

**SCOTTISH
PUBLIC
SERVICES
OMBUDSMAN**



People Centred | Improvement Focused

Annual Report and Financial Statements

2022-23



Contents

PERFORMANCE: OVERVIEW 5

The year in numbers. 6

Ombudsman’s introduction 8

SPSO role and function 11

Our vision, values and strategic aims. 13

Strategic aims 14

Risk. 19

PERFORMANCE: ANALYSIS 20

First contact 22

Public service complaints overview 24

Public service complaints assessment. 31

Public service complaints investigation 36

Scottish Welfare Fund 39

Independent National Whistleblowing Officer. 47

Complaints standards 52

Learning from complaints 56

Stakeholder engagement 66

Customer service 70

Accessibility 76

Managing the organisation, openness and transparency 78

Managing the organisation: our team 82

Managing the organisation: governance. 87

Looking forward 99

ACCOUNTABILITY REPORT & FINANCIAL STATEMENTS 101

Corporate governance report 102

Remuneration and staff report 109

Independent auditor’s report to the Scottish Public Services Ombudsman, the Auditor General for Scotland and the Scottish Parliament. 120

Financial statements 125

Notes to the Financial Statements 129

Direction by the Scottish Ministers. 140

PERFORMANCE: OVERVIEW

In this section of our report we explain who we are and what we do, highlighting key themes, achievements and risks.

The year in numbers

Offered advice to **4,776** callers
First contact: **page 22**



Received **3,527** complaints
Public service complaints overview: **page 26**



Cut our waiting time to allocation by **50%**
Public service complaints overview: **page 26**

50%



Closed **3,637** complaints after detailed initial consideration, **192** after investigation
Public service complaints overview: **page 28**



Received **1,494** SWF enquiries
Scottish Welfare Fund: **page 39**



Closed **1,142** SWF reviews
Scottish Welfare Fund: **page 40**



Upheld **66%** of investigations
Public service complaints investigation: **page 37**

66%



Received **125** INWO cases
Independent National Whistleblowing Officer: [page 47](#)



Delivered training to **305** frontline complaints handlers
Stakeholder engagement: [page 68-69](#)



Our Standards team responded to **294** requests for advice or support
Complaints Standards: [page 53](#)



Received **111** FOIs and **106** DSARS
Managing the organisation: openness and transparency: [page 79](#)



95% of staff survey questions scored above **70%** positive
Managing the organisation: our team: [page 85](#)



Were reaccredited for Investors in People Gold status
Managing the organisation: our team: [page 84](#)



Made **350** recommendations, **52%** relating to learning and improvement
Learning from complaints: [page 59](#)



Reduced our carbon footprint by more than **20%** since 2015-16



Managing the organisation: governance: [page 93](#)

Ombudsman's introduction

Welcome to the SPSO's 2022-23 Annual Report Performance report; and what a year it has been for all of us. We started the year with 677 cases awaiting allocation, some of which were taking up to 11 months to pass to a complaints reviewer. That was not the only impact of the pandemic. Our Scottish Welfare Fund Reviewers had high caseloads because of the introduction of the Self-Isolation Support Grant, and the age profile of our open caseload was worryingly old.

Compare that to the end of the year. We had just had notification that we had achieved IIP Gold standard reaccreditation, unallocated cases had fallen to 298 and the waiting time for allocation had been reduced to five months (it has continued to fall). This was not all we did to address backlogs, we had also been allocating priority cases (which were not held in the unallocated cases pool), maintaining a steady reduction in the age of open cases, and had recovered our pre-pandemic performance in the handling of SWF review applications.

The year was not just about reducing backlogs, it was also very much about developing our services for the future. Here's a flavour of what we did

- we embedded and developed the **Independent National Whistleblowing Officer for the NHS function (INWO)**. This included a range of activities from providing an advice and support service, investigating complaints about how NHS providers handled concerns, promoting the Whistleblowing

Standards to raise awareness and engaging with a variety of stakeholders

- we **launched a project to develop child friendly complaints processes**, carrying out research, stakeholder engagement and adopting a codesign approach which saw us engage with children and young people of different ages and backgrounds to hear what good complaints handling means to them
- we **developed a stakeholder communication and engagement strategy** to help us target our resources where we can add the most value and have the greatest impact on driving up good complaint handling standards. Engagement also gives us the opportunity to listen and learn. Our engagement included contributing to the Sharing Intelligence for Health and Care Group, membership of the UK Administrative Justice Council, attending practitioner network meetings and sharing good practice and experience with other Ombudsman schemes

- we **responded to many consultations** for example contributing to the review of the Scottish Government's SWF Guidance, the National Care Service Bill consultation, the Human Rights Bill consultation
- we **revised the training we offer in good complaints handling and investigation skills**, and now offer regular bookable training, delivered online. This also supports our work with public bodies under our support and intervention policy to drive good complaints handling
- we have been trialling new ways of working, to inform us what changes we can make to improve our work experience, the standard of service we provide and ensure we achieve a good work/ life balance
- we are constantly reflecting on our own processes and have introduced changes to the way we work. We are more up-front about what we can achieve for people within our powers. We are also drawing on the positive impact of model complaints handling by being transparent with complainants where we can see the



The year was not just about reducing backlogs, it was also very much about developing our services for the future.

organisation has already carried out a reasonable investigation, identified learning and taken the sort of action we would have asked for. Pursuing a complaint can be stressful and if we cannot achieve more for complainants, we tell them that at the outset

- we have **developed many aspects of our internal support services**, such as IT, data management, cyber security strategy and governance. The excellent outcomes from internal audit are a testament to the effectiveness of this activity

We are starting 2023-24 positively and with optimism. We recognise we still have much to do and will be focusing on

- continuing to reduce the time taken to allocate and investigate complaints
- building on our stakeholder engagement to drive up complaint handling standards and improve the complaint journey for complainants
- developing people-centred and rights-based complaint handling, that focuses on outcomes and resolution
- developing ourselves to equip us with the skills to both deliver and develop our service
- improving accessibility to justice through complaints, especially for people who do not currently access our services

We recognise that there are significant risks facing us, particularly in relation to resources and complaint volumes, and cyber security. We also recognise that our operating environment is going through constant change, and we need to be agile in our approach to meet the challenges.

My final word is for my team, my excellent managers and dedicated committed colleagues who keep going, and actively work with each other to try to make the world a better place. Thank you.



Rosemary Agnew
Scottish Public Services
Ombudsman

**We are starting
2023-24
positively and
with optimism.**

SPSO role and function

The Scottish Public Services Ombudsman has a wide remit covering a variety of functions and services. The Ombudsman's powers and duties come from the Scottish Public Services Ombudsman Act 2002, which gives her four distinct statutory functions

1. the final stage for complaints about most devolved public services in Scotland including councils, the health service, prisons, water and sewerage providers, Scottish Government, universities and colleges
2. specific powers and responsibilities to publish complaints handling procedures, and monitor and support best practice in complaints handling
3. independent review service for the Scottish Welfare Fund with the power to overturn and substitute decisions made by councils on Community Care and Crisis Grant applications
4. Independent National Whistleblowing Officer for the NHS in Scotland (INWO); the final stage for complaints about how the NHS considers whistleblowing concerns and the treatment of individuals concerned.

We now handle four different types of cases

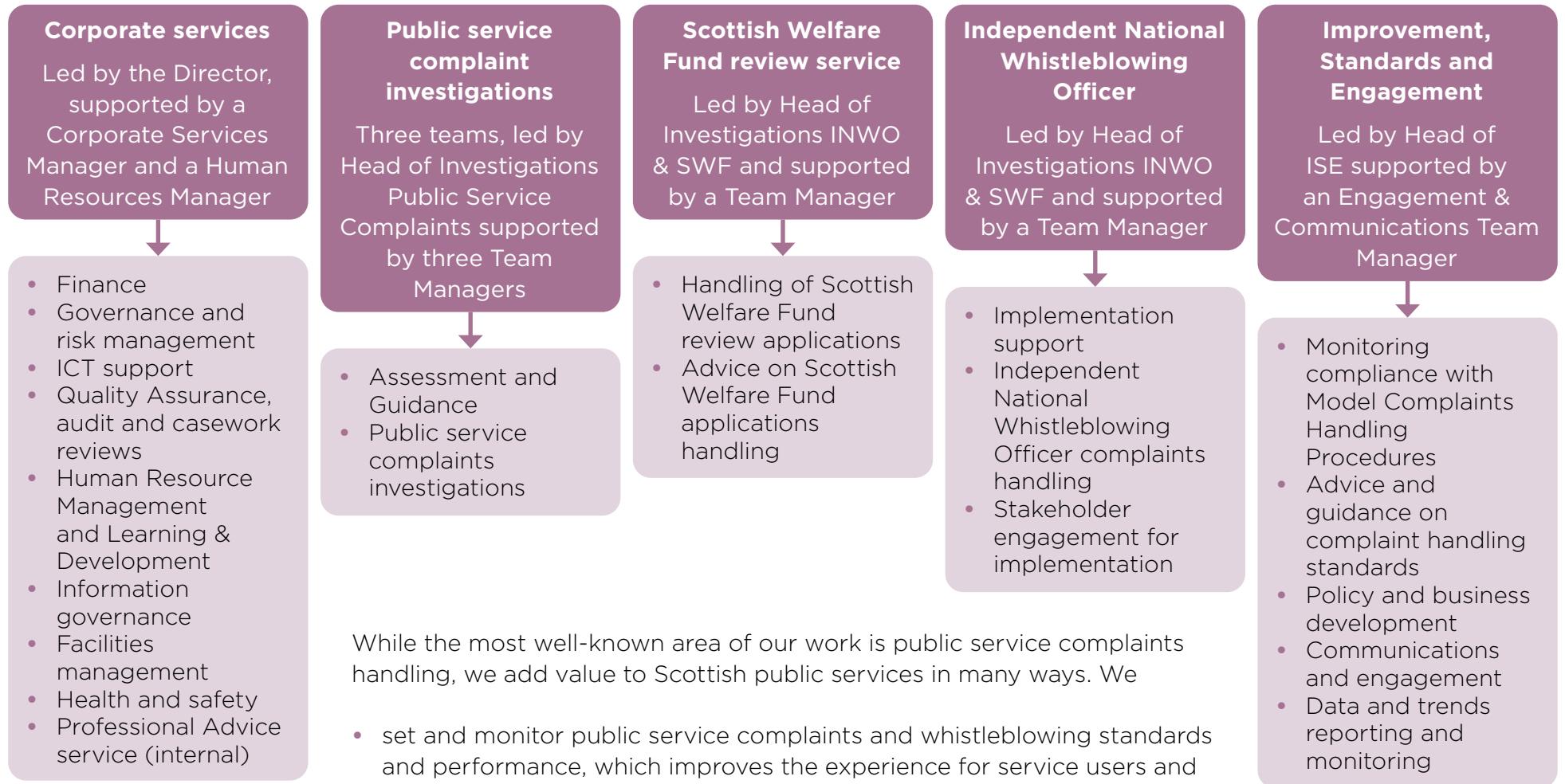
1. **PSCs, complaints about Scottish public service**
2. **INWO, complaints about how the NHS handles whistleblowing concerns**
3. **SWF applications for a review of local authority decisions**
4. **CSC, customer service complaints about our own services**

Who does what?

Leadership responsibility

- The Ombudsman has overall responsibility for the organisation, case decisions, actions under complaints handling powers, and is the accountable officer
- Our leadership team consists of the Ombudsman, Director and Head of Improvement, Standards and Engagement. They set the strategic direction of the organisation, and are responsible for governance, considering and approving policies and performance against strategic aims and objectives

Operational delivery by function



While the most well-known area of our work is public service complaints handling, we add value to Scottish public services in many ways. We

- set and monitor public service complaints and whistleblowing standards and performance, which improves the experience for service users and promotes positive stakeholder relationships
- help people in crisis and need
- promote the importance of local resolution, consistency of decision-making and the value of good complaint handling
- encourage learning for improvement to enable more efficient delivery of Scottish public services long-term.

Our vision, values and strategic aims

Vision

We contribute actively and positively to high performing Scottish public services. Recognised for our innovative world-leading approach, we put people and learning at the heart of all we do.

Values

We are committed to living our values to deliver our functions efficiently, effectively and economically. While our remit is wide, and expanding, we aspire to deliver our business coherently and consistently across all functions. We strive to continue to give great service to all who come to us; whether to make a complaint about a public body, seek our advice and support, ask for a review of a Scottish Welfare Fund decision or complain about how the NHS has handled a whistleblowing concern.



Strategic aims

We live our values through four strategic themes that drive our activity and annual business plans. Our **Strategic Plan 2020-2024** defines our strategic themes and objectives as, Accessibility, Access to justice, Capacity and Standards.

We continue to make steady progress against our strategic aims, as the examples below illustrate. The continued impact of lockdown and the pandemic on us, and our stakeholders, meant we did not deliver every item to plan, particularly in relation to stakeholder engagement and capacity building.

Key

✓ = positive

— = neutral

✗ = negative



Accessibility

Everybody who uses Scottish public services can access them without barriers, when they need them, in the way they need to. People are always treated with dignity, respect and kindness.

Strategic aim	Progress
<ul style="list-style-type: none"> We will develop and monitor the Model Complaints Handling Procedures and Model National Whistleblowing Standards, to ensure accessibility is integral to public bodies' complaints handling 	<ul style="list-style-type: none"> ✓ We continued to advise and support public bodies through our support and intervention policy and development of updated training ✓ We produced additional resources and guidance for public bodies struggling to maintain their complaints handling service as they emerged from the pandemic ✓ We reported outcomes and findings of casework regularly, through a variety of media ✓ We continued to support the NHS in the implementation of whistleblowing standards
<ul style="list-style-type: none"> We will make our own services as accessible as they can be 	<ul style="list-style-type: none"> ✓ We improved our online complaint form ✓ We made improvements to our phone services, for example introducing more flexible opening times
<ul style="list-style-type: none"> We will push for legislative change to enable us to make our services and those of other Scottish public bodies accessible 	<ul style="list-style-type: none"> ✗ The pressure on resources and the impact on parliamentary business meant we did not publish a standalone report calling for a review and extension to our powers (in particular the ability to take complaints in any format and to conduct investigations under our own initiative without the need for a complaint) as planned. We have not stood still on this matter, however, and are developing alternative approaches to achieving change and update on individual elements through consultation on other legislation. For example we are pursuing own-initiative powers¹ through the Human Rights Bill. ✓ We contributed to a range of consultations, for example relating to Human Rights, the National Care Service, and Consumer Scotland.
<ul style="list-style-type: none"> We will continue to develop relationships with our stakeholders to both learn from and to contribute to fair, accessible Scottish public services 	<ul style="list-style-type: none"> ✓ We developed an engagement and communication strategy to enable us to prioritise and focus engagement ✓ We continued to work with sector networks ✓ We ran our first ever Speak Up Week for INWO, promoting the importance of speaking-up confidently in a safe environment

¹ Own Initiative powers would empower us to investigate a matter in the public interest, even if we don't receive a complaint about it.

Access to justice

People have, and understand how to, access gateways to justice if things go wrong with public services. They receive proper explanations and fair redress, in a way that they feel listened to and supported.

Strategic aim	Progress
<ul style="list-style-type: none"> We will deliver our statutory functions in line with legislative requirements and our published customer service standards and performance targets 	<ul style="list-style-type: none"> ✓ We maintained our full range of services ✓ We reduced our pool of unallocated cases and the time taken to allocate them significantly ✗ We did not meet all of our performance targets for public service complaints and SWF review service ✓ We embedded the INWO function
<ul style="list-style-type: none"> We will contribute to the development of the wider access to justice environment through engagement with relevant groups and stakeholders such as the UK Access to Justice Council, the Open Government Partnership, and other commissioners and ombudsman services 	<ul style="list-style-type: none"> ✓ We are active members of the Access to Justice Council ✓ We are active members of the Ombudsman Association (the Ombudsman is a Board Director) ✓ We had regular stakeholder contact with other Ombudsman services and groups, to identify and share learning and good practice

Capacity

SPSO and Scottish public services have the capacity to deliver their functions effectively and fairly. They are adequately resourced, and have the necessary enabling infrastructure and well-trained staff who are supported to deliver the service.

Strategic aim	Progress
<ul style="list-style-type: none"> We will continue to push for adequate funding for our functions and seek to develop a more sustainable funding model, recognising the annual budget process but challenging, where appropriate, how it is applied 	<ul style="list-style-type: none"> ✓ We continued to liaise with Scottish Parliamentary Corporate Body about funding. As a result, we were able to access funding for additional temporary staff to work on reducing our unallocated cases
<ul style="list-style-type: none"> We will assess and mitigate the impact of the COVID-19 pandemic on our capacity and that of public bodies and other stakeholders to deliver an effective service which meets published standards 	<ul style="list-style-type: none"> ✓ We actively monitored the impact of the pandemic through performance and governance systems ✓ We continued to develop our IT platform to improve security, access and online collaboration
<ul style="list-style-type: none"> We will be acknowledged for having well-trained, properly supported people, who have the tools they need to deliver our services 	<ul style="list-style-type: none"> ✓ We maintained our IIP Gold status, showing improvements in some areas ✓ We provided a range of training and development activities for staff, and introduced the new SPSO Learning Hub ✓ We continued to deliver training for our managers to equip them to support their teams and drive performance improvement
<ul style="list-style-type: none"> We will build or maintain our capacity, financial, human and infrastructure, to implement and deliver our statutory functions 	<ul style="list-style-type: none"> ✓ We continued to develop and deliver a range of wellbeing support resources ✓ We train our staff in how to handle difficult situations and provide them with resources to support effective communication ✓ We implemented and continue to develop use of online collaborative tools and platforms
<ul style="list-style-type: none"> We will review and develop the support, guidance and training we offer to public bodies, complainants and whistleblowers to enable them to develop their own capacity, in particular the NHS in developing its capacity in respect of whistleblowing 	<ul style="list-style-type: none"> ✓ We developed, and delivered web-based complaint handling training, changing our deliver approach and timing. This enabled clearer access for public bodies and us to make the service more efficient ✓ We delivered online training modules on the INWO standards and engaged with a range of stakeholders to raise awareness of the standards ✓ We continued to support the NHS in the implementation of the Whistleblowing Standards from 1 April 2021

Standards

Public services are delivered to the standard required and expected. They are supported and enabled by robust governance structures that ensure that public bodies comply with legislation and standards, and learn from experience; theirs and others, good and poor.

Strategic aim	Progress
<ul style="list-style-type: none"> We will monitor Scottish public bodies' complaint handling, Scottish Welfare Fund applications and whistleblowing handling, holding them to account for poor performance and giving credit for good performance 	<ul style="list-style-type: none"> ✓ We continued to communicate with the Scottish Government about changes to SWF guidance, particularly in relation to Self-Isolation Support Grants ✓ We maintained our approach of identifying and raising learning for public bodies through recommendations, feedback and our Support and Intervention Policy ✓ We communicated directly with Scottish public bodies about their continuing duties to respond to complaints, and provided support and guidance
<ul style="list-style-type: none"> We will develop our capacity to gather and share information to enable us to make informed and beneficial interventions when complaint, whistleblowing and SWF services fall below accepted standards 	<ul style="list-style-type: none"> ✓ We continued to develop our intelligence gathering from casework across all our functions, supported by the launch of a data strategy ✓ We are members of the Sharing Intelligence for Health and Care group ✓ We commenced a review of our communities of practice and continued to share learning and experience internally them
<ul style="list-style-type: none"> We will review the Model Complaints Handling Procedures and National Whistleblowing Standards, to ensure they remain fit for purpose 	<ul style="list-style-type: none"> ✓ We contributed to early discussions with a variety of stakeholders about complaints from prisoners, and changes and improvements needed. This continues into next year
<ul style="list-style-type: none"> We will contribute to the development and/ or review of other standards and guidance to ensure they deliver services to the standards required 	<ul style="list-style-type: none"> ✓ We contributed to a range of public consultations ✓ We continued to monitor and report against our own customer service standards. In particular we addressed unallocated cases and older cases, so by the end of the year we had reduced delays significantly ✓ We launched a project to develop child friendly complaints approaches, taking a codesign approach, in support of incorporation of the UNCRC in Scotland

Business plan

There is a direct link between every part of our business plan and our strategic themes and aims. Of the 300 items in our business plan, we met or exceeded our objectives in 214 of them. Some items were carried forward; some were discontinued because they were not of high enough priority; and some were completed but failed to meet performance targets (recorded as slippage or missed). Further detail about our performance against our business plan is available on [our website](#).



Risk

The **governance section** of the performance report, and the **accountability report** contain more detailed information about risk.

The two most significant areas of risk for the SPSO are

1. having sufficient resources to carry out our statutory functions to an acceptable quality standard and within target timescales
2. the increasing threat to cyber security

We already maintain a strong risk management approach that considers risk at strategic and operation levels, and is embedded into decision-making processes. Given the changing and flexible nature of our operating environment, we will be reviewing our approach to ensure that we continue to identify challenges, put in place mitigating actions and hold ourselves properly to account for the ownership and management of risk (these are discussed further in the governance section).

PERFORMANCE: ANALYSIS

In this section of our report we explain our performance in more detail, setting out achievement against key performance indicators for each of our functional areas.

Please note that some numbers and percentages in this report are rounded. Therefore, totals may not always equal 100%.

Quarterly figures are provided in some sections to illustrate the figures across the year and to enable broad comparisons with previous years. These figures are taken from management information gathered at the end of each quarter. They represent a snapshot at the time, and therefore will not necessarily add up to the overall annual figure, as annual statistics are gathered and quality assured based on the position at the year-end.

For example, a case may be opened in one quarter, closed as a premature complaint in another quarter and subsequently reopened again. This case would appear as an open case in the annual statistics, but would have been identified as a closed case in the relevant quarter where that activity happened.



First contact

4,776

**callers (up 64%
from last year)**

71%

**of complaints
made online**

Our Assessment and Guidance team are the first point of contact for our public service complaints service users. They handle enquiries and complaints received through



Our freephone advice line



Email and online complaint forms



Post

We are uniquely placed to learn from customers' experiences of navigating complaint processes. We recognise how crucial it is that our customer service accommodates diverse needs and preferences. Throughout 2022-23, we completed a number of improvement activities that have had a positive impact on our first contact service and the efficiency of our team.

Contact by post

Whilst a large number of customers contact us online, we are mindful that some can be uncomfortable with or may not have access to technology and prefer to use a paper complaint form.

In response to this, we redesigned our paper complaint form so that it now includes a self-assessment checklist cover page. This allows complainants to establish if their complaint is ready for our office and encourages them to provide relevant supporting correspondence at the earliest opportunity. The checklist also signposts to advocacy agencies should a member of the public require assistance with their complaint.

We started to offer information about our powers in relation to potential outcomes complainants may be looking for. We aim to be open as early as possible about what exactly our office can and cannot do, allowing complainants to make an informed decision about whether our office is the right route for them.

We continue to provide a freepost address to ensure that there are no additional costs when opting to communicate by post.

Being mindful of the environmental impact of our service, we reviewed the paper we use for our complaint form. We have selected an alternative quality of paper which supports our biodiversity goals.

