



Comisiynydd Pobl Hŷn Cymru Older People's Commissioner for Wales

Response to Public Accounts and Public Administration Committee: Funding of Commissioners

Introduction

The role of Older People's Commissioner was established through the Commissioner for Older People (Wales) Act 2006, as a Corporation Sole. The Accounting Officer responsibilities and discharge of statutory duties are vested personally in the Commissioner. As a Corporation Sole, there is no Board, and the Commissioner holds personal responsibility for directing and controlling the organisation and its resources.

I have an Audit and Risk Assurance Committee who review the comprehensiveness of the systems of assurances that I have put in place to meet my Accounting Officer needs and review the integrity and reliability of these systems.

The role of an independent Older People's Commissioner in Wales was the first in the world. The first Commissioner took up post in April 2008, the second Commissioner in June 2012, and I, as the third Commissioner, took up post in August 2018 on a four-year term of office. In accordance with the Commissioner for Older People in Wales (Appointment) (Amendment) Regulations 2016, the First Minister approved my request to extend my term of office by a further two years until August 2024, following consultation with older people and key stakeholders.

My organisation is funded by, but operates independently of, Welsh Ministers and as Accounting Officer I am accountable to the Welsh Parliament for the use of the resources made available to me.

My response to the request for evidence from the Senedd Public Accounts and Public Administration Committee into the funding of Commissioners draws on my own experience as well as the experience of the organisation prior to 2018, which includes the 2015 response to the Public Accounts Committee's Report on the Scrutiny of Accounts 2013/14.

1. Roles and responsibilities

Question: A summary of the roles and responsibilities of your office, together with information about how these may have changed over time, as suggested by the Senedd ESJ Committee in its Report. Whether there has been any financial impact of such changes and the details of those implications.

My Role

As Commissioner, I am an independent voice and champion for older people throughout Wales. My work is focused on making Wales a place where older people are valued, rights are upheld and no-one is left behind, delivered both through my own priorities, as well as my wider work to influence policy, and scrutinise government action and decisions on behalf of older people.

My work programme is based around four priority areas relating to key issues affecting older people in Wales: protecting and promoting older people's rights, ending ageism and age discrimination, stopping the abuse of older people, and enabling everyone to age well.

To maximise the impact of the work I deliver through my work programme, I use a variety of approaches to raise awareness about key issues, empower older people, and influence policy and practice.

For example, as part of my work to protect older people's rights, I recently launched a guide to rights in care homes, which has been distributed to every care home in Wales and is being shared more widely by partners and stakeholders. I have also used my legal powers to issue formal guidance to local authorities and health boards to ensure older people can access information and services via non-digital means, alongside producing a widely distributed information leaflet to help older people better understand the rights they have when accessing services.

My work on ageism has included delivering training to older people and professionals to help them recognise and challenge ageism and age discrimination more effectively, as well as publishing guides for journalists and other professionals on how to avoid ageism when writing and communicating about older people and ageing. I also delivered my #EverydayAgeism campaign to raise awareness about the scale and impact of ageism, and to challenge myths and stereotypes about older people that lead to discrimination.

My work to stop the abuse of older people highlighted significant gaps in evidence and data relating to older people's experiences of abuse, which has led to two significant research projects – the first examining the availability of support services for older people affected by abuse and the second focused on the experiences of older men, where research is particularly limited. Alongside this, I have also developed an online directory to connect older people to help and support services, and work with an action group of over 30 organisations I established to raise awareness, disseminate key information and resources, and influence policy and practice.

My work to enable everyone to age well has included becoming an Affiliate of the World Health Organisation's Global Network of Age-friendly Cities and Communities, which not only helps to ensure the good practice being delivered in Wales is recognised at a global level, but also enables me to provide expert guidance and support to local authorities throughout Wales as they develop their strategies and plans to make their communities age-friendly to support their own applications to join the WHO Network.

Alongside the work delivered against my four priorities, I also continue to scrutinise and influence the action and decisions of the Welsh Government and other public bodies with the aim of ensuring that the right policy and practice is in place so that older people can

access the support and services they may need, are able to participate in our communities and that no-one is left behind.

This includes meetings with Ministers, officials, Chief Executives and other key individuals to raise issues of concern and set out the action needed to deliver improvements for older people, as well as providing evidence through briefing papers, consultation responses and Senedd Committee inquiries.

Engagement with older people is a crucial part of my work, and I hold regular engagement sessions, as well as meeting older people in communities throughout Wales, to hear directly about their concerns, any issues or challenges they are facing and their views on the action needed to deliver improvements. This engagement has included sessions looking at specific issues such as the cost-of-living crisis, access to services and mental health.

As Commissioner, I also provide information and support directly to older people and their families through my Advice and Assistance Team. The enquiries received by the team cover a wide range of issues – including rights, health and social care, abuse and safeguarding, finances, housing, communities, transport – and many of the cases they deal with are highly complex in nature.

