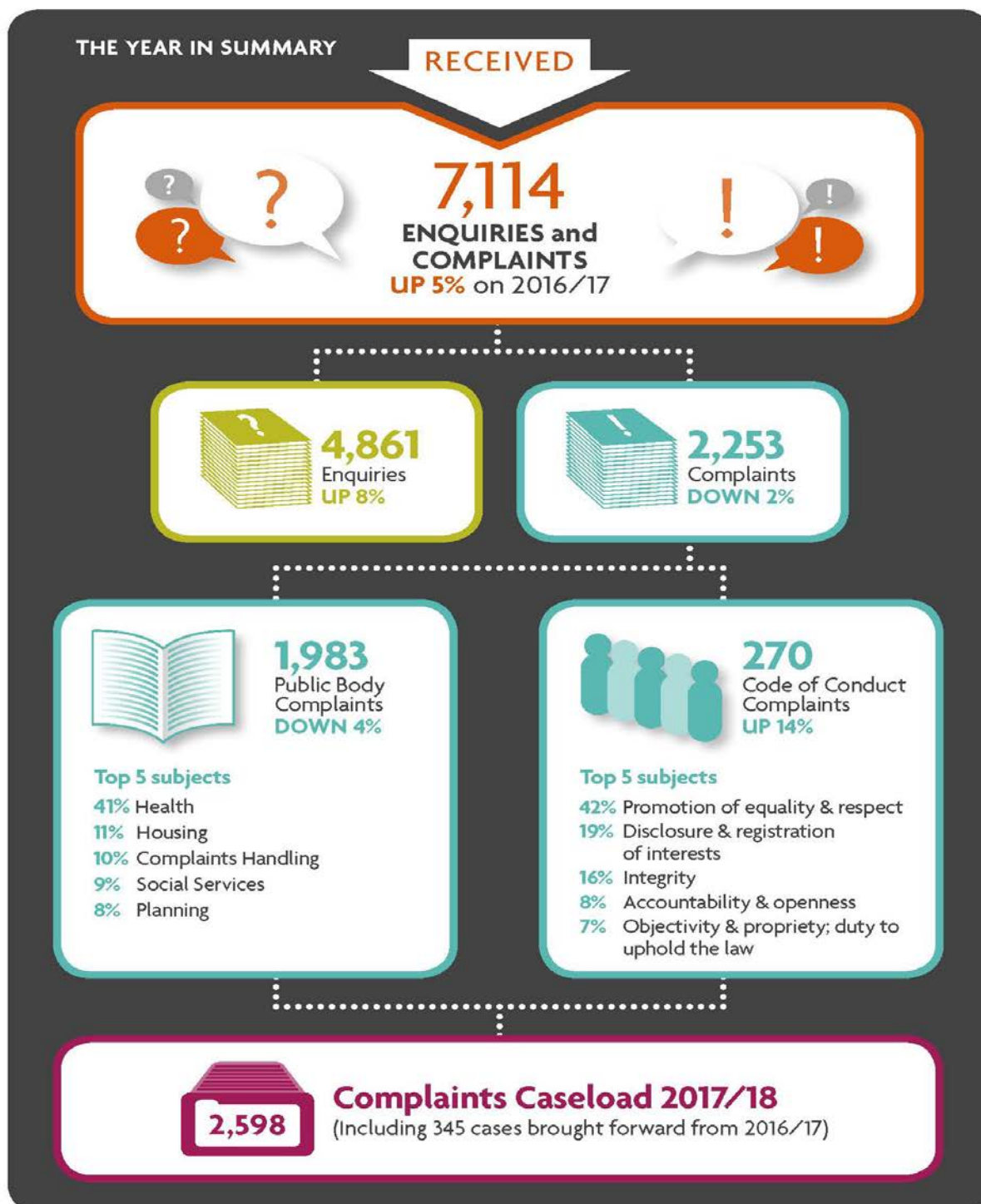
One of my Improvement Officers has worked collaboratively with Ceredigion County Council on a complaint handling toolkit for internal use within the Council. It aims to improve the way in which complaints generally, and those which are made to my office, are handled, by promoting accountability and a 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.

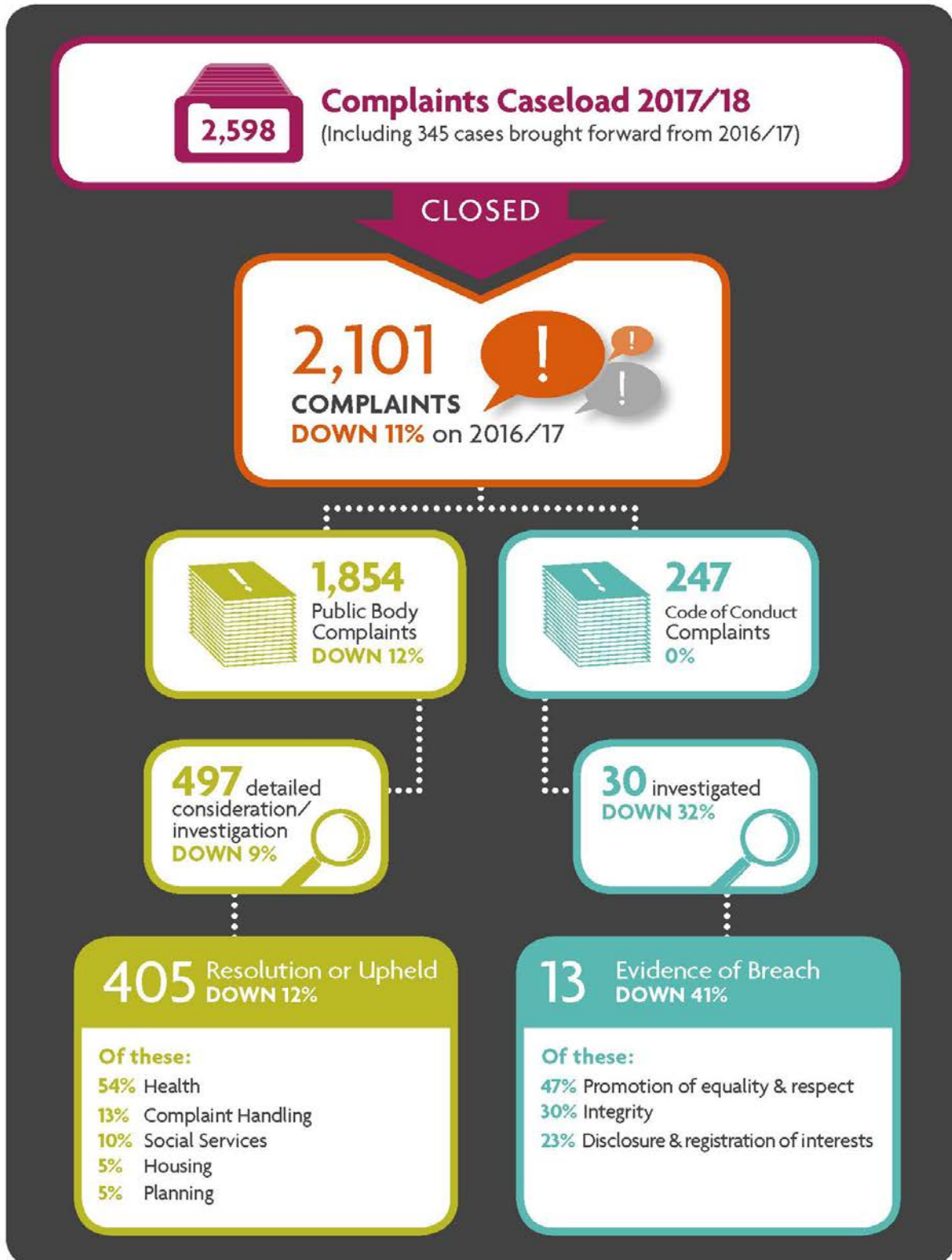
In engaging with other bodies, we hope to see ongoing improvements in complaints handling, learning and putting things right, along with further development of the governance arrangements necessary for continuous improvement.

