

Our ref: NB/CV/mm

Ask for: Nick Bennett

Your ref:



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Llyr Gruffydd AM
Chair of the Finance Committee
Welsh Parliament

By Email Only
SeneddFinance@senedd.wales

Dear Llyr

Financial impact of Covid-19

Thank you for your letter of 4 June about the financial impact of Covid-19. I am pleased to respond to your enquiries and will take the opportunity to give a brief update on our interactions with public bodies and our work on complaints.

Whilst our office is closed, we are continuing to provide a service to the public and all our staff (73 staff or 68 Full Time Equivalents) are working successfully at home. Investment in IT over the last few years, together with a move towards paperless working, has certainly facilitated the switch, at short notice, to all staff working at home. Our office direct line telephones are diverted to staff home or mobile numbers whilst they are working, and our frontline telephone lines are routed to an answerphone but staff will return the call promptly. (This is not ideal, but when we are in the office we use call-centre telephony technology to route calls intelligently to an available Casework Officer, ensuring staff have a chance to resolve enquiries and complaints as well as answer calls. We are looking at investment in our telephony systems to overcome this issue.) We have put temporary arrangements in place to receive and send out hard copy post, and are responding to emails and on-line complaints as normal.

We are now progressing complaints and investigations where we can, but we are first asking health boards, GPs and local authorities if they are able to engage with our enquiries and investigations. We have also kept in touch with local authorities and health boards at a more general level, so we understand the impact on them of the pressures they face. We have also been in touch with BMA Cymru Wales to communicate our approach to GPs and our intention not to add further pressure during these times.

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In terms of casework, it would be premature to draw conclusions from complaints data for April and May, but unsurprisingly the number of complaints reaching us is down. Numbers for the early part of June suggest that numbers are increasing now. What is not clear is whether the reduction in new complaints is the result of delays in public bodies completing that stage of the complaints process, or complainants delaying submission of complaints in the light of the pandemic, or a real reduction in maladministration and complaints. At the moment we expect that the reduction is largely a temporary delay, but that there will be some reduction in general complaints. What is unclear, however, is whether there will be a significant number of complaints related to Covid-19 – for example around care homes, GP and hospital care and hospital discharges. It will be some time before any of this becomes clear, but we will keep you and the Finance Committee informed.

Whilst it is absolutely right that we should take account of the pressures faced by public bodies, and that we should avoid putting additional pressures on at a time they cannot respond, we are experiencing delays in our casework as a result – whether in making enquiries and receiving responses, commencing or progressing investigations or issuing draft or final reports. These will affect our reported performance as shown in our Key Performance Indicators.