The extensive work I deliver as Commissioner, some of which is highlighted above, is supported by a small team working on my behalf who have a broad range of knowledge, skills, expertise and experiences, together with a unique understanding of the issues that affect older people, how they relate to the policy and practice landscape in Wales, and the action needed to deliver the improvements older people want and need to see.

The Act

My role and statutory powers as Commissioner are defined by the [Commissioner for Older People \(Wales\) Act 2006](#) and accompanying Regulations.

The Act provides me with a number of legal powers and outlines the action that I am able to take to ensure that the interests of older people (defined as people over the age of 60) are safeguarded and promoted when public bodies discharge their functions and the assistance that I may provide directly to older people in certain situations.

I have **four statutory functions**:

- Promote awareness of the interests of older people in Wales and of the need to safeguard those interests
- Promote the provision of opportunities for, and the elimination of discrimination against, older people in Wales
- Encourage best practice in the treatment of older people in Wales
- Keep under review the adequacy and effectiveness of law affecting the interests of older people in Wales

Legal Powers

I have a number of legal powers, set out in the Act, to support my work to improve the lives of older people in Wales. In summary these are:

Review of discharge of functions (Section 3 Review)

I may review the way in which the interests of older people are safeguarded and promoted when public bodies discharge their functions, propose to discharge their functions or fail to discharge their functions. This includes those who are discharging functions on behalf of public bodies.

Where I choose to issue a report and recommendations following a Section 3 Review, I may request that the recommendations are responded to by the bodies reviewed. The 2007 Regulations specify the legal timetable and reporting requirements for this type of follow up work.

Review of advocacy, whistleblowing or complaints arrangements (Section 5 Review)

Similar to a Section 3 Review, but focused on whether, and to what extent, the arrangements of certain bodies' advocacy, whistle-blowing and complaints arrangements are effective in safeguarding and promoting the interests of relevant older people in Wales.

Following such a review, I may issue a report and recommendations and may require that bodies provide information outlining how they will comply with the recommendations or explaining why they will not. Any failure to provide such information may be referred, by certificate, to the High Court.

Assistance (Section 8)

I may assist a person who is, or has been, an older person in Wales in making a complaint about, or representation to, public bodies. Assistance includes financial assistance or arranging for a person to advise, represent or assist an older person.

Examination (Section 10)

I may examine the case of an older person in relation to a matter which affects the interests of a wider group of older people and not just the individual concerned. Following an examination, I must produce a report and may make recommendations.

Issuing Guidance (Section 12)

I may produce guidance on best practice in connection with any matter relating to the interests of older people in Wales. I must consult with such persons as I think is appropriate when producing the guidance.

Once the guidance is produced, public bodies and those providing regulated services must have regard to the guidance when discharging their functions.

Amendments made to the Act and their impact

Since the Commissioner for Older People (Wales) Act 2006 and supporting regulations were laid before Parliament, there have been four amendments made by the Welsh Government to either amend the Act or the accompanying Regulations. These amendments were either accompanied by Explanatory Memorandums or implemented via Statutory Instruments.

- Amendment of the Commissioner for Older People in Wales Regulations 2007 as considered appropriate in consequence of the Government of Wales Act 2006.

This amendment was made to ensure that the Older People in Wales Regulations 2007 provided clarity as to specify whether it applies to the Assembly as constituted by the Government of Wales Act 1998; to the Welsh Assembly Government; the Assembly as constituted by the Government of Wales Act 2006; the Welsh Ministers; the First Minister or the Counsel General.

This amendment has not impacted upon the roles and responsibilities of my office.

- The Public Interest Disclosure (Prescribed Persons) (Amendment) Order 2016

I am a 'prescribed person' for matters relating to the rights and wellbeing of older people in Wales. This means that a worker may gain protection as a Whistleblower under PIDA where the disclosure is made to myself.

PIDA does not require me to investigate every disclosure received. I can only investigate disclosures which fall within the scope of my statutory functions and within the parameters of my statutory powers.

To date, I have not received any disclosures under PIDA and it is not possible to accurately estimate how much an investigation would cost. I therefore do not include a budget for any potential investigations within my financial Estimate. Depending upon the resource required to investigate a disclosure, it may be necessary to submit a request for additional funding from the Welsh Government.

- The Commissioner for Older People in Wales (Appointment) (Amendment) Regulations 2016

These Regulations allow the First Minister to extend the term of the Commissioner, who is in the first term of appointment, for a period of up to two years.

The Act states that the term of office for the Older People's Commissioner for Wales is four years. The updated Regulations provide the First Minister and the incumbent Commissioner with an option to extend the post for a further two years.

