

Nick Bennett
Public Services Ombudsman for Wales
Via email

25 October 2018

Dear Nick

Public Services Ombudsman for Wales Estimates 2019–20

Thank you for your letter of 24 October 2018, responding to the Finance Committee's request for modifications to your 2019–20 Estimate.

Costs in relation to the Public Services Ombudsman (Wales) Bill

The Committee accepts that the timetable for the Bill will impact on your estimation of costs in the first year. However, given the Committee's dual role in taking forward the Bill and considering your Estimate, it is imperative that these costs are included for transparency and completeness. Therefore, we expect the Estimate to be clear about the maximum level of funding that may be required in 2019–20 via a supplementary budget.

An increase of 3.8% in resources sought for 2019–20

The Committee notes your comments regarding the calculation of the expected increase in the Welsh Block and your view that the Assembly Commission's estimate for Welsh Block growth is 'based on a flawed methodology'.

Nevertheless, the Committee firmly believes that, given the increasing public sector funding squeeze, directly funded bodies should not automatically expect to secure increases year on year.

Whilst acknowledging the impact on your planned improvement and investigation activity, the Committee has taken a decision to limit increases in the funding of directly funded bodies to 1.67% in 2019–20. We will be undertaking further work



on the appropriateness of linking budgets to increases in the Welsh Block going forward.

I would be grateful if you could submit a revised 2019–20 Estimate incorporating these changes by Friday 2 November.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Llyr', is centered within a light yellow rectangular box.

Llyr Gruffydd AM

Chair of the Finance Committee

