

Finance Committee

Meeting Venue:

Committee Room 2 – Senedd

Meeting date:

Wednesday, 21 January 2015

Meeting time:

09.00

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



For further information please contact:

Bethan Davies

Committee Clerk

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Agenda

- 1 Introductions, apologies and substitutions**
- 2 Papers to note** (Pages 1 – 7)
- 3 Consideration of powers: Public Services Ombudsman for Wales:
Evidence Session 1 (09:05–10:15)** (Pages 8 – 23)
FIN(4)–01–15 Paper 1
Research Briefing

Nick Bennett – Public Services Ombudsman for Wales
Susan Hudson – Policy & Communications Manager
Katrin Shaw – Investigations Manager and Legal Adviser
- 4 Motion under standing order 17.42 (vi) to resolve to exclude the
public from the remainder of the meeting (10:15)**

(Break 10:15 – 10:25)

5 Consideration of powers: Public Services Ombudsman for Wales – Discussion of evidence (10:25–10:50) (Pages 24 – 57)

FIN(4)–01–15 Paper 2 – Scoping Paper

FIN(4)–01–15 Paper 3 – Approach to Scrutiny

FIN(4)–01–15 Paper 4 – Legal Advice Note: Extension of Powers

FIN(4)–01–15 Paper 5 – Legal Advice Note: Extension of Powers Private Sector Health Service

FIN(4)–01–15 Paper 6 – Letter from Communities, Equality and Local Government Committee

FIN(4)–01–15 Paper 7 – Letter from the Minister for Finance and Government Business

6 Best Practice Budget Process: Key Issues (10:50–11:30) (Pages 58 – 74)

FIN(4)–01–15 Paper 8 – Key Issues

FIN(4)–01–15 Paper 9 – Paper on Scotland Visit

FIN(4)–01–15 Paper 10– Letter from Minister for Finance and Government Business

7 Report on the Wales Audit Office Fleet Car and Travel and Subsistence: Consideration of Draft Report (11:30–11:45) (Pages 75 – 78)

FIN(4)–01–15 Paper 11 – Draft Report

8 Initial Consideration of Qualifications (Wales) Bill (11:45–12:00) (Pages 79 – 85)

Research Brief

[Qualifications Wales Bill](#)

[Explanatory Memorandum](#)

9 Initial consideration of Safe Nurse Staffing Levels (Wales) Bill (12:00–12:15) (Pages 86 – 91)

Research Brief

[Safe Nurse Staffing Levels \(Wales\) Bill](#)

[Explanatory Memorandum](#)

10 Consideration of Planning (Wales) Bill Letter (12:15–12:30) (Pages 92 – 95)

FIN(4)–01–15 Paper 12 – Letter to the Chair of the Environment and Sustainability Committee

FIN(4)–01–15 Paper 13 – Letter to the Minister for Natural Resources

**Y Pwyllgor Iechyd a Gofal Cymdeithasol
Health and Social Care Committee**

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Jocelyn Davies AM
Chair, Finance Committee

10 December 2014

Dear Jocelyn,

Health finances and reform

Further to your letter dated the 11 November 2014 I am now in a position to update you. The Committee believes that, in order to give adequate consideration to health service reform, any inquiry on this topic would necessarily be detailed and complex. Between now and the 2016 election, the Committee faces a number of competing priorities. The Committee therefore has requested further information from the Minister for Health and Social Services in order to help inform its decision on whether any further work is needed in this area, and whether it has the necessary time to do justice to the topic.

Please find a copy of the letter sent to the Minister in Annex A. The Committee has requested a response by 6 February 2015. Once a response is received, I will ensure that a copy is made available to you for your consideration.

Yours sincerely,

David Rees AM
Chair, Health and Social Care Committee

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Annex A

Y Pwyllgor Iechyd a Gofal Cymdeithasol Health and Social Care Committee

**Mark Drakeford AM
Minister for Health and Social Services**

10 December 2014

Dear Mark,

Health finances and reform

You will be aware that the Finance Committee's report on the Welsh Government Draft Budget 2015–16 recommended that the Health and Social Care Committee should undertake a piece of work on health reform before the end of this Assembly.

The Committee believes that, in order to give adequate consideration to health service reform, any inquiry on this topic would necessarily be detailed and complex. The Committee faces a number of competing priorities between now and the 2016 election; in order to help inform its decision on whether any further work is needed in this area – and whether it has the necessary time to do justice to the topic – it would be grateful to receive some further information in writing from you.