Whilst this extension provides the post holder an opportunity to remain in post for a maximum of six years, the role is still not aligned with the seven-year terms of office for the Children's Commissioner for Wales, Future Generations Commissioner for Wales and the Welsh Language Commissioner.

- **The Government of Wales Act 2006 (Budget Motions and Designated Bodies) (Amendment) Order 2021**

As a result of this designation, the Older People's Commissioner for Wales has transitioned to resource budgeting to ensure compliance with the UK Public Expenditure Framework. The purpose of designation is to align the budget that HM Treasury uses to control public expenditure, with the budget approved by the Senedd. This ensures that the resources of the designated body are included within the Budget Motion and the Supplementary budgets that are approved by the Senedd.

The impact of this transition on my organisation has been significant as I can no longer independently utilise my reserves without the Welsh Government providing the corresponding resource budget. I have provided further information on the impact of this Order in section 5.

2. Cost of delivering functions compared to cost estimates

Question: How the actual cost of delivering your functions compares with any cost estimates that may have been made at the time your role was established (such as any estimates set out in the Explanatory Memorandum/Regulatory Impact Assessment to support the legislation), with reasons to explain any variances (where appropriate).

The Welsh Government's Regulatory Appraisal – The Commissioner for Older People in Wales (Appointment) Regulations 2007¹ states the following regarding the establishment of the Commissioner's office:

“The cost of setting up the office of the Commissioner for Older People in Wales is estimated at £500,000, with running costs of £1.5m in the first full year of operation. This will be funded from the Older People's Strategy Budget Expenditure Line in the Older People's Services Spending Programme Allocation in the Health and Social Services Main Expenditure Group. These figures are based on the knowledge and experience of establishing and running the office of the Children's Commissioner for Wales, which has a similar size client group.”

In 2008 there were 674,300 younger people, defined by those younger than 18. Comparatively, there were 736,000 older people, defined by those older than 60.

The latest estimate shows that there are now 866,006 people over the age of 60 living in Wales, which is an increase of 17%. This number is estimated to rise to 956,000 by 2026 (30% of the population).

In 2008, the Commissioner was presented with a three-year funding envelope of £5,000,000, which was allocated across 2008/09 (£1,500,000), 2009/10 (£1,700,000) and 2010/11 (£1,800,000). This provided an opportunity to align budgets to the delivery of the strategic plan and recognised that some pieces of work would be more resource intensive than others to deliver, which could also span multiple years.

The £1,800,000 that was provided in 2010/11 was steadily reduced by the Welsh Government to £1,715,000 by 2015/16. Over the same period the organisation's reserves were utilised and therefore decreased from £741,000 to £104,000.

Reserves play an important role within an organisation's overall financial management approach. They were integral to risk management as they ensured business continuity and the ability to deliver against statutory duties when faced with unforeseen and unforeseeable issues.

After the previous Commissioner's 2016/17 Estimate had been submitted, she was notified that due to the impact of austerity on Central Government's budgets and the subsequent adjustment to the Welsh Government budget allocation, the organisation would receive a substantial 10% budget cut, which led to a reduction in funding from £1,715,000 to £1,543,000. This budget cut led to a major review of structures and operational systems, which had a significant impact on the organisation, ultimately reducing the number of staff from 30 to 23 - the associated staff costs dropped from £1,201,000 to £1,017,000.

From 2016/17, the Commissioner's baseline budget remained at £1,543,000, until the Cabinet Office's quinquennial Scheme Valuation in 2018. This revaluation led to an increase in the average employer's pension contributions of 7.9% (from an average of 21.1% to 28.0%). In recognition of the significant impact that this revaluation had on the public sector due to the additional employer pension costs, Treasury provided additional funding to the Welsh Government. Consequently, I was provided an additional £46,000 in response to this funding pressure and my baseline budget became £1,589,000.

Between 2016 and 2021, a flat-line budget has been carefully managed. I have ensured that I have been able to absorb increasing costs over these years through prudent financial management and decision making, optimising value for money through effective procurement and maximising the use of the National Procurement Service.

In 2021, I made my sponsored division and Minister aware of significant cost pressures, stating that it was no longer possible for my budget not to be reviewed and increased. These pressures included staff cost increases due to cost-of-living awards and incremental band rises rather than an increase in number of employees (since 2017 WTE has averaged 20.45 and is currently 20.86) or an increase in the median salary costs of the organisation. My audited annual reports evidence that the organisation's median salary has primarily increased due to cost-of-living awards.

Other cost increases have been more specific such as maintaining and improving the organisation's cyber resilience. Over the past three years, I have been expected to invest and, along with all other public bodies, improve my organisation's cyber resilience. Expenditure in this area has therefore increased from £20,000 in 2010/11 to £87,000 in 2022/23. IT Expenditure includes system support and maintenance (which is outsourced at a cost of £12,000 per annum), IT compliance e.g. Cyber Essential Plus Certification, testing the organisation's cyber resilience, training, IT licences and associated support, and hardware. This level of expenditure will be on-going to ensure that the organisation remains cyber resilient.