Contact by phone

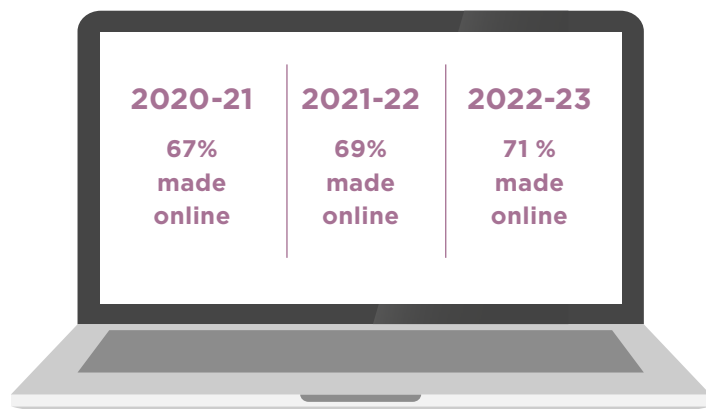
During 2022-23, we offered advice to 4,776 callers. This is a significant increase on the 2,907 we received last year and reflects the high demand for our service and the need to signpost to other organisations.

We increased the opening hours of our freephone advice line and we now offer a call back service to anyone who calls us outside those opening times. The call back service has received positive feedback and is working effectively.

We continue to build our knowledge of advocacy and support available for people making complaints. We have researched advocacy options available in prisons and can now direct prisoners to support available in HMP establishments.

Contact online

Our online complaint form continues to be the most popular way for people to access our complaints service. We regularly consider how our online complaint form can be improved and listen to customer feedback. As a result, we have streamlined and simplified the design and layout of the form. This work continues to increase the proportion of complaints made online.



‘Thank you so much for phoning me back – it is a relief to speak to a real person. Thank you for your patience and for calling me back so quickly. I really appreciate your time and kindness. It has made me feel so much better’



In 2022-23, we completed research and design work for a new online form designed for complaints about health services. This form takes into account that health complaints can be particularly sensitive and that customers may have experienced trauma, in relation to the matter they are complaining about, and/ or in pursuing their complaint with the NHS. In particular, this form will assist customers to give us the detail and information needed to efficiently assess their complaint on first submission. This will reduce the requirement to return to customers for more information or to repeat events, which can be upsetting for some. The new form will be launched in 2023-24.

See our [accessibility section](#) for more information on our trauma informed approach.

Public service complaints overview

3,527

complaints received



64% of complaints about health and local authority



allocation time reduced by 50% to 5 months

192

closed after investigation

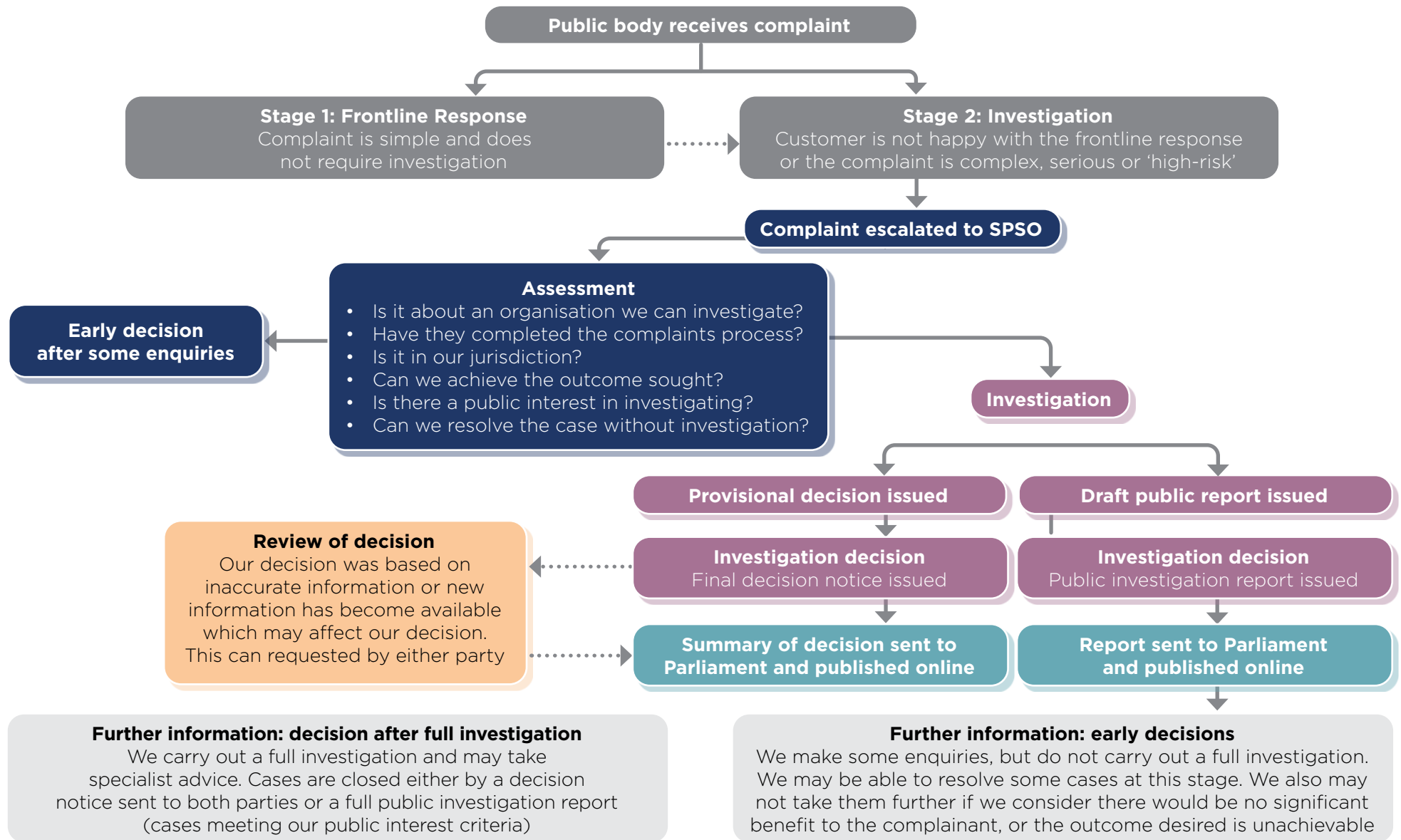
3,637

closed after initial consideration



41% reduction in premature complaints



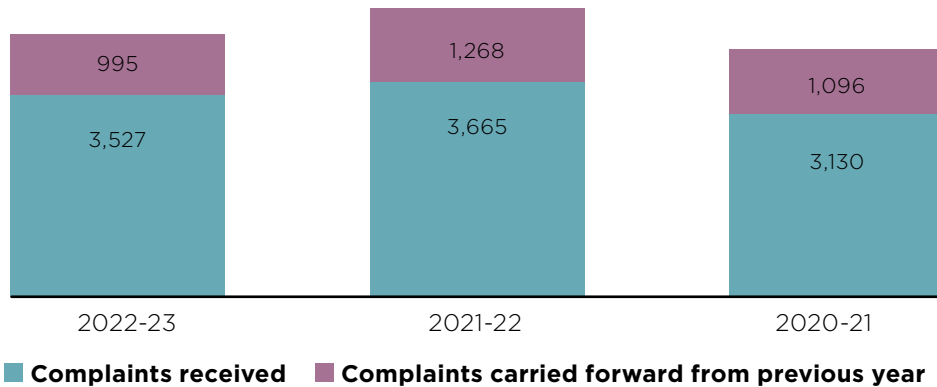


See our website for more information on how we handle complaints.

Public service complaint caseload

We monitor casework numbers closely throughout the year. This is important for our performance management and resource planning. We publish and share this information with the organisations we work with and other stakeholders to help support and improve complaints handling at a local level, and to reduce the numbers which escalate to us. We also use it to inform how we design our own systems and measure effectiveness.

Public service complaints received and carried forward



Case numbers received in 2022-23 reduced slightly in comparison to the previous year. The slight fall in cases received this year means that complaint numbers are at pre-pandemic levels.

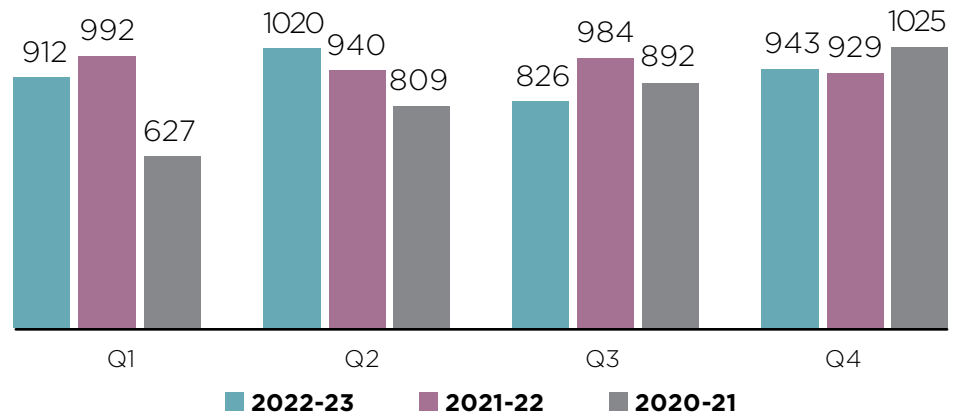
The number of cases carried forward as a proportion of the total caseload for the year has reduced substantially this year, when compared with last. For the first time since 2019-20 the public services complaint caseload carried forward fell below 1,000 cases. This was largely as a result of

- a planned and structured approach to reducing unallocated and older cases as we emerged from the impact of the pandemic. We were successful in reducing both the number of unallocated cases and the time waiting for allocation by 50% (supported by additional temporary resources for our unallocated cases project).
- staff resources and capacity were less impacted from pandemic related matters this year and we successfully recruited new temporary fixed-term staff to support the work focusing on reducing the overall case numbers post lockdown.

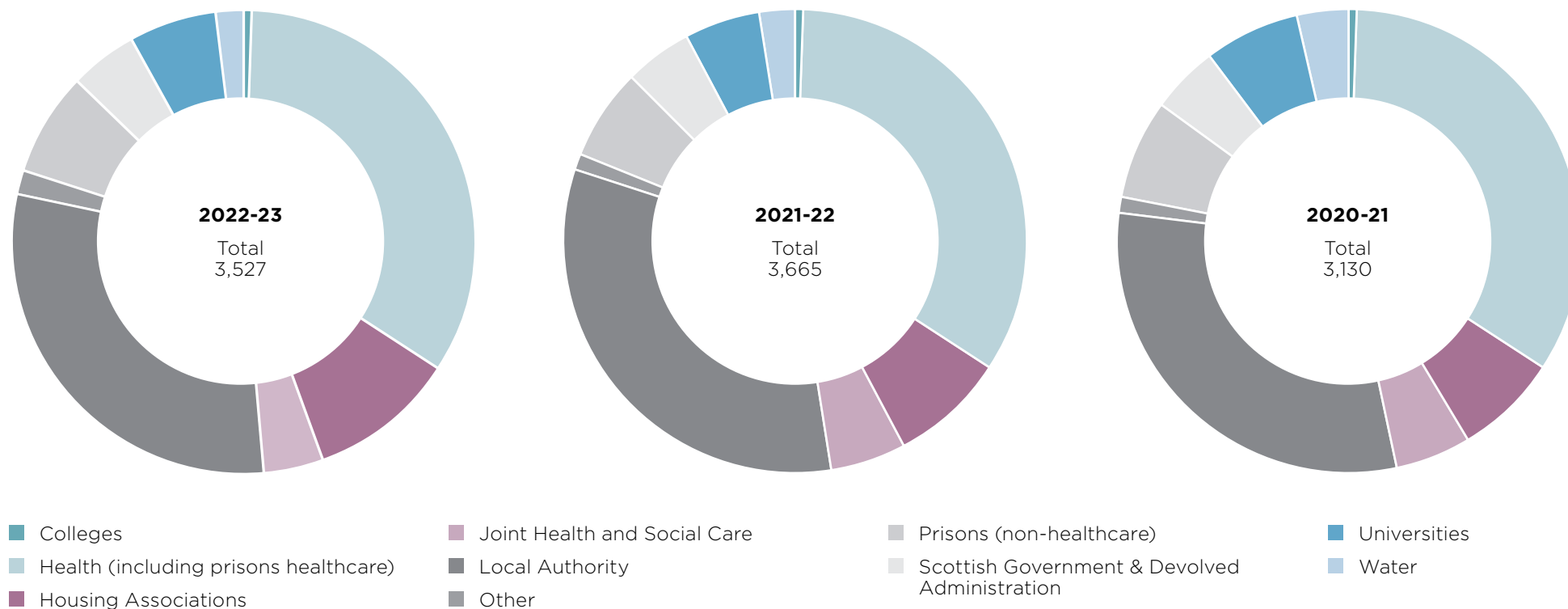
Public service complaints received by quarter

We originally tracked complaints received by quarter to assess whether the pandemic impacted on the pattern of complaints received. As the figures show, complaints received by quarter have not changed significantly over the three-year period suggesting the proportion of complaints per quarter was not impacted by the pandemic.

Cases received by quarter



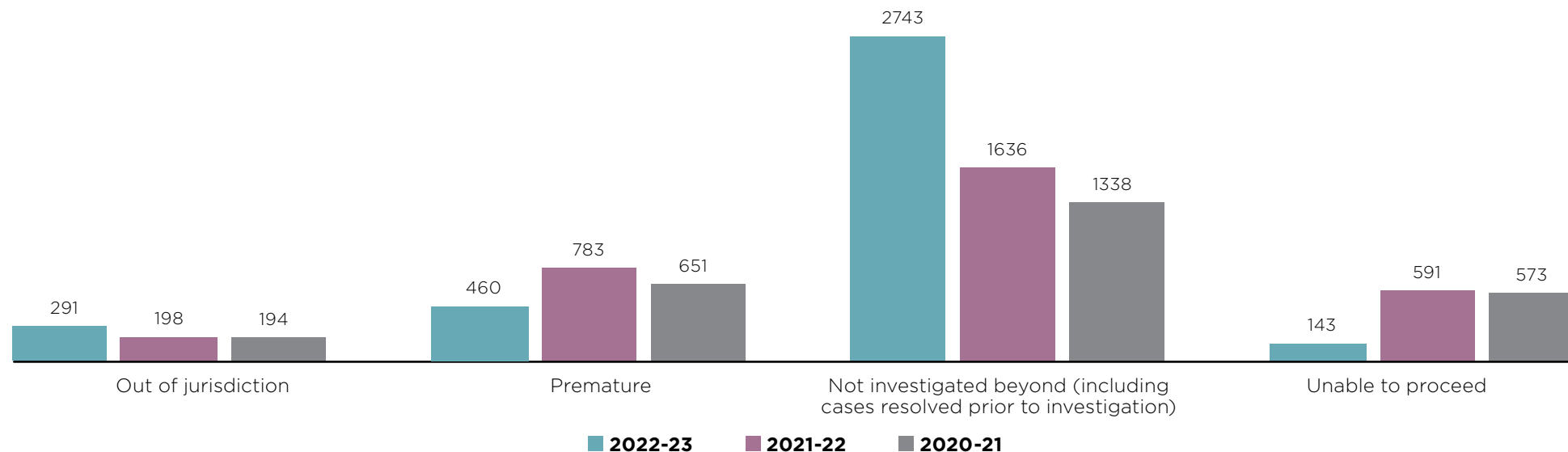
Public service complaints received by sector



The breakdown of public service complaints by sector remains generally consistent with previous years. Once again, health is the highest subject of complaint followed by local authorities. Nearly two-thirds of cases received were about health and local authorities.

We did not see the high number of COVID-19 related cases we anticipated, but we continue to monitor this closely. In 2022-23 we received 37 cases which related directly or indirectly to COVID-19.

Cases closed at assessment



Public service complaints closed

Type	2022-23	2021-22	% change	2020-21
Total cases closed after investigation	192	284	-32.4%	420
Upheld in full	77	102	-24.5%	145
Upheld in part	42	71	-40.8%	101
Not upheld	61	100	-39%	157
Not duly made, or withdrawn	6	7	-14.3%	12
Outcome unachievable	0	1	-100%	0
Resolved	6	3	100%	5
Total number of cases closed (at assessment and after investigation)	3,829	3,492	9.7%	3,176

Cases closed overall rose by a 9.7% following on from a 10% rise in 2021-22. This was despite the challenges faced this year as we came out of the pandemic and moved to different ways of working. It also reflects the impact of additional temporary staffing resources and changes to our processes to improve efficiency.

PSC cases closed after assessment

Similar to last year, there was an increase in cases closed after investigating at the assessment stage (we also refer to these as cases closed after initial enquiries). This is usually because it was determined that the organisation had already investigated and responded reasonably to the complaint. This reflects the positive impact of our work on good complaints handling across the Scottish public sector and in particular in the (generally) improving quality of local complaint handling. Through our investigations at this stage, we are able to assess whether or not a good local investigation has already identified learning and resulted in the action that we would have asked for in those circumstances.

This approach also reflects our continued focus on resolving complaints at as early a stage as possible.

There was a significant reduction in premature public service complaints this year. This reflects the work we have done during the year to develop our online complaint form.



PSC cases where we were unable to proceed

There was a significant reduction in cases where we were unable to proceed. This was usually because we asked for more information but the person did not respond.

Premature public service complaints

Following a 20% rise in premature public service complaints in 2021-22 there was a significant reduction in premature public service complaints this year. This reflects the work we have done during the year to develop our online complaint form (as mentioned in the **first contact section** of this report) as it provides complainants with greater assistance in assessing when their complaint is ready to be sent to us.

Achievement against Key Performance Indicators (KPIs)

	2022 -23	2021 -22	2020 -21
PI-1 95% of advice stage complaints handled within 10 working days	99%	98%	91%
PI-2 95% of early resolution public service complaints decided or moved to more complex investigation stage within 70 working days	48%	65%	60%
PI-3 85% of public service complaints investigated and decided within 260 working days	23%	31%	46%

■ KPI met

There were challenges throughout the year impacting on our KPIs.

- PI1, which measures timescales for providing advice, improved slightly on the previous year.
- PI2 and PI3 continued to be negatively impacted by the challenges presented by the legacy impact of the pandemic. Whilst productivity levels rose compared to 2020-21 and 2021-22, our focus on closing older cases carried over from the previous year resulted in a higher proportion of older cases being closed in 2022-23, and hence impacting on PI2 and PI3. This was an anticipated effect, with a small tail of older cases also being carried into 2023-24.
- We also experienced some delays in obtaining information from public bodies because of the impact of recovery from the pandemic on their capacity which in turn impacted on our timescales for determining cases.

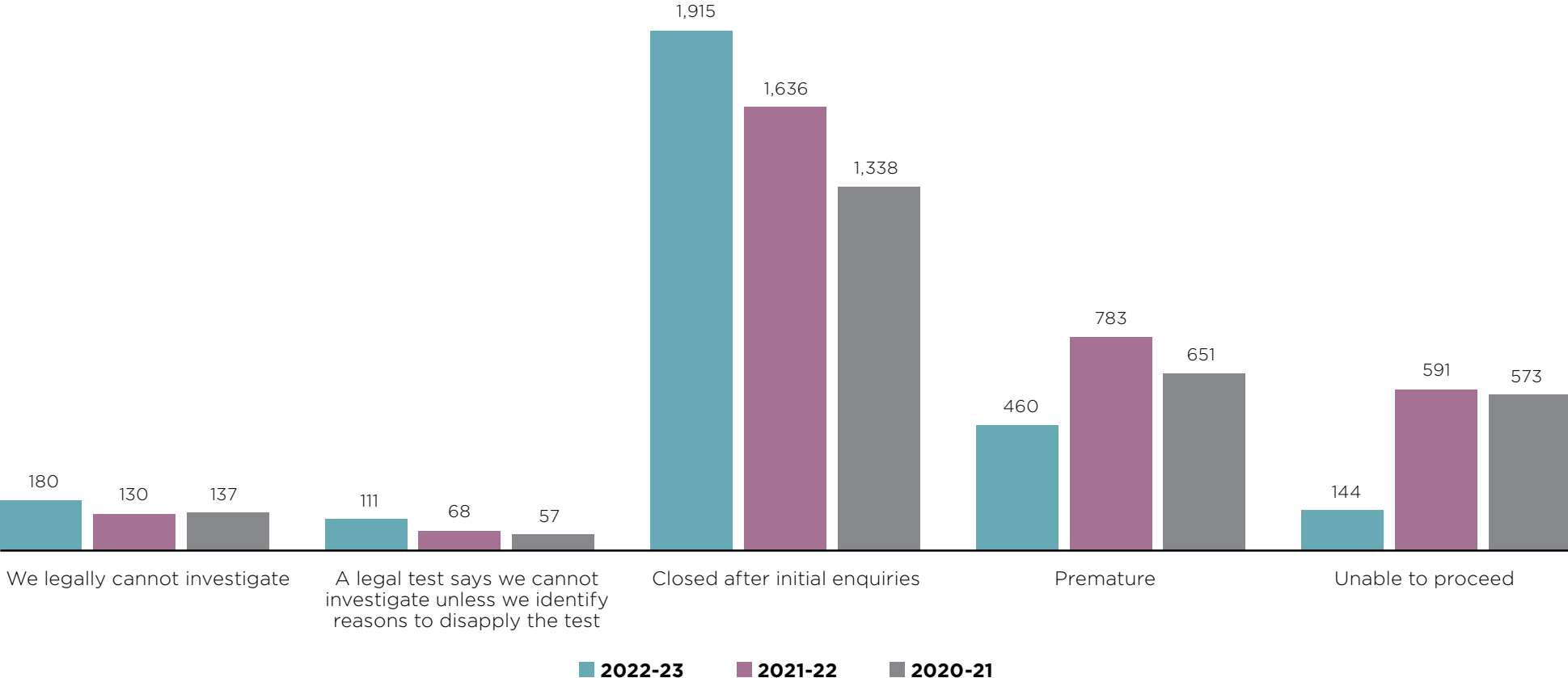


Public service complaints assessment

Assessment outcomes

Details of the number of cases we assessed this year and the outcome of those cases, is set out below.

Assessment outcomes from public service complaints



Assessment outcomes	Description
We legally cannot investigate	Cases the law says we <i>cannot</i> investigate. For example, in 2022-23 the subject matter in 60 cases was not in jurisdiction.
A legal test says we cannot investigate unless we identify reasons to disapply the test	Cases where the law says we should not investigate unless we identify good reasons why the test shouldn't apply, for example, out of time, with no special circumstances or public interest issues.
Closed after initial enquiries	<p>Cases which met the statutory tests but there were good reasons not to investigate beyond initial enquiries (as illustrated in more detail in the breakdown below).</p> <p>We aim to provide a realistic and efficient service that focuses on the needs of the complainer and public interest. In particular, what can be achieved for the complainer.</p>
Premature	Cases that have not completed the public body's complaints process. and there are no compelling reasons to accept them for investigation at this point. It is important that authorities are given the opportunity to address complaints first as it is to the complainant's advantage, and provides an opportunity for learning.
Unable to proceed	Cases where we had a contact from someone but then couldn't proceed. This was usually because we asked for more information but the person did not respond.