In your response to the Committee's letter on the Welsh Government's Draft Budget 2015–16 you stated that the majority of additional funding allocated in 2014–15 and 2015–16 is required to maintain current service levels, and that the three year planning process will be used to implement new and more innovative models of service delivery. Your response also noted that the NHS's integrated service plans will ensure that the right service models and patient outcomes are achieved.

The Finance Committee's report on the 2015–16 Draft Budget noted its concerns about the apparently conflicting evidence it had received on the

underlying rationale for the increase in resources. It noted that, while the Welsh Government asserted that additional funding for health will be accompanied by reform, some health sector witnesses said that this additional funding would be used to “plug a gap” to address anticipated deficits in health board and trust finances.

A recent letter from Dr Andrew Goodall to the Public Accounts Committee (dated 10 November) summarised the latest publicly reported financial position of health boards and trusts half way through the 2014–15 financial year. The letter highlights an emerging risk that some health boards are forecasting difficulty in meeting their budgets this year. Current forecasts of overall deficits are above the additional £200 million announced for the health service for 2014–15 in September this year.

The Committee would be grateful to receive the following information in order to inform its consideration of the Finance Committee’s recommendation:

Current funding

- Given the apparently conflicting evidence referred to above, confirmation of whether plans are in place for the additional funding for 2014–15 and 2015–16 to be used to deliver health service reform, or to maintain current service levels only;
- Confirmation of the planned or agreed distribution of the additional £200 million funding available to individual health boards and trusts in 2014–15, as soon as these figures are decided, including how these allocations were calculated;
- Confirmation of the additional funding available to individual health boards and trusts in 2015–16, including how these allocations were calculated, once available (the Committee notes that, in your response to its letter on the Draft Budget 2015–16, you have already agreed to provide this information);
- An outline of how the additional £70 million funding announced by the Minister for Finance and Government Business following the UK Government’s Autumn Statement, will be targeted to “support the Welsh NHS to undertake the reform and the step change needed to secure the long-term sustainability of the health service in Wales” as set out in her written statement on 3 December;
- A summary of the key dates in the 2015 timeline for agreeing three year plans, to begin with the deadline for the submission of plans in January 2015.

Future funding and long-term sustainability

- An outline of additional outcomes, if any, to be achieved with the additional funding in 2014-15 and 2015-16;
- An outline of the arrangements that have been or will be put in place to monitor the outcomes of this investment;
- An outline of any plans the Welsh Government has in place to assess whether services are being reformed as intended and also the levels of funding required for the health service beyond 2015-16 to ensure that the delivery of services remains sustainable.

End of year position and next year's plans

The Committee will write in due course to request information on the end of year position and next year's plans.

The Committee would be grateful to receive the information outlined above by 6 February 2015.

Yours sincerely,

A handwritten signature in black ink that reads "David F. Rees." The signature is written in a cursive style with a large 'D' and 'R'.

David Rees AM

Chair, Health and Social Care Committee

Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance and Government Business



Llywodraeth Cymru
Welsh Government

SF/JH/4174/14

Jocelyn Davies AM
Chair, Finance Committee
National Assembly for Wales
Cardiff
CF99 1NA

18 December 2014

Dear Jocelyn,

Autumn Statement 2014 Consequentials

During the Finance Committee's scrutiny of the First Supplementary Budget 2014-15, the Welsh Government acknowledged the Committee's interest in receiving information regarding Barnett consequentials and outlined its intention to provide information on the impact of consequentials on the Wales DEL following UK Government fiscal events.

In line with this, and following the UK Government's Autumn Statement on 3 December, I am writing now to set out the implications for the Wales DEL. A detailed list of all consequentials, along with aggregated totals for each classification of expenditure, can be found at Annex A. The Welsh Government has discretion over how it uses these additional resources, which are not earmarked for a particular purpose.

I hope that this information is useful.

Best wishes,

Jane

Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance and Government Business

Annex A – Impact of the Autumn Statement 2014 on the Welsh Budget

Table 1. Barnett Consequentials Aggregates

	£000s ¹		
	2014-15	2015-16	Total
Resource DEL	1,344	113,264	114,608
Capital DEL	-	6,527	6,527
Capital DEL - Financial Transactions	-	2,288	2,288
Total DEL	1,344	122,079	123,423

¹ Figures are subject to HM Treasury roundings.