Over the past year, the Welsh Government has recognised that the funding provided to my office was insufficient and provided me with additional extraordinary funding in 2022/23 of £67,000 and have increased my baseline budget from 2023/24 to £1,684,000.

If the cost estimate that the Welsh Government utilised in 2008 for effectively operating my office had tracked inflation, my 2023/24 baseline funding would now be £2,238,000, which is

£554,000 or 38% more than my 2023/24 baseline budget.

3. Budget approval process

Question: Views on the budget process, including timescales and engagement with Welsh Ministers and officials, such as those in Partnership Teams (sponsors) within Welsh Government departments. Is any information provided by Welsh Government officials ahead of the submission of your estimate for the forthcoming year, such as the Welsh Government's best assessment of the level of funding available in future years and factors to take into account when preparing the estimate.

As Commissioner, I am the Accounting Officer, and I am therefore required to submit an annual revenue budget (the Estimate) to Welsh Ministers under paragraph 9(2) of Schedule 1 of the Commissioner for Older People (Wales) Act 2006 (the Act) by the 31 October prior to the year end. The Estimate sets out the estimated expenditure on a resource basis, highlighting non-cash budgets such as depreciation, and the cash financing that will be needed from the Welsh Government for me to discharge my statutory functions.

Between 2019 and 2021 the Welsh Government provided notice that I should submit my Estimates on the basis of the continuation of a flat line budget i.e., £1,589,000. Initially, the management of a flat line budget, although challenging, was possible partly due to prudent financial management, which involved identifying where cost savings could be made. However, the pandemic significantly impacted on the budget that I dedicated to my work programme as my organisation's work needed to evolve, to be more reactive due to the unprecedented circumstances. Expenditure has returned to pre-pandemic levels as my team and I focus on delivering the priorities within my refreshed strategic plan and dealing with the new challenges facing older people.

During the latter part of 2021, Welsh Government officials were informed that it would no longer be sustainable for my 2022/23 budget to not be increased. Therefore, due to significant on-going cost pressures, my 2022/23 Estimate submission requested that my baseline budget be increased by £74,000 to £1,674,000 and detailed that unless I was provided with the additional funding I would be forced to review and decrease the number of staff that I employ, which would have had a significant impact on my ability to deliver vital work for older people. An organisational restructure, accompanied by job losses, would have been an extremely disruptive and time-consuming process. It would have destabilised the organisation, resulted in committed and expert staff being made redundant, and caused anxiety and uncertainty to the whole staff team.

In December 2021, I was notified that I would not be awarded the additional funding requested. The response to my Estimate was not accompanied by a detailed explanation that reflected on my Estimate submission nor provided an explanation on the decision-making process. In January 2022, I wrote to the Minister for Social Justice, reiterating that without the funding requested I would have to either restructure the organisation and/or re-assess my work priorities and commitments. For example, my team would not have been able to commit time to the number of Welsh Government working groups that we are asked to contribute to and would have had to withdraw from certain areas of work that would make a difference to the lives of older people in Wales.

Although Welsh Government officials had provided assurances that I would be able to request funding for specific pieces of work, the continuation of a flat budget would have directly impacted my independence. This was due to the entirety of my budget being contractually committed (including staff costs) or committed to regulatory and compliance standards and other overheads. There was therefore insufficient budget available for my work programme.

The continuation of a flat line budget would have resulted in additional funding requests to the Welsh Government to enable me to fund every piece of work. These requests would involve me seeking initial approval from my sponsored division before ultimate Ministerial approval, which would not be an appropriate or sustainable way of working, as the process would take a significant amount of time.

The Minister responded to my concerns in February 2022 and agreed to provide an additional £67,000 of funding for 2022/23.

I believe that in recognition of the difficulties faced during the 2022/23 Estimate submission process, in May 2022, the Minister for Social Justice proposed a change to the budgeting process and requested that Commissioners submitted a draft of the following years budget in order to align our budgeting process with the Welsh Government's financial planning process. This would allow the Welsh Government to reflect on Commissioner cost pressures and be better equipped to make quicker and better-informed decisions regarding Commissioner budgets.

I welcomed the Minister's proposal for a collaborative approach and the opportunity to have timely discussions regarding future budget allocations with the Minister and officials in my sponsored division.

I was invited to submit my 2023/24 draft budget in August 2022. Although the Welsh Government did not constrain my budget request and provide an indicative budget, I was advised "the public sector will continue to face significant financial pressures over the next few years as recovery from the pandemic continues and it responds to the cost-of-living crisis as well as the crisis in Ukraine. It will, therefore, continue to be important public funding is directed where it is needed most, and we obtain the best value for that funding ensuing we meet our common cause of making taxpayers money go further."