Progressing public service complaint cases

It is important to us that we tell people as soon as we can what action we can and will take on a complaint. Complainants may already have spent time waiting for their case to complete the public body's complaint process. Therefore we focus on assessing all new complaints as soon as they arrive.

We recognise that not all cases can be prioritised or determined quickly, and these cases are held until they can be allocated. We are always open and honest with complainants about our delays and waiting times (and we publish information about it on our website). We encourage complainants to tell us if they think their complaints should be given priority or their circumstances change.

Reducing our waiting times was a priority for 2022-23. We recruited additional (temporary) team members to support our unallocated cases projects, and worked hard to identify efficiencies in our processes and procedures. As a result, we successfully reduced the number and age of cases awaiting allocation. The time taken to allocate cases in 2022-23 fell from 11 months to five months. The number of cases awaiting allocation fell from 677 at the end of 2021-22 to 298 at the end of 2022-2023.

Reducing case allocation waiting times further will be a priority in 2023-24.

Prioritising PSC cases

Driven by our values, particularly being people centred, we continue to identify priority cases on receipt, to ensure the most complainants in the most vulnerable circumstances and complaints that present the highest-risk, or are time critical are progressed with urgency.

The time taken to allocate cases in 2022-23 fell from 11 months to five months



Breakdown of PSC cases closed after initial enquiries

Reason we did not investigate beyond initial enquiries	2022-23 No of cases	Description	2021-22 No of cases
Referred back to the organisation	110	The complaint handling had been poor and we asked the organisation to take steps to remedy this. This is an important way of holding organisations to account, and improving complaints handling	130
SPSO proposed alternative action	58	We assessed there was action the organisation could take. Where the organisation agrees to this action, and where we consider that to be a reasonable remedy, we would not investigate.	30
Resolved	44	The SPSO sought a resolution that was accepted by the complainant and the public body. More information about resolution approaches to casework is shown on the next page.	44
Alternative route used or available	39	There is another organisation who already has or could investigate	35
Good complaint handling	1,288	A reasonable investigation has already been completed by the organisation, assessed against model complaints handling standards and/ or the organisation has accepted a failing and taken steps to address the failing in line with the recommendations SPSO would have made following further investigation	1,103
Limited further benefit could be achieved by an investigation	376	We considered we could not achieve more for the complainant by considering further. This could be because there was limited benefit in what could be achieved, the outcome sought was unachievable within our powers, or the impact of time meant it was not possible to carry out a robust objective investigation	294
TOTAL	1,915		1,636

Focus on resolution and alternative action

We consider from the outset, and throughout the life of a complaint, whether it can be resolved or alternative practical action would provide a remedy we would accept as reasonable. By focussing on outcomes we identify cases where further SPSO investigation may not be the best option for the complainant (or in the public interest). We continue to build on this and in particular to improve how we explain our decisions so that complainants understand our decisions.

We actively seek opportunities to resolve complaints because we know that where this is possible it improves customer experience by providing redress more quickly and helps to rebuild relationships with public bodies.

In 2022-23 we achieved a resolution on 45 cases, and proposed alternative action which we considered reasonable on a further 58 cases.

We are mindful that we should still identify learning for public bodies in cases we close after initial enquires. We do this by offering and capturing feedback. In 2022-23 we began to track and record the feedback being given more systematically. This showed that we gave 334 pieces of recorded feedback. We believe that this outcome focussed approach encourages organisations to be reflective, and supports them to be more agile and flexible in their own complaints handling.

We will continue to develop our approach in the coming year by considering options for offering mediated approaches.



Public service complaints investigation

Investigations completed

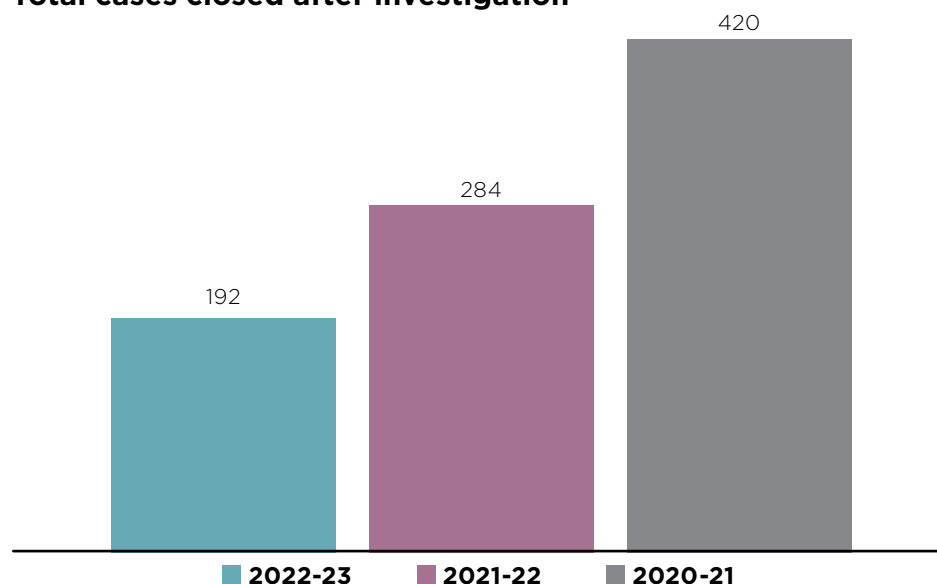
We are committed to taking a fair and proportionate approach in every case. In 2022-23, we have continued to focus on resolving complaints early and proposing alternative action for public bodies. We continue to encourage public bodies through formal feedback including identifying opportunities for learning.

The way we handle complaints through initial enquiries means we carry out detailed investigations in fewer cases, enabling us

to focus resources on where we can add the greatest impact and value. This has only been possible because over time model complaints handling has led to improvements in complaint handling by public bodies themselves.

This approach has led to fewer cases progressing to detailed investigation. It has resulted in positive outcomes being implemented for complainants and public bodies at an earlier stage, without the need for an investigation decision to be published. It also means public bodies are recognised for applying the Model Complaints Handling Procedures (MCHPs) appropriately and for carrying out their own thorough investigations, therefore encouraging best practice .

Total cases closed after investigation



Public report investigations

Public report investigations are cases that meet our public interest criteria to lay a detailed report before the Scottish Parliament. These are where there is evidence of significant personal injustice or hardship, systemic failure, significant complaints handling failures or it is a test/ precedent case. In these cases, we also considered that there may be learning for other public bodies by reading the full investigation report.

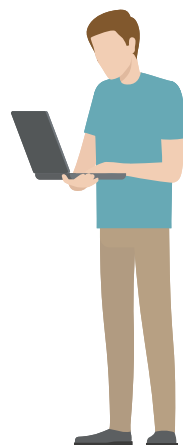
We issued fewer public report investigations in 2022-23 (two down from seven in 2021-22). This in part reflects the increasing additional work public bodies are doing to try to resolve and learn from complaints before they come to the SPSO and once the SPSO starts to investigate.

Cases that are not published in full as public investigation reports are usually published as decision summaries. Public reports and decision summaries can be found in the **‘Our findings’ section of our website.**

Uphold rate²

2022-23	2021-22	2020-21	2019-20
66%	63%	61%	58%

While we carried out fewer detailed investigations, our uphold rate in 2022-23 remained consistent when compared to previous years. This reflects that we are thorough in our investigative processes and continue to identify areas of organisational learning and improvement.



² Withdrawn and resolved complaints are not included in the uphold rate calculation.

Independent advice

For a number of complaints, including those about healthcare, social work and social care and local authority planning decisions, SPSO seeks expert advice from a pool of over 100 independent advisers.

Number of advice requests completed

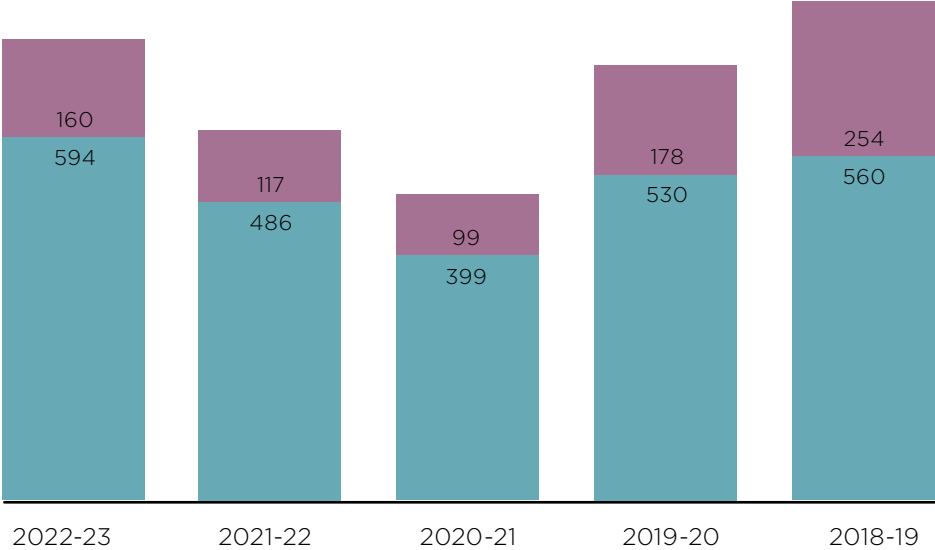
Type	2022-23	2021-22	2020-21	2019-20	2018-19
Clinical	801	595	524	821	935
Social work	115	110	66	69	120
Other	80	57	41	91	109
Total	996	762	631	981	1,164

- There was a 30.7% increase in advice requests on the previous year
- While this may seem like a significant increase, it is important to note that it simply brings us back in line with pre-pandemic levels, with 981 advice requests completed in 2019-20.

We recruited 36 additional advisers during the year, including eight GP advisers, four emergency medicine advisers, four nursing advisers and four psychiatric advisers. This was in part to replace the 16 advisers who either retired or resigned during the year.

The average turnaround time for obtaining advice is now 14.9 days. This has decreased from 17.2 days in 2021-22. We can now share evidence with our advisers electronically in most cases, which helps to reduce the overall turnaround time.

Closed cases requiring multiple independent advice



■ 1 request for advice
■ 2 or more requests for advice (number of advice requests in total)

In many cases, we need to obtain more than one piece of professional/ specialist advice. This is mainly in health cases where we need advice from more than one clinician. The number of cases requiring two or more requests for advice, is one indicator of the complexity of the cases in our caseload.



Scottish Welfare Fund

1,494

enquiries received

1,142

reviews closed

75%

people contacted us in error instead of their local council

89

enquiries were received from local authorities seeking advice

Number of enquiries received

Year	2022-23	2021-22	2020-21
Enquiries received	1,494	2,343	1,312

In 2022-23, we received 1,494 enquiries, but handled 1,546, due to late enquiries from 2021-22 being closed in 2022-23. The number of enquiries received decreased 36.2% on the previous year, which brings the number of enquiries received closer to what we experienced in 2020-21.

The spike experienced in 2021-22 was due mainly to the additional workload created by the temporary introduction of the Self-Isolation Support Grant during the pandemic. This year we also introduced interactive voice response telephone options, which signposts applicants more efficiently. This has had a positive impact on reducing enquiries.

- 1,166 people contacted us in error when trying to contact their local council, this is over 75% of all enquiries
- 52 people contacted us as their local council had no freephone number
- 23 people reported other accessibility issues such as barriers to the first tier review process or problems with council's websites
- 89 enquiries were received from councils seeking advice
- 56 people contacted us too early in the process and were signposted back to the council
- 68 people were signposted to other sources of assistance such as the Department for Work and Pensions, other Ombudsman Schemes and Citizens Advice
- 40 people were requesting SPSO/ SWF customer service complaint forms

Reviews received and handled

Reviews received and handled quarterly comparison

	Q1		Q2		Q3		Q4	
	Received	Handled	Received	Handled	Received	Handled	Received	Handled
Crisis Grant (CG)	236	236	186	190	192	192	199	202
Self-Isolation Support Grant (SISG)	180	161	22	108	3	22	4	4
TOTAL CG (CG + SISG)	416	397	208	298	195	214	203	206
Community Care Grant (CCG)	64	59	79	82	62	70	82	80
TOTAL	481	457	287	380	257	284	285	286

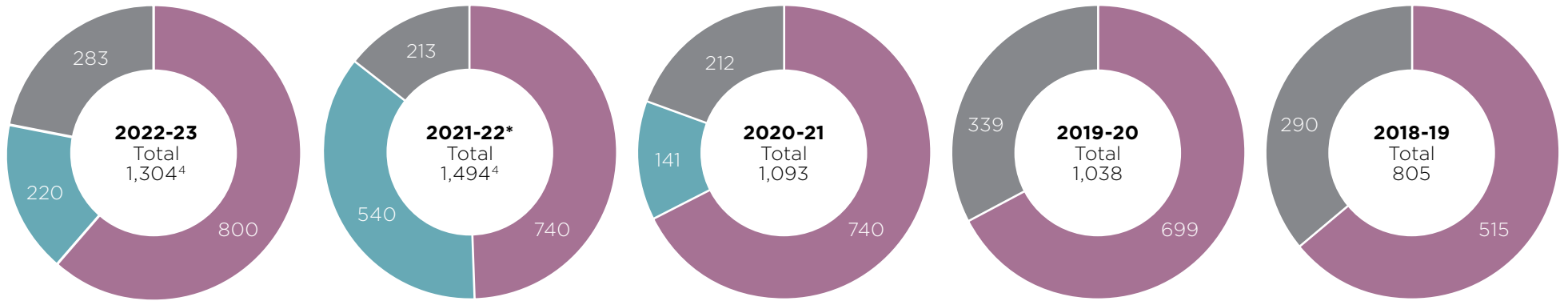
Number of reviews closed at Review and Decision (R and D)

Grant type	2022-23	2021-22
Crisis Grant (CG)	661	589
Self-Isolation Support Grant (SISG)	261	356
Community Care Grant (CCG)	220	149
TOTAL	1,142	1,094

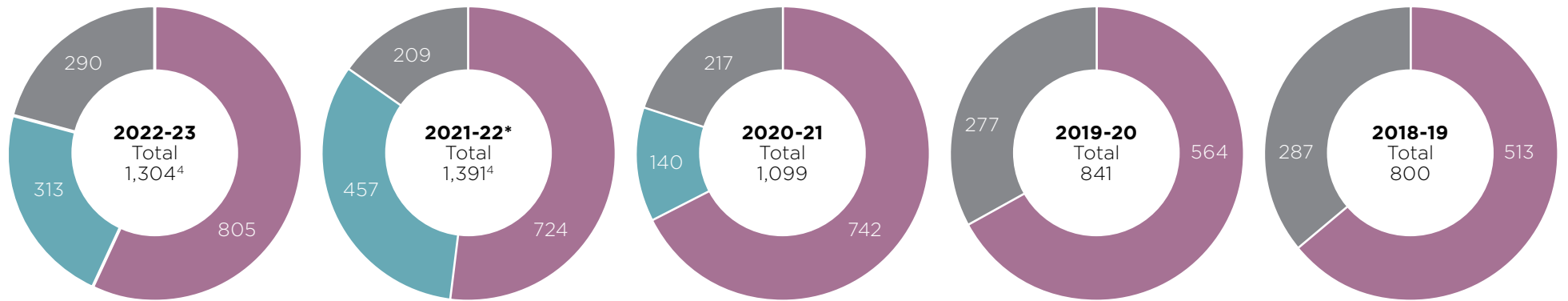
We received a high volume of SISG reviews in Q1. This reduced significantly in Q2 and decreased to negligible numbers in Q3 and Q4, as the scheme closed in January 2023.

In 2022-23, we received and handled the highest number of CG and CCG reviews since the service was launched in 2016. CCG reviews increased by 32.9% and CGs by 8.1%. It is likely that these increases are linked to cost of living pressures. SISG reviews decreased by 59.2% compared with the previous year, with the scheme closing in January 2023.

Review applications received yearly comparison³



Review applications handled yearly comparison

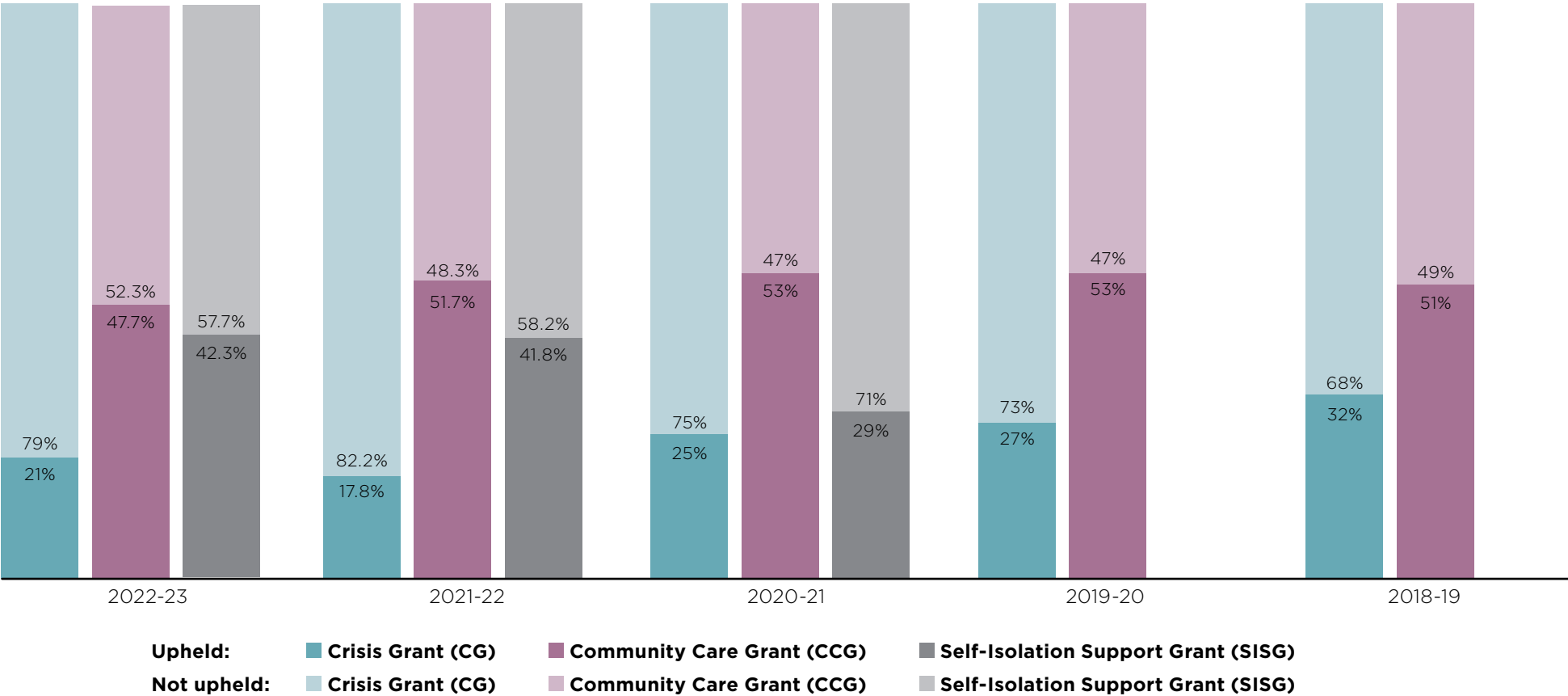


■ Crisis grants ■ SIS ■ Community Care Grants

³ SISGs were introduced in October 2020 so there is no data prior to this

⁴ 1 grant type was unclear and did not progress to review due to insufficient information

Review application outcomes



Self-Isolation Support Grant

We upheld 42.3% of SISG reviews during 2022-23 which is consistent with the previous year. A significant number of upheld cases were linked to data sharing issues as councils were unable to access the information needed from Test and Protect to make their decision.

Community Care Grant

We upheld 47.7% of CCG reviews in 2022-23, a drop of 4 percentage points on the previous year. This potentially indicates an incremental improvement in the proportion of correct decisions. However, it may also be linked to a greater number of applicants approaching the fund who could not afford to purchase items due to cost of living increases but did not meet the qualifying conditions for a CCG. For example, applicants who were facing financial pressure but did not have additional vulnerabilities. The guidance defines 'exceptional pressure' as a greater pressure than you would be under just from living on a low income.

Crisis Grant

We upheld 21% of CG reviews, an increase of 3.2 percentage points on the previous year. This differs from the previous four years when the uphold rate reduced year-on-year. It is difficult to pinpoint the reasons for this, although we changed a slightly higher proportion of decisions due to receiving new information that had not been available to the council, such as bank statements and payslips. As with the previous year, councils incorrectly interpreting the information available to them and not following the statutory guidance were the most common reasons for us to uphold a decision

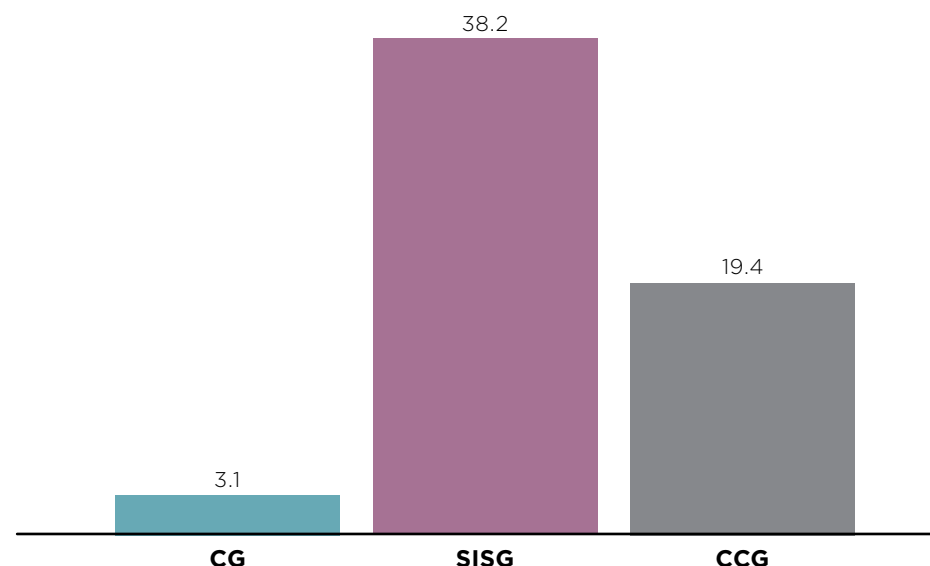


Achievement against SWF key performance indicators (KPIs)

KPI	Target	Achieved
%PI-1 95% of Crisis Grants determined within one working day	95%	100%
% PI 2 95% of Community Care Grants review applications determined within 21 working days	95%	98.6%
%PI 3 95% of Self-Isolation Support Grants determined within one working day	95%	94.2%
% PI 4 95% of reconsiderations (internal review of our decisions) – decision is correct	95%	100%

- Despite receiving the highest number of CG and CCG reviews since the scheme was launched in 2016, we exceeded our KPIs for these two grants.
- We marginally missed our KPI for SISGs due to the high demand and resource challenges of delivering this temporary review function. We took the decision to prioritise CGs because of the immediate nature of these applications. The need was often less immediate for SISG reviews, as the reduction in earnings was not encountered until the applicants’ next pay date.