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



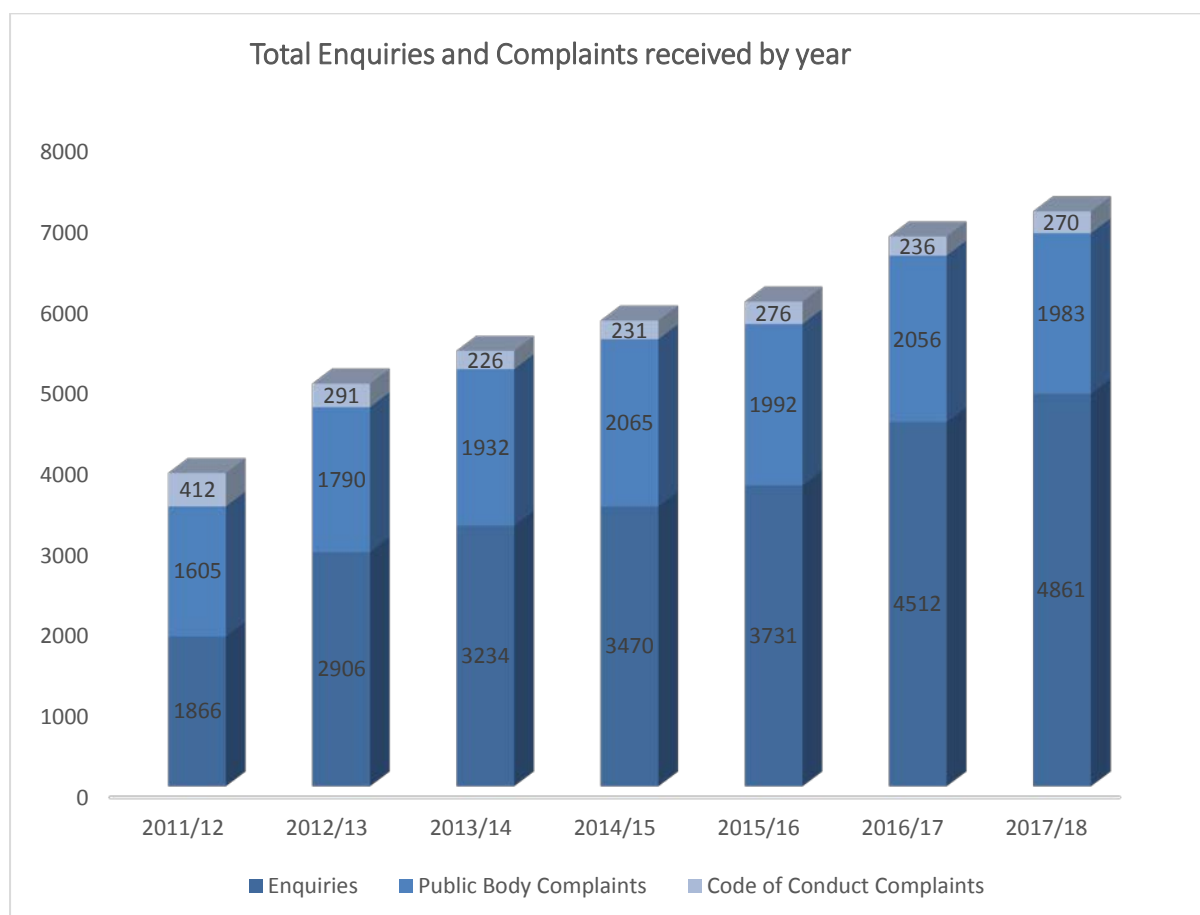
## The Complaints Service





## 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.

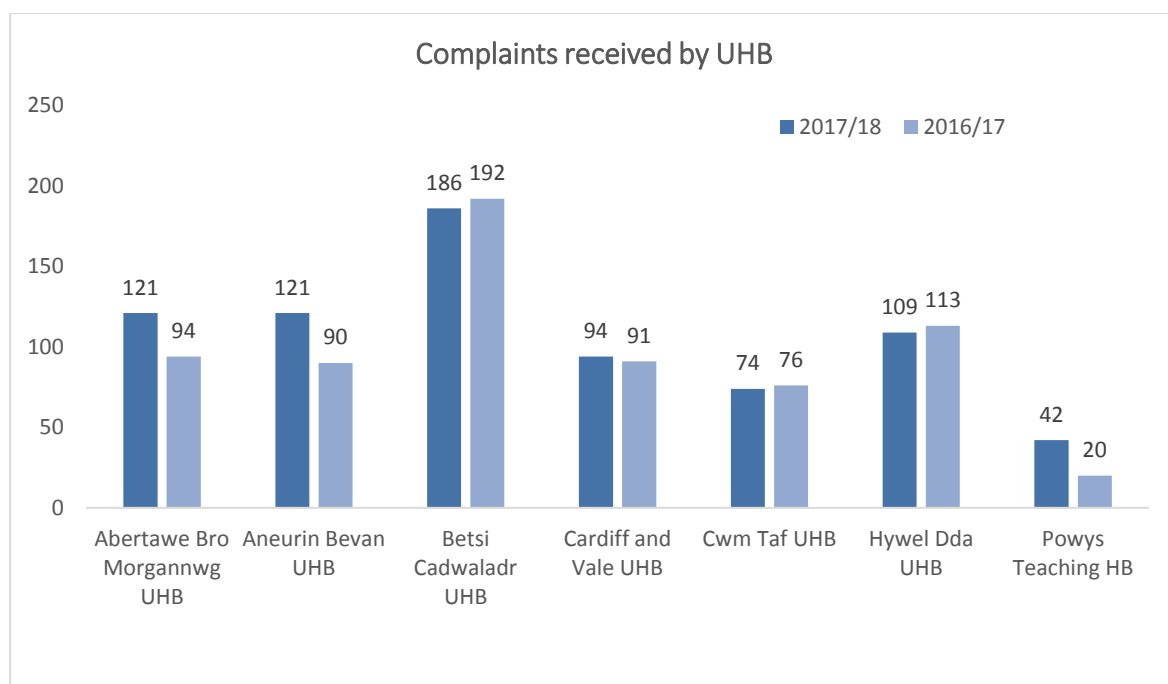
### Sectoral breakdown of complaints received

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.

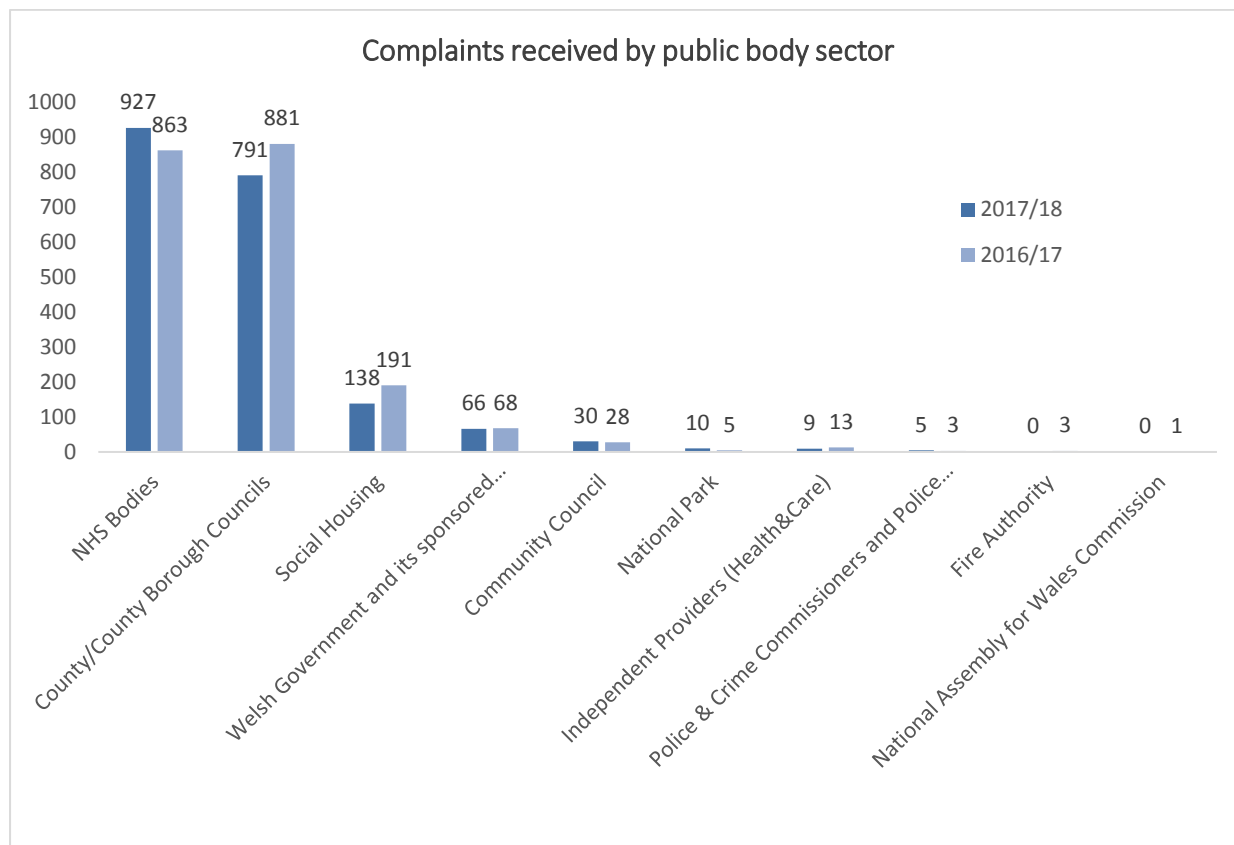
Graph 1.2 shows significant year-on-year increases in complaints received about Abertawe Bro Morgannwg (29%) and Aneurin Bevan University Health Boards (34%), as well as Powys Teaching Health Board (110%).

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

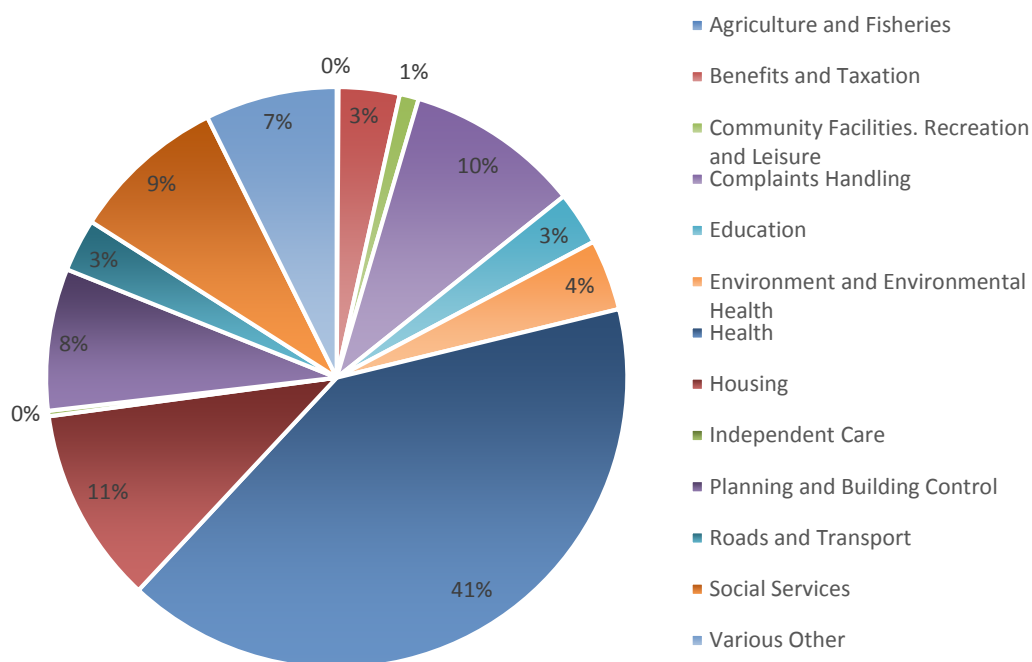


Chart 1.1

### 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.

<b>Complaints about a Public Body – Outcomes of cases closed</b>	<b>2017/18</b>	<b>2016/17</b>
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
<b>Total Outcomes - Complaints</b>	<b>1854</b>	<b>2114</b>

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).