My funding request therefore reflected on the macro-economic pressures on the Welsh Government's overall budget and in August 2022, as requested, I submitted a draft budget evidencing a need for my baseline budget to be increased to £1,690,000 and the Welsh Government provided £1,684,000.

In addition to the submission of a draft budget, I also submitted my formal Estimate in October 2022. Unfortunately, it was not until December 2022 that the Welsh Government were in a position to confirm that they had recognised my on-going budget pressures and were proposing to increase my baseline budget.

As I submitted my initial budget in August 2022, I would have anticipated that the Welsh Government would have been in a position to provide notification of an indicative budget earlier than December. I accept, however, that this early notification would have been caveated by the Welsh Government still awaiting confirmation of their budget allocation from

Central Government. The significant risk with this late notification is that if, in future, I were to receive a cut to my baseline budget, I would be forced to restructure my organisation in the final months of the financial year, as my staff costs account for 79% of my overall costs.

To be able to realise in-year savings from an organisational restructure it is imperative that any savings crystallise as early as possible. There is a significant risk that if notification of a budget cut is not received until the December, it may not be until the following July that the new organisational structure is finalised, and associated savings are realised. It is therefore imperative that I am provided with as much advance notice of this as possible.

Following the consultation phase of the Government of Wales Act 2006 (Budget Motions and Designated Bodies) Order 2021, financial communication with the Welsh Government has improved as my Head of Finance and Resources has developed working relationships with my Sponsored Division and the Welsh Government's Finance teams. This engagement throughout the year enables me to manage any anticipated budgetary variations and provides the opportunity to discuss potential operational risks, such as employment cover for long term periods of absence of key members of staff. Previously, my reserves would have been utilised to cover the management of operational risks on an on-going basis.

The current financial planning process between my sponsored division and myself is still a relatively new way of working, which I anticipate will continue to develop as we encounter new challenges.

Modifications to the Estimate

Question: What process is in place to agree any modifications to the estimate. How are these communicated and agreed. How significant have they been and what impact have they had on the work of, and plans for, your office.

There have been three instances whereby the funding requested within the Estimate has not been received:

- The 2011/12 Estimate, whereby a 3% cut was received to the budget. The Welsh Government requested that a new Estimate was submitted in January 2011. The Commissioner reviewed planned areas of expenditure and identified 3% of savings.
- The 2016/17 Estimate, whereby a 10% cut was received to the budget. The Welsh Government requested that a new Estimate was submitted in January 2016 reflecting the reduced budget. This had a substantial impact on the organisation, which is detailed in section 2.
- The 2022/23 Estimate, whereby I was able to roll forward an additional £67,000 of cash to be utilised in 2022/23. On this occasion I was not required to resubmit my Estimate.

I have not been made aware of a formal requirement / process in relation to modifications of Estimate submissions.

Modifications to the in-year budget

From 2008 to March 2022, reserves were able to be retained and independently managed. These reserves played an essential role within my overall financial management approach and were integral to maintaining my independence from the Welsh Government and the successful delivery of my Strategic Plan. They enabled me to manage risk effectively, ensured business continuity and the ability to deliver against my statutory duties when faced with unforeseen and unforeseeable issues.

During 2021-22, in line with other public bodies including the other Commissioner bodies, the Welsh Government transitioned my office to resource budgeting, which removed my ability to independently manage and utilise my reserves. This means that I can no longer independently manage medium-term financial risks and I rely on the Welsh Government to provide additional funding as required.

This transition has led to much stricter controls being imposed by the Welsh Government in relation to budgeting and it is now necessary for the Welsh Government to match my expenditure with budget. Historically, if I utilised more than the budget provided by the Welsh Government, I could use my reserves to absorb this expenditure.

As part of the implementation of the Government of Wales Act 2006 (Budget Motions and Designated Bodies) Order 2021, I was informed by Welsh Government officials that it is recognised that an organisation's initial resource budget assumptions can change during the year. I was informed that there are usually two formal opportunities to revise budgets in-year – the first and second supplementary budgets. However, Ministers also have flexibilities within their Main Expenditure Grants (MEG) to agree changes to spending plans throughout the financial year, subject to underspends occurring elsewhere in their MEG.

If the Minister with responsibility for the Commissioner's budget cannot agree to the additional resources because there is insufficient capacity within the MEG, the Minister can request additional support from the Welsh Government reserve from the Minister for Finance and Local Government. Allocations from the reserve are formalised in the supplementary budgets, however depending on the nature and urgency of the requirement, requests can be made at any time during the year.

