

Older People's Commissioner for Wales

Annual Accounts

2013-14

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MANAGEMENT COMMENTARY

These accounts have been prepared in accordance with the Direction given by Welsh Ministers in accordance with the Commissioner for Older People (Wales) Act 2006, (the Act), Schedule 1 Paragraph 10 (1) (b).

History and statutory background

The office of the Commissioner for Older People in Wales was established under Section 1 of the Act. I took up post as Commissioner on 4 June 2012.

The functions of the role of the Commissioner are to:

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

I am funded by, but operate independently of, Welsh Ministers and am accountable to the National Assembly for Wales (the Assembly) for the use of resources made available to me. In 2013-14 I received funding of £1.730million (2012-13: £1.732million).

My organisational mission

My work is driven by what older people tell me matters most to them and their voices are at the heart of all that I do.

My role is to ensure that all older people have a voice that is heard, that they have choice and control, that they don't feel isolated or discriminated against and that they receive the support and services they need. I want Wales to be good place to grow older, not just for some but for everyone.

Review of activities in 2013-4

In April 2013 I published my Framework for Action which clearly outlined my priorities for the next four years. It included the changes that I expect to see take place in Wales and how I will drive forward improvements in older people's lives to make Wales a good place to grow older. I used the voices of the older people that I have met to develop five clear priorities within my Framework. Highlights of my work during 2013-14, are summarised below and are set against these priorities.

Embedding the wellbeing of older people at the heart of public services

I have continued to ensure that older people's voices and the issues that matter most to them are properly reflected across the breadth of Government policies, strategies and legislation by responding to key consultations on proposals for change.

I met with the full Welsh Government cabinet to grow knowledge and understanding about older people and the issues that matter to them to ensure that the potential impact of policies and decisions on older people's lives are given full and proper consideration across all portfolios and that the issues that matter to older people are seen as a key part of every Minister's brief. I also met with Welsh Government Ministers and their officials to ensure that policies and strategies meet the needs of older people, both now and in the future.

Further to my written and oral evidence provided to the National Assembly's Health and Social Care Committee as part of Stage 1 scrutiny of the Social Services and Wellbeing (Wales) Bill, I held a stakeholder workshop in September 2013, which brought together a wide range of social care experts and frontline service providers, as well as representatives from the third sector. This workshop considered the reality of the Bill on the lives of older people, using the experiences of people who had contacted my office, to see whether the proposed legislation would make the intended difference.

The evidence gathered from the expert group formed the basis of a report that was distributed to the Health and Social Care Committee to inform members about the ways in which the Bill would impact on older people who find themselves needing social care and whether or not it would lead to an improvement in their wellbeing and the voice and control they have over their lives. The report also included real-life examples taken directly from the breadth of experiences of the older people who contact my office on a daily basis.

I am pleased that following my extensive work on the Bill during the past year, the right to advocacy has now been included and that the UN Principles for Older Persons are also within the Bill, which should significantly strengthen the rights of older people in Wales.

I provided evidence to the Commission on Public Service Governance and Delivery, making it clear that public services are still failing to get the basics right, that the pace of change must increase and that there must

be a greater focus on outcomes to deliver the vital improvements that are needed in Wales.

I also provided evidence to the Silk Commission, discussing the ways in which increased powers to Wales could enable improved outcomes for older people, particularly around equality law and the justice system.

I continue to chair and host the Ageing Well in Wales Programme; a five year collaboration partnership with Local Government, the NHS in Wales, Public Health, the Third Sector, Welsh Government and others. The Programme has received an elite European Union award from the European Innovation Partnership on Active and Healthy Ageing in Brussels. Ageing Well in Wales received the Three Star Award in recognition of Wales' innovative approach to healthy ageing, which supports people to remain healthy, happy and independent as they grow older.

I have also supported awards given to those who clearly demonstrate an understanding that quality of life for older people in Wales goes beyond just physical needs. During 2013-14 this has included the Care Forum Wales award for Residential Care Practitioner of the year and the Royal College of Nursing in Wales Nurse of the Year award for Older People.

Driving up the quality of – and availability and access to – health and social care

I announced and launched my Review into the quality of life and care of older people in residential care homes in Wales. My Review has gathered evidence from older people living in residential care homes across Wales, as well as their families and carers. I have also held a series of formal evidence sessions with bodies subject to the Review to discuss and consider their written evidence in more detail. A series of unannounced visits to care homes across Wales have also been undertaken by my team of social care rapporteurs.

I will use the evidence to highlight the best care that we have in Wales and make recommendations for the improvements that must be put in place to ensure that the rights of older people in all care homes in Wales are upheld and they have the best quality of life.

I have published 'Dignified Care: Two Years On', a progress report to my Dignified Care Review and the treatment of older people in hospitals in Wales. It highlighted that whilst progress is being made against the twelve recommendations of 'Dignified Care?' significant further progress

must still be made in a range of key areas to ensure that all older people in hospitals in Wales are treated with dignity and respect. I have made it clear that Board members must be more accountable for the decisions that they make and the impact that these have on the ways that patients are cared for.

I have clear expectations about the way that older people, or a patient of any age for that matter, should be treated – everyone using the NHS in Wales should receive effective care, delivered with kindness and compassion. There must be zero tolerance of failures in care and the NHS in Wales must act upon the experiences of patients far more effectively.

Protecting and improving community services, facilities and infrastructure

Older people across Wales have also spoken to me about the community based barriers they face across many areas of their lives that make growing older unnecessarily harder, even for the most active and resourceful older people.

These experiences were captured in my 'A Thousand Little Barriers' report, which was published in August 2013 to give a voice back to older people and highlight the importance of everyday services and support that they rely on to remain healthy, safe and independent.

In the report I gave a commitment to work with older people to look in more detail at the issues of access to public toilets, the availability of public transport and refuse collection. I did this through establishing my Toilets, Transport and Bins Taskforce, older people working directly with me to grow understanding about the importance and impact of these services.

Building upon the excellent work carried out by my Toilets, Transport and Bins Taskforce, I published my report 'The Importance and Impact of Community Services within Wales' in February 2014. The report makes a clear and strong case for protecting community services, which are not only essential to the health, wealth, and wellbeing of our villages, towns, cities and communities, but are also integral to the public service and public health priorities within Wales and the overall health of our economy.

To gather information and to hear first-hand from older people how important community services are in their day-to-day lives, I held a

series of focus groups across Wales (in Aberystwyth, Cardiff, Carmarthen, Colwyn Bay and Llandrindod Wells) to enable older people to share their experiences. An area of particular concern was the lack of public toilet provision, which older people have told me has a significant impact on their health and wellbeing. Without access to public toilets many older people are effectively housebound, at risk of losing their independence and their links to their communities. I was therefore delighted that the Welsh Government announced proposals in March 2014 to place a duty on Local Authorities across Wales to improve access to public toilets.

The Ageing Well in Wales Programme has launched four networks to support the sharing of knowledge and innovation across Wales. The networks are focussed on age friendly cities and communities, dementia supportive communities, falls prevention and opportunities for employment and new skills for older people age 50+.

I followed up on the recommendations I made to Local Authorities in 2012 concerning their performance in providing Disabled Facilities Grants to older people for home aids and adaptations. There has been significant progress and only three Local Authorities were not meeting their statutory timescales compared to seven previously. There remains however significant variation in the way in which these grants are accessed and delivered and I have continued to raise this matter with Welsh Government. I therefore welcome the confirmation from the Minister for Housing that there will now be a review into the home adaptation system in Wales.

Standing up for older people who are at risk of harm and ensuring that they are safeguarded and protected

Too many older people experience domestic abuse which can include physical, psychological, financial, sexual abuse and neglect. In my Framework for Action, I am very clear that we must get better at recognising the abuse faced by older people; all older people who are at risk must have access to effective safeguarding support and those who are abused must swiftly and appropriately be supported to regain their safety.