Average SWF case handling times⁵



We encountered delays of several weeks allocating SISGs due to the resourcing pressures mentioned above. These delays are reflected in the above table which outlines average case handling time for each grant.

⁵ All calculated in business days including the time taken for councils to send us their files and any investigation time.

National context⁶

	2022-23		2021-22			2020-21		
	CCG	CG	CCG	CG	SISG	CCG	CG	SIS (Oct to March only)
Initial applications all Scotland	92,810	288,880	87,900	268,265	213,377	84,325	271,295	24,562
Award rates all of Scotland	53%	65%	55%	66%	52%	57%	69%	36%
First tier reviews all of Scotland	3,555	8,755	2,680	7,435	Not available	2,570	7,535	Not available
Original decision revised all of Scotland	44%	32%	47%	39%	Not available	50%	46%	Not available

Local authorities were allocated £38 million for 2022-23. An additional estimated underspend of £4.5 million from 2021-22 was also made available, together with a £2.5 million top-up allocation by the Scottish Government, bringing the budget to an estimated £42.5 million.

Of the estimated total £42.5 million available budget, £56 million (132%) was spent. This overspend is 18 percentage points higher than the overspend in 2021-22 (114%). This reflects the findings of the SWF Review, in which budget pressures were reported by many local authorities.

SWF learning and improvement

Despite resourcing pressures, we engaged in learning and improvement activity, devoting a proportion of our resources to engaging with local authorities. This included delivering 14 bespoke training sessions to individual authorities, focusing on good, evidence based decision making.

We also concentrated on improving our impact, escalating 14 issues to local authorities under our **Support and Intervention Policy**. Thirteen of these were linked to recurring issues identified in our casework around local authority decision

⁶ Taken from **Supporting documents – Scottish Welfare Fund Statistics: annual update 2022-2023 – gov.scot (www.gov.scot)**

making. One issue was linked to a pattern of delays in responding to our requests for information, which affected our ability to progress reviews. We worked closely with the authorities concerned to resolve the issues raised.

We began an agile project (a flexible, customer centred iterative approach) to review our procedures when applicants disengage from the review process prior to a decision being reached. We look forward to progressing this project in 2023-24.

Independent review of the Scottish Welfare Fund

In 2022-23, the Scottish Government commenced an independent review of the Scottish Welfare Fund. We were part of the review advisory group and our input to this review focused on the ongoing need to ensure consistency of decision making across Scotland and raising standards.

Following the review's publication in March 2023, we wrote to the Scottish Government to highlight that we welcomed the report and the key themes and questions identified. We also noted that we are particularly concerned that the review found that the local authority to which an applicant applies, has a significant impact on whether their application will be successful, even accounting for other variables.

We made a number of suggestions for consideration including

- an annual review of the statutory guidance to respond to emerging issues and ensure guidance reflects current practice
- more centralised support for decision makers, for example through standardised training
- enhancing the SWF review process to support improvement in practice, in particular at tier 1
- developing a programme of audit to better understand the reasons for local variances and the potential role for SPSO in supporting consistency
- a review of funding specifically targeting an improvement in the quality of decision making (as opposed to timescales)
- support for local authorities to ensure they have mechanisms in place to share performance information with senior managers, including review outcomes. Our preference would be that this is an annual activity that captures performance both in relation to timescales but also with regards to improvements in practice.

We look forward to working as part of the SWF Policy and Advisory Group in 2023-24 to develop recommendations to improve fairness, accessibility, consistency, and quality in the handling of SWF applications.

Independent National Whistleblowing Officer

90

people provided
with advice

125

cases
received

12

transferred to
investigation

Our INWO service

The Independent National Whistleblowing Officer (INWO) service started operating on 1 April 2021 and has now been operational for two years. Our role is to provide the final, independent review stage of how NHS organisations handle concerns under the National Whistleblowing Standards, and to provide information and advice to people who are considering raising concerns within their NHS service.

We normally investigate INWO cases that have completed the two-stage local NHS process. We can investigate

- the risk or issue of concern
- how the concern has been handled by the authority
- the treatment of anyone involved in the local process
- the culture for raising concerns within the health service

On 15 December 2022 the INWO (i.e. the Ombudsman) was added to the list of Prescribed Persons, under the Public Interest Disclosure Act (PIDA) 1998. In line with this duty, a report of the disclosures raised with us, and our response to them, is included [on our website](#).

Casework numbers

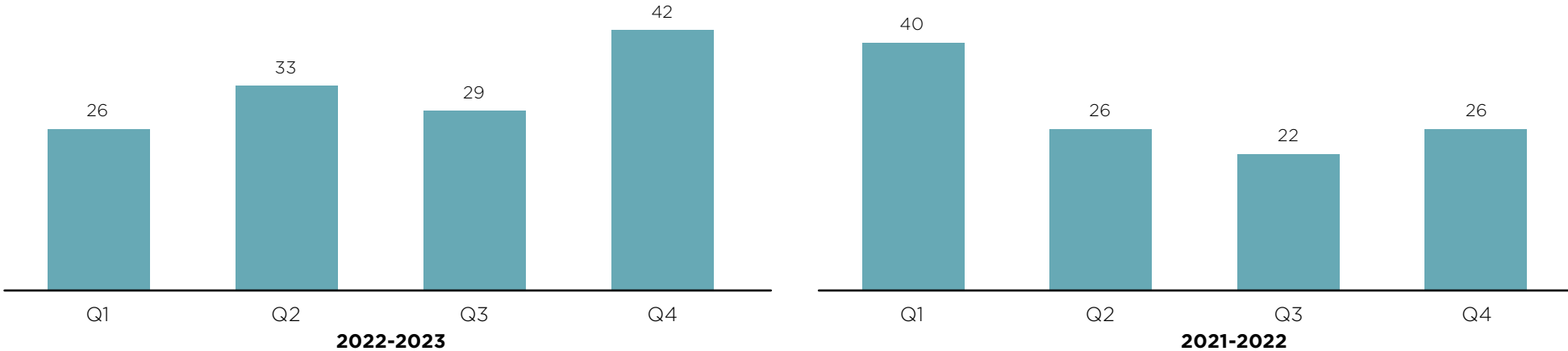
We provided advice to 90 people. Nearly a third of these were in Q4, we believe reflecting the impact of our awareness raising campaign, '**Speak Up Week**', held in October 2022.

We received 125 INWO cases, of which 30% were moved from enquiry to initial assessment as a complaint and 10% of all cases progressed to full investigation.

There was a spike in cases received in Q4, again likely to have been the result of **Speak Up Week** raising general awareness.



Cases received



Cases transferred



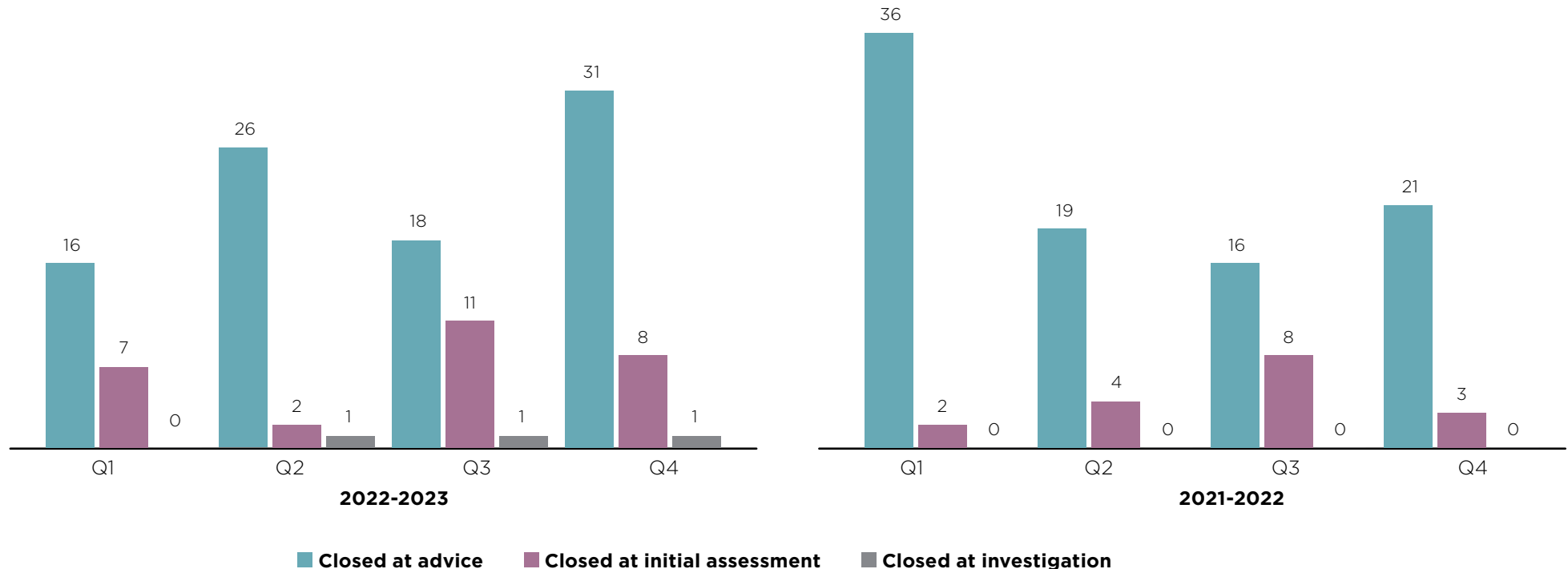
As more cases completed the local process, the number of cases coming to the INWO seeking an independent review also increased. Cases may come to the INWO several months after completing the local process. This often reflects the length of time it can take to make improvements to services following the local investigation. It can also reflect that whistleblowers (and other connected to a whistleblowing concern) do not experience detriment from whistleblowing immediately.

Towards the end of the year, we experienced an increase in the number of complaints concerning improvement plans put in

place as a result of investigation of local handling concerns, or wider improvement plans, where progress was not as expected or was not communicated to the whistleblower.

The number of case closures at investigation reflects the complexity of the whistleblowing cases we receive. The number of ongoing investigations gradually increased throughout 2022-23, reaching 12 at the end of the year. While this number remains small in absolute terms, investigations are more complex and resource intensive and so are not comparable with other investigation work of the SPSO.

Cases closed by stage



INWO casework themes

The issues raised in casework varied significantly, and so far the only consistent message is that each case is different. However, there were some common themes which included

- COVID-19 concerns, relating to working practices, hygiene standards, and staff training (particularly evident in early cases, such as those in our public reports)
- concerns about staff wellbeing and safe delivery of care due to staff shortages/ burn out/ excess use of agency staff
- a culture of bullying and harassment (often in one part of an organisation), having an impact on how people work and safe delivery of care
- poor speak up culture, meaning that risks could go unreported
- pressure to amend records to reduce service waiting times
- unsafe delivery of primary care services, such as excess pressure on staff, poor hygiene practices and poor planning for emergency care needs.

INWO case outcomes

Our impact is evident even at the initial assessment stage. Around half of the advice enquiries we received were premature (in that they had not been through the local process before they came to us). As well as signposting whistleblowers to the local process, we can also send a 'monitored referral'. This is a significant difference to how we handle premature PSC complaints.

Monitored referrals relate to premature INWO complaints. We were hearing from whistleblowers that they were not confident in local procedures and were concerned that they would not be treated fairly or listened to. We developed the monitored referral approach to try to assure whistleblowers that their concerns were known to us, and that we had broad oversight of how the NHS was handling them. A monitored referral means we confidentially pass the concern onto the NHS provider (with the whistleblower's permission) and engage with them to ensure the concern is acknowledged and investigated. In some cases we have required the NHS provider to complete additional actions to ensure that the whistleblower is appropriately protected from detriment and supported. We provided this route into the local process for eight whistleblowers in 2022-23.

We publicly reported on two investigations and made recommendations in relation to our findings. Our recommendations sought a range of outcomes, including

- apologies to both whistleblowers
- restoration of working relationships
- improvements in support for whistleblowers and witnesses
- improvements in roles and responsibilities for whistleblowing processes

We discontinued one investigation, where we were satisfied that the risk identified by the whistleblower had been mitigated effectively at local level, and further investigation would not have achieved anything more. This reflects our ongoing consideration of the need to ensure impact and efficiencies when appropriate.

INWO learning and Improvement

Our INWO team has developed good working relationships with stakeholders and has clear procedures in place for information sharing. This enables us to mitigate risks, manage potential overlap in investigations and to ensure efficient use of public resources. It also seeks to reduce the number of times staff in organisations are interviewed or asked to comment on a particular matter.

The INWO team work closely with the SPSO's Improvement Standards and Engagement team, to support NHS organisations in improving their processes and investigations. Read more about this in our **complaints standards** and **stakeholder engagement** chapters.

It is evident from interactions during the year that NHS providers are not always aware of their duties under the Standards. We have produced a range of **resources and guidance** to support them; this is available on our website. We to continue to work with NHS organisations to raise awareness, promote speak-up culture and to support staff that implementing and accessing the Standards.

Complaints standards

294

requests for advice or support

51

requests for comment or input on an organisations CHP

59

requests from health sector

76

requests came from other contacts classed as 'other', due to more interest in our work from third-sector organisations, and more internal queries and requests for detailed support from SPSO staff

Our complaints standards role supports and promotes good practice in complaints handling, encouraging the sharing of good practice among organisations, and monitoring public body practice. It provides advice on complaint handling in relation to the Model Complaints Handling Procedure (MCHP) to staff in listed authorities, in organisations working on behalf of listed authorities (e.g., in the third sector) and internally to SPSO colleagues.

The MCHPs for most organisations within SPSO's jurisdiction were implemented on 1 April 2021. While there is a high degree of consistency of application of the MCHPs, there are differences between sectors

- the National Health Service (NHS) MCHP is a separate but similar procedure which was implemented on 1 April 2017. The NHS MCHP is largely defined and governed by the Patient Rights (Scotland) Act 2011.

- complaints from prisoners about the Scottish Prison Service (SPS) are handled under Part 12 of The Prisons and Young Offenders Institutions (Scotland) Rules 2011 and associated Directions, and the SPS Staff Guidance on Prisoner Complaints and Disciplinary Appeals under the 2011 Rules.
- complaints about water and sewerage providers are handled under their own complaints handling procedures, but they may choose to adopt the MCHP. Water and sewerage providers are however required, as are all organisations under SPSO's jurisdiction, to handle complaints in line with the **SPSO Statement of Complaints Handling Principles**.

Monitoring complaints

We monitor complaints in a number of ways, including

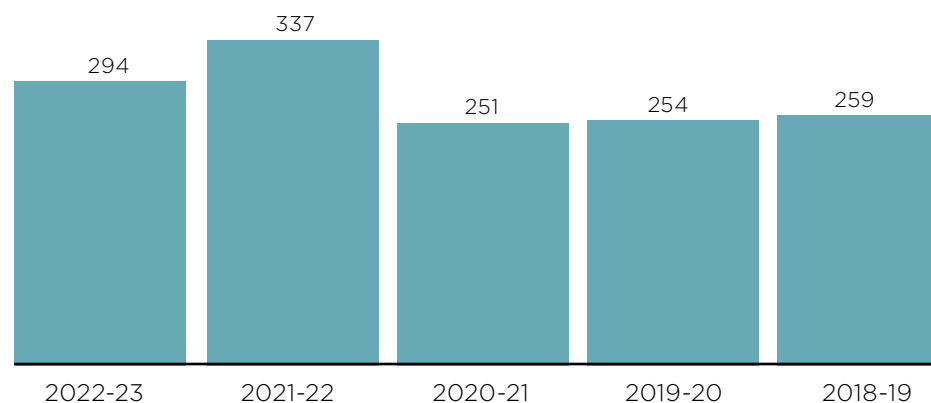
- following up issues identified from the complaints made to SPSO
- acting on what we learn from complaints
- monitoring themes identified from monitoring of recommendations we make
- working directly with individual organisations to share and support good practice in complaints handling
- working with sector networks to share sector specific good practice and learning
- where necessary, conducting compliance assessments of organisations' complaints handling procedures.

Advice to organisations

Advice and guidance we provide to organisations includes

- providing clarification to individual organisations on how to apply the MCHP to real-life (non-case specific) situations
- sharing tools and guidance for effective complaints handling
- contributing to complaints handlers' network meetings
- delivering presentations, training and workshops on good complaints handling to individual organisations and wider stakeholder groups
- reviewing and providing feedback about draft complaints handling procedures

Number of requests for advice or support



Types of advice requests

	2022-23	2021-22	2020-21	2019-20	2018-19
Request for advice	156	177	153	158	156
General enquiries	44	79	46	31	59
Request for comment / input	51	38	7	7	21
Request for tools and guidance	12	20	11	20	18
MCHP compliance	31	23	34	38	5

In 2022-23, we saw a decrease in requests for advice or support on the previous year, and a change in the nature of requests we received. Notably, there was a decrease in requests for advice where organisations asked us to provide clarification on how to apply the MCHP to real-life (non-case specific) situations. There was also a decrease in general enquiries about complaints standards matters and good practice.

We experienced an increase in requests for comment on or input to organisations' policies relating to complaint handling. We also received more requests relating to the complaints handling procedures of third-sector organisations as a result of an increased interest in our work.

We provide an internal advice service in relation to complaints handling and MCHP to colleagues investigating complaints. There was an increase in internal requests from SPSO staff for advice and request to contribute to wider communication with organisations.

We noted a decrease in requests for tools and guidance from organisations. We think this likely to be due to increased external promotion of these materials (much of which is available on the SPSO website) from our Engagement and Communications team, and a more structured approach being developed to the availability and structure of complaint handling training.

We experienced an increase in issues relating to MCHP compliance, in particular around timescales, whether complaints could be paused (they cannot), and from third sector organisations providing services on behalf of listed authorities.

Advice requests by sector

	2022-23	2021-22	2020-21	2019-20	2018-19
Local Authority	51	74	76	58	73
Health	59	45	33	65	61
Housing Associations	41	58	50	53	40
Scottish Government & Devolved Administration	32	82	51	37	30
Colleges and universities	34	33	19	19	20
Water	1	2	4	4	4
Other	76	43	18	18	31

In 2022-23, we saw a shift in where requests came from compared to the previous year. We had a decrease in requests from local authorities, housing, and the Scottish Government and devolved administration sector, likely due to increased familiarity with the updated MCHP. We had an increase in the volume of requests from the health sector, returning to pre-pandemic levels, where a slightly different MCHP is in operation (as noted above)

We also noted a further significant increase from previous years in contacts classed as 'other', due to more interest in our work from third-sector organisations, and more internal queries and requests for detailed support from SPSO staff.

Supporting the complaint handling community

We participate in a range of sector specific network meetings which are organised and run by complaints handlers in local authorities, the NHS, housing, further education and higher education. We also attend ad hoc meetings and attend conferences, to explain how the MCHPs work and the SPSO's role, as well as share tips for good practice in complaints handling.

In addition to supporting organisations within our jurisdiction, we also engaged with a variety of organisations, in particular from the third sector, looking to find out more about the MCHP and our approach to complaints handling. We are always pleased to share what we have learned over the years, to share the good practice that we see and to learn from the feedback we receive.

We continue to meet regularly with complaints standards staff from other ombudsmen schemes, commissioners and regulatory bodies across the UK and Ireland.

KPIs

Part 4 of the MCHP covers complaint handling and governance. It emphasises the importance for organisations of recording, reporting on, learning from and publicising complaints. The MCHP states that organisations must report on performance statistics that we set. Although the focus is on quantitative data about how many complaints organisations received, the time taken to respond to them and the outcomes reached,

we emphasise the importance for organisations of capturing qualitative information on learning from complaints and how that informs and contributes to improvement. For example, the MCHP states that organisations will publish, on a quarterly basis, information on complaints outcomes and actions taken to improve services, such as 'you said, we did' bulletins.

National whistleblowing standards

In addition to our work on PSC MCHP, we also provide advice and support to whistleblowing practitioners delivering NHS services in Scotland by giving advice about the application of the National Whistleblowing Standards. Although we cannot tell organisations how they should deal with specific cases, our complaints standards staff provide general advice to organisations. This approach avoids any conflicts of interest in relation to decision-making on a complaint that may later be made to the INWO. This year, we handled 32 such enquiries.



Learning from complaints

460

**premature cases
(down 41%)**

350

**recommendations
made**

52%

**of recommendations
were for learning and
improvement**

189

**published decisions
on our website**

- The absolute number of premature cases decreased from 783 cases in 2021-22 to 460 cases in 2022-23.
- The reason for this decrease links directly to our engagement work with public bodies and their capacity to handle complaints more effectively coming of the pandemic.
- Premature cases made up 12% of the total number of cases in 2022-23, which is 10 percentage points lower than 2021-22.
- The water sector saw the highest percentage premature cases with 20% in 2022-23. This is a considerable decrease from 2021-22, where 49% of cases were premature. This reflects the positive engagement we have had with organisations to support effective signposting for complainants.
- We work with all stakeholders to promote learning, share good practice and drive improvements ensuring that complainants have their rights respected. Integral to this is the making of recommendations to limit repeated dissatisfaction for customers.
- Learning from complaints is a focus at our internal quarterly casework performance meeting where we share good practice and identify opportunities for internal improvements in our processes.

Premature complaints by sector

Sector	Total 2022-23	As % of total cases per sector	Difference in % points 2022-23 to 2021-22	Total 2021-22	As % of total cases per sector	Difference in % points 2021-22 to 2020-21	Total 2020-21	As % of total cases per sector
Colleges	1	4%	-1	1	5%	-19	5	24%
Health (including prison healthcare)	133	10%	-8	206	18%	2	168	16%
Housing Associations	60	17%	-15	89	32%	10	50	22%
Joint Health & Social Care	15	9%	-5	25	14%	4	16	10%
Local Authority	152	13%	-14	302	27%	0	255	27%
Other (inc. out of jurisdiction)	8	14%	-12	11	26%	22	2	6%
Scottish Government & Devolved Admin	27	14%	-8	36	22%	4	27	18%
Scottish Prison Service (non-healthcare)	39	14%	-5	44	19%	-8	60	27%
Water	16	20%	-28	47	48%	9	43	39%
Universities	9	4%	-8	22	12%	0	25	12%
Total	460	12%	-10	783	22%	1	651	21%

Public service complaints uphold rates by sector

Uphold rates by sector	2022-23	2021-22	2020-21	2019-20	2018-19
Colleges	0%	0%	100%	0%	100%
Health (including prison healthcare)	63%	62%	60%	55%	59%
Housing Associations	75%	20%	50%	60%	50%
Joint Health & Social care	57%	63%	42%	55%	55%
Local Authorities	83%	71%	65%	64%	59%
Scottish Prison Service (non-healthcare)	100%	75%	100%	92%	73%
Scottish Government and Devolved Admin	100%	100%	71%	67%	67%
Universities	0%	100%	90%	64%	33%
Water	100%	80%	71%	71%	55%

The most significant changes related to university and housing associations complaints which can be explained by the low number of cases investigated.