To date, I have managed the resource budget provided by the Welsh Government and I have not undertaken unplanned work that has required significant additional financial input. I have therefore not requested an in-year modification to my resource budget. However, in 2021/22 I did request and receive extraordinary capital funding of £45,000 from the Welsh Government for the development of a new website. Whilst this request for funding was processed and awarded within a month, the funding was not related to a potentially contentious issue. I am concerned that if I were to request funding for a Review into the actions of the Welsh Government there could be significant delays due to the Welsh Government's processes, which could negatively impact on a time sensitive piece of work.

In addition to resource budget requests, I am also required to justify the necessity of each capital purchase to the Welsh Government via a business case, which must be approved by the Minister. The Welsh Government have control over all my capital expenditure. This in practice means that I must seek approval and provide justification as to why I may want to, for example, make amendments to the website or casework management system or

purchase low-value IT hardware. I believe that this provides my sponsored division with an inappropriate level of control over operational aspects of my work.

I recognise that it would not be an effective use of Government resources to provide an organisation of my size with a significant recurring capital budget as there is a risk that it would not be utilised. However, it would improve operational efficiency if the Welsh Government would provide me with a recurring capital budget of £10,000 when I submit my Estimate for 2024/25.

Submission of Estimate

Question: In December 2021, the Welsh Government published its Draft Budget 2022-23 and its first multi-year Welsh Budget since 2017. To what extent are you and the Welsh Government moving to a 'Term of Government' approach, while complying with the statutory requirement to submit an estimate to Welsh Ministers at least five months before the financial year to which it relates. What are the main benefits to doing this.

The organisation's Estimate submissions include a three-year financial plan, which are intended to facilitate the Welsh Government planning process. I recognise the importance of a multi-year approach and welcomed the inclusion of indicative future budgets within the Welsh Government's draft 2022/23 budget. The provision of a Term of Government budget provides me with the opportunity to plan effectively from one year to another, with a degree of assurance regarding the future funding levels. This enables me to ensure that activities linked to the delivery of my statutory functions can be sustained from one year to the next, including the follow up of recommendations made and guidance issued in prior years.

I have budgeted £80,000 for the delivery of my annual work programme. However, I recognise the importance of being able to flex this work programme budget and would welcome the opportunity, when my work dictates, to work with the Welsh Government to identify in-year underspends and be able to allocate the budget, via the budgetary exchange mechanism, to future financial years.

4. Collaboration

Question: an update about how Commissioners collaborate and the benefits that arise from any joint working, as well as any sharing of backroom functions and staff. Any learning from these experiences: what worked well; how did you mitigate any risks with accountability; what savings did you make; and why you may not have continued with such arrangements. Details of any sharing of functions or staff with other public bodies/regulators in Wales.

In 2014-15, the Public Accounts Committee considered the accounts of a selection of taxpayer funded organisations in Wales, which included the Older People's Commissioner for Wales along with the other Commissioners and the Public Services Ombudsman for Wales (PSOW).

In its report of March 2015, the Committee made a number of recommendations that they believed would improve governance, make reporting more transparent and deliver better value for money for taxpayers in the future. The main recommendation that is relevant for this evidence was that 'efforts to achieve efficiencies and greater productivity through collaboration, including integration of back-office functions, continue between the Commissioner's and the Ombudsman.'

The Commissioner's and Ombudsman's evidence to the Committee identified the limits of such activity, stating that the levels of potential savings were marginal and that there is a statutory requirement to maintain the accountability of each of the Corporation Soles. It was stated that any approach to sharing services could not undermine the existing strengths of internal financial and governance control processes and that greater collaboration could increase productivity and add value rather than release cash savings. The three Commissioners and the Ombudsman committed to identifying opportunities for undertaking joint scrutiny to demonstrate value for money, share skills and knowledge and avoid duplication of effort. The Committee welcomed the evidence of collaboration as well as future potential collaboration. In particular, the Committee recommended that the organisations learn from each other in the administration of their office and the exercise of their functions e.g., use of National Procurement Service (NPS).

In December 2014, Dr Mike Shooter on behalf of the Welsh Government produced a report that reviewed the role and functions of the Children's Commissioner for Wales. His recommendations led to the Welsh Government formally undertaking a review of back-office functions of the independent Welsh Commissioners for older people, children, and future generations.

The Welsh Government's report '*Review of independent Welsh Commissioners for Children, Older People and Future Generations of their support services with a view to improving efficiency and delivering economies of scale*' recognised that 'whilst the savings generated from the review have been relatively modest, the task has been useful in reinforcing the benefits of collaborative working, not just amongst the Commissioners but also across the wider public sector in Wales. Although the Commissioners already worked together, and with other public sector organisations across Wales, this review has afforded them the opportunity for them to critically examine their support services, with the benefit of independent input from officials supporting their review'.

