

Public Services Ombudsman for Wales

2nd Supplementary Budget – 2025/26

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 January 2025).

Changes to staff costs

There are 2 matters that have resulted in changes to our staff costs:

- A staff secondment to the Ombudsman Association ended in August 2025. There are efficiency savings of £14k, in unpaid wages following the departure of the staff member, which is offset by a reduction in secondment income we will no longer receive. The net effect of this change is nil.
- £16k relates to expenditure that is no longer needed following the death of one of the spouses of former Local Government Commissioners, to whom PSOW has responsibility for pension payments.

Our Estimate submission for 2026/27 reflected the full year effect of these changes, and this Supplementary Budget reflects the in-year impact on our budget.

Additional Resources Sought

In summary, we propose a variation to the annual budget motion in compliance with Standing Order 20.36 in respect of:

- A reduction of £16k (cash and resource) to reflect changes to a staff secondment and payments due to former Local Government Commissioners.

All figures in £000s	Estimate 1 st Supp	Changes	Revised Estimate
Staff salaries and related costs	5,194	(30)	5,164
Premises and facilities	162		162
Professional fees	267		267
IT costs	351		351
Investment in IT & Digital Strategy	105		105
Office costs	105		105
Travel, training and recruitment	43		43
Communications	70		70
Total Revenue Expenditure	6,297	(30)	6,267
Total Income	(27)	14	(13)
Net Revenue Expenditure	6,270	(16)	6,254
Capital Expenditure – DEL	5		5
Total Resources Required	6,275	(16)	6,259
Depreciation and amortisation	70		70
Depreciation – leased assets	87		87
Interest charge – leased assets	44		44
Capital AME – dilapidations	-		-
Total Resource Expenditure	6,476	(16)	6,460
Depreciation and amortisation	(70)		(70)
Depreciation – leased assets	(87)		(87)
Interest charge – leased assets	(44)		(44)
Capital AME – dilapidations	-		-
Change in working capital	147		147
Other non-cash movements	20		20
Cash Requirement from WCF	6,442	(16)	6,426