Overview of recommendations

We are most likely to ask for a specific action to be taken in relation to individual remedies for complainants. With complaint handling, and learning and improvement, we take a slightly different approach and focus on the outcomes we require and the evidence that they have been achieved. This, we believe, promotes more sustainable and embedded learning and improvement.

In 2022-23, the SPSO issued 350 recommendations, a significant decrease from 511 recommendations in the previous year. The reduction in overall numbers is a positive indicator as reflects the number of cases we close after initial investigation where we often do not need to make a finding and recommendation, and those we are able to resolve.

In 2022-23, the SPSO issued 350 recommendations, a significant decrease from 511 recommendations in the previous year.



Relative proportions of types of recommendations remained in line with the profile of the SPSO's workload in previous years. For example, nearly 40% of recommendations relate to changing something for an individual and just over half of recommendations relate to learning and improvement for the organisation.

Number of recommendations made by type

Recommendation type	2022-23	% of total	2021-22	% of total	2020-21	2019-20	2018-19	2017-18
Complaints handling	32	9.1%	55	11%	81	130	130	109
Individual – apology	121	34.6%	176	34%	234	326	342	379
Individual – financial	1	0.3%	4	1%	10	18	8	17
Individual – other	13	3.7%	16	3%	30	53	36	52
Individual – total	135	38.6%	196	38%	274	397	386	448
Learning & improvement	183	52.3%	260	51%	385	511	644	635
Total	350	100%	511	100%	740	1,038	1,160	1,192

Number of PSC recommendations made by sector

Sector	Complaints handling remedy	Individual remedy - apology	Individual remedy - financial payment	Individual remedy - other	Learning and Improvement remedy	Sector total	% of total
Colleges	0	0	0	0	0	0	0%
Health (including prison healthcare)	20	85	1	5	142	253	72.3%
Housing Associations	0	3	0	1	3	7	2%
Joint Health & Social Care	4	10	0	2	12	28	8%
Local Authority	7	20	0	5	17	49	14%
Scottish Government & Devolved Administration	1	1	0	0	3	5	1.4%
Scottish Prison Service (non-healthcare)	0	0	0	0	0	0	0%
Universities	0	0	0	0	0	0	0%
Water	0	2	0	0	6	8	2.3%
Total	32	121	1	13	183	350	
Proportion of total recommendations issued	9.1%	34.6%	0.3%	3.7%	52.3%	100%	

- The health sector received the highest number of recommendations issued with 72.3%.
- Local authorities made up the second largest proportion with 14%.

Compliance with recommendations

We set a deadline for implementation of recommendations and follow them all up until we are satisfied that they have been implemented. We do not close a complaint until we are satisfied that recommendations have been implemented. The Ombudsman has the powers to report failure to comply with recommendations to the Scottish Parliament, but it is notable that as in previous years, we have not had any need to apply them.

Recommendation compliance by sector

Sector	Total closed	Within target	% closed within target	Completed - Over Target - under 1 month	% closed within target or within 1 month of target	Completed - Over Target - under 3 months	% closed within target or within 3 months of target
Colleges	0	-	-	-	-	-	-
Health (including prison healthcare)	285	143	50.2%	91	82.1%	114	90.2%
Housing Associations	5	5	100%	0	100%	0	100%
Joint Health & Social Care	22	18	81.8%	3	95.5%	3	95.5%
Local Authority	56	38	67.9%	11	87.5%	15	94.6%
Scottish Government & Devolved Admin	7	7	100%	0	100%	0	100%
Scottish Prison Service (non-healthcare)	1	0	0%	1	100%	1	100%
Universities	1	0	0%	0	0%	0	0%
Water	19	6	31.6%	2	42.1%	9	78.9%
Total	396	217	54.8%	108	82.1%	142	90.7%

Recommendation compliance by recommendation type

Type	Total closed	Within target	% closed within target	Completed - Over Target - under 1 month	% closed within target or within 1 month of target	Completed - Over Target - under 3 months	% closed within target or within 3 months of target
Individual remedy: apology	128	81	63.3%	36	91.4%	38	92.9%
Individual remedy: financial	1	0	0.0%	0	0.0%	0	0.0%
Individual remedy: other	15	8	53.3%	4	80%	4	80%
Learning and improvement	214	106	49.5%	57	76.2%	86	89.7%
Complaint handling	38	22	57.9%	11	86.8%	14	94.7%
Total	396	217	54.8%	108	82.1%	142	90.7%

There was an improvement in the percentage of recommendations closed within target with 54.8% closed compared to 46.4% in the previous year.

We agreed extensions to organisations in specific circumstances where they could evidence that they needed a longer timeframe to fulfil recommendations within the particular constraints at the time. Reasons for extending were often related to the capacity of the organisation to implement the actions we recommended.

Feedback to organisations by sector

Sector	Total no. of pieces of feedback 2022-23	Complaint handling	Points to note	Response to SPSO investigation
Colleges	4	4	0	0
Health (including prison healthcare)	177	58	108	11
Housing Associations	15	8	7	0
Joint Health & Social Care	22	10	11	1
Local Authority	75	45	28	2
Scottish Government & Devolved Administration	10	7	3	0
Scottish Prison Service (non-healthcare)	13	10	2	1
Universities	13	6	7	0
Water	5	3	2	0
Total	334	151	168	15

In many cases, we give feedback to organisations. This ranges from positive feedback on examples of good practice or service, to feedback about issues where we have identified potential learning.

- The health sector received the highest number of feedback (177) with the majority falling under the points to note category.
- Local authorities received the second highest number of feedback with 75 instances, 45 of those relating to complaints handling.

Support and Intervention Policy

2022-23 was the fourth year of the Support and Intervention Policy (SIP) in operation. This policy sets out the framework for where we offer support to organisations or intervene directly when required. Driven by our learning and improvement value, it helps us to focus our resources on public bodies who require support to help them improve their complaint handling practice or address poor performance.

There are six levels of intervention, level one being the most informal, and level six being the application of legal powers. There is more information about this on our website

Support and Intervention Policy | SPSO

We updated the policy document and information leaflet about how we use the policy in 2022-23. We also revised our internal guidance to ensure it was up to date with current practice and to ensure consistent application across all SPSO functions.

We use the information and intelligence we gather to build pictures of organisations' complaint handling practice. This enables us to target and build support around themes and trends as well as individual concerns. SIP interactions include

- further contact from one of our Complaints Reviewers enquiring about overdue information
- engagement from ISE team members to support learning and improvement or,
- in situations of continued non-compliance or repeated

difficulties, the Ombudsman may decide to write directly to the head of the organisation or as a last resort, issue a report to Parliament drawing their attention to the problem.

Support and intervention actions (senior management level)

Closed at level	2022-23	2021-22
3 - Head of Service	2	5
4 - Leadership team	1	2
5 - Ombudsman direct contact	1	0
6 - Special laid before Scottish Parliament	0	0

We applied the policy to a number of organisations

- Grampian NHS Board (Level 3 - incomplete response to SPSO enquiry)
- Business Stream (Level 3 - failure to respond to SPSO enquiry)
- Fife NHS Board (Level 4 - failure to respond to SPSO enquiry)
- Fife NHS Board (Level 5 - incomplete response to SPSO enquiry)

It is notable that the number of interventions has decreased since last year. This indicates to us that our more general feedback and interventions are having a positive effect. We are pleased to report that this year our interventions were positive resulting in positive outcomes and promoting further and more meaningful engagement with organisations. We have been encouraged by the open and cooperative reaction by public bodies.

Sharing learning from complaint outcomes

In 2022-23, we shared our findings and learning with organisations and the wider public through

- summaries of all our decisions are published on our **website**
- engagement at network meetings
- a monthly **e-newsletter** which signposts to our decision summaries and highlights trends and learning
- working with a variety of stakeholders such as Healthcare Improvement Scotland, sharing anonymised data to inform a wider view of public service delivery across Scotland
- publication of SWF case studies on our **website**.



Stakeholder engagement



Launched Child Friendly Complaints project

69

people completed Good Complaints Handling course

236

people from 63 organisations completed Complaints Investigation Skills training

103

Staff participated in 103 meetings and events with key stakeholder

Through our Improvement, Standards and Engagement (ISE) team, we engage with a range of stakeholders and organisations to provide support and advice, drive improvements in standards of complaints handling and contribute to public sector improvement.

Meetings

We continued to engage with organisations online (e.g. through Teams) rather than in person as many organisations, including ourselves, are operating in a hybrid way. ISE's complaints standards staff participated in 103 virtual meetings and events over the year.

Engagements included

- a wide range of complaints handlers' network groups including INWO and whistleblowing related groups
- sharing our experience with other Ombudsman offices and regulatory bodies around the UK of standardising and simplifying complaints handling procedures

- general complaints handling support across all sectors e.g., dealing with challenging behaviour, recording and reporting complaints
- attending conferences and other events to explain the Ombudsman's four statutory roles, to promote good practice in complaints handling and the importance of learning from complaints, and to reinforce the importance of recognising people's right to complain and to receive a good complaints handling service

We are a member of a number of sector, interest and working groups, including

- Healthcare Improvement Scotland Sharing Intelligence Group, working with partner scrutiny agencies to share intelligence in relation to different health boards on a regular basis
- the Administrative Justice Council (AJC) and Administrative Justice Council Steering Group (AJCSG, the Ombudsman is vice chair).

Child Friendly Complaints

During 2022-23 we began work on a multi-year project to implement a child friendly approach to handling complaints for public bodies under our jurisdiction. This work was supported by funding from the Scottish Government. The aim of the project is to co-design and implement a public sector complaints service that meets children's rights and needs, working in co-operation with children and young people, public bodies and wider stakeholders

From the outset, the project has followed a rights based approach, placing children's rights under **the United Nation Convention on the Rights of the Child (the UNCRC)** at the centre of our work.

Research

We began by consulting a range of children's rights experts, to better understand the existing theory and good practice surrounding children's complaints. We spoke to

- leading academics in fields relevant to children's rights and participation
- third sector organisations with an interest in children's rights
- public bodies with key roles in the oversight and promotion of children's rights, including the Children's and Young People's Commissioner for Scotland

Co-design

We held 21 co-design workshops to generate and then begin testing ideas for a child friendly approach to complaints handling. In attendance at these workshops were

- 50+ children and young people of all ages, from a range of backgrounds and circumstances
- 200+ adults who care for or work with children



“This is how consultation with young people should be done”

Feedback from a young person following a co-design workshop

This resulted in pilot versions of a set of Child Friendly Complaints Handling Principles, and a Child Friendly Complaints Handling Procedure.

Next steps

In 2023-24 we will be conducting a pilot of the new principles and process, focusing primarily on key public services provided to children and young people, such as education and social work. We will then roll out to all of the public bodies under our jurisdiction, with the aim of full implementation by 1 April 2024.

Consultation and engagement

We use our experience and evidence to help support the work of others to improve public service design and delivery by responding to consultations and requests for comments. In 2022-23 we responded to 13 consultations and requests for comment. These covered a broad range of topics and organisations including

- providing comments to the Ethical Standards Commissioner as they were developing their Investigations guidance
- submitting evidence to the Independent Review of Inspection, Scrutiny and Regulation in Scotland (Social Care)
- responding to a Westminster consultation on human rights and Ombudsmen schemes.

We gave evidence to the Scottish Parliament three times

- to the Local Government, Housing and Planning Committee about our 2021-22 annual report
- to the Health, Social Care and Sport Committee about the proposed Patient Safety Commissioner
- to the Health, Social Care and Sport Committee about the proposed National Care Service

Training

In 2022-23, we redeveloped our training programme for complaint handlers in all sectors. This was to create a more efficient and effective way to deliver complaints handling training, whilst also providing greater access to training for the Scottish public sector.

We developed an accredited, self-guided, online course on Good Complaints Handling. This course is aimed at staff handling complaints at stage 1 of the MCHP and is accessible directly through the [SPSO website](#).

We also redesigned our trainer-led Complaints Investigation Skills training. This course, aimed at staff who investigate complaints at stage 2 of the MCHP, is a one-day course run quarterly and delivered by expert trainers from across the SPSO, including colleagues who investigate PSC complaints.

We launched these courses in January 2023 and early assessment of the impact of them has been encouraging. In the year 2022-23, for the Good Complaint Handling course




168

applications were received to register for the course

69

people completed the course

Feedback

-  I liked the mix of video and testing your knowledge after completing each module.
-  The audio added further information and the pace was excellent. The functionality was good. It was all very clear.
-  All very interesting making you more aware of how to deal better with complaints for all concerned.



In 2022-23, for the Complaints Investigation Skills course

236

people from 63 organisations completed the training




16

courses delivered by us across four days

Organisations by sector

Sector	Attendees
Local Authority	122
Housing Associations	34
Universities	21
Scottish Government and Devolved Administration	35
Health	11
Colleges	8
Health and Social Care	4
Other	2

Feedback

-  Very informative. Ready to answer questions and giving us room to pause.
-  Clear presentation and lots of opportunities to contribute or ask questions.
-  Excellent, very confident and knowledgeable.

Customer service

137
complaints
received

134
complaints
closed

61%
upheld

51
closed at
stage 1

12
closed at
stage 2

18
closed after
independent review

Our customer service standards are driven by our values, with a strong focus on learning and improvement internally. Our recommendations reflect this drive and our commitment to public service improvement, access to justice and accessibility for all.

The SPSO has three broad customer service commitments

- effective communication
- working in an open and fair way, and
- carrying out their duties competently and responsibly.

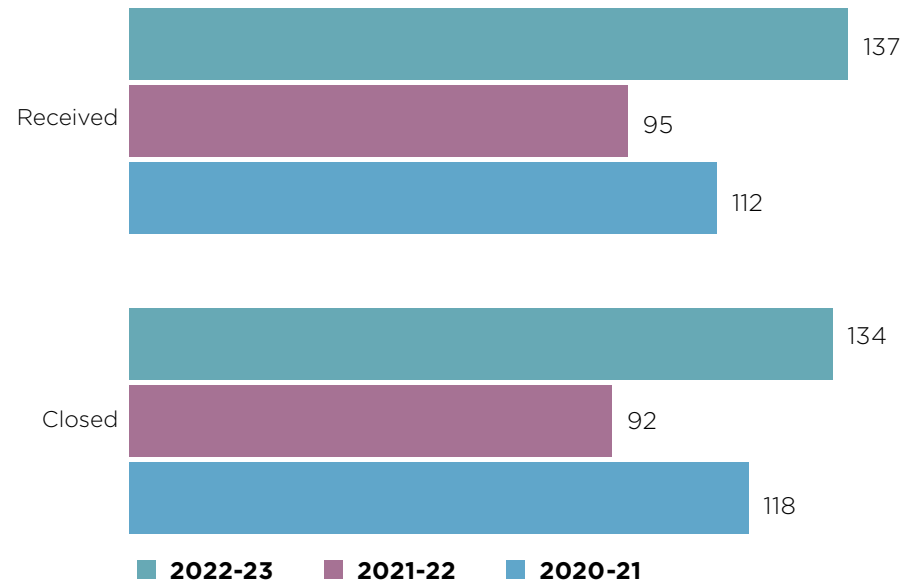
We use data to inform, develop and support our ongoing commitment to providing high-quality services that meet or exceed our customer service commitments. We firmly believe that data maturity holds the key to continually raising our standards and performance.

We utilise and review all forms of feedback; this includes information from user satisfaction survey responses, customer service complaints, compliments and unsolicited feedback.

Customer service complaints

We hold ourselves to the same high standards as we hold public bodies. Our customer service complaints (CSC) process has the same two-stage process as the MCHP, except instead of signposting to the Ombudsman, we have a contract in place with an Independent Customer Service Complaints Reviewer (ICSCR) to whom we signpost complainants at stage three.

Total (all stages) yearly comparison



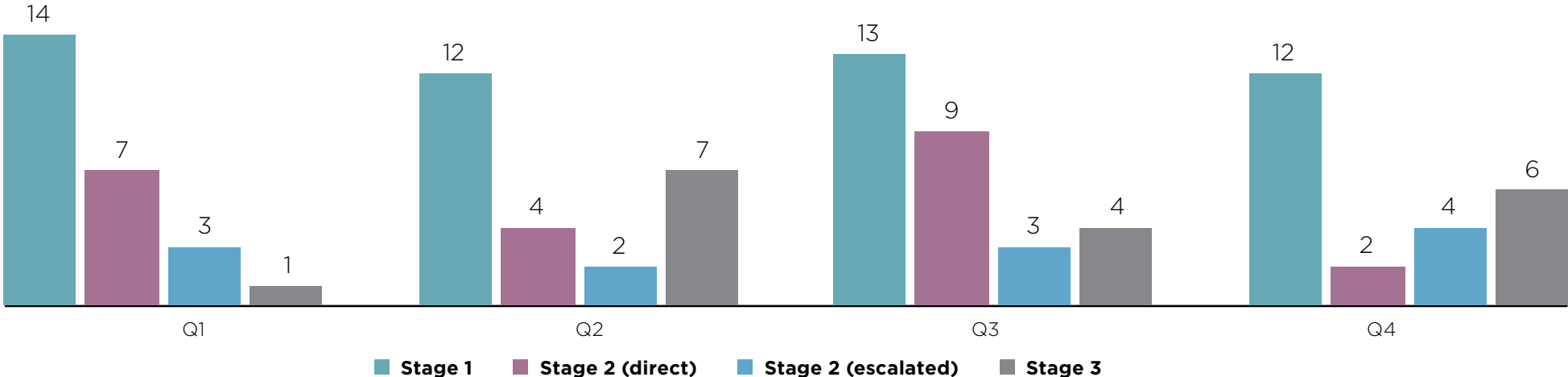
- The increase in complaints received is a direct result of our work of clearing the backlog of cases and the delays that complaints encountered throughout this period.

Customer service complaints received quarterly breakdown

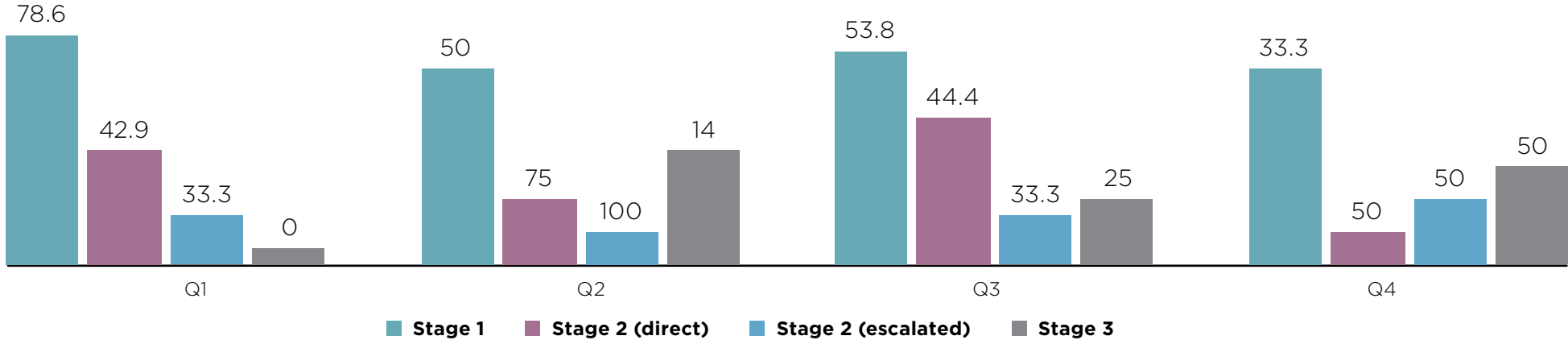
	Q1	Q2	Q3	Q4
Stage 1	17	15	20	19
Stage 2 (direct)	6	10	9	5
Stage 2 (escalated from stage 1)	3	4	6	9
Notified of cases at stage 3 by ICSCR	0	7	6	7
TOTAL	26	36	41	40



CSC cases closed



CSC cases upheld (fully and partially) %



- Quarterly complaints received increased from Q1 through to Q3 and Q4, the addition of stage 3 complaints after Q1 impacted on these totals.
- Our uphold rate is based on fully and partially upheld. This is variable due to the nature of our recording system. We recognise this needs improving and work is ongoing to refine how we record to ensure we can drill down into our data more accurately.

We analysis our CSC data quarterly to ensure we are learning from complaints. We measure ourselves against our service standards. This supports our improvement and training functions. The chart below shows the percentage of themes we have upheld fully or partially by quarter and the full year.

Uphold rates by CSC subject

	Q1	Q2	Q3	Q4	Total
Communication - accessibility	0%	0%	2.1%	0%	0.8%
Communication - clarity	0%	20%	10.6%	10%	11.4%
Communication - keeping you informed	19%	14.3%	10.6%	15%	13.8%
Communication - respect and dignity	0%	11.4%	8.5%	10%	8.1%
Communication - timeliness	57.1%	25.7%	29.8%	20%	31.7%
Communication - understanding	0%	5.7%	10.6%	10%	7.3%
Competent and responsible - handling information	14.3%	20%	17%	15%	17.1%
Competent and responsible - putting things right	0%	0%	6.4%	0%	2.4%
Open and fair - impartiality and independence	4.8%	2.9%	0%	0%	1.6%
Open and fair - transparency	4.8%	0%	4.3%	20%	5.7%

Outcomes

Stage	Upheld	Not Upheld	Total	% upheld	% upheld 2021-22	% upheld 2020-21	% upheld 2019-20	% upheld 2018-19
Stage 1 - Frontline resolution	28	16	42	67%	58%	54%	44%	29%
Stage 2 - Investigation & escalated complaints	14	13	27	52%	57%	41%	27%	19%
Total	42	29	69	61%	n/a	n/a	n/a	n/a

Note: Total upheld/ not upheld is less than total closed cases as some cases have moved to other stages/ had other closure reason

This year our staff were able to resolve two frontline complaints.

We ensure all staff are using consistent language and processes to help complainants to either obtain early satisfaction or to escalate if needed to a customer service complaint.

All staff are empowered to resolve these complaints as close to the point of service delivery as possible. We consider resolution conversations to be a positive contributor in response to increasing awareness, demonstrating that we value complaints and holding ourselves to high customer service standards.

Some complaints may require an approach other than investigation and we encourage all our staff to use an alternative complaint resolution approach where appropriate.

Timescales

We aim to respond to customer service complaints in line with the timescales set out in the MCHP. The timescales to close complaints are

- 5 working days at stage 1
- 20 working days at stage 2 (complaints that bypass stage 1 because they require a detailed investigation at stage 2)
- 20 working days for 'escalated' complaints (complaints considered at stage 1, that progressed to stage 2 because the complainant remained dissatisfied)

Performance against timescales

Stage	Met timescale (cases)	Did not meet timescale (cases)	Total number of working days	Average time in working days to close	Oldest complaint age (days)
Stage 1 - Frontline resolution	46	5	167	3.2	8
Stage 2 - Investigation & escalated complaints	23	5	500	17.9	47

- Stage 1 performance remains high with 90% meeting the timescale, and the average working days to close lower than the target at 3.7 days.
- Stage 2 performance also remains high 82% meeting the timescales, and the average working days to close lower than the target at 17.9 days.
- Reasons for not meeting the timescales often are linked to cases being more complex or having more complex information that the outset as was the case with our oldest CSC.