I am also clear that abuse of older people must be recognised as a criminal act and, where they fit the definition, that older people are recognised as victims of domestic abuse and have access to the widest possible support available under domestic abuse legislation and domestic abuse support services.

I organised and chaired a seminar with senior public service staff, including Police and Crime Commissioners, the Crown Prosecution Service, Police Officers, Senior POVA leads and Welsh Government officials, to discuss my wider concerns in respect of access to domestic abuse support, passporting from protection to criminal and restorative justice services and identifying how we can address these issues within Wales.

I have also worked with the Welsh Government to ensure that domestic abuse of older people is fully understood and reflected in the new Domestic Abuse (Wales) Bill and that the links between the domestic abuse and the safeguarding provisions in the Social Services and Well-being (Wales) Bill are fully understood.

I provided support to the families of the victims of alleged abuse and neglect in a number of care homes in South Wales, investigated by Gwent Police and known as Operation Jasmine. I called on the Welsh Government, on behalf of the families, to undertake an Inquiry as there were still many unanswered questions about who was responsible and how neglect and abuse on the scale alleged could have taken place. I therefore welcome the announcement made by the First Minister to carry out an Independent Review.

I also arranged a briefing session with MPs in Westminster to discuss my concerns about the current gaps in adult protection law, which often prevent access to justice for older people, and the need for these to be addressed with updated legislation.

I received additional funding of £15k from the Welsh Government to contribute towards the establishment of a National Development Board and Programme Director to identify and drive action to achieve change in health and social care workplace culture in Wales so that older people are better supported and protected from harm.

Tackling prejudice, inequality and discrimination

To help professionals to better understand the nature and impact of ageism and how it feeds discrimination, I worked with Local Health Boards, Local Authorities, care homes, the Police and the Welsh Government to deliver a series of training seminars that included both practical activities and a range of written detailed resources to support the further development of better practice.

The training seminars explored ageing and its impact upon individuals, families and communities in Wales, as well as how negative attitudes towards ageing can impact upon good service delivery. The training also allowed delegates to think, in practical terms, about how to develop age-friendly public services and age-friendly communities, based on the World Health Organisation Framework that will meet the needs of an ageing population.

147 professionals have completed the training to date and further training seminars will be held throughout 2014, available to a wider group of participants. In addition, 'train the trainer' training and resource packs were provided to professionals across public bodies to enable them to deliver this training on my behalf.

I was pleased that there was cross party support for my call to enhance the rights of older people and that the Welsh Government asked me to chair an Independent Advisory Group to consider and explore the merits of a Welsh Declaration of the Rights of Older People, which would be the first of its kind in the UK.

The Independent Advisory Group found that a Declaration would provide a clear framework and standard that could be understood and used by older people to ensure that their rights are upheld when receiving the support and services they need to live fulfilled and independent lives. Drafted correctly, a Declaration would be more accessible than the existing human rights legislation.

Engagement and communication

I have continued to travel the length and breadth of Wales as part of my Engagement Roadshow, to meet and speak with older people about the things that matter most to them.

This year my team and I have met with more older people than ever before, over 200 groups of older people in communities throughout Wales, to reach out to more than 5,300 people. We have met and spoken with older people in every constituency in Wales, with at least 30 engagement events in each of the five National Assembly electoral regions.

This year, my Engagement Roadshow has had an even greater focus on reaching out to the full diversity of older people in Wales. This ensures that I am a champion for all older people and that the voices of older

people that are seldom heard are at the heart of my work and drives my priorities.

I am proud that my Engagement Roadshow has reached so many people, representing the diversity of Wales, and was delighted to win Diverse Cymru's Excellence in Equality Public Sector Award 2013.

Using the media is an important way to engage with a large number of older people, particularly those who are hard to reach. I have worked with the Welsh broadcast media to ensure that I maintain a regular presence across TV and radio so that older people know about the work I am undertaking to make a difference to their lives.

In addition to securing regular coverage in the national press, I have also worked extensively with journalists across Wales to ensure that local newspapers and magazines, including Welsh language publications, report on the work that I am undertaking and its impact within Welsh communities.

Support to Individuals

Through my Enquiries and Support Team, I provided help, support and advice to 795 older people. The most common subjects my team were contacted about were:

Subject	Number of enquiries received	Percentage of total received (%)
Residential Care	127	15.97
LHBs	110	13.84
Community	41	5.16
Financial	41	5.16
Housing	39	4.91

I provide a bilingual service and can provide assistance to those with sensory impairments. My staff can help individual older people, their families and carers in the following ways:

- I can intervene directly if an older person experiences difficulties with a service provider.
- I can provide information about services in local communities.

- I can support an older person to make a complaint and monitor how their complaint is dealt with.
- I can put older people in touch with organisations best placed to resolve their concerns.
- I can intervene directly if an older person is at risk of harm.

In many instances, my team were able to direct older people to other agencies who were best-placed to provide them with help and support, ensuring that I did not duplicate the work of others. This has enabled me to increase the support I provide to individuals who require complex case support who are in distress and in situations of high vulnerability, where only my intervention can assist.

Examples of complex cases that my team dealt with during 2013-14, where there were protection and/or safeguarding issues, include:

- Undertaking a Section 5 Review into the whistleblowing arrangements within a Local Authority, following concerns raised with me in respect of the care and alleged abuse of an older person.
- Undertaking a Section 3 Review into the closure of a care home following significant representation made to me by a number of individuals and concerns being raised about the quality of care of residents.
- Providing Section 8 Assistance by representing the relatives of an older person at the Coroner's Court.

Other issues emerging through my complex case support include:

- Circumstances surrounding death
- Very poor care standards and mistreatment of residents
- Continuing NHS healthcare assessments
- Raising concerns
- Care home closures, including EMI

Forward Look

It is important that the work I undertake as Commissioner reflects not only the issues that older people have told me they want me to focus on, but also reflects the realities of the challenges faced by our public services.

Public services across Wales are going through a period of significant

change, driven by a recognition that current models of service and care are no longer sustainable and do not meet people's needs, as well as the realities and impact of reduced public spending. The current challenges faced by public services have not been seen for a generation, but provide significant opportunities to redesign, redevelop and reclaim public services on behalf of the people who use them.

Recognising the substantial change currently taking place in Wales and the potential impact this will have on older people, over the coming year I will:

- Increase, through direct case support, my direct assistance to older people who find themselves in highly complex and unacceptable situations.
- Publish the findings of my Residential Care Review and issue requirements for action to ensure that quality of life sits at the heart of residential care in Wales.
- Strengthen older people's ability to secure their rights and empower them to be part of and, where appropriate, challenge decisions and changes taking place in Wales.
- Work with partners to strengthen the access older people have to domestic abuse support and the criminal and restorative justice system.
- Challenge ageism, discrimination and the stereotypes held of older people, their impact upon individuals, and their impact upon the delivery of efficient and effective public service.
- Undertake formal reviews into the support available to carers and people living with dementia.
- Grow the knowledge and understanding with key public bodies and service providers of how to design and deliver better legislation, policy and public services.
- Formally launch the Ageing Well in Wales forward work programme, its supporting networks and its implementation plan.

Review of the 2013-14 Financial Year

The Statement of Comprehensive Net Expenditure shows for 2013-14 net expenditure of £1.766 million (2012-13: £1.964million after insurance income).

Reserves at the year-end were £0.279 million (2012-13: £0.315million). I plan to use the cash element of these reserves effectively to support non recurrent programmes of work in 2014-15 and in future years. This was

outlined in my Estimate to Ministers which was laid before the Assembly on 9 February 2014.