Table 2. Autumn Statement 2014 Consequentials

	Expenditure Classification ³	£000s ²	
		2014-15	2015-16
Business Rates			
Doubling of SBRR for 2015-16	RDEL	-	23,967
2% Cap for 1 year	RDEL	-	5,892
Additional £500 retail discount	RDEL	-	6,349
Transitional Relief	RDEL	-	572
Health			
Mental health - eating disorders	RDEL	-	1,716
Mental health - adult community learning	RDEL	-	286
Mental health - dementia	RDEL	-	172
Additional funding - NHS frontline	RDEL	-	67,210
Additional funding - NHS frontline	CDEL	-	4,290
Education			
Early intervention pilot	RDEL	-	172
Academies	RDEL	-	572
Careers	RDEL	-	1,144
Culture, Media and Sport			
WW1 Cultural activities	RDEL	-	86
Football Facilities	RDEL	-	114
Football Facilities	CDEL	-	458
Manchester International (Lyric Theatre)	CDEL	-	320
Manchester Museum of Science and Industry	CDEL	-	29
Housing			
Housing Zones	CDEL (FTs)	-	2,288
Transport			
Rail Fares	RDEL	1,258	4,462
Environment and Energy			
Shale - Support for Planning	RDEL	-	69
Shale - Regulators and Public Engagement	RDEL	-	63
Kew Gardens	RDEL	86	132
Coastal Paths	RDEL	-	286
Off Grid Gas Fund	CDEL	-	1,430

² Figures are subject to HM Treasury roundings.

³ Resource DEL (RDEL), Capital DEL (CDEL) (traditional) and Capital DEL Financial Transactions (CDEL FTs). Note, Capital DEL (Financial Transactions) can only be used for loans and equity and must be repaid to HM Treasury.

National Assembly for Wales – Finance Committee – 21 January 2015

Amendments to the Public Services Ombudsman (Wales) Act 2005

1. Introduction

- 1.1 The legislation governing the Ombudsman's office is the Public Services Ombudsman (Wales) Act 2005. At the time it was enacted, it was considered to be at the cutting edge of ombudsman legislation and is still highly regarded in the UK and internationally¹.
- 1.2 In 2015 the Act will be ten years old. New legislation has been introduced in the Republic of Ireland and elsewhere since 2005, while new legislation, drawing on the Welsh experience but designed to further develop it, is being introduced in Northern Ireland.
- 1.3 In addition, the Law Commission reviewed the legislation governing public services ombudsmen in England and Wales.² It commented favourably on the existing Public Services Ombudsman (Wales) Act but did make a number of recommendations for change one of which is referred to in section 2.5.
- 1.4 I have been in post since August 2014; during that time I have now had the opportunity to discuss legislative issues with my peers in all jurisdictions of the UK.
- 1.5 This paper sets out five key areas for change which have been informed from the experience of the office, developments of best practice elsewhere as well as the recommendations of the Law Commission.
- 1.6 The paper focuses on these five discrete parts in the hope that the suggested changes will be uncontroversial and can enjoy broad support for review and enactment by the Assembly in 2015. The suggested changes reflect four underlying priorities:
 - **Future proofing:** the proposals are intended to ensure that the legislation continues to be fit for purpose, but that it also addresses future challenges which will affect service users in an ageing society where there are greater levels of physical and emotional vulnerability.

¹ Ombudsman Legislation – time for a review? Peter Tyndall March 2013

² Law Com No 329 14 July 2011 <http://lawcommission.justice.gov.uk/areas/public-services-ombudsmen.htm>

- **Social justice:** the proposals ensure that citizens from more deprived backgrounds, who may be more reliant on public services, will find it easier to make a complaint.
- **Citizen Centred:** proposals will strengthen the citizen's voice and ensure that wherever possible processes will follow the citizen rather than the sector or the silo.
- **Drive complaint handling and public service improvement:** these proposals will make a real contribution to public service improvement and reform whilst offering excellent value for money. The changes can be achieved whilst maintaining the Public Services Ombudsman for Wales (PSOW) budget at no more than 0.03% of the Welsh Budget block.