Over the years there has been a strong spirit of collaboration amongst Commissioners and the Ombudsman. Our working relationships enable us to identify opportunities to collaborate across different areas of work. The commitment to a collaborative approach is demonstrated in the following ways:

- the Commissioners, Public Services Ombudsman and the Auditor General for Wales formally meeting regularly to share planned work programmes, identify opportunities for joint working and share knowledge, skills and experiences;
- a joint Memorandum of Understanding between the Commissioners;
- shared joint procurement between the Commissioners and Ombudsman such as internal audit service in both 2016 and 2021;
- policy meetings at officer level to share work plans, identify areas of collaboration and share best practice;
- the sharing of organisational policies and procedures;
- the use of my office accommodation for the Children's Commissioner and staff to be able to hot desk;
- joint work with the Children's Commissioner creating an intergenerational resource hub to encourage and support schools and groups of older people to establish intergenerational groups; and
- joint statements with the Children's Commissioner and Future Generations Commissioner on intergenerational solidarity.

This collaborative approach has enabled my staff to develop effective working relationships with colleagues in the other Commissioner and Ombudsman's offices, through which they share information and provide support to each other on areas of Policy, Governance and Compliance (which include Finance, HR and IT). This collaboration is invaluable as it provides opportunities to engage and learn from each other.

Alongside collaboration between Commissioners, there are shared networks within Welsh Government Sponsored Bodies which continue to provide an opportunity to share information across the Welsh public sector and allows my staff to benefit from informal peer support mechanisms.

Much of what has been achieved since I became Commissioner in 2018 has been through working closely in partnership with many different organisations and individuals across Wales. This way of working is embedded in my approach as Commissioner, and particularly in these challenging times, it is only by working together and drawing on each other's skills and experiences that we will make sustainable progress and impact. In recognition of the need for us to work in partnership I have established the following working groups:

- An Abuse Action Group and Steering Group, bringing together older people and over 30 organisations
- Black, Asian and Minority Ethnic Advisory Group to provide expert advice and guidance on the gathering of lived experiences from Black, Asian and Minority Ethnic older people;
- Care Home Rights Group including experts from Wales and across the UK to work together to improve the rights of older people living in care homes;
- In addition to these working Groups my office is now an affiliate member of the WHO Network of Age-friendly Communities, encouraging and supporting local authorities in Wales to commit to becoming age-friendly. To support this, I have established a Partnership Group to develop, champion and influence age friendly policy and practice across Wales, and a Community of Practice to enable the sharing of learning and ideas.

I work closely with a range of public bodies and regulators in Wales, taking a complementary approach and carrying out joint work where this can increase impact. For example, I worked with Care Inspectorate Wales in our work on the rights of older people in care homes and I have produced joint resources with other public bodies and charities, such as advice on Lasting Power of Attorney with the Office of the Public Guardian.

Whilst I recognise the importance of collaboration and the real benefits that this way of working brings, there are minimal cost-savings that can be realised for my organisation, as was recognised by the Public Accounts Committee in 2015 and the Welsh Government in 2016.

I operate a 'one team' approach and avoid any one person working in silo. In small organisations, flexibility is an essential requirement of all employees. As such, I do not have a hard distinction between 'backroom functions' and other areas. For example, all members of staff are involved in contributing to developing the work programme, taking part in learning and development sessions, and engaging with older people. This helps to ensure a common understanding of what we are trying to achieve for older people and how each member of staff contributes to this, as well as shared organisational values.

I continuously assess the viability of each post within my organisational structure and when employees resign, rather than immediately advertise the vacant post, my Business Management Team and I assess the organisational need and medium-term affordability of filling that post to ensure that each post continues to provide value for money to the organisation.

I would welcome any opportunity to consider shared service options being considered by the wider public sector in Wales. However, these options would need to ensure that changes and cost savings do not jeopardise my operational effectiveness and independence.

5. Current financial position and future challenges

Question: An assessment of the current financial position of the organisation and an assessment of future needs in the context of the pressures on public funds.

In December 2022, I welcomed the Welsh Government's recognition of the severe funding pressures that I faced and the subsequent increase to my 2023/24 baseline budget to £1,684,000. The increase in funding ensured, in the short-term, that I did not have to consider restructuring the organisation and that I could allocate £80,000 to my programme of work. Within the Welsh Government's draft budget, I also welcomed the provision of an indicative budget for 2024/25, as it enables me to plan over the medium term.

The increase to my baseline budget was in recognition of budgetary pressures caused by recent inflationary pressures and more complex governance requirements. I have indicated to the Welsh Government that I should be able to manage this budget over the short term. Even though the Welsh Government have provided me with additional funds for 2023/24, I am still forecasting a budgetary deficit of £12,000. As the next financial year progresses, through effective financial management, I anticipate that I will be able to identify areas of expenditure where I will make savings against forecast budget to ensure that I do not breach the resource budget control total.