Working within the Commission

During 2013-14, I employed an average of 26.41 whole time equivalent staff (27.11 in 2012-13). The Strategic Management Team working with me during 2013-14 comprised:

Alison Phillips	Deputy Commissioner Director of Finance and Performance
Anna Buchanan	Director of Protection, Scrutiny and Human Rights
Kelly Davies	Director of Communications and Engagement
Daisy Cole	Director of Wellbeing and Empowerment

The average sickness absence rate per member of staff was 4.2 days (9 days in 2012-13). I am committed to the health and well-being of my staff and have a comprehensive policy on sickness absence. I also support employees in maintaining a work life balance via the operation of a flexi time system and providing opportunities for flexible working patterns. I have implemented a free and confidential Employee Assistance Programme which is available to all staff.

The organisation has achieved Investors in People status and in November 2013 we were awarded the Silver Small Workplace Health Award. The assessors commented that the organisation was 'clearly an excellent place to work' and that there 'are a wide range of provisions made for staff to promote wellbeing' as well as evidence that 'a comprehensive performance review process is in place'.

During the year staff have undertaken a range of learning and development activities relevant to their roles and all staff have participated in training centred on safeguarding of adults, the Equality Act and Human Rights Act as well as an update on Information and Data Protection legislation from the Information Commissioner's Office. All staff complete an annual performance appraisal.

I am fully committed to treating the Welsh and English languages on an equal footing, and take all possible steps to promote the Welsh language; this includes promoting a Welsh Language Scheme, maintaining a number of bilingual staff, encouraging employees to learn Welsh and operating a bilingual working environment.

Pension Arrangements

I and my directly employed staff are eligible for membership of the Principal Civil Service Pension Scheme. Further details are set out in the Remuneration Report and the Accounts.

Equal Opportunities

I am committed to equality of opportunity and seek to employ a diverse workforce. All applications are considered on the grounds that all job applicants should have equal opportunity for employment and advancement on the basis of their ability, qualifications and suitability for the work.

No job applicant or employee will receive less favourable treatment on grounds of age, race, gender, sexual orientation, disability, religion, family/domestic responsibilities or working patterns, nor will any individual be disadvantaged by conditions or requirements which cannot be shown to be justifiable. Opportunities for learning and development are promoted to all staff, as well as access to benefits such as Childcare Voucher and Cycle to Work Schemes.

Sustainability

I am committed to good environmental practises. Examples of how I pursue good environmental stewardship are set out below:

- Energy usage - as one of a number of tenants within a small modern office block it is not possible to have full control over the water, heat and lights facilities. However, there are thermostatically controlled valves on all the radiators, energy saving light bulbs, and movement sensitive lighting in some areas within the office environment.
- Vehicle usage - the office does not operate any vehicles but it does encourage the use of hired vehicles for longer journeys in order to ensure greatest efficiency. Staff are encouraged to share transport for official journeys where practicable. Wherever appropriate the use of public transport is encouraged.
- Paper management – all staff have access to email and internet and the use of an office intranet enables information to be accessed without the need for paper distribution systems.

- Products - suppliers are encouraged to use environmentally friendly products where possible. I use environmentally sound paper products such as re-cycled paper and envelopes.
- Waste Disposal - procedures are in operation for the recycling of materials, including paper, cardboard and some plastics, and arrangements for disposal of food waste.

Paper containing sensitive information is disposed of through confidential waste recycling facilities due to the obligation to maintain confidentiality in our enabling legislation. My office has a certificate of environmental accomplishment that certifies our shredding and recycling programme saved 38.5 trees from destruction in 2013-14 (37.1 in 2012).

Looking forward, I am supportive of the principles underpinning the Future Generations Bill. It places a much broader emphasis on sustainability including social, economic and environmental wellbeing for people and communities, achieving a better quality of life for our own and future generations; I have already incorporated these key principles into my Framework for Action 2013-2017.

Payment Policy

I aim to comply with the UK Government's Better Payment Code. The target is for payment to be made within agreed payment terms or 30 days of receipt of invoices not in dispute for goods and services received.

Payment performance for the year averaged 99.81% paid on time (99.67% in 2012-13). No interest was paid in respect of late payments.

Events occurring after the reporting period

There were no significant events occurring between the year end and the approval of these accounts.

Audit and Risk Assurance Committee

I have an Audit and Risk Assurance Committee to support me as Accounting Officer in monitoring and reviewing corporate governance, risk management and internal control systems.

The Committee consists of four independent members who were appointed in 2009. At the end of the year, two terms of office came to an end. Good practice requires me to regularly review and rotate the

cumulative diversity, skills, knowledge and experience of my Committee members. I have therefore extended one term of office by two years and I have recruited a new member to my Audit and Risk Assurance Committee on a four year term.

Gordon Lishman	Appointed to 31 March 2014 Chair until 31 March 2014
Kenneth Jones	Extended to 31 March 2016
Eifion Pritchard	Appointed to 31 March 2015
Ian Summers	Appointed to 31 March 2015 Appointed Chair from 1 April 2014
Mutale Merril	Appointed from 1 June 2014 to 31 May 2018

Audit arrangements

These Accounts are audited by the Auditor General for Wales in accordance with paragraph 12 of Schedule 1 to the Commissioner for Older People (Wales) Act 2006. The cost for the audit of the 2013-14 accounts is £14.6k (£14k in 2012-13).

Deloitte provided internal audit services to me in 2013-14 they have been appointed until 31 March 2016 with the option to extend for an additional year.

Disclosure of Relevant Audit Information

As Accounting Officer, I have taken all necessary steps to ensure that I am aware of any relevant audit information and to establish that the auditors are also aware of this information.

Sarah Rochira
Older People's Commissioner for Wales

30 July 2014

REMUNERATION REPORT

Remuneration Policy

My salary is set by the Welsh Ministers in accordance with Schedule 1(3) of the Commissioner for Older People (Wales) Act 2006. Under the terms of this appointment any annual increases would follow the percentage award made by the Senior Salaries Review Body. I am also eligible and have joined the Principal Civil Service Pension Scheme. A 2% consolidated pay award was confirmed by Welsh Government in February 2014; this was actioned and paid in March 2014.

The salaries of directly employed staff are set by me after conducting a pay review annually which assesses any significant changes to the role, their contribution to my strategic objectives, and the impact of the change on other positions within the organisation and an assessment of wider market rates for similar positions in other comparable organisations.

Service Contracts

Appointments of permanent members of staff, on terms and conditions set by me, are made on merit on the basis of fair and open competition but also include provision for circumstances when appointments may otherwise be made. These principles are in line with civil service arrangements. Staff are not members of the Civil Service but are entitled to membership of the Principal Civil Service Pension Scheme (PCSPS).

Unless otherwise stated below, staff covered by this report hold open-ended appointments. There is no mandatory retirement age, although PCSPS rules on earliest pensionable age will apply.

I have in place mechanisms for performance appraisal to ensure that the contribution of individual employees is measured at an appropriate level at all stages of their employment with the Commission. I have implemented an organisational development programme to enhance capability and improve overall performance levels through increased productivity.

Early termination, other than for misconduct, would result in the individual receiving compensation as set out under the Civil Service Compensation Scheme.

Remuneration (including salary) and Pension Entitlements

This section is subject to audit by Wales Audit Office.

The following sections provide details of the remuneration and pension interests of the Commissioner and senior staff.

Remuneration (salary, benefits in kind and pensions)

'Salary' includes gross salary; overtime and any other allowance to the extent that it is subject to UK taxation.

This report is based on accrued payments made by the Commissioner and thus recorded in these accounts.

Neither I nor any member of my staff received benefits-in-kind or any bonuses.