2. Five Areas for Change

2.1 Own initiative investigations

- (a) Virtually without exception, public services ombudsmen throughout Europe, and indeed, internationally, have the power to undertake investigations on their own initiative. The Ombudsman in the Republic of Ireland already has such a power and it will shortly be introduced in Northern Ireland also. Outside of the UK, only five members of the Council of Europe have ombudsmen who do not have own initiative powers: Belgium, Luxembourg, Azerbaijan, Kyrgyzstan and Liechtenstein.
- (b) This is a power normally used sparingly to investigate where there is an obvious problem but no complaint has come forward or, more usually, to extend an investigation into a complaint to other bodies where it appears that the maladministration or service failure identified is likely to be systemic and affecting people other than the complainant.
- (c) The Ombudsman in the Republic of Ireland undertook five own initiative reviews between 2001 and 2010 on issues ranging from subventions in nursing home care, tax refunds to widows, refuse collection charges and the rights to nursing home care for elderly people.³
- (d) It would be important to frame any changes in such a way as to ensure that the power would be used only where appropriate and cases could be referred to regulators or commissioners where this was a more suitable alternative.
- (e) This power is likely to become more important as we see the impact of an ageing society with citizens in vulnerable positions either unable or afraid to complain.

³ A Paper Prepared by the Office of the Northern Ireland Ombudsman on a Power to Commence and Own Initiative Investigation

2.2 Access – oral complaints

- (a) The current legislation is generally helpful in providing access to the office. The Ombudsman's service is free of charge and the requirement for bodies in jurisdiction to tell people about their right to complain has ensured that people can access the office as they need to. There is a requirement that all complaints should be in writing. Whilst the Ombudsman has discretion to accept a complaint in another form if appropriate, this has to be considered on a case by case basis.
- (b) However, in view of the changing nature of electronic communication, and the considerable equalities issues about potentially excluding people who cannot write, including, for example, people with learning disabilities, there is a case to be made for modernising this area of the legislation so that it is explicit in the legislation that complaints may be made orally with the Ombudsman being obliged to justify to a body being investigated why he has decided to set aside the requirement for a complaint to be made in writing in individual cases. At UK level 94% of the population attain literacy level 1 or above, in Wales it is only 87%. Access for people who cannot write should not be discretionary. They should have the same access as any other service user in Wales. In England legislation has recently been reformed for the Local Government Ombudsman. There is a danger that in Wales we have a greater need but are lagging behind in this regard.

2.3 Complaint Standards Authority

- (a) In Wales, we have developed the model complaints policy to help to achieve consistency across public service providers. Take up has been patchy, but is improving. Adoption is voluntary, but strongly encouraged. In theory, with the recent changes to the social services statutory complaints procedure, all public services devolved to Wales should be operating a streamline two stage complaints procedure. However, the problem lies with enforcement. I am conscious of the arrangement in Scotland where a few years ago, the Scottish Ombudsman was given the role of Complaints Standards Authority. I know that the Scottish Ombudsman has found this arrangement to be particularly effective in enabling him to tackle problems in the standards of complaint handling within the bodies in his jurisdiction. I believe that there is a case for adopting such an approach in Wales so that any guidance I give to bodies on complaints handling has statutory force so that I can help support improvement in public sector complaints handling.

2.4 Extension and reform of jurisdiction- Healthcare

- (a) With an ever ageing society the integration of health and social care is an important part of public policy. Recently my jurisdiction was extended to include self-funded social care and hospice care; however I cannot investigate private healthcare, unless it was commissioned by the NHS.