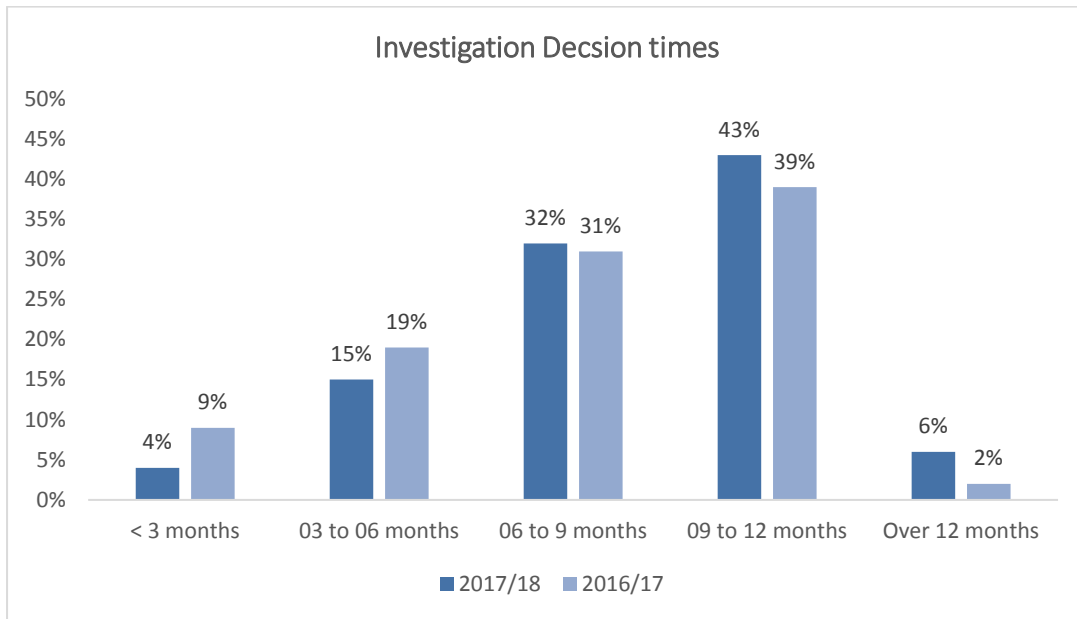
The following table shows the percentage of cases where we met these targets.

	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.



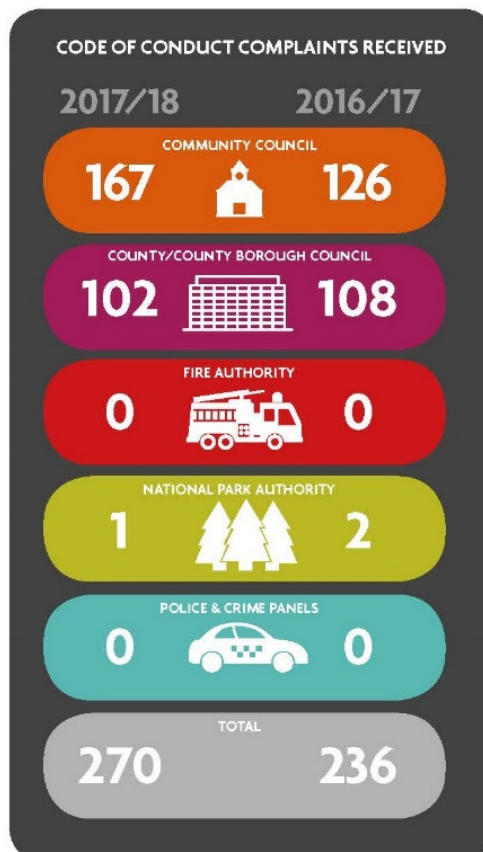
Graph 1.4

## 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.

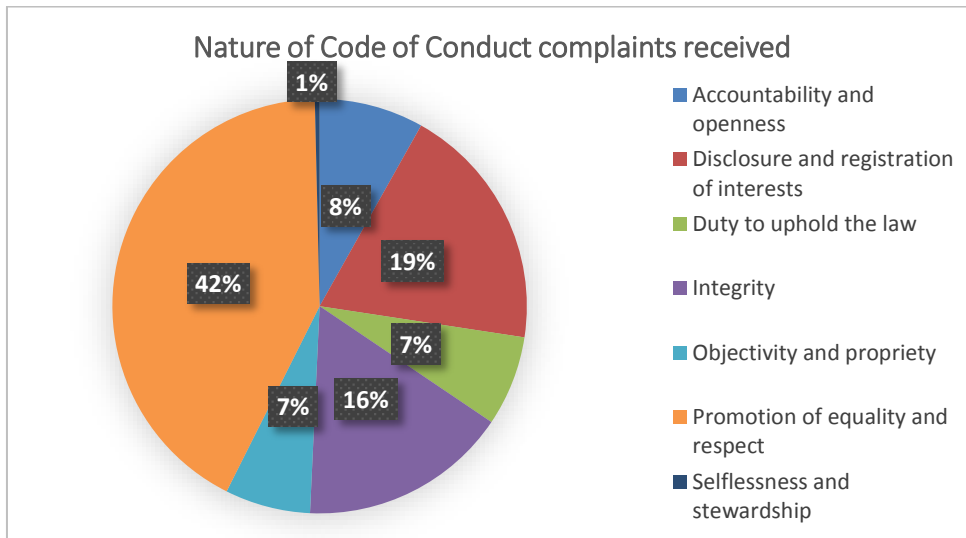


Chart 1.2

### 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:



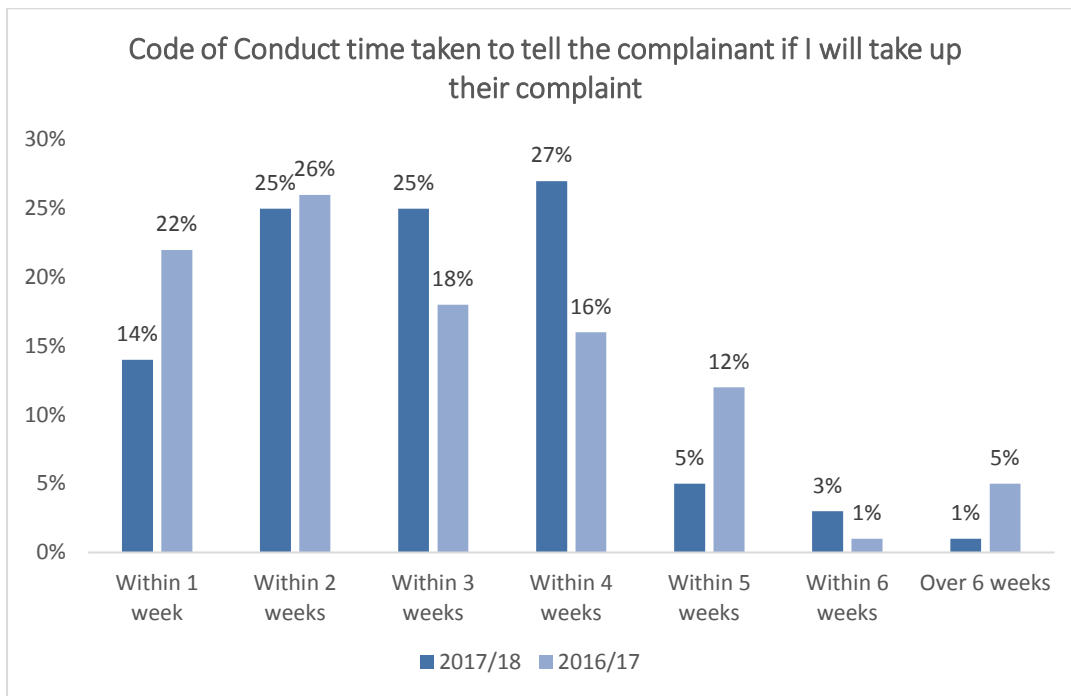
## Decision times

### 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



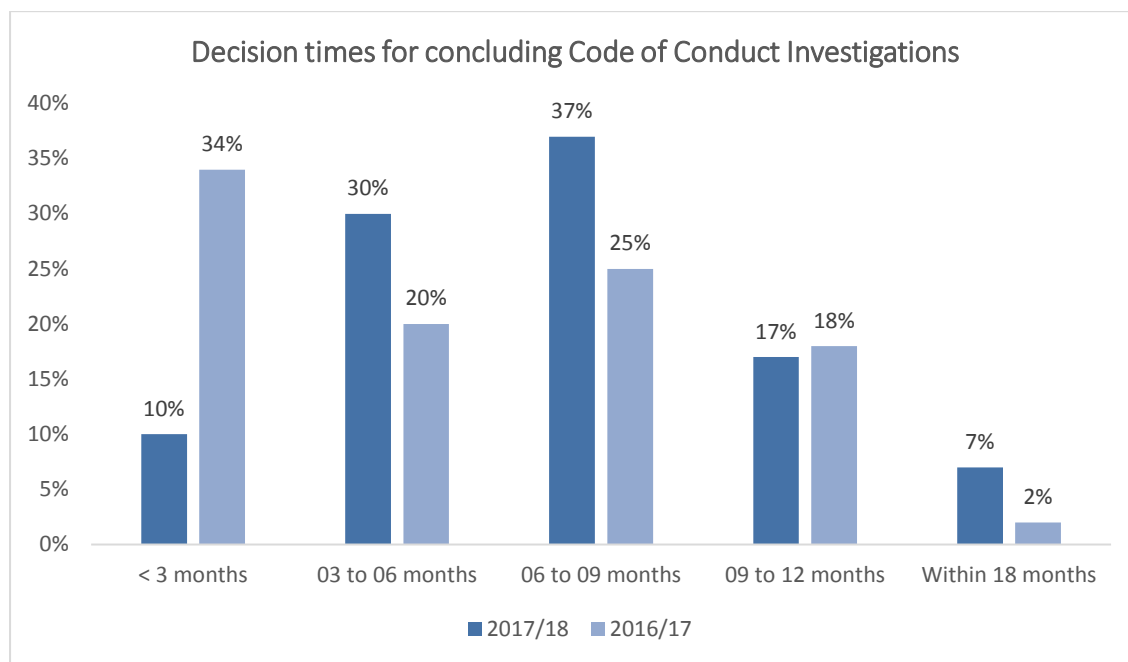
Graph 1.5

### 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

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## Cases of Note

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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 <sup>2</sup> )	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
<b>Total waste per year</b>	<b>2,300 litres</b>	<b>119,600 litres</b>

Table 1.4

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

# Annual Equality Report

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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
<b>Age</b>	
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%

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

<b>Age</b>	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%
<b>Gender</b>	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.
<b>Disability</b>	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)
<b>Nationality</b>	In describing their nationality, 60% said they were Welsh; 31% said British, 7% said they were English, 2% said Irish.
<b>Ethnic group</b>	The ethnicity of staff is: 96% White (Welsh, English, Scottish, Northern Irish, British); 2% White (Irish); 2% Black (African, Caribbean, or Black British/Caribbean).
<b>Language</b>	When asked about the main language of their household, 84% of staff said this was English; 16% said Welsh.
<b>Religion or Belief</b>	Responses to the question asking staff about their religion were as follows: No religion: 55%; Christian: 39%; Other: 2% (4% preferred not to say)
<b>Marriage/Civil Partnership</b>	60% of staff stated they were married; 2% were in a civil partnership; 20% were single; 11% replied other (7% preferred not to say)
<b>Sexual Orientation</b>	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
<b>Subtotal</b>	<b>17</b>	<b>48</b>
<b>Total</b>	<b>65</b>	