My Estimate submission was developed based on awarding a 3% cost of living award to my staff in 2023/24. If the Welsh government awards a greater percentage, I will be expected to match this. As staff costs equate to 77% of my expenditure, a 1% point difference equates to £15,000. I currently cannot foresee where I will be able to make savings in order to match this pay award. It is evident that if inflation continues to have the same impact in 2023/24 as it has over the course of the past year, then there is not sufficient flexibility within my budget that will allow me to absorb these cost pressures; I will therefore again be forced to request additional funds from the Welsh Government to manage inflationary pressures.

The recent increase to my baseline budget was in recognition of budgetary pressures caused by inflation and more complex governance requirements, rather than in recognition of the increase in the number of older people in Wales and the increased complexity of issues that need addressing.

In 2008, the Older People's Commissioner for Wales' funding was provided on 18% of the population being over the age of 60. The 2021 census shows that 23.5% of the population was over 60, a growth of 30%. If my funding had followed a similar trajectory and was also

adjusted for inflation, my baseline 2023/24 budget would be £2,910,000.

My powers under the Commissioner for Older People (Wales) Act 2006 allow me to provide assistance and support directly to older people, which is delivered through my expert advice and assistance team. The team provides information, assistance and guidance to empower older people and their families and help them to understand and claim their rights. This is a core part of my role as Commissioner and is an area that provides significant impact for individual older people and their families, as well as providing a vast amount of evidence that underpins recommendations regarding policy and practice.

The support provided enables older people and their families to challenge the decision-making and practice of public bodies and services and the team are able to navigate what are often complex systems, policies and processes, often in the most difficult and distressing of circumstances. In some cases, the team intervenes on behalf of an older person (subject to their consent).

Whilst the team effectively deal with the volume and complexity of enquiries received, resources continue to be extremely stretched. With greater resource I would be able to increase the capacity in my advice and assistance team to better meet demand and assist more older people who are in need of support.

Impact of changes to the Government of Wales Act 2006 (Budget Motions and Designated Bodies)

Question: The impact of the designation of your office under the changes to the Government of Wales Act 2006 (Budget Motions and Designated Bodies) Order 2018 on your current and future financial position. What were the main challenges in moving to the new arrangements and what do you see at the most significant change(s) as a result of them.

There have been several challenges arising from the implementation of the changes to the Government of Wales Act 2006 (Budget Motions and Designated Bodies) Order 2021, which have been addressed throughout this paper, all of which have originated from the requirement for me not to breach budgetary control totals. This has been a significant change in practice as historically I have been able to utilise my reserves without seeking additional resource budget from the Welsh Government.

It is imperative that I do not breach budgetary control totals. In line with my statutory duties, I may need to undertake an urgent and unplanned piece of work, for example a legal review that will require significant resource. On this occasion I may be required to request additional funding from the Welsh Government. The Welsh Government have provided assurances that if the legal review covers the actions of the Minister who is responsible for the annual allocation of the Commissioner's core funding, advice will be sought from the First Minister to ensure no conflict of interest arises. In this circumstance, it may be appropriate for the First Minister (or another Minister) to make the decision regarding any award of funding for this specific purpose. I will be advised where decisions have been referred to another Minister, and of the outcome as soon as possible.

I have been informed that within the existing legal framework, only Welsh Ministers have the powers to approve the level of public sector funding for Commissioners and that Welsh Ministers will take all necessary steps to ensure any conflict of interest is avoided when

considering requests for funding, especially where requests relate to funding for reviews into areas on which Ministers are responsible. However, it is my belief that a risk still remains that a potential conflict of interest could exist, but I recognise that the Welsh Government have put in place mitigating actions designed to minimise this risk.

- 1 WG Regulatory Appraisal – The Commissioner for Older People in Wales (Appointment) Regulations 2007
- 2 ONS, 2008, Estimates of the population for the UK, England, Wales, Scotland and Northern Ireland, [Estimates of the population for the UK, England, Wales, Scotland and Northern Ireland - Office for National Statistics \(ons.gov.uk\)](#)
- 3 ONS, 2022, Estimates of the population for the UK, England, Wales, Scotland and Northern Ireland, [Estimates of the population for the UK, England, Wales, Scotland and Northern Ireland - Office for National Statistics \(ons.gov.uk\)](#)
- 4 ONS, 2022, Principal projection - Wales population in age groups, [Principal projection - Wales population in age groups - Office for National Statistics \(ons.gov.uk\)](#)

The Older People's Commissioner for Wales

The Older People's Commissioner for Wales is an independent voice and champion for older people throughout Wales.

The Commissioner is taking action to protect older people's rights, end ageism and age discrimination, stop the abuse of older people and enable everyone to age well.

The Commissioner is working for a Wales where older people are valued, rights are upheld and no-one is left behind.

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