- (b) Recently there was a case that I could not resolve where a patient had been treated by the NHS, then privately (self funded) and then again in the NHS. The patient sadly died. I was unable to investigate the private funded healthcare. Clearly there is a need to reform legislation where a patient chooses to be treated in both public and private sectors that the complaints process follows the citizen not the sector⁴. It has been recommended that the remit of the Parliamentary Health Service Ombudsman should be extended to cover the whole private healthcare sector.⁵
- (c) The inclusion of private sector providers raises issues around funding of complaints handling and also compliance. Whilst the investigation of private social care complaints is currently resourced from the public funding that I receive through the National Assembly, there might be a view that a different arrangement should be considered if private healthcare providers also came into jurisdiction.
- (d) Private sector ombudsman schemes are normally funded by the bodies in their jurisdiction. This is usually underpinned by statute. The funding mechanism may be an annual levy, or based on case by case charging, or often on a combination of both.
- (e) This has the dual function of ensuring that the cost does not fall to the public purse while also engaging the “polluter pays” principle, giving providers an incentive to avoid error and resolve complaints as a means of not incurring the costs. There is again a strong case for ensuring this is the case for any private provider in the office’s jurisdiction. This hybrid funding model is already in place at the New South Wales Ombudsman’s office, for example.⁶ However, as Lesley Griffiths noted as Local Government Minister: “The suggestion of a levy, for example, would be very challenging to put into practice”.⁷ The introduction of such a system is clearly a policy choice for the Committee.
- (f) Where the bodies in jurisdiction are public bodies, the existing powers of recommendation work well and there is no evident need for change. Thus far, no public service provider has refused to implement a recommendation. However, where private bodies are in jurisdiction, as is now the case with social care providers, the democratic process cannot be engaged in the same way and compliance may be harder to secure. Private sector ombudsman schemes normally have binding powers and it would be helpful to consider including this provision in respect of private providers only in the future.

⁴ With the Wales Act 2014 having received Royal Assent I am also aware that an amendment may be required to Schedule 3 of the PSOW (Wales) Act 2005 to give me jurisdiction to consider complaints against the new Welsh Revenue Authority

⁵ DoH Review of the Regulation of Cosmetic Interventions

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/192028/Review_of_the_Regulation_of_Cosmetic_Interventions.pdf

⁶ Ombudsman Legislation – time for a review? Peter Tyndall March 2013

⁷ Letter from Lesley Griffiths AM to Christine Chapman Chair of Communities, Equalities and Local Government Committee

- (g) There is also an anomaly in the existing legislation whereby individual family health service providers (e.g. GPs or dentists, rather than surgeries or practices) are in jurisdiction. This has the unfortunate effect of personalising complaints in this sector whereas elsewhere, it is the public service provider, rather than an individual, who is in jurisdiction. Any change would have the effect of my naming the relevant practice or surgery in any report rather than an individual practitioner. This may also be unfair if the practitioner responsible for any service failure has since moved from the particular practice or surgery. However, I already have the power to name any person (other than the listed authority being investigated) if, having taken into account the interests of person aggrieved in any complaint or any other person I think it is appropriate and I consider it is in the public interest to do so.

2.5 Links with the courts

- (a) The Law Commission identified a number of areas where changes to legislation would be desirable. There is currently a statutory bar which prevents the PSOW from considering a complaint where the case could be considered by the courts. However, there is discretion to set this requirement aside. The Law Commission take the view that this bar should be set aside entirely, so that complainants can choose which is the more appropriate route for them.
- (b) In addition, there is currently no provision to allow the PSOW to consider a complaint when a judge determines that it would be the better means of resolution. Changing the law to allow the Administrative Court to “stay” cases and to refer them to the Ombudsman would address this issue, but the Law Commission recommend that the discretion as to whether to investigate or not should remain with the Ombudsman as at present.
- (c) Finally, the Law Commission have suggested that the PSOW should be able to refer a case to the court for determination of a point of law. They suggest that this will enable the PSOW to seek clarity on a legal point which might otherwise hinder or prevent an investigation as well as seeking clarity where there is doubt as to whether a matter is in jurisdiction.
- (d) This latter point clearly impact on the English and Welsh court system and advice is sought as to whether this latter change could fall within the purview of an amended PSOW Act.

3. The Cost of Change

3.1 Own initiative investigations

- Two full time investigation officers £80k-£100k, including on-costs.

3.2 Access – oral complaints

- No cost.

3.3 **Complaint Standards Authority**

- Two full time investigation officers – £80k-£100k, including on-costs.

3.4 **Extension and reform of Jurisdiction- Healthcare**

- Dependent on public or private funding method – £0k-£40k-£50k provision (dependent on policy choice re levy).

3.5 **Links with the courts**

- £20k Referrals from/to courts.

3.6 **Total costs:** £180k- £270k per annum.

4. The Case for Change

4.1 In considering the case of change, I have been keen to focus on:

- the need to future-proof the legislation and organisation
- improving social justice and making sure that voices of complainants from more disadvantaged backgrounds are heard
- making sure the Ombudsman’s work is Citizen Centred, rather than constrained to individual sectors or silos.
- driving improvement in public services and in complaint handling
- affordability and value for money.