\*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)	-	-	1%	-
	White (Irish)	-	-	-	-
	White (Gypsy/Irish traveller)	-	-	1%	-
	White (Other)	-	-	-	6%
	Asian /Asian British	5%	25%	1%	-
	Black, African, Caribbean or Black British	-	-	1%	11%
	Mixed or multiple ethnic group	5%	-	-	-
	Other ethnic Group				
		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
<b>TOTAL COMPLAINTS</b>	<b>35</b>	<b>62</b>
<b>OUTCOMES</b>		
Upheld	3	11
Not Upheld	29	51
<b>TOTAL CLOSED DURING YEAR</b>	<b>32</b>	<b>62</b>
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
<b>TOTAL</b>	<b>3</b>

**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

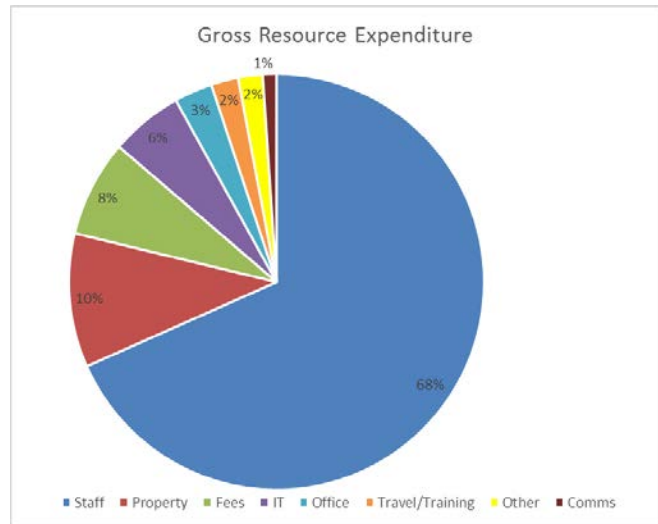
Net Resource Funding:	£4,248k	Total Assets:	£386k
Net Resource Expenditure:	£4,210k	Total Liabilities:	£742k
Cash to be Repaid:	£32k	Net Liabilities:	£356k

### 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.



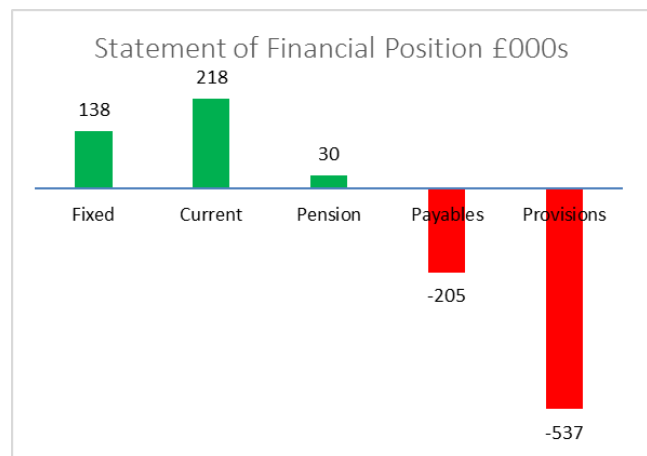
### Assets and Liabilities £000s (page 75)

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).



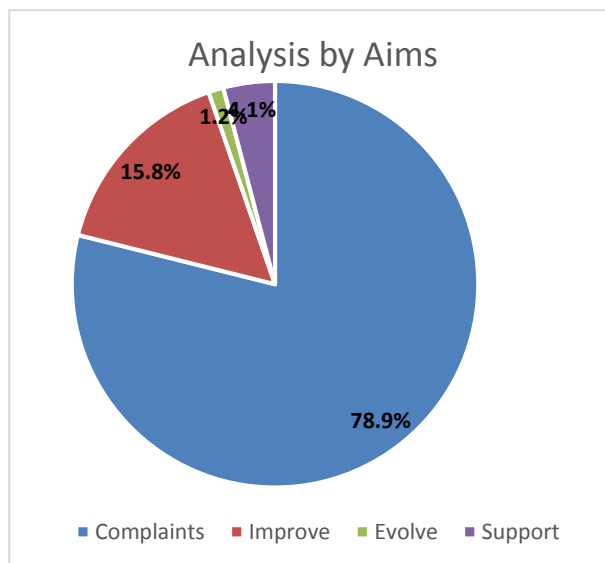
## Operating Costs by Strategic Aims (page 84)

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.

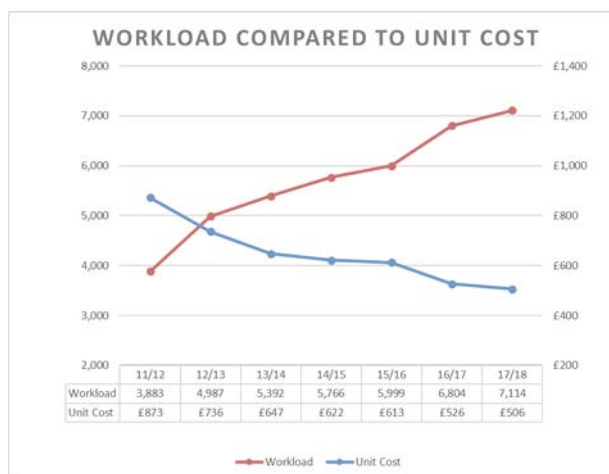
Aim 4: To be accountable for the service we provide and the public money we spend.



## 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

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## Ombudsman's Report

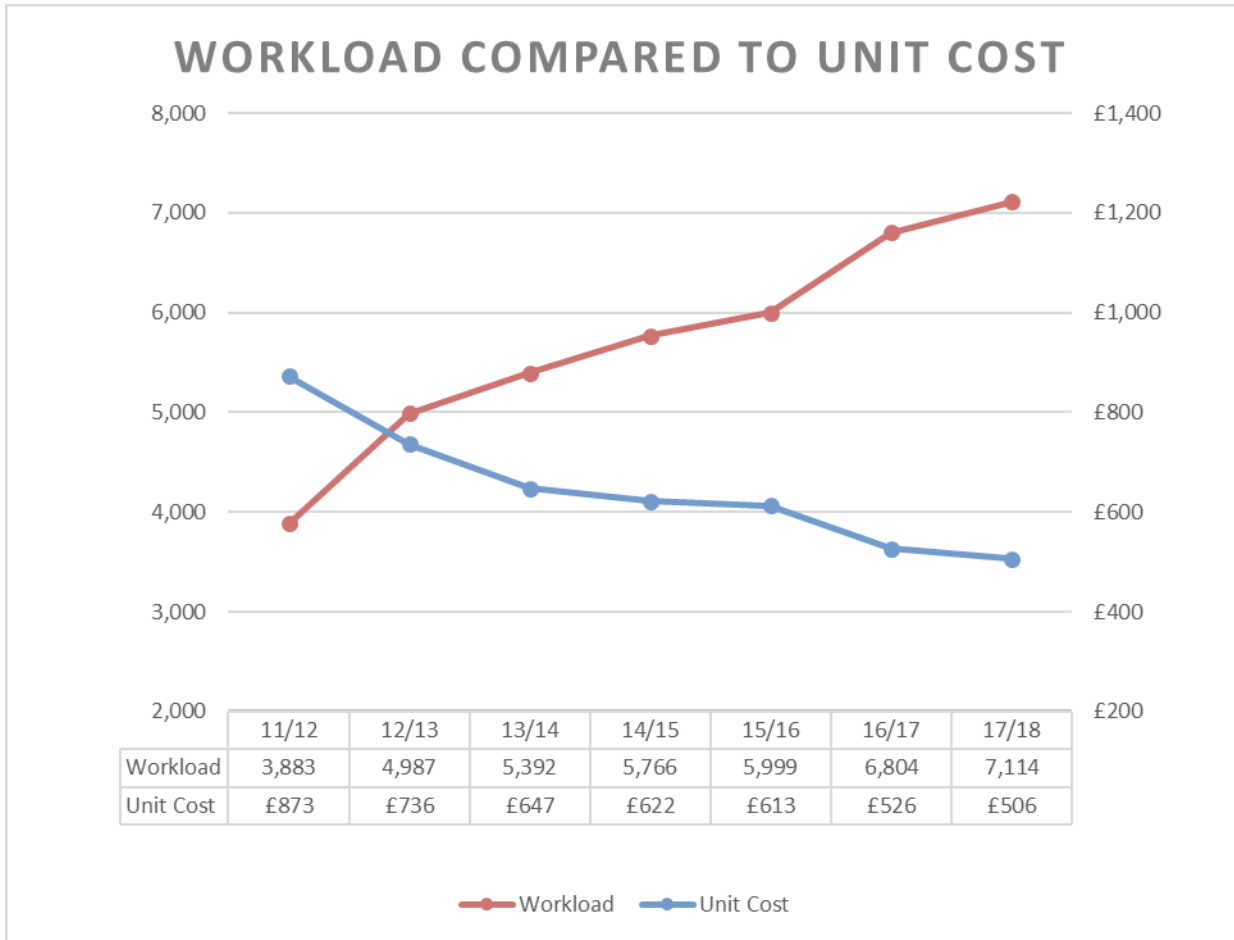
### Background

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

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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.

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# Annual Governance Statement 2017/18

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## Status of the Public Services Ombudsman for Wales

As laid down in Schedule 1 paragraph 2 of the Public Services Ombudsman (Wales) Act 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:

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## 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

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## 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.'