Independent Customer Complaints Reviewer (ICSCR)

Like our role in the public service complaints process, the ICSCR reviews and investigates complaints about SPSO's internal complaints handling where customers remain unhappy with either the decision we made or how we handled it. The ICSCR process is completely independent and provides a full and timely response to complaints. The ICSCR's role is to provide assurance that the SPSO have robust arrangements for handling customer service complaints in line with our policy and procedures, and that complainants have the opportunity for review by someone outside of the organisation.

Matters relating to the substance of the SPSO's decisions on complaints about public bodies are not within the ICSCR's remit.

In 2022-23 there have been 18 CSC cases taken to stage 3 and resolved by the ICSCR

- the ICSCR has acknowledged all cases within the three-day target
- the average time to reach a final decision from receipt was 26 days
- only 1 decision fell short of the 20 working day timescale for response

In 2022-23 the ICSCR undertook a random review of customer service complaint files during the year. The review sampled cases, allowing the ICSCR to identify learning opportunities and suggest recommendations to help drive improvements within our service.

The finding from this review found the main upheld themes related to our commitments to communicating effectively and being open and fair

- Communication
 - Timeliness
 - Accessibility
 - Keeping informed
- Open and fair
 - Impartiality and independence

This learning is shared across the organisation to support internal training and development.

Accessibility

Our staff recognise that accessibility is everyone's responsibility. All SPSO staff are committed to making our service accessible and embrace this value by consistently demonstrating this in our communication with individuals

We aim to ensure that no-one is excluded from using our service and that we treat people with dignity and respect.

We are guided by the following

People centred value

We live this value by treating people with dignity and respect, making ourselves accessible, delivering a compassionate service in line with our service standards, and working supportively with each other.

Strategic theme

Everybody who uses Scottish public services can access them without barriers, when they need them, in the way they need to. People are always treated with dignity, respect and kindness.

Customer service standards

- Our service will be easily available and accessible to you.
- We will work with you to meet your individual needs, including working with representatives to support you through our service.

A variety of initiatives were progressed during 2022-23, which developed our service and broadened our understanding of inclusion, diversity, equality and accessibility

Trauma-informed approach training

Trauma-informed practice is grounded in the understanding that trauma exposure can impact an individual's neurological, biological, psychological and social development. Understanding how trauma affects us and people accessing our services is important as it enables us to identify how we can help and support people who come to us, and our own staff. All SPSO staff were trained in this approach during 2022.

Vulnerabilities guidance

In response to learning from the training, our **vulnerabilities guidance** was reviewed and refreshed to include trauma-informed approach information.

This addition has assisted staff to recognise trauma and adjust our process when/where appropriate. Examples are detailed in the guidance of the effects of trauma (as expressed by our service users) and we have listed successful adjustments that we have made for individuals who have been/are subject to trauma.

Staff awareness/ information events

Our Inclusion Diversity Equality and Accessibility staff interest group (IDEA collaborative) comprising staff membership from across the organisation, organised awareness and information events in celebration of

- Black History Month
- LGBT History Month
- International Women's Day



Request for adjustments to our service

During 2021-22 we made improvements to our customer record management system, ensuring that adjustments are consistently recorded and applied when agreed with individuals.

The IDEA collaborative conducted a review of adjustment requests from public service complaint and Scottish Welfare Fund customers.

We found that most adjustments related to dyslexia. Training will be delivered to broaden our understanding of the needs of dyslexic service users in 2023-24.

Ensuring we do not digitally exclude

As covered in **first contact**, we continue to experience a channel shift in members of the public contacting us digitally. However, we are mindful that a lack of digital skills and access should not disadvantage anyone using our service.

We redeveloped our paper complaint form and now issue it with a freepost envelope ensuring fair access and that no one is financially excluded if they prefer to contact us by post.

We also have a freephone telephone number and offer a call back service if anyone wishes to speak to us outwith our opening hours.

Managing the organisation

111

FOI requests
received

106

DSARs
received

296

public service complaint
reviews received

1

INWO review
request received



developed our casework
management system to
improve efficiency and
data security



launched the Learning Hub,
a digital platform for
learning and development



reduced our carbon
footprint by more than 20
percent since 2015-16



reaccredited for Investors
in People Gold status

Openness and transparency

Freedom of information and environmental information requests

Type	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
Requests received	111	59	91	148	169	127	119
Requests handled	107	66	92	151	164	131	116
Review requests received	5	4	3	11	6	16	16
Review requests handled	5	4	3	12	6	18	7
Appeals to Scottish Information Commissioner	3	1	1	3	0	1	2

Data Subject Access Requests (DSARs)

Type	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
DSARs received	106	70	91	104	102	75	56
DSARs handled	96	86	80	107	100	72	57
DSAR Review requests received	8	3	3	5	8	4	3
DSAR Review requests handled	6	5	5	3	8	4	3
DSAR Appeals to UK Information Commissioner (ICO)	0	1	1	0	1	0	1



- We saw a sharp increase in requests for information and DSARs compared to last year's figures, with the highest number of DSARs recorded to date.
- The majority of requests for information continue to relate to our casework.
- Where we carried out reviews of information requests, these all wholly or partially upheld our original decision, which gives us confidence in our decisions.
- There was one first time response at review (where there was no response to the original request), and one request for review withdrawn.
- We responded to 96% of requests and reviews within the statutory timescales.
- The Scottish Information Commissioner's published statistics show that for 2022-23 our received FOI figures are within the top five out of over 100 Scottish authorities listed in the same sector as the SPSO, and our DSAR figures are within the top two.
- Following an application for a decision from the Scottish Information Commissioner, the Commissioner found that we complied with Part 1 of the Freedom of Information (Scotland) Act 2002 in responding to the information request made by the Applicant.
- We continue to adopt the Scottish Information Commissioner's Model Publication Scheme and publish a **guide on our website to the information that we make available**, which we review, and update where necessary.
- We use data in a way that is fair. We are clear, open and honest about how we will use data, and comply with the transparency obligations of the right to be informed. We provide information in a way that is concise; transparent; intelligible; easily accessible; and uses clear and plain language. We review, and update our information where necessary.

Scottish Information Commissioner's statistics (Sector: Other)

Freedom of information requests received:

Public Authority	2022-23	2021-22
Scottish Parliament	307	232
ScotRail Trains Ltd	249	0
Scottish Qualifications Authority	162	161
Scottish Public Services Ombudsman ⁷	103	58
Registers of Scotland	101	45
Scottish Enterprise	83	51
Office of the Scottish Charity Regulator	83	52
General Teaching Council for Scotland	77	66
Highlands and Islands Enterprise	73	55
Scottish Sports Council	72	42
Audit Scotland	68	34

As can be seen from the tables above, FOI requests to the other top ten Scottish public authorities listed in the same sector as the SPSO increased in total by over 70%, and DSARs by over 100%. SPSO's increase is comparable, though there is not quite as sharp an increase as overall for DSARs. We think the most

⁷ SPSO figure taken from internal year end reporting

Data Subject Access Requests (DSARs) received:

Public Authority	2022-23	2021-22
Scottish Qualifications Authority	609	242
Scottish Public Services Ombudsman ⁷	106	70
ScotRail Trains Ltd	70	0
Kibble Education and Care Centre	47	31
Scottish Children's Reporter Administration	43	83
Registers of Scotland	40	12
Scottish Parliament	26	12
Scottish Information Commissioner	24	23
Scottish Association of Citizens Advice Bureaux	21	0
Scottish Legal Complaints Commission	19	28
Mental Welfare Commission for Scotland	12	10

likely reason for the increase is connected to emerging from the pandemic, particularly where there were delays. It is notable that we also saw an increase in customer service complaints (see page 81), and many of these were because of delay.

Managing the organisation: our team

Overview

Our objective is to be acknowledged for having well trained, properly supported people, who have the tools they need to deliver our services. We strive to have the capacity, financial, human and infrastructure, to implement and deliver our statutory functions. In 2022-23 we



maintained Living Wage Employer accreditation



were reaccredited for Investors in People Gold status



maintained membership to the Employer's Network for Equalities and Inclusion



launched a trial of hybrid working and began collecting staff feedback on this trial



consulted with colleagues across the organisation to develop a plan and approach to flexible future working arrangements post-pandemic



launched the Learning Hub, a digital platform for learning and development



Scottish Biometrics Commissioner
Coimiseanair Biometrics na h-Alba

continued to support the Scottish Biometrics Commissioner as part of a shared service arrangement



developed an agreement to deliver shared services to the Scottish Human Rights Commission



continued to deliver a broad range of activities to support staff to achieve a balance of work and life and positive health and wellbeing



developed and delivered a programme of learning and development activities to encourage and support our colleagues' skills and knowledge

Our people; staff numbers

Our workforce was an average of 80 Full-time Equivalent (FTE) for 2022-23 (76 FTE 2021-22). We have grown with each new jurisdiction added to the Ombudsman's statutory responsibilities.

A focus in the past year was on recruitment and induction of five additional Complaints Reviewers to fill temporary fixed-term vacancies to support with our pandemic recovery plans.

Diversity

We continue to monitor and develop our approach to recruitment, selection and promotion so that it follows good practice across all diversity and equality strands. We monitor all aspects of diversity of our workforce on an ongoing basis. On 31 March 2023, 76% of employees in the organisation were female and 24% were male (not including seconded and temporary staff) (73:27 in 2021-22). Two of the three members of our leadership team and 82% of our management team are female (78% in 2021-22).

Healthy, safety and wellbeing

This year we continued to prioritise the health, safety and wellbeing of our people and the public. We have worked hard to keep people connected and supported as we transitioned to office working and hybrid arrangements with a focus on health and wellbeing and this included

- development and launch of Hybrid Working Principles to allow continued flexibility in working arrangements while also enabling collaboration and improving wellbeing through in person contact
- delivering a calendar of health and wellbeing events, information and awareness raising
- continued regular organisation-wide meetings
- ongoing opportunities to improve social connections through work both virtually and in person
- collaboratives continuing to deliver virtual and in person meetings to enable knowledge-sharing and social connections
- adopting online collaborative tools and resources to enable virtual working, communication, learning and development

We recognise that there are benefits to having more flexibility and self-determination about where and when we work and on this basis the offices were open for staff to attend on a voluntary basis. Equally, we recognise and respect that our colleagues and service users have needs which need to be balanced with individual choice. We have not changed our flexible working policies but we launched a 12 month trial of hybrid working (beginning in July 2022).

We are using this trial period to take an agile approach to developing policy in light of learning from our experiences. We have Hybrid Working Principles to guide managers and our people through the trial period. Through ongoing review and consultation we have been able to respond quickly to queries and concerns about hybrid and office working arrangements. At the end of this trial we will use feedback from colleagues to develop long term policy.

Training and development

We continued to meet the people development needs of the organisation through a range of activities. Learning and development activities were delivered around key areas including

- compliance training (e.g., health and safety, GDPR, cyber security, counter-terrorism, trauma informed approach)
- skills development events (e.g., complaints skills, call recording, communications, train the trainer, engagement policy)
- Casework knowledge (e.g., Casework Matters featuring talks about prisoner complaints and the prison service, water complaints, health data and statistics, patient safety, kinship care, social care and self-directed support)
- a range of skills development learning opportunities in response to the development needs identified as part of individual personal development plans (e.g., Excel training, interview skills, social media, pension awareness, benefits, mental health and wellbeing)
- a quarterly programme of leadership development activities to our management community (e.g., risk, agile project management, managing the menopause, giving and receiving feedback using conversational IQ)

In March 2023 we had our first all staff business planning meeting in person since the pandemic which was an opportunity for everyone to get together, collaborate and strengthen relationships between colleagues and teams.

Investors in People

SPSO achieved Investors in People (IIP) accreditation recognition in 2011 and has maintained a gold accreditation status since February 2017. Accreditation status is evaluated on a three-year basis, with an informal review undertaken on an annual basis. SPSO's formal reaccreditation took place in March 2023 and we maintained gold accreditation status.

Feedback demonstrated that SPSO continues to foster an environment in which people feel supported and valued by line managers and leadership. Our people are proud of the work they do and are committed to delivering the best for people accessing our service. They have a clear and consistent understanding of the SPSO vision, values, aims and objectives and are involved in business planning activities. People are also able influence decision making and make positive contributions to the SPSO aims, objectives and long-term sustainability through collaboratives. The collaboratives, along with the organisation's commitment to learning and improvement enable people to take ownership of their learning and development. A particular area where we saw improvement was in feedback about appreciation and recognition for the work that they do.

The report identified areas of improvement including

- identifying opportunities to stretch and develop people
- exploring alternative methods for staff to give feedback
- considering varying recognition methods such as peer recognition
- facilitating in person opportunities for people to communicate, connect and collaborate across the

organisation

- continuing to provide learning and development opportunities that help staff to define career paths
- further embedding agile approaches to improvements, projects and trialling new ideas
- continuing to work towards improving the diversity of the workforce
- continuing to advance our impact and responsibilities to society and the wider community

This level of accreditation recognises organisations which strive for the best possible standards in people and management, the nurturing of talent, and which encourage personal development. IIP is an internationally recognised accreditation held by 50,000 organisations and is recognised in 66 countries around the world, gold accreditation is only awarded to 26% of organisations assessed. That the SPSO achieved this level is a significant achievement and reflects the collective work of the whole office.



Staff survey

The SPSO conducts an annual staff survey and the **summary reports are published on our website**.

Each year the staff survey results, along with our IIP assessment findings, are combined to create an annual action plan to ensure we maintain our focus on commitment to building a people-centred organisation.

2022-23 survey highlights

75%

response rate

95%

of questions scored above 70% positive with 31% scoring above 90% positive



scores improved in 72 out of 85 questions compared to the last survey



the most improved scores were under the theme of leadership (improved by 12% on average)



health and wellbeing was the highest scoring theme (92% on average)

Collaboratives, working groups, work streams

A number of staff-led, cross-team working groups continued over the last year to promote and support interaction, cooperation and knowledge sharing across the organisation. The groups established include communities of practice, Health and Wellbeing, Climate Change and a Corporate Social Responsibility group that incorporates our charity work and other social and community collaborations.

Research and recommendations carried out by the Future Working Group led to the reopening of the office with a trial of hybrid working arrangements. The group have been reviewing the trial through informal collection of team feedback which has then been shared with the leadership team to develop guidance and provide advice to staff. Alongside this, the group have been collating survey feedback to formally analyse views which will inform future policy development.

Community, social and human rights

Many of our staff are involved in community and social rights engagement activities outside of work, including volunteering for

- the Children's Panel
- the Law Society of Scotland's Regulatory committee

- Fresh Start, a charity helping previously homeless people who have been offered a tenancy assistance to move into their new home
- Ochil Youth Community Improvement, a local youth led charity

In 2022-23 we observed mental health awareness week with informative communications and resources to raise awareness on the theme of loneliness. Throughout the year the Wellbeing Action Group planned events and activities each month to observe different causes to support wellbeing. These activities included



World Blood Donor Day



Samaritans Awareness Day



Cycle to Work Day



National Fitness Day/ World Heart Day



National Work Life Week



Men's Health Month



National Grief Awareness Week



Brew Monday



Time to Talk Day



Nutrition and Hydration

Managing the organisation: governance

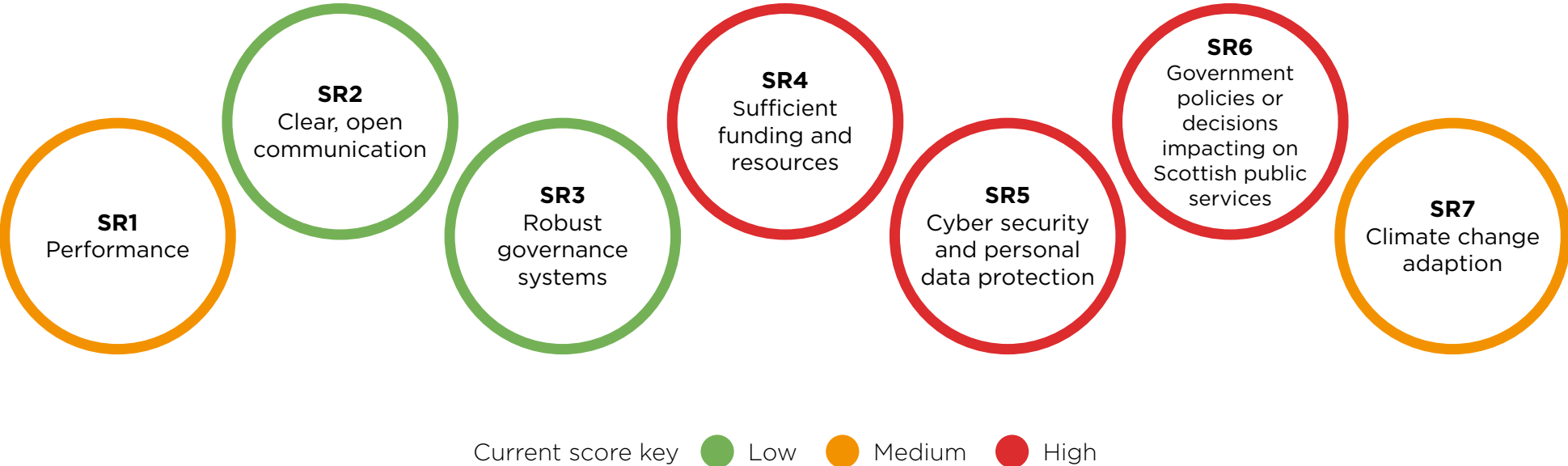
Governance

As Accountable Officer, the Ombudsman has responsibility for maintaining a sound system of governance and internal control that supports the achievement of organisational policies, aims, and objectives, whilst safeguarding public funds and the organisation’s assets for which she is responsible. The Scheme of Control outlines the arrangements in place to assure good governance practices are followed. This is published in our **finance handbook**.

The Ombudsman is supported by the **Advisory Audit Board (AAB)**, which provides advice about risk, assurance, audit quality and governance. The committee receives internal and external audit reports and the annual accounts. Audit Scotland appoint our external auditors.

Strategic risk management and control

Seven Strategic Risks The seven strategic risks showed no movement during 2022-23. Key controls are



Risk	Description of area of risk	Control action in place
SR1	<p>Performance</p> <p>If the SPSO does not maintain and develop further their positive reputation for effectiveness, efficiency, transparency and excellence it will undermine stakeholder relationships, and damage our standing as world-leading experts.</p>	<p>Managed through strong governance and innovation structures, for example, the scheme of control, robust quality assurance processes, active member of Ombudsman’s networks, regular engagement with the parliament. Strong body of work published, open and transparent governance, engaging with the Scottish Government to deliver improvement practices.</p>
SR2	<p>Clear, open communication</p> <p>If the SPSO does not communicate clearly and openly about our role and remit, and the positive impact of our work, this will undermine public support, trust and confidence in our service, and inhibit our ability to drive public sector improvement</p>	<p>Managed through publication of strategic and annual business plans; proactive stakeholder engagement strategy; annual report; regular review of communications tools (web, leaflets, e-newsletter); sounding boards; tracking media coverage and e-newsletter open rates, acting on feedback from surveys, customers and sounding boards; regular meetings with SPCB; investing in relationships with key Scottish Parliament, Government and third sector stakeholders.</p>
SR3	<p>Robust governance systems</p> <p>If we do not have in place, maintain and apply robust governance systems, clearly linked to output and performance, we will be unable to deliver and demonstrate value for money, effective and efficient service, and not meet all our statutory duties.</p>	<p>Managed through strong governance structures in place through the scheme of control, internal and external audit plans, and maintaining and valuing a strong relationship with the Scottish Parliamentary Corporate Body.</p>
SR4	<p>Sufficient funding and resources</p> <p>If we have inadequate funding and resources, and do not maintain and develop capacity where and to the standard needed, our work plan will not be delivered by sufficient, motivated, skilled and supported colleagues to time and quality standards set.</p>	<p>Our approach to resourcing is outlined in the Strategic Plan, we remain fully engaged in budget bid process, careful consideration of resource requirements through business planning process, engagement with staff representatives. Support for managers having difficult conversations, learning and development plan includes staff wellbeing.</p>

Risk	Description of area of risk	Control action in place
SR5	<p>Cyber security and personal data protection</p> <p>If we cannot maintain business continuity due to a cyber incident or other external factors outside our control (at local, national and international level) and do not have effective contingency plans, this may result in systemic delivery and resourcing issues, we will be unprepared and unable to meet our statutory functions and deliver our strategic plan.</p>	<p>Business Continuity Plan reviewed regularly with appropriate testing and liaison with third parties. Cyber resilience plan in place, CR accreditation confirmed with major contractors; LT and ISA to attend relevant briefing sessions and remain informed of the risk and implement appropriate protections; agreed approach in relation to disruption to business. Monitor external sources of information and act on plans as needed.</p>
SR6	<p>Government policies or decisions impacting on Scottish public services</p> <p>If the UK or Scottish governments introduce policies or take decisions that have significant negative impact on the delivery of Scottish public services, this may result in systemic delivery and resourcing issues across the public sector, SPSO included, impacting on our ability to meet statutory duties.</p>	<p>Frequent horizon scanning, monitor developments and attend briefing, information and discussion sessions, maintain a particular focus on post BREXIT, devolved and non-devolved matters, and wider economic policies. Monitor internal impact and respond to Scottish Government (and where appropriate UK Govt) impact surveys.</p>
SR7	<p>Climate change adaption</p> <p>If SPSO fails to understand and adapt to the threats and opportunities posed by climate change, then this may lead an inability to meet our statutory duties, reputational damage, environmental damage and potential financial penalties.</p>	<p>Climate Change and Green group to horizon scan, monitor developments and keep LT updated. SPSO is developing a Climate Change Strategy that will plan and control this risk. Progress towards the Strategy and associated actions is managed through the Climate Change and Green group.</p>

Further details on the SPSO governance arrangements can be read in our full accountability report on pages 101-140.

Quality Assurance

The SPSO has an annual Quality Assurance (QA) programme to ensure that all SPSO casework is handled in accordance with our procedures as written in the SPSO guidance.

The QA programme is set out on an annual basis using standardised and risk-based assessments carried out independently of the decision makers.

This year our QA programme was risk based focussing on the following key areas

- an assessment of professional advice sought and obtained for public service complaint decisions
- an assessment of public service complaint decisions based on proportionality
- an assessment of initial telephone calls to complainants on public service complaints

For each of the QA areas, we found that in the majority of cases the guidance for our investigative staff had been followed well. The initial professional advice sought was clear and appropriate for the level of investigation and incorporated well into decision letters. Decisions that were closed at assessment were determined as correct in all cases, with only one case being re-opened to make a further enquiry. The standard of initial telephone communications was high, demonstrating effective listening, management of expectations and empathy for complainants' situations.

The findings of the QAs were discussed with the individuals involved, and shared with managers. The findings, including any recommendations for improvement (such as a reminder to staff to ensure they are completing all mandatory forms), were also reported to the SPSO Leadership Team and followed to inform and ensure wider learning.