4.2 I believe the suggested changes address these priorities, and hope that they will enjoy broad support.

Nick Bennett
Public Services Ombudsman for Wales
January 2015

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Agenda Item 5

By virtue of paragraph(s) vi of Standing Order 17.42

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**Pwyllgor Cymunedau, Cydraddoldeb a
Llywodraeth Leol**

**Communities, Equality and Local Government
Committee**

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Bae Caerdydd / Cardiff Bay
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**Jocelyn Davies AM
Chair, Finance Committee**

17 December 2014

Dear Jocelyn

Public Services Ombudsman for Wales

As you will be aware, the Communities, Equality and Local Government Committee recently held an oral evidence session with the Public Services Ombudsman for Wales to discuss his annual report.

As part of that session, we discussed the forthcoming ten-year anniversary of the Public Services Ombudsman (Wales) Act 2005. We heard from the Ombudsman that, whilst the Act had been an effective piece of legislation, there were some areas that needed strengthening, most notably in relation to own-initiative powers, jurisdiction and access to the Ombudsman. We also discussed the links with the courts and the possibility of removing the current statutory bar which prevents the Ombudsman from considering a complaint where the case could be considered by the courts.

Having considered the matter, the Committee agrees that there is merit in reviewing the legislation, and believes that this work should be led by an Assembly committee. Unfortunately, our legislative workload over the coming year is such that it would be very difficult for us to devote the necessary time to this. I understand from informal discussions with you that the Finance Committee's forward work programme would be able to accommodate this work.

Croesewir gohebiaeth yn y Gymraeg a'r Saesneg / We welcome correspondence in both English and Welsh
Pwyllgor Cymunedau, Cydraddoldeb a Llywodraeth Leol / Communities, Equality and Local Government Committee
Gwasanaeth y Pwyllgorau / Committee Service
Ffôn / Tel : 0300 200 6338

Ebost / Email : CELG.Committee@assembly.wales

If your Committee agrees to take this forward, we would be happy to provide any assistance we can. I would be also grateful if you would keep us informed of your progress.

For information, we wrote to the then Minister for Local Government at the end of last year seeking her views on amending the legislation. A copy of her response is annexed to this letter. We draw your attention particularly to her comments about own-initiative powers for the Ombudsman, and agree that any change to the legislation in this area would need to be framed in such a way as to ensure that the role of the Ombudsman remains as a champion of individual service users and avoids any overlap with the work of the Auditor General for Wales in respect of whole-system reviews of public sector services.

I look forward to hearing from you.

Yours sincerely

A handwritten signature in black ink that reads "Christine Chapman". The signature is written in a cursive, flowing style.

Christine Chapman AC / AM

Cadeirydd / Chair

Cc. Mr Nick Bennett, Public Services Ombudsman for Wales

Lesley Griffiths AC / AM
Y Gweinidog Llywodraeth Leol a Busnes y Llywodraeth
Minister for Local Government and Government Business



Llywodraeth Cymru
Welsh Government

Christine Chapman AM
Chair of Communities, Equalities and Local Government Committee

R February 2014

Dear Christine

Public Services Ombudsman for Wales

Thank you for your letter of 12 December following the meeting your Committee had with the outgoing Public Services Ombudsman to discuss his Annual Report. You sought the views of the Welsh Government on some of the points he put to you and we are grateful to the Committee for giving us the opportunity to respond. However, I must apologise for the delay in responding.

The Welsh Government regards the role of the Public Services Ombudsman as a vital one in the overall context of providing high quality public services to the people of Wales. It is also necessary as a recourse for individuals who have not received the treatment they have a right to expect. The Permanent Secretary takes very seriously indeed, any issues raised with him by the Ombudsman and maintains regular channels of communication to ensure we are responding quickly and appropriately. As we move into consideration of the report on Public Service Governance and Delivery, any future changes to the configuration or delivery of public services which may emerge from its consideration, it is even more vital the Ombudsman is on hand to provide their services for the citizen.

Therefore, we continue to believe the core role of the Ombudsman, as currently constituted, is hugely important to Wales. Whatever decisions may be taken to expand the role in the future, they should not distract from the basic role of acting as a means of appeal and redress for citizens where they feel a public service provider has let them down. Our primary concern is for the Ombudsman to continue to focus on delivering this function.