Name and title	Salary	Salary	Pension Benefits (1)	Pension Benefits (1)	Total	Total
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	£000	£000	£000	£000	£000	£000
Sarah Rochira (2) Commissioner Term of office commenced 4/6/12	93	75	35	30	128	105

Older People's Commissioner for Wales: Accounts for the period ended 31 March 2014

Name and title	Salary	Salary	Pension Benefits (1)	Pension Benefits (1)	Total	Total
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	£000	£000	£000	£000	£000	£000
Alison Phillips (3) Head of Finance, HR & Corporate Governance until 31 March 2013 Promoted to Director of Finance & Performance and Deputy Commissioner from 1 April 2013	64	53	24	22	88	75
Anna Buchanan(4) Director of Protection, Scrutiny and Human Rights Appointed from 1 April 2013	43	n/a	0	n/a	43	n/a
Kelly Davies(4) Director of Communications and Engagement Appointed from 1 April 2013	43	n/a	18	n/a	61	n/a
Daisy Cole (5) Director of Wellbeing and Empowerment Appointed from 7 May 2013	46	n/a	18	n/a	64	n/a
Ruth Marks Commissioner Term of office ended 20/4/12	0	10	0	5	0	15

Older People's Commissioner for Wales: Accounts for the period ended 31 March 2014

Name and title	Salary	Salary	Pension Benefits (1)	Pension Benefits (1)	Total	Total
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	£000	£000	£000	£000	£000	£000
Sarah Stone Deputy Commissioner Acting Commissioner (21/4/12-3/6/12) Left 31/3/2013	0	120	0	30	0	150
Julia Lewis Head of Information & Resources Left 31/3/2013	0	67	0	19	0	86
Alun Thomas Head of Review, Examination & Policy Left 31/3/2013	0	62	0	15	0	77

(1) The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

(2) A 2% consolidated pay award was confirmed by Welsh Government in February 2014; this was actioned and paid in March 2014. The full year effect salary for 2012-13 was £91k.

(3) Alison Phillips was promoted to the role of Director of Finance and Performance and took on the role of Deputy Commissioner from 1 April 2013.

(4) Kelly Davies and Anna Buchanan were employed by the Commissioner as members of staff during 2012-13 but they were not classed as 'senior staff' and their salaries for this period are not therefore disclosed as comparative information.

(5) Daisy Cole was appointed from 7 May 2013; the full year effect salary for 2013-14 was £51k.

Pay multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation’s workforce.

	2013-14 £000		2012-13 £000
Highest Paid Director (the Commissioner)	93	Highest Paid Director (the Commissioner)	91
	£		£
Median Total Remuneration	28,568	Median Total Remuneration	31,184
Ratio	3.25	Ratio	2.92

The remuneration of the highest-paid director (the Commissioner) was £92,869 in 2013-14 (2012-13: £91,048). This was 3.25 times (2012-13: 2.92) the median remuneration of the workforce, which was £28,568 (2012-13: £31,184). The change is equivalent to two incremental points within Band C (£25,192- £31,496 including 1% inflationary cost of living increase) and reflects changes in staff within that banding.

Remuneration includes only salary and does not include employer pension contributions and the cash equivalent transfer value of pensions. The figures for this calculation exclude any compensatory amounts for loss of office and payments made in lieu of notice. In 2013-14, no employee (2012-13: one) received remuneration in excess of the role of Commissioner. In 2013-14, remuneration was based on the pay scales and ranged from £15,908 to £71,988 (2012-13: £15,750 – £71,275).

Incremental increases to other staff salaries were awarded in line with contractual terms and conditions. An inflationary cost of living increase of 1% was awarded in 2013-14.

Civil Service Pensions

	Accrued pension at pension age as at 31/3/14 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/14	CETV at 31/3/13	Real increase in CETV
	£000	£000	£000	£000	£000
Sarah Rochira Commissioner Term of office commenced 4/6/12	4	2	45	19	17
Alison Phillips Head of Finance, HR & Corporate Governance until 31 March 2013 Promoted to Director of Finance & Performance and Deputy Commissioner from 1 April 2013	6	1	49	34	8
Anna Buchanan Director of Protection, Scrutiny and Human Rights Appointed from 1 April 2013	2	0	18	17	0
Kelly Davies Director of Communications and Engagement Appointed from 1 April 2013	2	1	17	9	5
Daisy Cole	1	1	11	n/a	7

Older People's Commissioner for Wales: Accounts for the period ended 31 March 2014

	Accrued pension at pension age as at 31/3/14 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/14	CETV at 31/3/13	Real increase in CETV
	£000	£000	£000	£000	£000
Director of Wellbeing and Empowerment Appointed from 7 May 2013					
Ruth Marks Commissioner Term of office ended 20/4/12	n/a	n/a	n/a	129	n/a
Sarah Stone Deputy Commissioner Acting Commissioner (21/4/12-3/6/12) Left 31/3/2013	n/a	n/a	n/a	86	n/a
Julia Lewis Head of Information & Resources Left 31/3/2013	n/a	n/a	n/a	124	n/a
Alun Thomas Head of Review, Examination & Policy Left 31/3/2013	n/a	n/a	n/a	160	n/a

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, employees may be in one of four defined benefit schemes; either a final salary scheme (classic, premium or classic plus); or a whole career scheme (Nuvos). 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 and Nuvos are increased annually in line with Pensions Increase legislation. 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 1.5% and 6.25% of pensionable earnings for classic and 3.5% and 8.25% for premium, classic plus and Nuvos. Increases to employee contributions will apply from 1 April 2014. 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. 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 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three 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 0.8% 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 and 65 for members of Nuvos.

Further details about the Civil Service pension arrangements can be found at the website <http://www.civilservice.gov.uk/pensions>

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

In 2012-13, I set out a business case that determined necessary changes to structures at a senior level within the organisation. Consequently the role and membership of the senior staff team changed. These changes took effect from 1 April 2013 and further changes to the roles and responsibilities of other staff took place once new Directors took up post during 2013-14.

As a result of the implementation of my proposals the following compensation payments were made for loss of office in 2013-14:

Exit package cost band	Number of Compulsory redundancies	Number of Voluntary Redundancy packages agreed	Number of Voluntary Exit packages agreed	Number of ex-gratia payments agreed	Total number of packages
<10k	0	0	0	0	0
£10k-£25k	0	0	3	0	3
£25k-£50k	0	0	0	0	0
2013-14 total cost in £000s	0	0	£37k	0	£37k
£25k-£50k	0	1	2	1	3
2012-13 total cost in £000s	0	£26k	£86k	£27k	£139k

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted

for in full in the year of departure. Where I agreed early exit packages, the costs were met from my funding, and not by the Scheme. The three staff who accepted early exit packages in 2013/14 were not senior staff.

The exit packages agreed with senior staff in 2012/13 were:

- Sarah Stone left under Voluntary Redundancy terms on the 31 March 2013. She received a statutory compensation payment of £26k under the terms of the PCPCS and an additional ex gratia payment of £27k.
- Julia Lewis left under Voluntary Exit terms on the 31 March 2013. She received a statutory compensation payment of £37k.
- Alun Thomas left under Voluntary Exit terms on the 31 March 2013. He received a statutory compensation payment of £49k.

Sarah Rochira
Older People's Commissioner for Wales
30 July 2014

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

As required by the Commissioner for Older People (Wales) Act 2006, I, as Accounting Officer, have prepared for each financial year a statement of accounts in the form and on the basis set out in the Accounts Directions issued by HM Treasury and Welsh Ministers.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Commissioner for Older People in Wales and of its net expenditure, financial position, changes in taxpayer's equity and cash flows for the financial year.

In preparing the accounts I am required to comply with the requirements of the *Government Financial Reporting Manual* and in particular:

- Observe the Accounts Directions, 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 accounts; and
- prepared the accounts on a going concern basis.

As Commissioner, I am, by virtue of paragraph 11 to schedule 1 to the Commissioner for Older People (Wales) Act 2006, the Accounting Officer for my office. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Commission's assets are set out in a memorandum issued by HM Treasury.