Public service and INWO complaint reviews

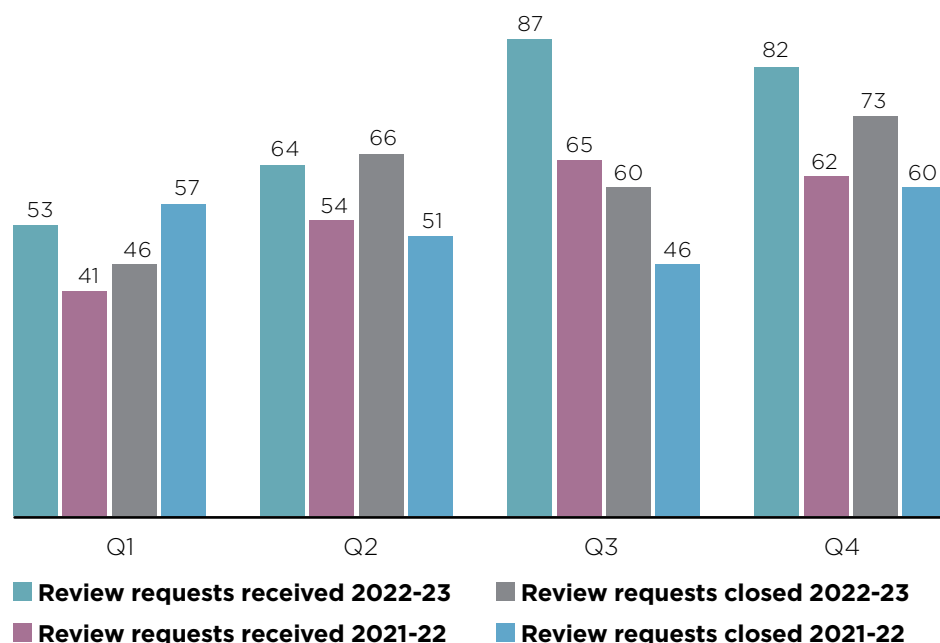
The Ombudsman has put in place a non-statutory review process where a complainant or a public body can ask the Ombudsman to review the decision on a complaint (a different process applies to public reports) that has been made by one of her staff under delegated powers. Each review request is considered and responded to by the Ombudsman, with support from Executive Casework Officers.

In 2022-23, we received 296 PSC requests for review. This represents 8% of all cases received this year. The Ombudsman responded to 245 of these requests in 2022-23.

Comparatively we received more requests for reviews on cases that were investigated beyond initial enquiries, than those that were determined in the earlier stages.

We received one INWO request for review in which we agreed with the approach taken by the complaints reviewer and the decision remained unchanged.

Public service complaint reviews quarterly breakdown



As can be seen from the tables above the rate at which we received review requests by quarter remained consistent in relation to last year. The rate at which we closed review requests was lower for the first quarter reflecting staffing challenges. The closure rate was consistent with the previous year in quarters 2-4.

Public service complaint review outcomes

Outcome	Number
Decision unchanged	207
Re-opened for further investigation	11*
Outcome changed	4
Outcome unchanged but we either amended the decision to give more robust or clearer explanations, or to add or amend recommendations or feedback	17
Ineligible or withdrawn	5
Total	245

* (in one of these cases we received review requests from both parties to the complaint, so there were 12 review requests on 11 cases)

Reasons for revised decisions

New information received from either party

At decision review we invite complainants to provide us with new information which they consider may impact on the decision making process.

11 cases were re-opened for *further investigation* this year (in one of these cases we received separate review requests from both parties to the complaint).

In five of these cases we received new information at the review stage which led to the cases being re-opened.

We also *changed the outcome* at review stage on four cases. These were all closed in the early stages. Two of these outcomes were changed due to new information being provided.

Mistake or factual inaccuracy being relied upon in the original decision

Overall, there were only eight cases (reviews were received from both parties on one of these cases) in which the outcome was changed or further investigation was required due to a mistake being made or information we relied on contained a factual inaccuracy.

This represents 3% of all complaint reviews determined and represents 0.3% of all complaints determined by the office this year, demonstrating a high quality of decision-making.

Performance against KPIs

We knew we were not going to meet the review KPIs for responding to review requests. This was down to a combination of the legacy impact of the pandemic on our resources, the increased number of PSC cases closed and resourcing challenges. Nevertheless, we have reported against them to show the impact of our focus on achieving the target for responding to the oldest review requests. As a result, we met the 90-day target in 98% of cases. We have in place a triage system to prioritise urgent review requests and consider all requests to prioritise a review

KPI	Actual achieved
Respond to 40% of reviews in 50 days	1%
Respond to 95% of reviews in 90 days	98%

Shared Services

Our move to Bridgeside House accommodation in December 2018 enabled a co-location arrangement with the Scottish Human Rights Commission (SHRC) and the Children and Young People Commissioner Scotland (CYPCS). This co-location provided the opportunity to share common services such as facilities, health, safety and security management, postal services, and shared areas such as the boardroom and training facilities. As the largest tenant, SPSO was asked by the SPCB to be the named leaseholder and provide the facilities management for the group. In 2021-22 we welcomed the new Scottish Biometrics Commissioner (SBC) into Bridgeside House to also share these services.

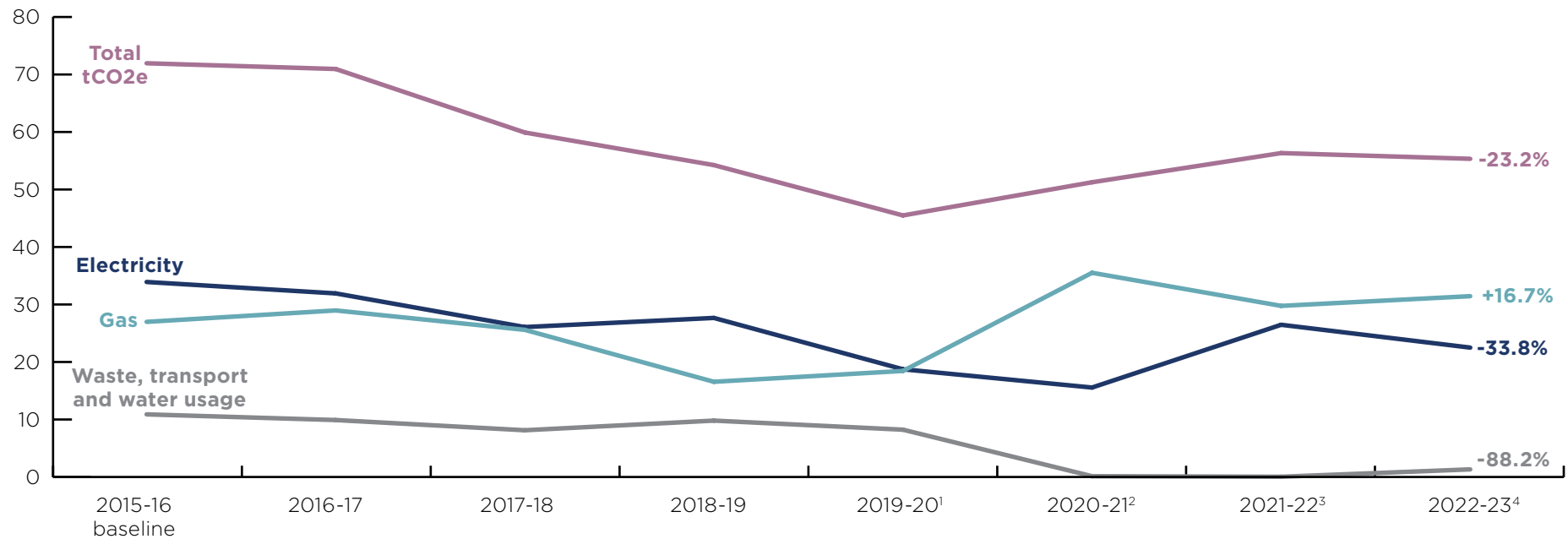
In addition to providing lease and facilities management for Bridgeside House, the shared service agenda was further extended to the new Commissioner body, SBC, when we agreed to provide corporate service administration for finance, a full HR service, and other support functions to the SBC. This shared corporate service has been extended further to the SHRC from April 2023.



Environmental and sustainable development

Since 2015-16 we have reduced our carbon footprint by more than 20 percent, despite increasing in staff numbers and having responsibility for reporting on the waste and energy carbon emissions for all four organisations located in Bridgeside House from 2019-20. Our total emissions equate to less than 0.5 tonnes of carbon dioxide equivalent (tCO₂e) per FTE employee or 0.04 (tCO₂e) per m² floor space we occupy. Despite this, the building gas usage during the year increased, due to fewer staff members in the building. We are addressing this usage by further reducing the building temperature.

SPSO continued to implement actions generated using the Resource Efficient Scotland's Climate Change Assessment Tool. These actions provide a plan that will assist SPSO to further reduce emissions and embed awareness of the need to adapt to climate change within the organisation with the aim to be NET ZERO by 2030. Further details of carbon emission reductions are in our [Climate Change Duties Reports](#) on our website.



- 1 SPSO plus CYPCS and SHRC (shared accommodation in BH)
- 2 SPSO plus CYPCS and SHRC (shared accommodation in BH)
- 3 SPSO plus CYPCS, SBC and SHRC (shared accommodation in BH)
- 4 SPSO plus CYPCS, SBC and SHRC (shared accommodation in BH)

Biodiversity

We support biodiversity through

- reducing our carbon footprint
- minimising waste and reducing waste to landfill through recycling
- reducing the total kilometres we travel on business and choosing more sustainable travel options
- raising awareness of biodiversity and sustainability issues, and
- using local suppliers where possible.

SPSO does not own or manage land and therefore has limited opportunity to carry out activities for biodiversity. Further details are in our **Environment, Sustainability and Biodiversity report** on our website.

Cyber Security

Digital technologies underpin and enable our service. We manage these closely to protect the sensitive personal data and confidential data we hold and use, and ensure our systems remain robust and resilient. Continued cyber-attacks on organisations have highlighted the importance of, and reliance on, digital systems. Digital technology offers transformational opportunities, but also increases dependence on digital services for the delivery of our work.

The importance of cyber resilience has never been greater, and in 2022-23, we continued implementing the Cyber Resilience Public Sector Action Plan, assessing our cyber resilience

arrangements against the Scottish Government Cyber Resilience Framework Tool and renewing Cyber Essentials accreditation in December 2022. SPSO utilise SCOTS Connect to host our network services to provide a safe and secure digital environment. SCOTS is the name for the Scottish Government's range of managed IT services and products that hold Cyber Essentials Plus accreditation. Our emails are sent over the secure Public Services Network (PSN) and all traffic is scanned for inappropriate or harmful content, which protects our systems, people and data. Our staff receive regular updates and training in relation to cyber risks.

ICT

In 2022-23, SPSO began a hybrid working trial with staff working from the office and from home. This encouraged the adoption of further projects to support electronic working to ensure we continued to provide our service in an efficient and secure IT environment. These included

- continuing development of our casework management system (CMS) to improve efficiency and data security
- upgrading our Microsoft suite to give access to wider tools and applications
- removing local drives to improve records management and efficiency



Equalities

2022-23 was the first year SPSO used a redesigned equalities monitoring form. It aligns with the 2022 census questions and enables us to monitor equalities data against census data. Specifically, it supports more detailed analysis of disability data and, for the first time, asks questions about language use. At this stage the data is indicative only. This is because

- technical issues in updating the form meant that only three quarters of 2022-23 data were reported (1 July 2022 to 31 March 2023)
- the census data has not yet been published so the population evidence is drawn from the Scottish Government's equality evidence finder. As the 2011 census is now out of date, these are estimates from a variety of sources.

The SPSO equality form is completed voluntarily by users. It was encouraging that just over 53% of people completed the form, and that there were good completion rates for individual questions. This means that for the larger categories we can take a reasonable degree of confidence that our data is representative of our users as a whole.

The data shows that our users, when compared to the population data, appear to be

- more likely to be from minority ethnic groups (10% (5% Scotland))
- more likely to be female (57% (51%))
- more likely to identify as disabled (51% told us they have a long-term condition that limits their day to day activities – the closest comparators are 34-47%)

- more likely to be aged 44-64 when bringing us a public service complaint (47% (27%))
- more likely to be aged between 25-44 when applying for a welfare fund review (72% (37%))
- more likely to identify as lesbian, gay, bi-sexual or other (8% (2-4%))
- 80% of people completing the form did so on their own behalf with one in five either being completed by someone representing someone else (16%) or with help from someone else (4%).
- a small minority (under 20 users) told us their gender was different to that registered at birth (this category includes non-binary).
- 75% of SWF applicants who completed the form said a long-term condition limited their ability to undertake day to day activities, with 48% saying they are limited a lot.
- the condition most frequently reported by applicants was mental health condition.

In the new categories, 6% told us English was not their main language and less than 1% (80 users) said they could use BSL.

The data we collect is important in helping us better understand our users and their needs, and informs how we design and deliver our services. It informs our strategic plan (one of four strategic themes is accessibility) and on an annual basis, our business plan. When we make a policy decision, we consider the impact on equalities and this data is used as part of our equality impact assessments.

While the current report is for only part of the year, and we have not yet had the opportunity to compare it directly to census data, we recognise the approach is a strong model for future trend and opportunity analysis. Throughout the annual report, we have highlighted practical examples of how we are improving accessibility to our services.

Financial position

Financial overview

Expenditure area £000

5,540

Expenditure on
people costs

345

Fees and expense
paid to firms

350

Other operating expenditure
(less income £28k)

551

Bridgeside House shared accommodation expenditure
(includes depreciation on leased asset)

210

Depreciation
on PPE

Total
expenditure
6,996

Sources of funding £000

6,118

Scottish Parliament
- SPSO budget

638

Scottish Parliament - Bridgeside House shared accommodation
budget managed for CYPs, SBC, SHRC and SPSO

Total
funding
6,756

Review of financial performance

We are required to produce annual accounts detailing the resources acquired, held or disposed of during the financial year and the way in which they were used. The SPSO has been appointed as Accountable Officer and is responsible for the preparation of these accounts.

The following sections provide a summary from the accounts. For information about how we managed our finances, please see our full financial statements published on pages 125-139. Previous statements are published on our website here <https://www.spsso.org.uk/finance>

Our finance processes and procedures are published on our website here [SPSO Policies | SPSO](#)

Resource outturn

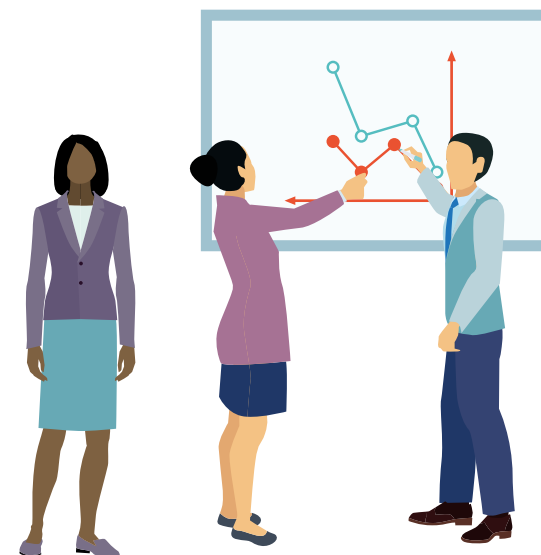
During 2022-23 we secured additional fixed funding to recruit additional resources specifically to address the backlog of public service complaints cases that had built up during the pandemic period. Additionally we secured Scottish Government funds to begin the process of setting up a child-friendly complaints process across the Scottish public service, in line with the UNCRC legislation.

People costs represent 79% of SPSO's total operating costs, with year-end highlighting an overspend to budget of £64k. This is mainly due to maternity cover costs.

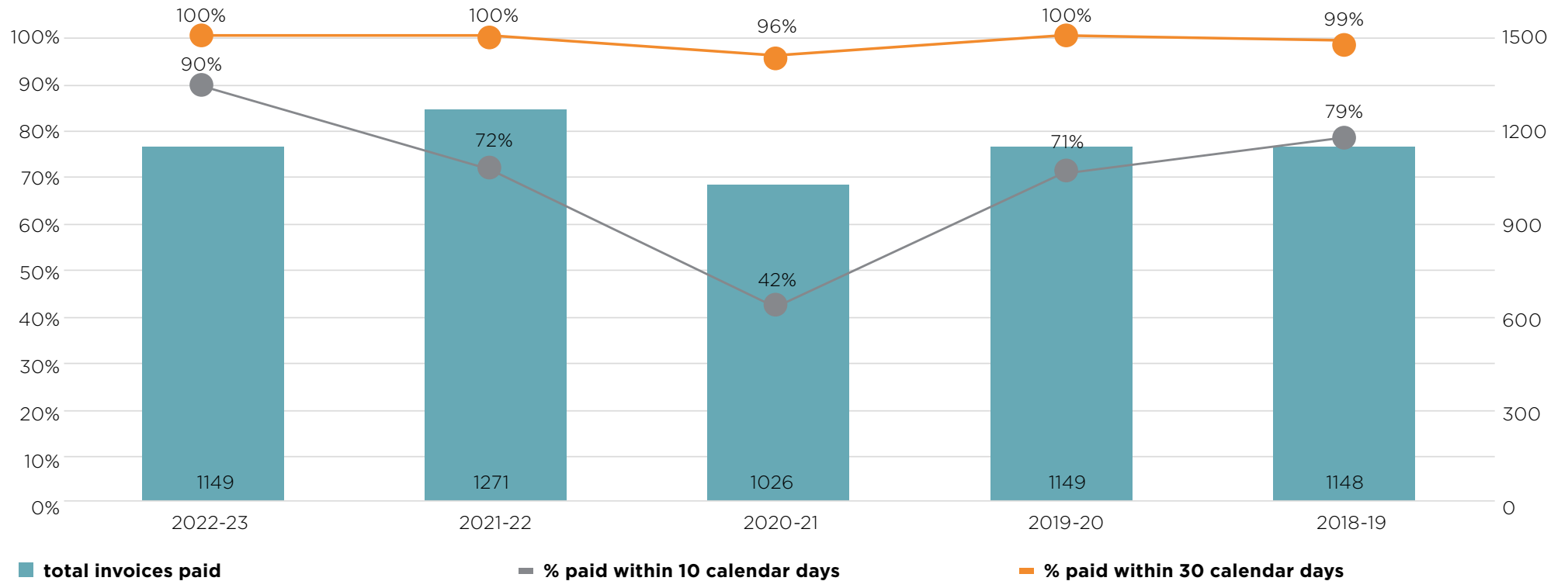
Fees and expenses paid to firms were £84k less than planned. This was mainly due to a reduction in the use of external professional advice for casework. ICT overspend was due to the requirements of additional software licences following the increase in staff numbers and move to electronic working.

The **Shared Accommodation expenditure** was below budget mainly due to the continued underuse of the building as organisations return to a new working model delivering services remotely, following the pandemic.

In 2022-23, we delivered £21k in savings. Most savings came from property costs due to the underuse of the shared accommodation.



Pay performance



Resources required for 2023-24

The 2023-24 budget has been approved by the Scottish Parliament with revenue resources totalling £6,708K.

Of these, £80K will be generated for the SPSO budget through provision of casework related training services (charged at cost recovery, not for profit).

Value	Area
6,058	Scottish Parliament SPSO budget
650	Scottish Parliament Bridgeside House shared accommodation budget managed for CYPCS, SBC, SHRC and SPSO

Looking forward

We start 2023-24 in better shape in terms of workload, than we did 2022-23. Investigation times are coming down and our unallocated cases project means we are not carrying a large backlog of work. This is important to us because it is important to our stakeholders. Delays in handling cases was the main cause of dissatisfaction with our service in 2022-23 and we have worked hard to address it.

As with 2022-23 we have set ourselves an ambitious business plan which can be found [on our website](#). Although ambitious, it is achievable if resources and workload remain constant and as planned. Some of the business activity is carried forward from last year. This reflects the uncertainty of our operating environment and it is a credit to my office that we delivered over and above our statutory functions. We will continue to manage, monitor and publish (quarterly) progress against plan.

Our business activity is routed in our strategic themes, aims and values. In the coming year, our overarching themes are

- developing stakeholder relationships and accessibility
- efficiency
- identifying and reporting impact
- supporting and developing our staff



Ongoing commitments

We will

- ✓ focus on improving accessibility of our services, particularly for people in vulnerable situations; this includes implementation of a health complaint online form
- ✓ continue to develop and support good complaint handling by Scottish public services through our training provision and Support and Intervention Policy
- ✓ further review our approach to risk management, particularly risk appetite given our wide range of functions, and increasing threats to cyber security
- ✓ maintain our excellent performance in delivery of the SWF review service and contribute to the development of the Scottish Government's SWF guidance
- ✓ deliver our public service complaints service, endeavouring to meet our customer service standards and performance targets, while achieving good outcomes for complainants and driving public service improvement. This will focus on further reducing the number unallocated complaints and reducing the time taken to decide complaints, and continuing to develop a more resolution based approach
- ✓ develop and pilot child friendly complaints approaches in anticipation of the incorporation of the UNCRC into Scots law
- ✓ refine and deliver our INWO service, particularly in relation to supporting organisations to develop a speak-up culture
- ✓ develop our future strategy for 2024-2028
- ✓ maintain and support staff health and wellbeing
- ✓ continue to develop our approach to data management and cyber security
- ✓ work with stakeholders across all our functions, supported by a clear communication and engagement strategy
- ✓ manage the organisation efficiently and effectively to achieve value for money



Rosemary Agnew
Scottish Public Services
Ombudsman
22 September 2023



ACCOUNTABILITY REPORT & FINANCIAL STATEMENTS

This section of our report sets out:

- Our corporate governance report, including the:
 - Statement of Accountable Officer's responsibilities
 - Governance statement
 - Governance framework
 - Remuneration and staff report
 - Summary of Resource Outturn
 - Independent auditor's report

and

- Our financial statements

Corporate governance report

1. Ombudsman's report

Directors

The SPSO Leadership Team (LT), is made up of the Ombudsman, Director, and Head of Improvement, Standards and Engagement, who are the management team whose details are set out in the Governance statement.

Register of interests

The LT and Advisory Audit Board (AAB) members publish declarations of interest on the SPSO website with their biographies. No significant interests were held which may have conflicted with their management responsibilities and no member of the AAB had any other related party interests which conflicted with their responsibilities. Declarations of interest of other staff are held privately where required in accordance with the SPSO Code of Professional Conduct.¹

Audit

SPSO's accounts for the financial year ended 31 March 2023 must comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared, in accordance with the Accounts Direction given by the Scottish Ministers, in pursuance of paragraph 15 (1) of schedule 1 of the Scottish Public Services Ombudsman Act 2002.

¹ Our declarations of interest are published here: <https://www.spsso.org.uk/senior-management>
<https://www.spsso.org.uk/advisory-audit-board>

The SPSO's accounts are audited by auditors appointed by the Auditor General for Scotland, who are Audit Scotland for the five-year period 2022-23 to 2026-27.

Data protection

We take responsibility for how we handle data and take steps to protect people's data rights including clear and comprehensive policy and guidance governing how we handle and safeguard data.