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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:

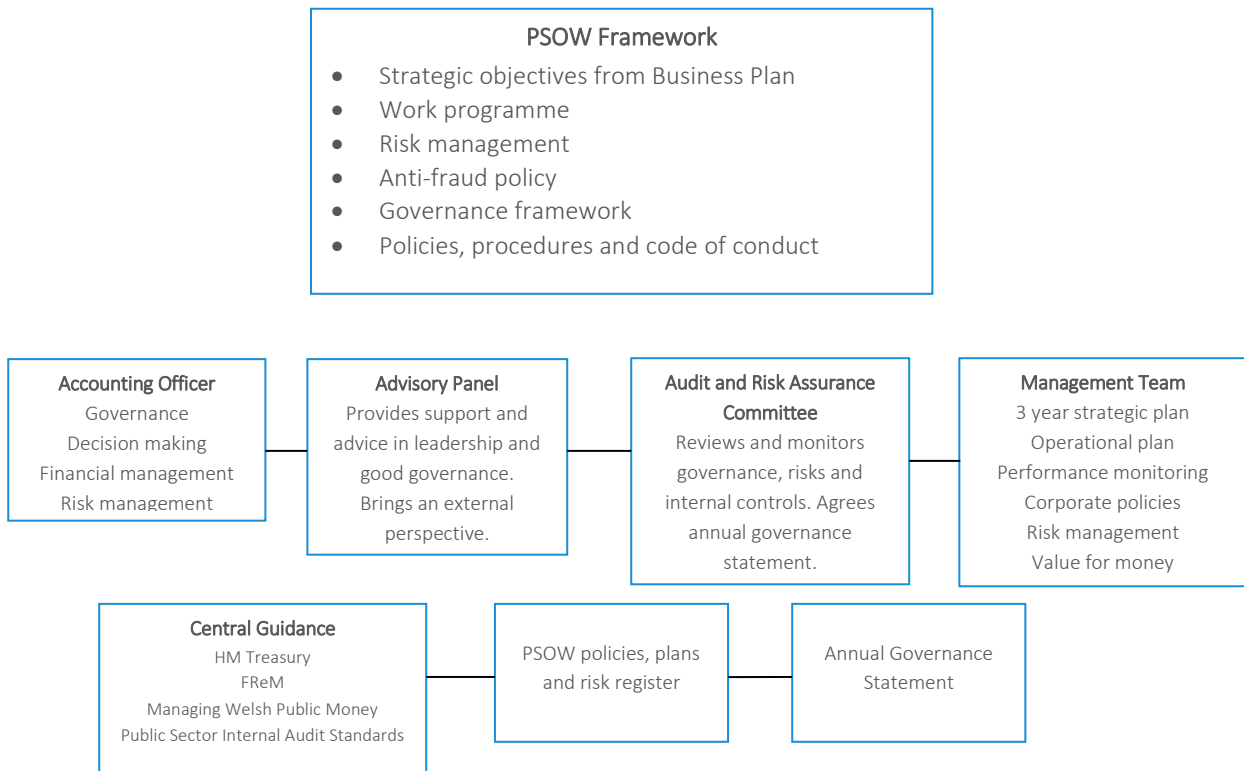
- risks that could affect my ability to fulfil my core functions;
- risks affecting data security;
- financial risks;
- governance risks; and
- risks affecting facilities and support arrangements (such as premises and IT services).

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 <b>RED (serious)</b>
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 <b>RED (serious)</b>
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 <b>RED (serious)</b>

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><b>1<sup>st</sup> line of defence</b>                  Strategic and operational delivery reporting                  KPI reporting                  Financial controls/Budget monitoring</p>
<p><b>2<sup>nd</sup> line of defence</b>                  Risk register reviews                  Quality assurance                  Information security assurance</p>
<p><b>3<sup>rd</sup> line of defence</b>                  Internal audit reports                  Financial accountant spot checks                  Scrutiny by Finance Committee and PAC</p>
<p><b>Other Assurances</b>                  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 (FRm) 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			Net total outturn compared to estimate	2016/17
	Gross Expenditure	Income	Net Total	Gross Expenditure	Income	Net Total		Net Total
	£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
<b>Net Resource</b>	<b>4,280</b>	<b>(32)</b>	<b>4,248</b>	<b>4,241</b>	<b>(31)</b>	<b>4,210</b>	<b>38</b>	<b>4,052</b>
<b>Net Cash Requirement</b>	<b>4,242</b>	<b>(32)</b>	<b>4,210</b>	<b>4,209</b>	<b>(31)</b>	<b>4,178</b>	<b>32</b>	<b>4,240</b>

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
<b>Net Resource</b>		<b>4,248</b>	<b>4,210</b>	<b>38</b>	<b>4,052</b>
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
<b>Net cash requirement</b>		<b>4,210</b>	<b>4,178</b>	<b>32</b>	<b>4,240</b>

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

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

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## 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](http://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
<b>Administration costs</b>			
Staff costs	2	2,898	2,827
Other non-staff administration costs	3	1,323	1,198
<b>Gross Administration Costs</b>		<b>4,221</b>	<b>4,025</b>
Operating Income	4	(31)	(5)
<b>Net Administration Costs</b>		<b>4,190</b>	<b>4,020</b>
<b>Net Revenue Outturn</b>		<b>4,190</b>	<b>4,020</b>

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
<b>Non-current assets</b>			
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
		<b>168</b>	<b>198</b>
<b>Current Assets</b>			
Trade and other receivables	7	186	163
Cash and cash equivalents	8	32	34
		<b>218</b>	<b>197</b>
<b>Total assets</b>		<b>386</b>	<b>395</b>
<b>Current liabilities</b>			
Trade and other payables	9	(177)	(172)
Provisions less than one year	10	(43)	(83)
		<b>(220)</b>	<b>(255)</b>
<b>Total assets less current liabilities</b>		<b>166</b>	<b>140</b>
<b>Non-current liabilities</b>			
Trade and other payables due after one year	9	(28)	(33)
Provisions greater than one year	10	(494)	(461)
		<b>(522)</b>	<b>(494)</b>
<b>Total assets less liabilities</b>		<b>(356)</b>	<b>(354)</b>
<b>Taxpayers equity:</b>			
General Fund		<b>(356)</b>	<b>(354)</b>

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)
<b>Net increase (decrease) in cash equivalents after adjustments for payments to Welsh Consolidated Fund</b>		<b>(2)</b>	<b>(2)</b>
<b>Cash and cash equivalents at the beginning of period</b>		<b>34</b>	<b>36</b>
<b>Cash and cash equivalents at the end of period</b>		<b>32</b>	<b>34</b>

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
<b>Balance as at 1 April</b>	<b>(354)</b>	<b>(564)</b>
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)
<b>Total recognised income and expense for year</b>	<b>(2)</b>	<b>210</b>
<b>Balance as at 31 March</b>	<b>(356)</b>	<b>(354)</b>

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

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# Notes to the Financial Statements

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## 1. Statement of Accounting Policies

These financial statements have been prepared in accordance with the Government Financial Reporting Manual (the FReM) issued by HM Treasury which is in force for 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
<b>Total</b>	<b>2,898</b>	<b>2,827</b>

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
<b>Total</b>	<b>57</b>	<b>55</b>



**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
<b>Sub-total</b>	<b>1,280</b>	<b>1,116</b>
Depreciation	32	33
Amortisation charge	11	49
Loss on disposal	-	-
<b>Sub-total</b>	<b>43</b>	<b>82</b>
<b>Total Other Administration Costs</b>	<b>1,323</b>	<b>1,198</b>

**4. Operating Income**

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

## 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	%
<b>Strategic Aim 1:</b> To provide a complaints service that is of the highest quality, proportionate and effective.	3,307	78.9	3,097	77.0
<b>Strategic Aim 2:</b> 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
<b>Strategic Aim 3:</b> 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
<b>Strategic Aim 4:</b> To be accountable for the service we provide and the public money we spend.	170	4.1	187	4.7
<b>Net operating costs</b>	<b>4,190</b>	<b>100.0</b>	<b>4,020</b>	<b>100.0</b>



## 6b. Intangible Assets

	Information Technology	Software Licences	Total
<b>2017/18</b>	£000	£000	£000
Cost or valuation at 1 April 2017	328	71	399
Additions	-	-	-
Disposals	-	(19)	(19)
<b>At 31 March 2018</b>	<b>328</b>	<b>52</b>	<b>380</b>
<b>Amortisation as at 1 April 2017</b>	<b>(310)</b>	<b>(71)</b>	<b>(381)</b>
Amortisation charged in the year	(11)	-	(11)
Disposals	-	19	19
<b>At 31 March 2018</b>	<b>(321)</b>	<b>(52)</b>	<b>(373)</b>
<b>Carrying amount as at 31 March 2018</b>	<b>7</b>	<b>-</b>	<b>7</b>
Carrying amount as at 31 March 2017	18	-	18
	Information Technology	Software Licences	Total
<b>2016/17</b>	£000	£000	£000
Cost or valuation at 1 April 2016	502	71	573
Additions	-	-	-
Disposals	(174)	-	(174)
<b>At 31 March 2017</b>	<b>328</b>	<b>71</b>	<b>399</b>
<b>Amortisation as at 1 April 2016</b>	<b>(435)</b>	<b>(71)</b>	<b>(506)</b>
Amortisation charged in the year	(49)	-	(49)
Disposals	174	-	174
<b>At 31 March 2017</b>	<b>(310)</b>	<b>(71)</b>	<b>(381)</b>
<b>Carrying Value as at 31 March 2017</b>	<b>18</b>	<b>-</b>	<b>18</b>
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
<b>Amounts falling due within one year</b>		
Prepayments	186	163
Trade debtors	-	-
<b>Amounts falling due after more than one year</b>		
Prepayments	3	-
<b>Total</b>	<b>189</b>	<b>163</b>

**8. Cash and Cash Equivalents**

Any bank balance held at the year-end must be returned to the Welsh Consolidated Fund. A figure of £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
<b>Amounts falling due in one year</b>		
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
	<b>177</b>	<b>172</b>
<b>Amounts falling due in more than one year</b>		
Deferred rent reduction	28	33
<b>Total</b>	<b>205</b>	<b>205</b>

## 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)
<b>Balance at 31 March</b>	<b>260</b>	<b>277</b>	<b>-</b>	<b>537</b>	<b>544</b>

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
<b>Balance at 31 March</b>	<b>537</b>	<b>544</b>

Pension provisions are calculated based on the National Life Tables for England and Wales issued by the Office of National Statistics. Later year pension increases are in line with GDP deflator information issued by HM Treasury. The discount factor has been amended to 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
<b>Net operating cost</b>		<b>(4,190)</b>	<b>(4,020)</b>
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)
<b>Net cash outflow from operating activities</b>		<b>(4,158)</b>	<b>(4,218)</b>

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	-	-
<b>Net cash outflow from investing activities</b>	<b>(20)</b>	<b>(27)</b>

**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)
	<b>(4,178)</b>	<b>(4,245)</b>
Financing from National Assembly for Wales	4,210	4,279
Repayment to Welsh Consolidated Fund	(34)	(36)
<b>Increase /(Decrease) in cash and cash equivalents</b>	<b>(2)</b>	<b>(2)</b>

**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
	<b>1,388</b>	<b>1,571</b>
Other:		
Payable within one year	20	20
Within two and five years	12	32
More than five years	-	-
	<b>32</b>	<b>52</b>
<b>Total – all operating leases</b>	<b>1,420</b>	<b>1,623</b>

**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.

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## Pensions Disclosures

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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](http://www.civilservicepensionscheme.org.uk)

### Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a

consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

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

### **Real Increase in CETV**

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

### **Compensation for loss of office**

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

## 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
<b>Males</b>		
Member aged 65 at accounting date	23.1	23.0
Member aged 45 at accounting date	24.2	24.0
<b>Females</b>		
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
<b>Total</b>	<b>100.0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>