GOVERNANCE STATEMENT

This Governance Statement sets out the basis on which the Older People's Commissioner for Wales has been established; the way in which it is governed and managed; and how I am accountable for what I do.

Role of the Commissioner

The statutory office of the Older People's Commissioner for Wales was established as a Corporation Sole under Section 1 of the Commissioner for Older People (Wales) Act 2006. The functions of the role are to:

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

In carrying out these functions I, as Accounting Officer, am responsible for putting in place appropriate arrangements for the management and control of resources, including sound governance arrangements and the identification and management of risks and opportunities.

Purpose of the governance framework

The governance framework sets out the way in which the organisation is governed and managed. It is made up of the systems and processes in place through which the organisation is directed and controlled. It also incorporates the values and culture of the organisation.

The governance framework enables me to monitor the performance of my organisation against the priorities in my Framework for Action. In particular, to consider whether that performance has led to improved outcomes for older people in Wales and whether those outcomes have been delivered through the most effective means.

The system of internal control is a significant part of that framework and is designed to manage risk at a reasonable level rather than to eliminate all risk of failure to achieve aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to:

- identify and prioritise the management of risks and opportunities to the achievement of my aims and objectives,
- evaluate the likelihood of those risks and opportunities being realised and the impact should they be realised, and
- manage them efficiently, effectively and economically.

Governance framework

The Commissioner is a Corporation Sole; there is therefore no Board as one might find in other public bodies. As a Corporation Sole and the Accounting Officer, I hold personal responsibility for directing and controlling the organisation but may authorise the exercise of my functions by any member of staff.

A nominated deputy may exercise the Commissioner's statutory functions if the office is vacant or should the Commissioner at any time be unable to act for any reason. Alison Phillips, Director of Finance and Performance carries out this role.

My governance framework included three key sources of assurance during 2013-14:

- An Audit and Risk Assurance Committee.
- An Internal audit provider.
- A strategic management team

I have an **Audit and Risk Assurance Committee** to support me as Accounting Officer in monitoring and reviewing corporate governance, risk management and internal control systems.

Due to the Corporation Sole status of the Commissioner, the Committee has identified that the absence of an executive board (from which the Audit and Risk Assurance Committee would normally be drawn) has created an "information gap" for the members as they do not have wider responsibilities and oversight. The Committee has overcome this gap partly by virtue of their additional advisory work and also by additional discussions with and presentations by me and my staff in addition to Committee meetings.

During 2013-14 I held two development days with Directors, internal audit and members of the Committee. These days were used to:

- review and discuss business priorities for the year;
- identify and address the management of risks and opportunities associated with those priorities;
- consider the cumulative impact of any of those risks and opportunities crystallising;
- review the format and content of information provided to the Committee, in particular more succinct quarterly reporting of progress with the operational work programme;
- agree a process for assessing the performance of internal and external audit services; and
- agree a process for assessing the effectiveness of the Audit and Risk Assurance Committee itself.

The Committee comprises four independent members with considerable experience of public and third sector organisations in Wales and the UK. This Committee meets quarterly and attendance at the meetings is summarised below:

	April 2013	July 2013	October 2013	January 2014
Gordon Lishman	✓	✓	✓	x
Ian Summers	✓	✓	✓	✓
Ken Jones	✓	✓	✓	✓
Eifion Pritchard	✓	✓	✓	✓
Mutale Merrill	Appointed from 1 June 2014			

These members have worked with me and my predecessor since 2009 and on 31 March 2014, two terms of office came to an end. Good practice requires me to regularly review and rotate the cumulative diversity, skills, knowledge and experience of my Committee members. I have therefore extended Ken Jones' term of office by two years and recruited Mutale Merrill as a new member to my Audit and Risk Assurance Committee on a four year term. I would like to thank Gordon Lishman for his contribution as Chair and have appointed Ian Summers as Chair from 1 April 2014.

The Committee provides me with an annual report which summarises the work of the Committee. During 2013-14 I asked my internal auditors to review the content of this report compared to other public bodies. The recommendations were that there should be greater ownership of the report by the members of the Committee and that the Committee should make an annual assessment of the performance of internal and external auditors. These recommendations were accepted by the Committee.

I have also decided to publish this report on my website in addition to the publication of the minutes of the Committee meetings to give greater transparency to my governance arrangements.

The Committee operates within its terms of reference which are based on best practice guidance issued by the Treasury. The Committee has reviewed its operations for 2013-14 and has concluded that it is operating effectively, receives sufficient information but has agreed some minor administrative changes.

As a result of its work in 2013-14, the Committee is content with the overall level of internal and external audit coverage. In respect of my arrangements for financial management, and the wider corporate governance and identification of risk and management processes, the Committee considers that, based on the findings of the auditors and its own observations, it can provide me with high assurance that the arrangements in place are appropriate and have been operating effectively.

Website link: [Audit and Risk Assurance Committee](#)

I have appointed Deloitte to provide **internal audit services**. During 2013-14 Deloitte undertook reviews into governance, risk management, financial systems, performance management and communications and engagement; providing either full or substantial levels of assurance on each area. They also followed up on progress with the implementation of recommendations made in prior years and there were no outstanding recommendations.

During 2013-14, I worked with a **Strategic Management Team (SMT)** as disclosed within the Remuneration Report, which met monthly and assisted me to discharge my functions in a manner consistent with the UK Corporate Governance Code and the Good Governance Code for Public Services i.e. consistent with the high standards expected from a publically funded body.

The role of the SMT as a group is to provide advice to me, corporate leadership to the organisation as a whole, enhance collegiate and collaborative working and ensure a holistic approach to risk management, performance monitoring and identification of remedial action. As a group the SMT is not a decision making body; it is not a Board. Decision making rests with me as Commissioner, but can be

delegated to individual Directors as agreed by me, but the SMT will contribute to:

- the development of the Commissioner's strategic aims and annual business plan;
- the allocation in an efficient and effective way of its financial, human and other resources to achieve those aims and objectives,;
- the assessment and management of risk and opportunities; and
- the overall assessment of the performance of the organisation against the objectives set out in the Annual Operational Plan and delivery of the Strategic Plan.

Website link: [Strategic Management Team](#)

Commissioner's performance

2013-14 was the first year of my Framework for Action. The main objectives within that plan were to:

1. Embed the wellbeing of older people at the heart of public services.
2. Drive up the quality of – and availability and access to – health and social care.
3. Protect and improve community services, facilities and infrastructure.
4. Stand up for older people who are at risk of harm and ensuring that they are safeguarded and protected.
5. Tackle prejudice, inequality and discrimination.

I would highlight the following milestones as evidence of progress towards addressing these priorities and future goals:

- commenced my review into the quality of life and care of older people in residential care homes in Wales;
- published further follow up work to Dignified Care and the treatment of older people in hospitals in Wales;
- continued to chair and host the Ageing Well in Wales Programme;
- ran 'train the trainers' sessions on Ageism which care designed to explore how ageing impacts upon the lives of older people, their families and communities in Wales
- commissioned research that explored how different referral mechanisms across adult protection and the police service may influence justice opportunities for older people in Wales;

- held a seminar which was attended by key leaders from criminal justice and social services across Wales to understand the barriers that deter older people from engaging with the justice process and agreed a plan for action.
- Published a report called 'Importance and Impact of Community Services within Wales' which highlighted the impact on older people if community services are withdrawn.
- My Enquiries and Support Team has been contacted by 795 older people, their families and carers and have helped them by providing individual support or advice; often when no-one else could help.

Performance against the objectives is fully reported in my Impact and Reach Report which is usually considered by the Health and Social Care Committee of the Assembly. A summary of financial performance is included within the annual accounts on page 12.