Of course, as a public body which is itself subject to the scrutiny of the Ombudsman, as with the Auditor General for Wales, we do recognise these are matters which the Assembly itself will decide upon, if and when, there are to be changes and I wish our comments to be viewed in this light.

We have studied carefully the transcript of the evidence given to you by the outgoing Public Services Ombudsman, where he sets out the arguments to support the points which he put to you. We do recognise Peter Tyndall makes a number of strong points which deserve proper consideration. However, neither the Welsh Government nor, I am sure, the Committee, would wish to rush into an expansion of the role of the Ombudsman without further and more widespread debate and consideration, not least with the new permanent Ombudsman when they are appointed. I hope, therefore, the Committee will recognise these are initial views only and the start of a dialogue which you will wish to have with the new Ombudsman.

Own-Initiative Powers

We recognise circumstances in which this approach may have merit. We can understand the frustration the previous Ombudsman felt, on occasion, when he was aware of a pattern of cases emerging and he was not in a position to look at the pattern on behalf of the wider public service. On the other hand, we are also conscious there may be a risk here of "mission-creep" on the Ombudsman's part and a move from championing the service users towards providing whole-system critiques of sectors is something which is more properly the role of the Auditor General for Wales. Ultimately, it would come down to the personal approach of the Ombudsman and how they decided to use these powers if they were available. So should this issue be pursued, we feel it should be carefully circumscribed and only available in specific and exceptional circumstances.

Jurisdiction of the Ombudsman

We would certainly agree with the principle where those using public services, even where they are delivered by a private sector supplier, should still have the same level of redress where possible. In practice it is more difficult to deliver this. The suggestion of a levy, for example, would be very challenging to put into practice. We would certainly support an awareness-raising campaign to remind individuals of their rights of complaint to the Ombudsman in the context of the delivery of health-related services.

Statutory Bars

At present, we believe it would be sensible to maintain the provision which presumes against the Ombudsman investigating cases where the complainant could have recourse to the courts, although we recognise allowing individuals the right, in effect, to choose which course of action to pursue, could introduce an element of uncertainty as to the most appropriate way forward.

I have commissioned a review of audit, inspection and regulation to look at how these issues link up in more detail. I will ask for this point to be considered further as part of those deliberations.

Binding Remedies

We certainly would not wish to see service-users disadvantaged because a private sector supplier refuses to comply with the recommendation of the Ombudsman. However, before supporting binding remedies as the solution, we believe there should be better scoping of how many cases this might, in fact, encompass and the extent to which other alternative solutions would not provide the answer, for example, making greater use of recourse to existing professional associations who often do have the power to compel their members to make reparation.

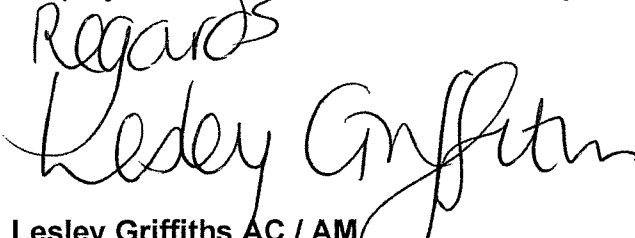
Complaint Handling, particularly within the Health Service

Changes in the levels of complaints in a service area can sometimes come from a number of reasons. However, we do recognise the increased level of complaints within the health service and recognise more needs to be done by health service managers to ensure complainants are treated with appropriate seriousness and complaints resolved promptly and thoroughly. The Minister for Health and Social Services has recently announced his intention to commission a review of Handling of Concerns in the NHS in Wales to address this issue.

Oversight of Complaints

We do agree with the Ombudsman there is more value to be gained from better analysis at an all-Wales level of complaints made in the different sectors of Wales, including the opportunity to make better comparison between public bodies. However, we should not under-estimate the difficulties involved in assimilating reliable data which can properly be used for such purposes. If the Ombudsman were to pursue this exercise, we would certainly support the work, subject to reassurances about the additional burden of data collection and verification, which might be added to the public service in Wales.