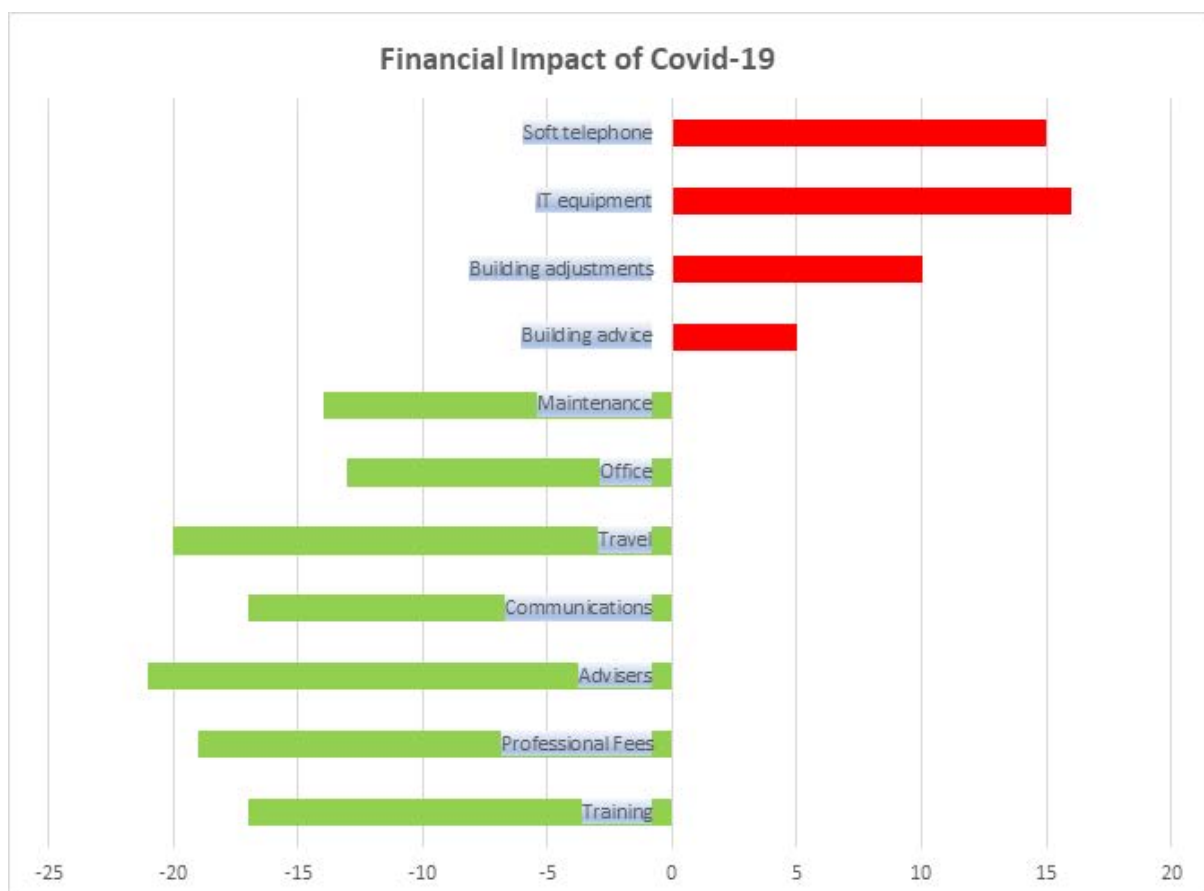
Covid-19 has, of course, also affected our ability to use the new powers provided under the Public Services Ombudsman (Wales) Act 2019. We published our first Own Initiative investigation consultation just before lockdown, and we have had to put that on hold. We had arranged a substantial number of complaints-handling training courses for public bodies from March onwards, and this has all been cancelled. We are working to provide live training online, and will extend this if it works well. Complainants may still make oral complaints but we are conscious that our limited frontline telephone service may reduce the number of people using this option.

Turning to your question about additional costs and savings resulting from Covid-19, we are making savings on energy use, paper use, travel and training. We are also making savings on clinical advice on casework, as we are finding it harder to secure advisers and receive advice in a timely way, as a result of the pressure on health services and illness affecting our advisers. These savings are partially offset by increased IT expenditure. As it became clear that working at home, for at least some of the time, will be necessary for some time to come, we are moving from basic access to equipment and arrangements that are efficient and comfortable so staff remain able to work effectively and productively. This has meant providing PCs, monitors, keyboards, mice etc. and providing second monitors for those who wish to have them. As indicated above, we are looking to upgrade our telephony to allow calls to our mainline telephone number to be routed in turn to staff working at home and to allow outgoing calls to be made through PSOW systems (allowing call logging and call recording) rather than from personal home/mobile numbers.

We are also preparing the office for the practicalities of returning to work when the time is right with social distancing, hand sanitiser, signage etc. and we are undertaking risk assessments to determine what other measures will be necessary.

There are considerable uncertainties. Some of these relate to Covid-19 and when some sort of return to the office may be possible. Others are unrelated to Covid-19: Our staff pay award is that agreed for local government staff, and the pay award for April 2020 has not yet been agreed. The Trade Unions have rejected 2.75% but we allowed for only 2% in our budget; As you may recall, our rent is due for review this year, and we do not know what the outcome of that review will be. We are conscious that we negotiated a very competitive rent (and a real reduction in rent) five years ago, that market rents have increased over the last five years but also that Covid-19 is likely to have some effect on office rents.

As things stand currently, we are projecting an underspend of around £75k for the year. There are many uncertainties and we are only two months into the year, so this figure should be treated with some caution. The chart below provides a graphical representation of areas of additional expenditure (in red) and reduced expenditure (in green).



I hope this response is helpful. I would, of course, be happy to explain anything that is unclear, and to keep you informed as the year progresses. I will be happy to provide an update during your scrutiny of our estimates submission for 2021/22.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Nick Bennett', with a stylized flourish at the end.

Nick Bennett
Ombudsman