Website link: [Strategic Plans](#)

Website link: [Annual Reports](#)

Approach to risk

I have continued to revise and strengthen my Risk Framework during the year, which aims to:

- Promote an innovative, less risk averse culture in which the taking of calculated and managed risks in pursuit of opportunities to benefit the Commissioner is encouraged and managed;
- Improve the performance of the organisation by informing and strengthening decision making and planning;
- Provide a sound basis for integrated risk management and internal control as part of good corporate governance; and
- Ensure a safe environment for staff to work in.

All staff within the organisation have some responsibility for risk management and internal control in order to achieve their individual objectives and my overall aims and objectives.

A positive approach to risk management means that I will not only consider the risk of things going wrong, but the impact of not taking opportunities or not capitalising on corporate strengths. I recognise that there are known risks faced by the organisation which, if ignored, would seriously impact on my ability to meet my strategic priorities. A number of key corporate risks have been discussed with Directors, internal audit and the Committee during the year:

- **Reputational Risk** – the management of this risk will determine the success or failure of the Commissioner – both personally to the post holder and to the brand of the organisation. The main component being failure to deliver. Issues identified with this risk included:
 - Expectations of others to deliver change such as the Review into Quality of Life in Care homes. Failure to deliver on the Framework for Action.
 - Perception of others that the relationship with Welsh Government is too close and /or too distant.
 - The 'success' of increasing awareness of the role and work of the Commissioner may lead to unrealistic expectations arising from a higher profile leading to below optimum (perceived) outcomes.
 - The recent staff restructure fails to bed down, skills and knowledge are not available to the Commissioner and deadlines are missed.
 - Business Continuity plans need to be tested regularly.
- **Political Risk** – the Commissioner may become alienated from Welsh Government and other key stakeholders and become 'used' as a political football. Issues identified with this risk include:
 - The Commissioner's messages could become bland – in trying to meet the expectations of everyone.
 - The Commissioner works in a fast changing political environment at a devolved and non-devolved level.
- **Financial Risk** – this is always likely to be a risk but even more so in the current economic climate.

Management of such risks is a key consideration in the delivery of my activities and includes the following key elements:

- A risk management policy that is in place and has been reviewed and updated during 2013-14. This policy sets out for all staff the way in which risks and opportunities faced by the organisation will be identified, evaluated, monitored, and controlled.
- The risk management policy requires the maintenance of a risk register, which has been reviewed and updated by me. The reporting format of the risk register has been revised during the year and strengthened.
- To be effective risk management must be embedded into the day to-day management and planning of my work. Each identified risk is owned by a member of the strategic management team
- The Audit and Risk Assurance Committee considers the process for identification and management of risks. It receives and considers all the reports and recommendations of the external and internal auditors including the latter's annual review of the arrangements for the management of risk.
- Financial policies and procedures, that set out responsibilities for financial matters including procurement, systems for financial control of expenditure as well as the regular reporting of actual expenditure against budgets.
- My staff and I sign up annually to a Code of Conduct which incorporates the seven Principles of Public Life and I have incorporated these principles into the delivery of my work.

In the event that my staff or others raise concerns about the organisation that cannot be easily resolved then I have put in place appropriate governance measures which include a Complaints Policy and Raising Concerns Policy. These documents are published on my website. During 2013-14, I received 1 complaint under the Complaints Policy which was partially upheld as there was an unacceptable delay in responding to an enquiry (2012/13: 2 complaints).

During 2013/14, I received 4 requests for information under the Freedom of Information Act 2000 (2012/13: 8 requests) and 1 request under the Data Protection Act 1998 (2012/13: 1 request).

Arrangements have been put in place to safeguard the security of information held by me. This includes personal data held relating to enquiries made on behalf of individual older people in Wales, and evidence gathered by me in the carrying out of my functions. There was one breach of data security in 2013-14 which was reported to the Information Commissioner. A recommendation to strengthen email auto address controls was made and implemented and all staff attended a training session run by staff from the Information Commissioner's office.

All this information was reported to my Audit and Risk Assurance Committee.

I have adopted the principle that in the conduct of public business in Wales, the organisation will treat the English and Welsh languages on a basis of equality. I have a Welsh Language Scheme in place which is reviewed annually by the Welsh Language Commissioner. I produce an annual report which is on my website.

Website link: [Welsh Language Scheme](#)

During 2013/14 I took the opportunity to refresh my initial Equality Scheme. This revised Scheme and my latest Equality Annual Report is available on my website. I have also produced a number of factsheets which provide information to others about protected characteristics and implications for older people. My intention is that other public bodies in Wales will use the factsheets to inform their own assessments of potential impact on older people when delivering their services.

Website link: [Equality Scheme](#)

Review of effectiveness

As Accounting Officer I review the effectiveness of the governance framework, and this is informed by the work of internal audit, by the strategic management team, and comments made by external auditors (Wales Audit Office) as contained in the management letter and other reports.

I am also advised on the implications of the result of my review of the effectiveness of the governance framework by the Audit and Risk Assurance Committee.

During the year further progress was made in strengthening the internal control systems, recommendations made by internal auditors were

progressed and implemented. Plans to address new recommendations and ensure continuous improvement of the systems are also in place.

The internal auditors' opinion states that based on the work undertaken for the year ended 31 March 2014; I have a basically sound system of internal control, which should provide substantial assurance regarding the achievement of my objectives.

I have considered the evidence provided in this governance statement. The conclusion of my review is that the overall governance and internal control structures and procedures have been appropriate to support my functions and objectives and have worked effectively through 2013-14.

The above governance framework has been in place for the year ended 31 March 2014 and up to the date of signature of these accounts and is prepared in accordance with Treasury guidance.

Forward Look

The process of reviewing and managing risk is an on-going one and questions that still need to be worked through by me and Directors include:

- Do we know where the pressure points are and have we aligned our resources?
- Are we able to prioritise effectively with the resources available and meet the expectations of others?
- How do we balance individual support with wider benefits?

The Audit and Risk Assurance Committee and I have agreed a programme of internal audit work that will give me assurance as to the effectiveness of controls in place.

The Audit and Risk Assurance Committee will be implementing a process to consider the performance of my internal and external auditors.

I will continue to deliver against the priorities in my Framework for Action.

Sarah Rochira
Older People's Commissioner for Wales
30 July 2014

STATEMENT OF COMPREHENSIVE NET EXPENDITURE

For the year ended 31 March 2014

	Note	2013/14 £ 000	2012/13 £ 000
Expenditure			
Staff costs	2	1,178	1,382
Depreciation / Amortisation	3	5	140
Other expenditure	3	583	525
		<u>1,766</u>	<u>2,047</u>
Income			
Insurance proceeds		-	83
Total Comprehensive Net Expenditure		<u>1,766</u>	<u>1,964</u>

There are no recognised gains or losses in either 2012-13 or 2013-14.

* In April 2012, significant damage occurred to part of the office premises leased by the Commissioner. This was due to a water leak in another part of the shared office block. The remedial works were subject to an insurance claim. The £83k is the total replacement costs reimbursed by the insurance company; of which £75k related to capital expenditure and £8k to revenue expenditure.