I hope your Committee will find these responses helpful in its overall deliberations

Regards


Lesley Griffiths AC / AM

Y Gweinidog Llywodraeth Leol a Busnes y Llywodraeth
Minister for Local Government and Government Business

Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance and Government Business



Llywodraeth Cymru
Welsh Government

Ein Cyf / Our ref: SF/JH/4161/14

Jocelyn Davies AM
Chair of the Finance Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

18 December 2014

Dear Jocelyn,

I was asked to respond to the second recommendation of the Finance Committee arising from their consideration of the estimates of the Public Service Ombudsman. The Committee has recommended that the Ombudsman should work with the Welsh Government to prepare a clear plan and timetable for amending the Public Services Ombudsman (Wales) Act 2005. I am writing with regard to the Finance Committee recommendation 2 in regard to the above estimates your committee considered in November 2014.

Similar issues were raised by the outgoing Public Services Ombudsman for Wales in January 2014 this year and the then Minister, Lesley Griffiths AM, wrote to Christine Chapman AM, Chair of the Communities, Equality and Local Government Committee with the views of the Welsh Government and our view remains the same.

The Welsh Government values the work of the Ombudsman very highly indeed and we seek to support him in every way in which we can. However, the Welsh Government is also a public body subject to the scrutiny of the Ombudsman itself. We feel, therefore, that it would be more appropriate for the Assembly itself to enter into a dialogue with the Ombudsman and to pursue any legislative actions which might result from that dialogue – it is, after all, the Assembly Commission who are responsible for the appointment of the Ombudsman, rather than the Welsh Government. We will, of course, have views of our own to be fed into the consideration – not least in the context of taking forward public service reform - but those views should be considered alongside those of other bodies which are subject to the Ombudsman. Of course, we also have to recognise that the legislative programme for the Assembly is already very busy, but were this to find space in the busy legislative agenda, we will of course engage fully with any proposals to enhance the core role of the Ombudsman

I hope that your Committee will find these responses helpful in its overall deliberations.

Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance and Government Business

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff

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Wedi'i argraffu ar bapur wedi'i ailgylchu (100%)

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Agenda Item 6

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Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance & Government Business



Llywodraeth Cymru
Welsh Government

Jocelyn Davies AM
Chair of Finance Committee

18 December 2014

Dear Jocelyn,

At the Finance Committee on 10th December I was asked to provide information on how I engage and use academic experts to generate economic data.

Under the Code of Practice for Official Statistics, statisticians engage with a wide range of users across the academic, public and private sector to inform decisions on statistical priorities. This ranges from formal consultation exercises, user engagement events to more informal dialogue as required. In terms of economic data this has included major consultations in 2009 and 2012, together with a user event in 2011, as well as the general consultation on proposals for official statistics earlier in 2014.

The Chief Economist engages frequently with a variety of academic experts, both within Wales and beyond, in the context of procuring economic research and disseminating findings.

I recognise the importance of engaging further over the next few months and years with academic experts, and experts from other sectors, as we obtain new financial powers. To this end, I have established a Tax Advisory Group which includes a senior research economist from the Institute for Fiscal Studies, along with representatives from the accountancy and legal professions.

Best wishes,
Jane

Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance & Government Business

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Agenda Item 9

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Agenda Item 10

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Pwyllgor Cyllid
Finance Committee
Bae Caerdydd / Cardiff Bay
Caerdydd / Cardiff CF99 1NA



Carl Sargeant
Minster for Natural Resources
Welsh Government

xx January 2015

Dear Carl,

Thank you for attending the Finance Committee regarding the financial implications of the Planning (Wales) Bill on 26 November 2014 and thank you for the correspondence outlining some inconsistencies in the Explanatory Memorandum (EM) and the RIA. The Committee notes that you intend to make these changes at the end of stage two.

Given the information contained within the Bill, the Committee is unable to draw any firm conclusions or recommendations on the costs and savings of this legislation. We do believe that the financial information in the Bill is the best guesstimate for the costs given the information available at the moment. Furthermore, we believe that whilst the projections for savings are not necessarily that robust, we welcome the intent of the legislation to remove delays from the system and the potential for significant savings to be made through the legislation.

The Committee noted that many of the costs will not be finalised until the necessary Secondary Legislation has been made. To this end, we will be recommending to the successor Finance Committee that it revisits the financial implications of this Bill in approximately five years to consider whether the costs and savings were realistic.

We have written to the Environment and Sustainability Committee outlining the Committee's finding to inform their scrutiny of the Bill through the Assembly.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Jocelyn Davies'.

*Jocelyn Davies AM
Committee Chair*