## 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
<b>Funded status</b>	<b>1.52</b>	<b>1.65</b>
Unrecognised asset	(1.49)	(1.61)
<b>Asset/(Liability) recognised on the balance sheet</b>	<b>0.03</b>	<b>0.04</b>

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
<b>Operating cost</b>		
Current service cost	0.02	0.01
Past service cost (incl. curtailments)	0.00	0.00
Settlement cost	0.00	0.00
<b>Financing Cost</b>		
Interest on net defined benefit liability (asset)	0.00	0.00
<b>Pension expense recognised in profit and loss</b>	<b>0.02</b>	<b>0.01</b>
<b>Remeasurements in Other Comprehensive Income</b>		
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
<b>Total amount recognised in other comprehensive income (OCI)</b>	<b>(0.01)</b>	<b>0.01</b>
<b>Total amount recognised in profit and loss OCI</b>	<b>0.01</b>	<b>0.02</b>
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
<b>Opening defined benefit obligation</b>	<b>5.35</b>	<b>5.00</b>
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
<b>Closing defined benefit obligation</b>	<b>5.32</b>	<b>5.35</b>

## 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	<b>7.00</b>	<b>6.12</b>
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	<b>6.84</b>	<b>7.00</b>

## Actual return on assets

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



## 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	
<b>Total contributions by the Employer</b>			<b>0.00</b>
Employee – Normal contributions	12	0.00	
Employee – Added years contributions	12	0.00	
<b>Total contributions by participants</b>			<b>0.00</b>
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	
<b>Net benefits paid out **</b>			<b>0.21</b>

\* 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

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## 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 1<sup>st</sup> 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	NPIU	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
<b>TOTAL</b>	<b>137</b>	<b>217</b>	<b>272</b>	<b>107</b>	<b>3</b>	<b>11</b>	<b>19</b>	<b>0</b>	<b>766</b>

#### 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
<b>TOTAL</b>	<b>1</b>	<b>0</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13</b>

Key	
<b>OJ</b> Out of Jurisdiction	<b>D</b> Discontinued
<b>P</b> Premature	<b>NPINU</b> Other Report – Not Upheld
<b>OC</b> Other cases closed after initial consideration	<b>NPIU</b> Other Report Upheld - in whole or in part
<b>R</b> Early Resolutions/Voluntary Settlements	<b>PIU</b> 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
<b>TOTAL</b>	<b>4</b>	<b>1</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>

## 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
<b>TOTAL</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>

## Key

<b>OJ</b> Out of Jurisdiction	<b>D</b> Discontinued
<b>P</b> Premature	<b>NPINU</b> Other Report – Not Upheld
<b>OC</b> Other cases closed after initial consideration	<b>NPIU</b> Other Report Upheld - in whole or in part
<b>R</b> Early Resolutions/Voluntary Settlements	<b>PIU</b> 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
<b>TOTAL</b>	<b>8</b>	<b>9</b>	<b>11</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>30</b>

Key	
<b>OJ</b>	Out of Jurisdiction
<b>P</b>	Premature
<b>OC</b>	Other cases closed after initial consideration
<b>R</b>	Early Resolutions/Voluntary Settlements
<b>D</b>	Discontinued
<b>NPINU</b>	Other Report – Not Upheld
<b>NPIU</b>	Other Report Upheld - in whole or in part
<b>PIU</b>	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
<b>TOTAL</b>	<b>18</b>	<b>51</b>	<b>52</b>	<b>16</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>140</b>

Key	
<b>OJ</b>	Out of Jurisdiction
<b>P</b>	Premature
<b>OC</b>	Other cases closed after initial consideration
<b>R</b>	Early Resolutions/Voluntary Settlements
<b>D</b>	Discontinued
<b>NPINU</b>	Other Report – Not Upheld
<b>NPIU</b>	Other Report Upheld - in whole or in part
<b>PIU</b>	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
<b>TOTAL</b>	<b>118</b>	<b>78</b>	<b>186</b>	<b>119</b>	<b>4</b>	<b>55</b>	<b>112</b>	<b>4</b>	<b>675</b>

## Community Health Councils

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

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
<b>TOTAL</b>	<b>15</b>	<b>33</b>	<b>48</b>	<b>10</b>	<b>1</b>	<b>13</b>	<b>8</b>	<b>0</b>	<b>129</b>

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
<b>TOTAL</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>

Key	
<b>OJ</b> Out of Jurisdiction	<b>D</b> Discontinued
<b>P</b> Premature	<b>NPINU</b> Other Report – Not Upheld
<b>OC</b> Other cases closed after initial consideration	<b>NPIU</b> Other Report Upheld - in whole or in part
<b>R</b> Early Resolutions/Voluntary Settlements	<b>PIU</b> 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
<b>Welsh Government</b>									
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
<b>Welsh Government Total</b>	<b>9</b>	<b>3</b>	<b>17</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30</b>

Welsh Government Sponsored Body	OJ	P	OC	R	D	NPIN U	NPIU	PIU	Grand Total
<b>Welsh Government Sponsored Body</b>									
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
<b>Welsh Government Sponsored Public Body Total</b>	<b>7</b>	<b>18</b>	<b>8</b>	<b>1</b>		<b>1</b>			<b>35</b>

<b>TOTAL</b>	<b>16</b>	<b>21</b>	<b>25</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>65</b>
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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
<b>TOTAL</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>6</b>

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
<b>Grand Total</b>	<b>0</b>	<b>1</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>7</b>

**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
<b>Grand Total</b>	<b>85</b>	<b>1</b>	<b>9</b>	<b>5</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>103</b>

#### 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
Guilsfield 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
<b>Grand Total</b>	<b>128</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>144</b>

Key	
<b>C</b>	Closed after initial consideration
<b>D</b>	Discontinued
<b>NE</b>	No evidence of Breach
<b>NA</b>	No action necessary
<b>SC</b>	Refer to Standards Committee
<b>AP</b>	Refer to Adjudication Panel
<b>W</b>	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	
<b>Community Council Total</b>		<b>30</b>
Community Health Council	Abertawe Bro Morgannwg Community Health Council	1
<b>Community Health Council Total</b>		<b>1</b>
Dentist	Dentist	1
<b>Dentist Total</b>		<b>23</b>
GP	GP	119
<b>GP Total</b>		<b>119</b>

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	
<b>Housing Association Total</b>		<b>139</b>

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	
	<b>Local Authority Total</b>		<b>794</b>

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
<b>Local Health Board/NHS Trust Total</b>		<b>781</b>

National Park	Brecon Beacons National Park Authority	4
	Snowdonia National Park Authority	6
<b>National Park Total</b>		<b>10</b>

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

Optician	Optician	2
<b>Optician Total</b>		<b>2</b>

Pharmacist	Pharmacist	4
<b>Pharmacist Total</b>		<b>4</b>

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
<b>Police Authority Total</b>		<b>5</b>
Self Funding Care Provider	Parkside Residential Homes	1
	Plas y Bryn Nursing Home	1
	Right At Home	1
<b>Self Funding Care Provider Total</b>		<b>3</b>
Welsh Government	East Wales Valuation Tribunal	1
	Welsh Government	11
	Welsh Government - CADW	1
	Welsh Government - CAF/CASS Cymru	3
	Welsh Government - Care Inspectorate Wales	7
	Welsh Government - Healthcare Inspectorate Wales	1
	Welsh Government - Planning Inspectorate	6
<b>Welsh Government Total</b>		<b>30</b>
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
<b>Welsh Government Sponsored Public Body Total</b>		<b>36</b>
<b>Grand Total</b>		<b>1983</b>

## 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



**Public Services Ombudsman for Wales**

1 Ffordd yr Hen Gae  
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<b>Report To:</b>	<b>Standards Committee</b>
<b>Date of Meeting:</b>	30 <sup>th</sup> November 2018
<b>Lead Member / Officer:</b>	Gary Williams – Monitoring Officer
<b>Report Author:</b>	Gary Williams – Monitoring Officer
<b>Title:</b>	<b>Standards Committee Hearing Procedure</b>

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## 1. What is the report about?

This report is about the procedure adopted by the Council for the conduct of hearings by the Standards Committee of allegations of a breach of the Code of Conduct

## 2. What is the reason for making this report?

To ensure that the procedure adopted by the Council is consistent with the Sanctions Guidance introduced by the Adjudication Panel for Wales

## 3. What are the Recommendations?

That the Committee considers the suggested amendments to the procedure as set out in Appendix 1 to this report and recommends any amendments it considers appropriate to Council for incorporation into the Constitution.

## 4. Report details

The Committee received at its meeting on 21<sup>st</sup> September 2018 a report on the Sanctions Guidance introduced and published by the Adjudication Panel for Wales to assist Panel Members in their determination of appropriate sanctions.

The Council has adopted a procedure for dealing with allegations made that Councillors have breached the Code of Conduct and are referred to the Standards Committee.

The Council's procedure is attached as Appendix 1.

In considering the Sanctions Guidance the Committee asked that the Monitoring Officer review the procedure in light of the Sanctions Guidance and report back on any suggested changes as a result of that review.

The copy of the procedure attached at Appendix 1 contains some suggested amendments highlighted in red. These amendments include a statement of underlying principles to be applied by the Committee in its consideration of any matters brought before it for a hearing. These underlying principles are consistent with those set out for the Adjudication Panel for Wales in its Sanctions Guidance. These principles fall under the headings of Fairness, Public Interest, Proportionality, Consistency, Equality and Impartiality and Human Rights.

In addition, there has been inserted at paragraph 46 specific reference to the Committee having regard to the Sanctions Guidance in its deliberations and a requirement for the Committee to use a five step process in determining sanction.

The Committee is asked to debate these and any other amendments that they consider appropriate to the procedure.

**5. How does the decision contribute to the Corporate Priorities?**

The decision has no direct impact on the Corporate Priorities

**6. What will it cost and how will it affect other services?**

There are no costs directly associated with this report.

**7. What are the main conclusions of the Well-being Impact Assessment?**

There is no requirement for an assessment in respect of this report

**8. What consultations have been carried out with Scrutiny and others?**

There has been no consultation with Scrutiny or others.

**9. Chief Finance Officer Statement**

There are no significant financial implications arising from the report.

**10. What risks are there and is there anything we can do to reduce them?**

There are no risks associated with this report.

**11. Power to make the Decision**

Section 8 Council Constitution

# PROCEDURE FOR DEALING WITH ALLEGATIONS MADE AGAINST COUNCILLORS AND REFERRED TO THE STANDARDS COMMITTEE

## Introduction

1. This document sets out the procedure that the Council's Standards Committee will follow where it is required to make decisions about the conduct of Councillors following investigations by the Public Services Ombudsman for Wales or the Council's Monitoring Officer under Part III of the Local Government Act 2000 and related regulations. If there is any conflict between this document and any statutory requirements then those statutory requirements will prevail.