STATEMENT OF FINANCIAL POSITION

As at 31 March 2014

		31 March 2014		31 March 2013	
	Note	£ 000	£ 000	£ 000	£ 000
Non- current assets:					
Leasehold improvements	4	3		0	
Office equipment / ICT	4	7		7	
Intangible assets	5	8		6	
Total non-current assets			18		13
Current Assets:					
Trade receivables	7	32		39	
Cash and cash equivalents	8	430		546	
Total current assets			462		585
Total assets			480		598
Current liabilities:					
Trade payables	9	60		77	
Other liabilities	9	77		146	
Total current liabilities			137		223
Non-current assets plus/less net current assets/liabilities			343		375
Non-current liabilities					
Provisions	10	60		60	
Deferred creditor	11	4		-	
Total non-current liabilities			64		60
Assets less liabilities			279		315
Taxpayers' equity					
General reserves			279		315
			279		315

Sarah Rochira
Commissioner and Accounting Officer

30 July 2014

STATEMENT OF CASH FLOWS

For the year ended 31 March 2014

	Note	1 April 2013 - 1 March 2014 £ 000	1 April 2012 - 31 March 2013 £ 000
Cash flows from operating activities			
Net expenditure after insurance proceeds and interest		(1,766)	(1,964)
Adjustments for non-cash items	3	5	140
(Increase)/Decrease in trade and other receivables	7	7	-
Increase/(decrease) in trade and other payables	9	(86)	153
Loss on Disposal of Equipment	3	-	16
Provisions	10	-	-
Increase in Deferred creditor	11	4	-
Net cash outflow from operating activities		(1,836)	(1,655)
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(5)	(76)
Purchase of intangible assets	5	(5)	(8)
Proceeds of disposal of property, plant and equipment			-
Net cash outflow from investing activities		(10)	(84)
Cash flows from financing activities			
Funding from Welsh Government		1,730	1,732
Net financing		1,730	1,732
Net increase/(decrease) in cash equivalents in the period		(116)	(7)
Cash and cash equivalents at the beginning of the period	8	546	553
Cash and cash equivalents at the end of the period	8	430	546

STATEMENT OF CHANGES IN TAXPAYER'S EQUITY

For the year ended 31 March 2014

	General Reserve	
	1 April 2013- 31 March 2014	1 April 2012- 31 March 2013
	£ 000	£ 000
Balance as at 1 April	315	547
Net expenditure	(1,766)	(1,964)
Total recognised income and expense	(1,451)	(1,417)
Funding from Welsh Government	1,730	1,732
Balance as at 31 March	279	315

NOTES TO THE ACCOUNTS

1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2013-14 Government Financial Reporting Manual (FReM). The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

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 Older People's Commissioner for Wales for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Commissioner are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of non-current assets.

1.2 Non-current assets

Non-current assets are included at cost, as, in the opinion of the Commissioner; any adjustments arising from revaluation would not be material. All non-current assets are owned by the Commissioner.

1.3 Tangible Non-current Assets

The minimum level for capitalisation of a tangible non-current asset is £1,000 inclusive of irrecoverable VAT. Title to all property is held by the Commissioner. All property occupied by the Commissioner is leased. Other tangible non-current assets are not revalued as, in the opinion of the Commissioner; the amounts involved would not be material.

1.4 Intangible Non-current Assets

Software licences and information technology software are capitalised as intangible non-current assets and amortised on a straight line basis over their expected useful lives (normally 4 years).

1.5 Depreciation / Amortisation

Depreciation/Amortisation is provided at a rate calculated to write off the tangible non-current assets by equal instalments over their estimated useful lives.

Asset lives are normally as follows:

Leasehold improvements	Term of the lease or to break clause up to a maximum of 5 years
Office equipment	5 years
ICT related equipment	4 years

1.6 Income, funding and expenditure

The main source of funding for the Commissioner is from Welsh Government via an annual grant.

In April 2012, significant damage occurred to the Commissioner's office premises and the remedial works were subject to an insurance claim. Replacement costs were reimbursed by the insurance company and this is disclosed as income.

Monies received from outward secondment costs are disclosed against staff related costs.

Expenditure is that which relates directly to the activities of the Older People's Commissioner for Wales. The Commissioner's office operates in Wales and deals with the issues that impact upon older people in Wales. The Commissioner has only one operational segment as reflected in the Statement of Comprehensive Net Expenditure and associated notes.

The Commissioner is not registered for VAT. All expenditure is reported inclusive of VAT where applicable, as VAT is irrecoverable.

1.7 Foreign Exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction. Foreign currency imprests are translated into sterling at the exchange rate ruling at the time of funding.

1.8 Pensions

The Commissioner and directly employed staff are eligible for membership of the Principal Civil Service Pension Scheme (PCSPS). It is an unfunded multi-employer defined benefit scheme. Contributions to the scheme are charged to the net expenditure account when due for payment in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice.gov.uk/pensions).

1.9 Operating Lease Charge

Lease payments are recognised as an expense and charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the lease term.

1.10 Provisions

The Commissioner provides for legal or contractual obligations which are of uncertain timing or amounts at the statement of financial position date, on the basis of best estimate of the expenditure required to settle the obligation.

1.11 Cash and cash equivalents

The Commissioner drew funding regularly during the year, which is deposited in the Government Banking Service account upon receipt. Monies are drawn down into a commercial bank account to pay liabilities as they fall due. Petty cash is also held at the Commissioner's office.

2. Staff numbers and related costs

Staff costs comprise:

	2013/14	2012/13
	£ 000	£000
Permanently Employed Staff		
Salaries	922	1,098
Social Security costs	62	68
Other Pension Costs	145	161
Sub Total	1,129	1,327
Inward Secondment and agency costs	63	59
Less monies received from outward secondment	(14)	(4)
Total net costs	1,178	1,382

Included within staff costs is £14,603 (2012/13: £16,158) which relates to the remuneration of four Audit and Risk Assurance Committee Members. In 2013/14 additional remuneration was paid to Ken Jones for further work relating to aspects of the 2013-14 Work Programme. This expenditure is included within Note 3 Specific Programmes.

Salaries includes payments made to 3 members of staff (2012/13: 3 members of senior staff) as part of the Commissioner's restructuring; including compensation for loss of office. Compensation for loss of office is disclosed in full within the Remuneration Report.

The average number of whole-time equivalent persons employed by the Commissioner across the year (including senior staff) was as follows:

	2013/14	2012/13
Permanent Staff	21.20	21.39
Seconded Staff	0.60	0.66
Temporary/Casual Staff	0.38	0.49
Fixed Term Appointments	4.23	4.57
Total	26.41	27.11

Principal Civil Service Pension Scheme

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme but the Commissioner is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2007. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice.gov.uk/pensions).

For 2013/14, employers' contributions of £146k (2012-13: £160k) were payable to the PCSPS at one of four rates in the range 16.7% to 24.3% of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2013-14 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £2k were paid to one of the appointed panel of three appointed stakeholder pension providers.

Employer Contributions are age-related and range from 3% to 12.5% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £1k ,0.8% of pensionable pay , were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

There were no contributions due to the partnership pension providers at the balance sheet date, nor were there any contributions prepaid.

There were no early retirements on ill-health grounds during the year, and there were no additional accrued pension liabilities in the year. The Commissioner has made severance payments during the year as disclosed in the Remuneration Report.

3. Other Expenditure

Other expenditure consists of:

	2013/14 £000	2012/13 £000
Rentals under operating leases	58	59
Other accommodation costs	65	68
Information & communications technology	5	9
Professional fees	48	55
Training & development	11	35
Travel & subsistence	27	21
Audit fees – Internal Audit	9	11
Audit fees – External Audit	15	14
Provision for property redecoration	-	-
Specific Programmes	180	114
Other administrative expenses	165	123
	583	509
Non-cash items:		
Loss on disposal	-	16
Depreciation	2	127
Amortisation	3	13
Total	588	665

Specific Programmes

During 2013/14 the Commissioner incurred the following additional direct costs against the priorities set out in the Framework for Action 2013-2017. The expenditure disclosed does not include any apportionment of Commissioner's staff salary costs, including seconded staff, and reflects additional direct costs only.

There are no comparative figures as expenditure incurred in prior years was classified against the Commissioner's objectives as set out in the Strategic Plan 2010-13, but this is shown below for completeness.

