

Public Services Ombudsman for Wales

1st Supplementary Budget – 2024/25

Explanatory Memorandum to the Chair of the Finance Committee

This Supplementary Budget submission has been prepared in accordance with Welsh Parliament Standing Orders 18A.2 and 20.36 (dated September 2023).

Summary

The following variation to the annual budget motion is proposed:

- The inclusion of additional income and corresponding expenditure (£45k) to reflect a secondment of a member of PSOW staff to the Senedd Commission, from January 2024. The expenditure is to meet the cost of backfilling the post.

Staff secondments

We have a member of staff who has been seconded to the Senedd Commission for 12 months from January 2024. This will lead to additional income of £45k for 2024/25. This Supplementary Budget includes an increase to our income to reflect this change. However, we will also incur additional staff costs of £45k to backfill the vacant post this creates. The net effect of the secondment is therefore nil.

Update on office accommodation

In the Ombudsman's response to the Committee's recommendations, in its report on the Annual Scrutiny of the Public Services Ombudsman for Wales, we provided an update on progress towards reducing the amount of office accommodation we use. At that point, in January, we had vacated the first and second floors of our accommodation and were actively seeking new tenants to take these areas on. Under the existing lease, rent on these areas is due until August 2025, and we have also been seeking to surrender these surplus areas to the landlord on acceptable terms. We are working to minimise surrender payments and dilapidations payments. Whilst no agreement has been concluded, good progress is being made and we will continue to update the Committee on progress. Any savings that are achieved, from the reduction in office space, will be invested to help us meet the demand for our services and in service improvement, particularly investment in information technology.

All figures in £000s	Estimate	Changes	Revised Estimate
Staff salaries and related costs	4,960	45	5,005
Investment in service improvement - staff	120		120
Premises and facilities	216		216
Professional fees	263		263
IT costs	327		327
Investment in IT & Digital Strategy	50		50
Office costs	102		102
Travel, training and recruitment	42		42
Communications	68		68
Total Revenue Expenditure	6,148	45	6,193
Total Income	(27)	(45)	(72)
Net Revenue Expenditure	6,121	-	6,121
Capital Expenditure – DEL	5		5
Total Resources Required	6,126	-	6,126
Depreciation and amortisation	70		70
Depreciation – leased assets	155		155
Interest charge – leased assets	7		7
Capital AME – dilapidations	-		-
Total Resource Expenditure	6,358	-	6,358
Depreciation and amortisation	(70)		(70)
Depreciation – leased assets	(155)		(155)
Interest charge – leased assets	(7)		(7)
Capital AME – dilapidations	-		-
Change in working capital	198		198
Other non-cash movements	20		20
Cash Requirement from WCF	6,344	-	6,344