## Interpretation

2. In this procedure:
  - (a) 'the Act' means the Local Government Act 2000
  - (b) 'the Council' means Denbighshire County Council
  - (c) 'the Code of Conduct' means the code of conduct for members adopted by the Council or the community councils within the Council's area in 2008 in accordance with section 51 of the Act, including any revisions
  - (ch) 'the Complainant' means any person who made any allegation which gave rise to the investigation
  - (d) the 'Investigating Officer' means the person who conducted an investigation into any alleged breach of the Code of Conduct and produced the investigation report, being either the Ombudsman (or a person acting on his or her behalf) or the Monitoring Officer or Deputy Monitoring Officer.
  - (dd) an 'investigation report' means a report on the outcome of an investigation into any alleged breach of the Code of Conduct produced either by the Ombudsman under section 71(2) of the Act or by the Monitoring Officer under the Regulations.
  - (e) 'the Member' means any person who is the subject of an investigation into any alleged breach of the Code of Conduct
  - (f) 'the Monitoring Officer' means the officer for the time being appointed by the Council under section 5 of the Local Government and Housing Act 1989
  - (ff) 'the Ombudsman' means the Public Services Ombudsman for Wales
  - (g) 'the Regulations' means the Local Government Investigations (Functions of Monitoring Officers and Standards Committees) (Wales) Regulations 2001 as amended

- (ng) 'the Standards Officer' means the officer for the time being appointed by the Council to support the work of the Standards Committee

### Summary of the procedure

3. Under section 69 of the Act, the Ombudsman may investigate any alleged breach of the Code of Conduct by members or co-opted members (or former members or co-opted members) of the Council or a community council in the Council's area.
4. Under section 70(4) of the Act, where the Ombudsman ceases such an investigation before it is completed, he or she may refer the matters which are the subject of the investigation to the Monitoring Officer. The Monitoring Officer will then investigate matters in accordance with the Regulations before reporting and, if appropriate, making recommendations to the Standards Committee.
5. Alternatively, under section 71(2) of the Act, where the Ombudsman decides after investigating that it is appropriate, he or she will produce a report on the outcome of the investigation and send it to the Monitoring Officer and the Council's Standards Committee. The Monitoring Officer will then consider the report of the Ombudsman in accordance with the Regulations, before, if appropriate, making recommendations to the Standards Committee.
6. The Standards Committee will then make an initial determination either:
  - (a) that there is no evidence of any failure to comply with the Code of Conduct, or
  - (b) that the Member should be given the opportunity to make representations, either orally or in writing
7. Where the Member is given an opportunity to make representations, the Standards Committee will convene a hearing to consider any response made by the Member and it must determine under regulation 9(1) of the Regulations either that:
  - (a) there is no evidence of any failure to comply with the Code of Conduct and that therefore no action needs to be taken,
  - (b) the Member has failed to comply with the Code of Conduct but that no action needs to be taken in respect of that failure
  - (c) the Member has failed to comply with the Code of Conduct and should be censured, or
  - (ch) the Member has failed to comply with the Code of Conduct and should be suspended or partially suspended from being a member or co-opted member of his/her authority for a period not exceeding six months.and take any such action accordingly.

## **Underlying Principles**

**The Council's Standards Committee will always have in mind that every case is different and requires deciding on its own particular facts and circumstances**

Following a finding that the Code of Conduct has been breached, the Committee must exercise its own judgment as to the relevant sanction in line with the nature and impact of the breach, and any other relevant factors. They must also ensure that the sanctions take account of the following underlying principles in order to ensure that their decisions support the overall ambitions of the ethical framework.

### **Fairness**

The Committee should take account and seek to find an appropriate balance between the various interests of the Respondent, the Complainant, other interested parties to a case, the Ombudsman, the authority, the electorate and the wider public.

### **Public interest**

Whilst seeking to ensure that the sanction imposed is appropriate, fair and proportionate to the circumstances of the case, the Committee should consider the reputation of and public confidence in local democracy as more important than the interests of any one individual.

### **Proportionality**

The Committee will take account of the good practice identified in the Ombudsman's Guidance and Code of Conduct Casebook in order to assist their sense of proportionality when determining the sanction appropriate to the scale and/or nature of the breach.

### **Consistency**

The Committee will aim to achieve consistency in their sanctions in order to maintain the credibility of the ethical framework. They will take account of the good practice identified by the Ombudsman in addition to the Sanctions Guidance produced and adopted from time to time by the Adjudication Panel for Wales.

### **Equality and impartiality**

The Committee will maintain in its conduct and the application of this procedure the capacity for objective, independent and impartial decision-making, free from prejudice and partiality, in order to uphold its responsibilities.

### **Human Rights (Articles 6 and 10)**

The Committee must ensure that its processes and practices respect human rights. In particular, tribunals must ensure that they consider the relevance of Articles 6 and 10 of the European Convention on Human Rights in their deliberations. These articles enshrine the right to a fair hearing and freedom of expression.

### **Investigations by the Monitoring Officer (referrals under section 70(4) of the Act)**

8. Where the Ombudsman ceases his or her investigation before it is completed and refers the matters which are the subject of the investigation to the Monitoring Officer under section 70(4) of the Act, the Monitoring Officer must:-
  - (a) conduct an investigation; and
  - (b) report, and if appropriate make recommendations to the Council's Standards Committee
9. The Monitoring Officer will investigate in accordance with the Regulations and may follow such procedures as he or she considers appropriate in the circumstances of the case.
10. After concluding an investigation, the Monitoring Officer must:
  - (a) produce a report on the findings of his or her investigation and, if appropriate, may make recommendations to the Standards Committee,
  - (b) send a copy of the report to the Member, and
  - (c) take reasonable steps to send a copy of the report to the Complainant.
11. The Standards Committee will consider the Monitoring Officer's report and any recommendations in accordance with the procedure set out below.

### **Investigations by the Ombudsman (referrals under section 71(2) of the Act)**

12. Where the Ombudsman completes his or her investigation and sends a report to the Monitoring Officer and the Council's Standards Committee under section 71(2) of the Act, the Monitoring Officer must consider the Ombudsman's report and, if appropriate, make recommendations to the Council's Standards Committee.
13. The Standards Committee will consider the Ombudsman's report together with any recommendations made by the Monitoring Officer in accordance with the procedure set out below.

### **The first meeting of the Standards Committee – Initial Determination**

14. After the Monitoring Officer has:
  - (a) produced an investigation report in accordance with paragraph 10; or
  - (b) considered the Ombudsman's investigation report in accordance with paragraph 12

s/he will arrange for a meeting of the Standards Committee to be convened as soon as possible and for a copy of the investigation report, together with the Monitoring Officer's recommendations (if any), to be sent to each of the members of the Standards Committee.



15. Notice of the time and place of the meeting will be given in accordance with Part VA of the Local Government Act 1972 as amended by the Standards Committees (Wales) Regulations 2001.
16. If the investigation report is produced by the Ombudsman, the Monitoring Officer will advise the Standards Committee. If the investigation report is produced by the Monitoring Officer, the Standards Officer or some other suitably qualified person will advise the Standards Committee.
17. The business of the Standards Committee meeting will be limited to considering the investigation report and the Monitoring Officer's recommendations (if any) and to making an initial determination either:-
  - (a) that there is no evidence of any failure to comply with the Code of Conduct, or
  - (b) that the Member should be given the opportunity to make representations, either orally or in writing in respect of the findings of the investigation and any allegation that he or she has failed, or may have failed, to comply with the Code of Conduct.

#### **After the first meeting of the Standards Committee**

18. Where the Standards Committee decides that there is no evidence of any failure to comply with the Code of Conduct, the Standards Officer will accordingly notify the Member, the Complainant and the Ombudsman.
19. Where the Standards Committee decides that the Member should be given the opportunity to make representations, the Standards Officer will notify the Member of the Committee's decision and the procedure which the Committee proposes to adopt to receive and consider any representations that he or she may wish to make.

#### **Preparing for the hearing to consider the Member's representations**

20. The Standards Officer, in consultation with the Chair of the Standards Committee, will write to the Member to propose a date for a hearing to consider any representations that the Member may wish to make and to ask the Member to respond in writing within 14 days to confirm whether s/he:
  - (a) is able to attend the hearing
  - (b) wants to make representations, whether orally or in writing and if so, to include any written representations in his or her response
  - (c) disagrees with any of the findings of fact in the investigation report, and if so, which matters he or she disagrees with and the reasons for any disagreements;
  - (ch) wants to appear before the Committee in person or be represented at the hearing by a solicitor, barrister or any other person, in accordance with his/her right under the Regulations
  - (d) wants to give evidence to the Standards Committee, either orally or in writing;

- (dd) wants to call relevant witnesses to give evidence to the Standards Committee;
  - (e) wants any part of the meeting to be held in private;
  - (f) wants any part of the investigation report or other relevant documents to be withheld from the public
21. The Standards Officer will notify the Investigating Officer of the proposed hearing date and ask whether he or she will be attending the hearing.
22. The Standards Officer will send a copy of the Member's response under paragraph 20 to the Investigating Officer and will ask him/her to confirm in writing within 7 days whether s/he:
- (a) has any comments on the Member's response
  - (b) wants to be represented at the hearing;
  - (c) wants to call relevant witnesses to give evidence to the Standards Committee;
  - (ch) wants any part of the meeting to be held in private; and
  - (d) wants any part of the investigation report or other relevant documents to be withheld from the public.
23. The Standards Officer will write to the members of the Committee, the Member and the Investigating Officer at least two weeks before the hearing to:
- (a) confirm the date, time and place for the hearing;
  - (b) summarise the allegation;
  - (c) outline the main facts of the case that are agreed;
  - (ch) outline the main facts which are not agreed;
  - (d) note whether the Member or the Investigating Officer will attend or be represented at the hearing;
  - (dd) list those witnesses, if any, who will be asked to give evidence;
  - (e) enclose the investigation report, any relevant documents, the Member's response and any further response from the Investigating Officer; and
  - (f) outline the proposed procedure for the meeting.

### **Powers of the Standards Committee**

24. The Standards Committee may, in accordance with the requirements of natural justice, conduct the meeting in the manner it considers most suitable to the clarification of the issues before it and generally to the just handling of the

proceedings. It must so far as appears to it appropriate seek to avoid formality and inflexibility in its proceedings. The Standards Committee will decide factual evidence on the balance of probabilities.