Programmes - Framework for Action 2013-2016	2013/14 £000
Embedding the wellbeing of older people at the heart of public services.	28
Driving up the quality of and availability and access to health and social care.	75
Protecting and improving community services, facilities and infrastructure.	9
Standing up for older people who are at risk of harm and ensuring that they are safeguarded and protected.	30
Tackling prejudice, inequality and discrimination.	38
Total	180

Programmes - Plan 2010-13	2012/13 £000
Promote awareness of the interests of older people in Wales.	53
Promote the provision of opportunity for, and the elimination of discrimination against older people in Wales.	5
Encourage best practice in the treatment of older people in Wales.	29
Keep under review the adequacy and effectiveness of the law affecting the interests of older people in Wales.	9
Enable the delivery of functions in ways which are proper and regular, prudent and economical, make efficient and effective use of resources and identify and manage risks.	18
Total	114

4. Tangible non-current Assets

	Information Technology £000	Leasehold Improvements £000	Office Equipment £000	Total £000
Cost or valuation				
At 1 April 2013	38	269	41	348
Additions	2	3	-	5
Disposals	-	-	-	-
At 31 March 2014	40	272	41	353

Depreciation

At 1 April 2013	37	269	35	341
Charged in year	0	0	2	2
Disposals	-	-		
At 31 March 2014	37	269	37	343

Net book value at 31 March 2014	3	3	4	10
Net book value at 31 March 2013	1	0	6	7

There has been no impairment of any assets and they are shown at cost which is considered to be the 'fair value'.

5. Intangible non-current assets

	Software licences £000	Information Technology £000	Total £000
Cost or valuation			
At 1 April 2013	46	53	99
Additions	-	5	5
Disposals	-	-	-
At 31 March 2014	46	58	104
Amortisation			
At 1 April 2013	46	47	93
Charged in year	-	3	3
Disposals	-	-	-
At 31 March 2014	46	50	96
Net book value at 31 March 2014	0	8	8
Net book value at 31 March 2013	0	6	6

6. Financial instruments

As the Commissioner's cash requirements are met through funding provided by the Welsh Government, financial instruments (investments, derivatives and other financial instruments) play a more limited role in creating risk than would apply to a non-public sector body.

The majority of financial instruments relate to contracts to buy non-financial items in line with the Commissioner's expected purchase and usage requirements and the Commissioner is therefore exposed to little credit, liquidity or market risk.

7. Trade receivables

	2013/14	2012/13
	£000	£000
Amounts falling due within one year:		
Trade receivables	0	7
Prepayments and accrued income	32	32
	<u>32</u>	<u>39</u>

There were no receivables falling due after more than one year.

8. Cash and cash equivalents

	2013/14	2012/13
	£000	£000
Balance at 1 April	546	553
Net change in cash and cash equivalent balances	(116)	(7)
Balance at 31 March	<u>430</u>	<u>546</u>
The following balances at 31 March were held at:		
Banking Service	345	493
Commercial banks and cash in hand	85	53
Balance at 31 March	<u>430</u>	<u>546</u>

9. Trade payables and other current liabilities

	2013/14	2012/13
	£000	£000
Amounts falling due within one year		
Other taxation and social security	40	59
Trade payables	20	18
Accruals and deferred income	77	146
	137	223

10. Provision for Liabilities and Charges

	2013/14	2012/13
	£000	£000
Balance at 1 April	60	60
Provided in year	-	-
Provision utilised in year	-	-
Balance at 31 March	60	60

A provision is made for redecorating/dilapidations of our offices during the term of the lease and on the termination of the lease. This provision has been reviewed during 2013-14 as required by IAS 37 and no change is considered necessary.

11. Deferred creditor

	2013/14 £000	2012/13 £000
At 1 April	-	-
Accrued expenditure during the year	4	-
Released to Statement of Comprehensive Net Expenditure Account during year	-	-
Balance at 31 March	4	-

The Commissioner holds a 5 year operating lease in respect of office accommodation, which includes a variable rental over the life of the lease, and a break without prejudice at year 3. Operating costs are charged on a straight-line basis over the lease term in accordance with IAS 17. The deferred creditor will release fully in Year 3 of the lease.

12. Capital commitments

	2013/14 £000	2012/13 £000
Contracted capital commitments at 31 March 2014 for which no provision has been made	12	-

The Commissioner has a Capital Commitment at year end in relation to the installation of broadband network services to the office.

13. Commitments under leases

(a) Operating leases

Total future minimum lease payments under operating leases are given in the table below analysed according to the period in which the lease expires.

	2013/14	2012/13
	£000	£000
	<hr/>	<hr/>
Obligations under operating leases comprise:		
Land and buildings:		
Expiry within 1 year	50	21
Expiry after 1 year but not more than 5 years*	75	125
Later than five years	-	-
	<hr/>	<hr/>
	125	146

*The Commissioner has agreed a new lease agreement for a period of 5 years from 5 August 2013.

	2013/14	2012/13
	£000	£000
	<hr/>	<hr/>
Obligations under operating leases comprise:		
Other: Office Equipment		
Expiry within 1 year	1	-
Expiry after 1 year but not more than 5 years	-	1
Later than five years	-	-
	<hr/>	<hr/>
	1	1

(b) Finance leases and PFI contracts

There are no obligations under finance leases or PFI contracts (2012/13: nil).

The Commissioner has not entered into non-cancellable contracts which are not leases or PFI contracts (2012/13: nil).

14. Contingent liabilities disclosed under IAS 37

The Commissioner has not incurred any contingent liabilities that are not disclosed elsewhere in these accounts (2012/13: nil).

15. Related-party transactions

In 2013/14 the Commissioner received funding of £1.730M from Welsh Government (2012/13: £1.732M). The Welsh Government is regarded as a related party.

During 2013/14 neither the Commissioner, nor other members of the Strategic Management Team, or any of their family were involved directly or indirectly in any transactions with the Commissioner during the year, apart from normal expense claims and salary payments.

16. Events after the reporting period

There were no significant events occurring between the year end and the approval of these accounts.

CERTIFICATE AND REPORT OF THE AUDITOR GENERAL FOR WALES

I certify that I have audited the financial statements of the Older People's Commissioner for Wales for the year ended 31 March 2014 under the Commissioner for Older People (Wales) Act 2006. These comprise the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Cash Flow Statement and Statement of Changes in Tax Payers Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having being audited.

Respective responsibilities of the Commissioner and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Commissioner is responsible for preparing the Management Commentary, the Remuneration Report and the financial statements in accordance with the Commissioner for Older People (Wales) Act 2006 and Welsh Ministers' directions made there under and for ensuring the regularity of financial transactions.

My responsibility is to audit the financial statements and the part of the remuneration report to be audited in accordance with applicable law and with International Standards on Auditing (UK and Ireland). These standards require me to comply with the Auditing Practice Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Older People's Commissioner for Wales's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by Older People's Commissioner for Wales; and the overall presentation of the financial statements.

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In addition, I am required to obtain evidence sufficient 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.

In addition, I read all the financial and non-financial information in the Management Commentary to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on Financial Statements

In my opinion the financial statements:

- give a true and fair view of the state of the Older People's Commissioner for Wales affairs as at 31 March 2014 and of her net expenditure, recognised gains and losses and cash flows for the year then ended; and
- have been properly prepared in accordance with Welsh Ministers' directions issued under the Commissioner for Older People (Wales) Act 2006.

Opinion on Regularity

In my opinion, in all material respects, 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.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Welsh Ministers' directions made under the Commissioner for Older People (Wales) Act 2006; and
- the information which comprises financial information, included within the Management Commentary and the unaudited part of the Remuneration Report, is consistent with the financial statements.

Matters on which I report by exception

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

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31 March 2014

- the Annual Governance Statement does not reflect compliance with HM Treasury guidance;
- proper accounting records have not been kept;
- 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.

Huw Vaughan Thomas
Auditor General for Wales
24 Cathedral Road
Cardiff
CF11 9LJ

31 July 2014