25. The Member or the Investigating Officer may be represented or accompanied whether or not legally qualified but if in any particular case the Standards Committee is satisfied that there is a good reason, it may refuse to permit a particular person to assist or represent a party at the hearing.
26. The Standards Committee may take legal advice from a Council officer appointed for this purpose at any time during the meeting or while they are considering the outcome. The substance of any legal advice given to the Committee will be shared with the Member and the Investigating Officer if they are present.
27. Where appropriate, and in accordance with the Regulations, the Standards Committee has power to censure the Member, or suspend or partially suspend the Member for a period not exceeding 6 months.

### **Procedure at the hearing**

28. The hearing will be held in public unless the Standards Committee is persuaded that there is a good reason to exclude the public.
29. The procedure at the meeting shall be as set out below, subject to the Chair making such changes as he or she thinks fit in order to ensure a fair and efficient hearing.

### Introduction

30. The Chair of the Standards Committee will introduce those persons present and will explain the manner and order of proceedings

### First stage: Preliminary procedural issues

31. The Standards Committee will then resolve any issues or disagreements about how the hearing should continue, which have not been resolved during the pre-hearing process.

### Second stage: Making findings of fact

32. The Standards Committee will then consider whether or not there are any significant disagreements about the facts contained in the investigation report.
33. If there is a disagreement as to the facts:-
  - (a) the Investigating Officer, if present, will be invited to make any necessary representations to support the relevant findings of fact in the investigation report.
  - (b) the Investigating Officer may call any necessary supporting witnesses to give evidence, with the Standards Committee's permission and the Committee shall

give the Member an opportunity to challenge any evidence put forward by any witness called by the Investigating Officer.

- (c) the Member will then be invited to make representations to support his or her version of the facts.
  - (ch) the Member may call any necessary witnesses to give evidence, with the Standards Committee's permission and the Committee shall give the Investigating Officer an opportunity to challenge any evidence put forward by any witness called by the Member.
34. At any time, the Standards Committee may question any of the people involved or any of the witnesses.
35. If the Member disagrees with any relevant fact in the investigation report, without having given prior notice of the disagreement, he or she must give good reasons for not mentioning it before the hearing. If the Investigating Officer is not present, the Standards Committee will consider whether or not it would be in the public interest to continue in his or her absence. After considering the Member's explanation for not raising the issue at an earlier stage, the Committee may then:
- (a) continue with the hearing, relying on the information in the investigation report
  - (b) allow the Member to make representations about the issue, and invite the Investigating Officer to respond and call any witnesses, as necessary; or
  - (c) postpone the hearing to arrange for appropriate witnesses to be present, or for the Investigating Officer to be present if he or she is not already.
36. At the conclusion of the representations as to matters of fact, the Standards Committee will retire to deliberate in private on the representations, after which the Chair of the Standards Committee will announce their findings of fact.

### Third stage: Deciding whether the Member has failed to comply with the Code

37. The Standards Committee will then consider whether, based on the facts it has found, the Member has failed to comply with the Code.
38. The Standards Committee will invite the Investigating Officer to make representations as to whether or not, based on the facts the Committee has found, the Member has failed to comply with the Code of Conduct.
39. The Standards Committee will invite the Member to respond to the representations of the Investigating Officer and to make representations as to whether or not, based on the facts the Committee has found, he or she has failed to comply with the Code of Conduct.
40. The Standards Committee may, at any time, question anyone involved on any point they raise in their representations.
41. The Member will be invited to make any final relevant points.

42. The Standards Committee will retire to deliberate in private on the representations and decide whether or not the Member has failed to comply with the Code of Conduct, after which the Chair of the Standards Committee will announce their findings.

Fourth stage: Action to be taken

43. If the Standards Committee decides that the Member has not failed to comply with the Code of Conduct, it will formally record that there is no evidence of any failure by the Member to comply with the Code of Conduct and that therefore no action needs to be taken.

44. If the Standards Committee decides that the Member has failed to comply with the Code of Conduct it will invite the Member and the Investigating Officer to make representations as to:

- (a) whether or not the Committee should apply a sanction; and
- (b) what form any sanction should take.

45. The Standards Committee will retire to deliberate in private on the representations and decide either that:

- (a) no action needs to be taken in respect of the failure to comply with the Code of Conduct,
- (b) the Member should be censured or
- (c) the Member should be suspended or partially suspended from being a member or co-opted member of his or her authority for a period not exceeding six months,

after which the Chair of the Standards Committee will announce their decision.

46. As part of its deliberations the Committee will have regard to the Sanctions Guidance published and adopted from time to time by the Adjudication Panel for Wales.

The Committee will follow a five step process in determining sanction:

- 1 assess the seriousness of the breach and any consequences for individuals and/or the council
- 2 identify the broad type of sanction that the Committee considers most likely to be appropriate having regard to the breach;
- 3 consider any relevant mitigating or aggravating circumstances and how these might affect the level of sanction under consideration;
- 4 consider any further adjustment necessary to ensure the sanction achieves an appropriate effect in terms of fulfilling the purposes of the sanctions;

5 confirm the decision on sanction and include, within the written decision, an explanation of the Committee's reasons for determining the chosen sanction in order to enable the parties and the public to understand its conclusions.

### **Failure to make representations / attend the hearing**

46. If the Member fails to make representations, the Standards Committee may:
- (a) unless it is satisfied that there is sufficient reason for such failure, consider the investigation report and make a determination in the Member's absence; or
  - (b) give the Member a further opportunity to make representations
47. If a party fails to be present or represented at a hearing, the Standards Committee may, if it is satisfied that the party was duly notified of the hearing and that there is no good reason for such absence -
- (a) hear and decide the matter in the party's absence; or
  - (b) adjourn the hearing.

### **Illness or incapacity**

48. If the Standards Committee is satisfied that any party is unable, through physical or mental sickness or impairment, to attend the hearing and that the party's inability is likely to continue for a long time, the Standards Committee may make such arrangements as may appear best suited, in all the circumstances of the case, for disposing fairly of the matter.

### **Suspension**

49. A period of suspension or partial suspension will commence on the day after:
- (a) the expiry of the time allowed to lodge a notice of appeal to an appeals tribunal under the Regulations (i.e. within 21 days of receiving notification of the Standards Committee's determination);
  - (b) receipt of notification of the conclusion of any appeal in accordance with the Regulations;
  - (c) a further determination by the Standards Committee made after receiving a recommendation from an appeals tribunal under the Regulations,
- whichever occurs last.

### **Referral by an Appeals Tribunal**

50. Where the Standards Committee determines that the Member has failed to comply with the Code of Conduct, the Member may appeal against the determination to an appeals tribunal drawn from the Adjudication Panel for Wales.

51. An appeals tribunal may endorse the decision of the Standards Committee, refer a matter back to it recommending it impose a different penalty, or overturn the decision.
52. If:
- (a) the Standards Committee determines that the Member failed to comply with the Code of Conduct;
  - (b) the Member appeals to an appeals tribunal drawn from the Adjudication Panel for Wales; and
  - (c) the said tribunal refers the matter back to the Standards Committee with a recommendation that a different penalty be imposed,
- the Standards Committee shall meet as soon as reasonably practicable to consider the recommendation of the appeals tribunal and will determine whether or not it should uphold its original determination or accept the recommendation.
53. After making its determination the Standards Committee will instruct the Standards Officer to confirm the decision and the reasons for the decision in writing and to send a copy of the written decision to the Member, the Complainant, the Ombudsman and the president of the Adjudication Panel for Wales as soon as reasonably practicable.

#### Publication of the Standards Committee's report

54. The Standards Committee will cause to be produced within 14 days after:
- (a) the expiry of the time allowed to lodge a notice of appeal under the Regulations, or
  - (b) receipt of notification of the conclusion of any appeal in accordance with the Regulations, or
  - (c) a further determination by the Standards Committee made after receiving a recommendation from an appeals tribunal under the Regulations,
- whichever occurs last, a report on the outcome of the investigation and send a copy to the Ombudsman, the Monitoring Officer, the Member and take reasonable steps to send a copy to the Complainant.
55. Upon receipt of the report of the Standards Committee, the Monitoring Officer shall:
- (a) for a period of 21 days publish the report on the Council's website and make copies available for inspection by the public without charge at all reasonable hours at one or more of the Council's offices, where any person shall be entitled to take copies of, or extracts from, the report when made so available,

- (b) supply a copy of the report to any person on request if he or she pays such charge as the Council may reasonably require, and
- (c) not later than 7 days after the report is received from the Standards Committee, give public notice, by advertisement in newspapers circulating in the area and such other ways as appear to him or her to be appropriate, that copies of the report will be available as provided by sub-paragraphs (a) and (b) above, and shall specify the date (being a date not more than seven days after public notice is first given) from which the period of 21 days will begin.

**Costs**

- 56. The Standards Committee has no power to make an award of any costs or expenses arising from any of its proceedings.

Legal and Democratic Services

February 2012



## STANDARDS COMMITTEE FORWARD WORK PROGRAMME

DATE OF MEETING	REPORT ITEMS / AREAS	REPORT AUTHOR
<b>15 March 2019</b>	Standing Item: Attendance at Meetings	N/A
	Standing Item: PSOW Code of Conduct Casebook	Gary Williams (Monitoring Officer)
	Standing Item: Standards Committee Forward Work Programme	Gary Williams (Monitoring Officer)
	Standing Part 2 Item: Overview of Complaints in Denbighshire	Gary Williams (Monitoring Officer)
<b>07 June 2019</b>	Standing Item: Attendance at Meetings	N/A
	Standing Item: PSOW Code of Conduct Casebook	Gary Williams (Monitoring Officer)
	Standing Item: Standards Committee Forward Work Programme	Gary Williams (Monitoring Officer)
	Standing Part 2 Item: Overview of Complaints in Denbighshire	Gary Williams (Monitoring Officer)
<b>06 September 2019</b>	Standing Item: Attendance at Meetings	N/A
	Standing Item: PSOW Code of Conduct Casebook	Gary Williams (Monitoring Officer)
	Standing Item: Standards Committee Forward Work Programme	Gary Williams (Monitoring Officer)
	Standing Part 2 Item: Overview of Complaints in Denbighshire	Gary Williams (Monitoring Officer)
<b>06 December 2019</b>	Standing Item: Attendance at Meetings	N/A
	Standing Item: PSOW Code of Conduct Casebook	Gary Williams (Monitoring Officer)

	Standing Item: Standards Committee Forward Work Programme	Gary Williams (Monitoring Officer)
	Standing Part 2 Item: Overview of Complaints in Denbighshire	Gary Williams (Monitoring Officer)

Updated 15/11/18 SJ

By virtue of paragraph(s) 12, 13 of Part 4 of Schedule 12A  
of the Local Government Act 1972.

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