- We embed data protection and privacy into our work. We consider risks and put in place appropriate measures to ensure the confidentiality, integrity and availability of the systems and services we use. These include measures such as minimising data, pseudonymisation, and having in place security features which are constantly reviewed and where possible improved.
- We have robust procedures to manage and document personal data breaches. All incidents must be logged using an incident recording system and, following an investigation, any identified risks mitigated as appropriate and practicable.
- We provide regular training and awareness raising for our staff.

There was one personal data breach regarding a copy of records being potentially delivered to the wrong recipient that required notification to the UK Information Commissioner's Office (ICO) in 2022-23 (none were reported in 2021-22, two in

2020-21, one in 2019-20, two in 2018-19). The ICO decided no further action by them was necessary.

There were two small claims for damages made to the court in 2022-23 in relation to our processing of personal data. One related to the rectification of data, where following the Sheriff's direction the Claimant accepted our previously made settlement offer. The other relates to the disclosure of data; this action was ongoing at the end of the financial year.

Good records management supports good data and information governance. Following a self-assessment of our Records Management Plan (RMP), the Public Records (Scotland) Act Assessment Team's Progress Update Review (PUR) report noted again that we continue to take our statutory obligations seriously and are working hard to maintain all elements of our RMP in full compliance with the Public Records (Scotland) Act 2011.

Our Data Protection Officer's annual assurance statement noted that 'during the year 2022-2023 the SPSO continued to operate robust data protection compliance measures in line with the requirements under the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018.'

Disclosure of information to auditors

As Accountable Officer, I am aware of no relevant audit information of which our auditors are unaware. 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 made aware of this information.

2. Statement of Accountable Officer's responsibilities

Under paragraph 15 (1) of schedule 1 of the Scottish Public Services Ombudsman Act 2002, the Ombudsman is required to prepare a statement of accounts for each financial year in the form as directed by Scottish Ministers. The accounts are prepared on an accruals basis and must give a true and fair view of the Ombudsman's affairs at the year-end, and of her net resource outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Ombudsman is required to

- observe the Accounts Direction issued by Scottish Ministers, 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 have been followed, and disclose and explain any material departures in the financial statements, and
- prepare the financial statements on a 'going concern' basis, unless it is inappropriate to presume that the Ombudsman will continue in operation.

The Scottish Parliamentary Corporate Body (SPCB) designated the Ombudsman as the Accountable Officer for the SPSO. The relevant responsibilities as Accountable Officer are set out in the Memorandum to Accountable Officers of Other Public

Bodies issued by the Scottish Government and published in the Scottish Public Finance Manual. These include the propriety and regularity of the public finances for which the Accountable Officer is accountable, the keeping of proper records, and safeguarding the SPSO's assets.

As Accountable Officer for the SPSO, I can confirm that

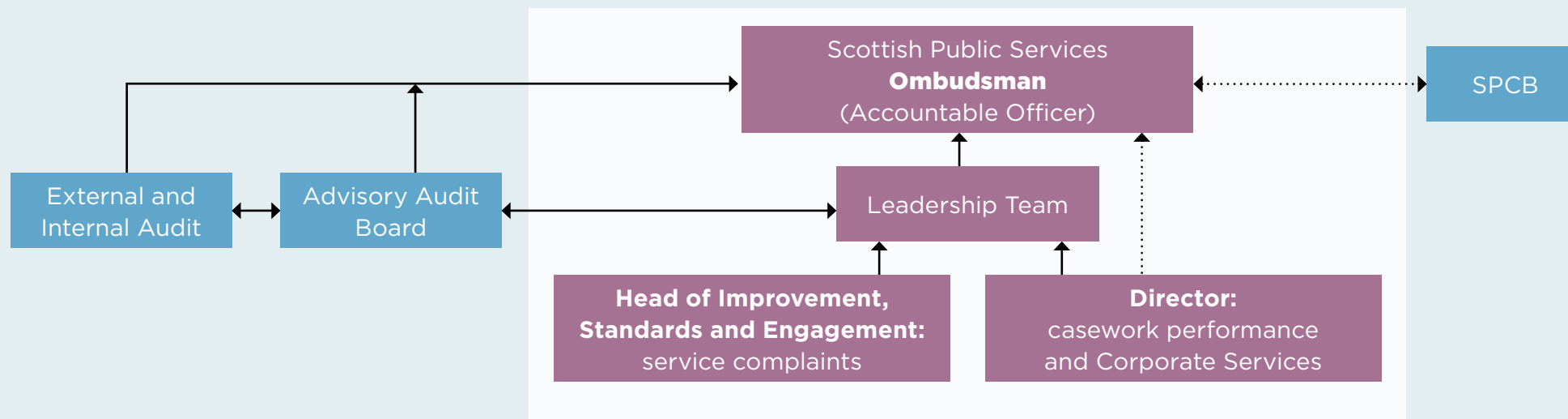
- I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information.
- the Annual Report and Accounts as a whole is fair, balanced and understandable.

- I take personal responsibility for the Annual Report and Accounts and the judgements required for determining that they are fair, balanced, and understandable.
- So far as I am aware, there is no relevant audit information of which the auditors are unaware.

3. Governance statement

I took up the post of Scottish Public Services Ombudsman and Accountable Officer on 1 May 2017 for an eight-year appointment. As Accountable Officer, the Ombudsman has responsibility for maintaining a sound system of governance and internal control that supports the achievement of organisational policies, aims, and objectives, whilst safeguarding the public funds and the organisation's assets for which I am responsible.

Our governance and management framework



The key features of the scheme of control are:

Leadership Team (LT)



Rosemary Agnew, Scottish Public Services Ombudsman



Niki Maclean, Director



Andrew Sheridan, Head of Improvement, Standards and Engagement

- the Accountable Officer is the Ombudsman.
- the Ombudsman is supported by the other two members of the LT, the Director, and the Head of Improvement, Standards and Engagement. Individual members of the LT have delegated authority to make decisions as set out in the Ombudsman's Scheme of Delegation.
- the Ombudsman chairs formal governance meetings of the LT to consider and seek assurance in relation to finance and audit matters, the annual business plan, the risk register, and the strategic direction of the organisation, every quarter.
- the LT also meets, usually weekly, to oversee the day-to-day running of the organisation.

Advisory Audit Board (AAB)

- The AAB comprises Andy Shaw (chair), David Watt and Claire Robertson.
- The Ombudsman is supported by the AAB, which provides assurance and advice about corporate governance, internal control, management of risk, financial management and internal and external audit. The board receives internal and external audit reports and the annual accounts
- The AAB meets at least twice a year to consider audit matters and the SPSO's approach to management of risks to the business in relation to the strategic direction of the organisation. The AAB met three times in 2022-23.
- The Chair produces an annual report on behalf of the AAB. The purpose of the report is to summarise the AAB's work over the previous financial year and provide their opinion in relation to SPSO's governance, which is published on our website².

Audit services

- Independent scrutiny is provided by an internal audit function. In 2022-23 this was provided by Wylie and Bisset LLP. There is a three-year internal audit programme in place, of which 2022-23 was the first year of the three-year plan for 2022 to 2025.

² Our Advisory Audit Board annual reports can be found at <https://www.spsso.org.uk/advisory-audit-board>

- All activities for 2022-23 achieved 'strong assurance' indicating controls are satisfactory, no major weaknesses found, and some minor recommendations may be identified. The internal audit annual report concluded SPSO had adequate and effective risk management, control and governance processes to manage the achievement of SPSO's objectives, and proper arrangements to promote and secure value for money.

Parliamentary accountability

- SPSO is held to account by the Scottish Parliament through statutory arrangements put in place by the Scottish Public Services Ombudsman Act 2002 and the Public Finance and Accountability (Scotland) Act 2000. SPSO's spending and use of resources are examined by the SPCB, a statutory body which is chaired by the Presiding Officer and includes four elected members, which meets in public and reports to the Parliament. The SPCB recommended the 2023-24 budget to the Finance and Constitution Committee, and this was approved in February 2023.

4. Governance framework

As Accountable Officer, I have responsibility for reviewing the effectiveness of the systems of internal control. The systems seek to identify the principal risks to the achievement of SPSO's policies, aims and objectives. They are designed to manage rather than eliminate the risk of failure and they follow the guidance to public bodies as set out in the Scottish Public Finance Manual (SPFM). The Scheme of Control outlines the arrangements in place to assure good governance practices are followed. This is published in our **finance handbook**.

Risk management and control

Risk is managed actively through a risk management policy that sets out the approach to risk management for the delivery of strategic aims. The **strategic risk register** identifies the key risks facing the organisation and covers the years of the strategic plan; addressing the areas of reputation, communication, governance, resources, business continuity, climate change and government policy and decisions that may impact on public services. We use this mechanism to analyse the likelihood and impact of the risks and capture the controls in place to mitigate the risk. The risk register is reviewed regularly by the management team and AAB and our strategic risk register is published on our website.

The most significant strategic risk to the organisation in 2022-23 remained the adequacy of resources to provide a quality service that delivers our statutory functions, in particular our public service complaint handling, Scottish Welfare Fund (SWF) review and Independent National Whistleblowing Officer

(INWO) services, within an acceptable timescale. The majority of the SPSO's workload is demand-led. Consequently, the number and complexity of contacts received is outside our control and fluctuates. The Leadership Team monitor this closely and focus carefully on financial and workforce planning.

At the operational level, risks are managed by the management team of each business area aligned with the annual business plans, with input from all staff. They are accountable to the Ombudsman through the Director. The register identifies any actions required to further reduce the risk. The overall operational risk profile for 2022-23 remained low to moderate with one high risk. This significant risk related to the number of unallocated cases exceeding four months. Mitigating actions for this risk include a successful business case to recruit for additional casework staff for a 12-month period, the establishment of a pool of contract casework staff, an allocations policy to ensure allocation of priority cases was not avoidably delayed, and a project to identify further strategies to reduce the waiting times.

Our robust and comprehensive Information Governance policies and procedures help ensure our information is managed lawfully, transparently, securely, efficiently and effectively, helping us to achieve the best possible performance.

Provision of information to employees

We have adopted the principles of openness, transparency and active participation and place a high level of importance on informing, listening to, and consulting with staff. We do so by providing access to management papers and meeting notes,

through oral and written briefings, by regular staff meetings and events. Information is only withheld where this can be shown to be justified or where a duty of confidence is owed to a third party.

Fraud, corruption, bribery and whistleblowing

Our policies and procedures on fraud, corruption, and bribery include the anti-fraud policy, codes of professional conduct, the terms and conditions for the supply of goods and services and the broader financial governance arrangements, and a whistleblowing policy. We maintain a hospitality and gifts register, which is updated regularly.

We declare any fraud, whistleblowing or control failure incidents to the AAB and this forms part of the annual assurance process. In 2022-23, there were no instances of fraud or bribery identified or detected in the SPSO.

Review of effectiveness of internal control and risk management

The systems of internal control are designed to evaluate the nature and extent of any risks and to manage them efficiently, effectively and economically. I am satisfied that the current Scheme of Control provides a robust and appropriate framework for good governance and internal control. My office formally complies with the principles of the SPFM in line with the Financial Memorandum agreed with the SPCB.

The systems are based on a framework of regular management information, administrative procedures and a system of delegation and accountability. This includes a detailed

budgeting process, regular reviews by the management team of financial reports covering progress towards financial targets, annual reviews and updates to Scheme of Delegation, quarterly reviews of the corporate risk register and a programme of internal and external audit. The systems are designed to manage rather than eliminate the risk of failure to achieve SPSO's policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

As Accountable Officer, I have responsibility for reviewing the effectiveness of the systems of internal control and risk management arrangements. My review is informed by:

- an assurance framework established in accordance with the SPFM
- the work of the internal auditors, which is directed through an audit plan and focuses on identified control risk areas. The internal auditors submit regular reports on the adequacy and effectiveness of the organisation's systems of internal control together with recommendations for improvement

- quarterly reviews of the organisation's strategic risk register and the work of internal audit in assessing the effectiveness of risk management arrangements
- the consideration of governance impact when making policy decisions, and
- comments made by the external auditors in their management letters and other reports.

I am assured that throughout 2022-23 the LT have ensured consistent adherence to procedures for internal control.

Significant issues

During the financial year to 31 March 2023 and to the date of this statement no significant control weaknesses or issues have arisen, and no significant failures have arisen in the expected standards for good governance, risk management and control.

Remuneration and staff report

5. Remuneration report

The information disclosed in the tables below which is marked (Audited) are subject to external audit. The other sections in the Remuneration and Staff Report were reviewed by the external auditors to ensure they are consistent with the financial statements.

Ombudsman

The Ombudsman is not an employee of SPSO. She is a Crown appointment following nomination by Parliament. Her appointment is for a fixed term of eight years from 1 May 2017 and her salary is determined by the SPCB.

Advisory Audit Board

The AAB has three independent members including the Chair. The independent members of the AAB, which is set by the Ombudsman, are remunerated by the SPCB as part of a shared service agreement. All independent member appointments are part-time and are non-pensionable.

Leadership Team

The table below contains the salaries (including overtime for the Director and Head of Information, Standards and Engagement, but excluding employer's superannuation and national insurance contributions), benefits in kind, and pension entitlements of the three members of the LT. Information is presented for the

full year to 31 March 2023. Further information on the pensions payable to SPSO staff, including senior management, can be found in Note 5. Pension costs.

Remuneration	2021-22 £'000	2021-22 £'000
Ombudsman – Rosemary Agnew		
Salary	105-110	90-95
Benefits in kind	-	-
Pension benefits (i)	40	37
Total	145-150	130-135
Director – Niki Maclean		
Salary (FTE)	95-100	90-95
Salary (actual)	75-80	70-75
Benefits in kind	-	-
Pension benefits (i)	14	14
Total (actual)	90-95	85-90
Head of Improvement, Standards and Engagement Andrew Sheridan		
Salary (FTE)	65-70	65-70
Benefits in kind	-	-
Pension benefits (i)	27	23
Total	95-100	85-90

Pension benefits (Audited)	Accrued pension at pension age as at 31 March 2023 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31 March 2023	CETV at 31 March 2022	Real increase in CETV funded by the employer	Employer contribution to private pension account
	£'000	£'000	£'000	£'000	£'000	£'000
Ombudsman	20-25	0-2.5	353	302	27	-
Director (ii)	-	-	-	-	-	14
Head of Improvement, Standards and Engagement	0-5	0-2.5	29	13	10	-

Notes

(i) 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.

In 2015, the Government introduced reforms to public sector pensions, meaning most public sector workers were moved into new pension schemes in 2015. In December 2018, the Court of Appeal ruled that the 'transitional protection' offered to some members of the judges and firefighters schemes, as part of the reforms, amounted to unlawful discrimination.

On 15 July 2019, the Government issued a written ministerial statement and confirmed that as 'transitional protection' was offered to members of all the main public service pension schemes, the difference in treatment will need to be remedied across all those schemes, including the civil service pension schemes. Civil Service Pensions are still assessing the impact of the McCloud judgement in relation to changes to benefits in 2015. The benefits and related CETVs disclosed do not allow for any potential future adjustments that may arise from this judgement. The deadline set by the Public Service Pensions and Judicial Offices Act 2022 for the retrospective part of the McCloud remedy to come into effect is 1 October 2023.

(ii) The Director's pension is a private defined contribution scheme and is recognised in the Ombudsman's accounts on a cash basis.

The cash equivalent transfer value

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 that 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 calculated 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.

The real increase in the value of the CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the member (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.

Employment contracts

The Director and Head of Improvement, Standards and Engagement hold appointments that are open-ended until retirement. The terms of employment are set by the Ombudsman and approved by the SPCB, in line with the SPSO Act (2002).

Severance payments

No severance payments were made during the year 2022-23 (none in 2021-22).

Fair pay disclosure (Audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce. Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind of employees. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions. These figures include secondees, temporary staff and contractors.

	2022-23	2021-22
Staff remuneration	£24,311— £107,500	£24,011— £92,500
Ombudsman remuneration	£105,000— £110,000	£90,000— £95,000
25th percentile remuneration	£37,302	£35,695
25th percentile pay ratio	2.9:1	2.6:1
Median remuneration	£48,790	£51,314
Median pay ratio	2.2:1	1.8:1
75th percentile remuneration	£54,697	£52,341
75th percentile pay ratio	2.0:1	1.8:1
Average Ombudsman remuneration	£107,500	£92,500
% difference in average Ombudsman remuneration	16%	6%
Average staff remuneration	£48,890.97	£46,416.44
% difference in average staff remuneration	6%	2%

The median pay ratio reflects the pay, rewards and progression policy for employees as a whole.

The Ombudsman's salary is set by the Scottish Parliamentary Corporate Body (SPCB) and authorised by Parliament. In 2022-23 the SPCB carried out a review of all office holders salaries and changed the pay scale to be commensurate with senior Parliamentary employees. This has resulted in a change in ratio between the Ombudsman and staff remuneration.

During the 2022-23 accounting period, the SPSO maintained the Living Wage Accreditation status.

6. Staff report (excluding the Ombudsman³) (Audited)

Staff numbers – total number of people employed

	2022-23					2021-22				
	Male	%	Female	%	Total	Male	%	Female	%	Total
Full-time	20	19.05%	50	47.62%	70	22	22.0%	45	45.0%	67
Part-time	3	2.86%	22	20.95%	25	1	1.0%	22	22.0%	23
Other	2	1.90%	8	7.62%	10	2	2.0%	8	8.0%	10
Total	25	23.81%	80	76.19%	105	25	25.0%	75	75.0%	100
Permanent FTE ⁴	21.16	25.44%	59.20	71.16%	80.36	22.12	28.54%	53.61	69.16%	75.73
Other FTE	0.63	0.75%	2.20	2.65%	2.83	0.79	1.03%	0.99	1.27%	1.78
Total FTE	21.79	26.19%	61.40	73.81%	83.19	22.92	29.57%	54.59	70.43%	77.51

Staff numbers – average number of people employed (full-time equivalent)

The average number of full-time equivalent (FTE) persons employed by the SPSO during the period was as follows:

	2022-23 FTE	2021-22 FTE
Staff	80.36	75.73
Other	2.83	1.78
Total	83.19	77.51

The increase in staff numbers reflected the recruitment of additional Complaint Reviewer staff to cover long-term absence and maternity leave, and an additional member of staff to meet increased caseloads in the Scottish Welfare Fund review team as a result of the Self-Isolation Support Grant.

³ The Ombudsman is appointed by the Scottish Parliament, therefore, not a member of the SPSO staff.

⁴ The average number of full-time equivalent (FTE) persons employed by the SPSO during the period.

Staff numbers by pay band

Note: these figures do include secondees, temporary staff or contractors

Pay band ⁵	2022-23					2021-22				
	Male	%	Female	%	Total	Male	%	Female	%	Total
1	-	-	8	7.62%	8	-	-	8	8%	8
2	2	1.90%	17	16.19%	19	2	2%	11	11%	13
3	17	16.19%	38	36.19%	55	18	18%	40	40%	58
4	3	2.86%	5	4.76%	8	2	2%	5	5%	7
5	1	0.95%	3	2.86%	4	1	1%	2	2%	3
6	-	-	1	0.95%	1	-	-	1	1%	1
Other	2	1.90%	8	7.62%	10	2	2%	8	8%	10
Total	25	23.81%	80	76.19%	105	25	23%	75	75%	100

Total staff costs

	2022-23 £'000			2021-22 £'000		
	Permanent	Other	Total	Permanent	Other	Total
Salaries / wages	3,822	146	3,698	3,406	95	3,502
Social security costs	416	-	416	361	-	361
Pension costs	1,002	-	1,002	917	-	917
Total	5,240	146	5,386	4,684	95	4,780

We estimate around £1,146,526 in pension costs for the next financial year 2023-24. This is due to cost-of-living increases applied to all pay bands.

⁵ We publish our pay bands here: <https://www.spsso.org.uk/class-5-how-we-manage-our-human-physical-and-information-resources>

Staff composition

	2022-23					2021-22				
	Male	%	Female	%	Total	Male	%	Female	%	Total
Director	-	-	1	0.95%	1	-	-	1	100%	1
Employees	23	21.90%	71	67.62%	94	23	23%	66	66%	89
Other	2	1.90%	8	7.62%	10	2	2%	8	8%	10
Total	25	23.81%	80	76.19%	105	25	25%	75	75%	100

Employee sickness absence

Note: these figures do not include secondees, temporary staff or contractors

Absence is monitored and reported to management on a monthly, quarterly, and annual basis.

	31 March 2023	31 March 2022
Total members of staff for the full year	95	90
Absence for year	791	1,100
Average days per employee	8.33	12.2
Absence excluding long-term absence ⁶	340	273
Average days per employee excluding long-term absence	3.58	3.03
% staff with a period of absence	57%	62%

The overall figure of 8.33 days per employee (including long-term absence) is similar to the 8 average working days lost per staff year reported in the Scottish Government Workforce Statistics⁷.

⁶ Sickness absence is divided into short and long term; long-term absence is defined as any period of or over 10 consecutive days.

⁷ **Scottish Government Workforce Statistics September 2022 – gov.scot (www.gov.scot)**

Employee turnover and staffing changes

In 2022-23, six members of staff retired or resigned, and we had eight members of staff on parental leave. Five additional public service Complaints Reviewer posts were created. We responded to these staffing changes by recruiting and filling 15 vacancies.

The turnover rate of staff employed by SPSO (i.e., not including temporary workers, secondees or contractors) was 7.1%. This rate has been calculated according to Cabinet Office Guidance⁸. SPSO's turnover rate was lower this year than reported by other organisations in the same sector.

Succession planning

HR statistics are produced as part of our quarterly Corporate Assurance Meetings. These include a report on employment changes and the workforce age profile. All corporate and casework processes are well documented, accessible to all staff and include clear arrangements to ensure business critical processes are maintained. These arrangements, alongside regular reviews of organisational resources and monthly budget planning, identify any areas for succession planning.

⁸ [Annex_A_-_Turnover_Definition__1___2_.pdf \(publishing.service.gov.uk\)](#)

Staff engagement and participation

We survey our staff regularly to measure job satisfaction, engagement and commitment. The results from this taken with the outcomes from the Investors in People (IIP) assessment, inform our annual learning and development programme. Our survey reports are published annually on our website and our most recent survey in 2022 indicates a strong sense of commitment to the organisation, a culture that supports people in their health and wellbeing with strong management and leadership practices and communications, despite the challenges of demanding workloads as we recovered from the pandemic⁹.

Percentage average scores from the annual staff survey for 2022-23, where the higher the score, the more positive the result. (Note that we did not carry out an annual survey in 2019-20 because we focused our surveying on staff wellbeing and lockdown working arrangements in response to the COVID-19 pandemic.)

⁹ <https://www.spsso.org.uk/staff-views>

	2022 -23	2021 -22	2020 -21	2018 -19	2017 -18
Your Job	83%	79%	81%	75%	81%
Internal Relations	83%	80%	82%	72%	79%
External Customers	78%	72%	75%	74%	87%
Management	88%	84%	86%	86%	84%
Leadership	89%	77%	84%	54%	77%
Learning and Development	84%	77%	75%	75%	81%
Equal Opportunities and Diversity	84%	80%	79%	80%	88%
Perceptions of SPSO	88%	77%	79%	70%	78%
Corporate Social Responsibility	80%	69%	69%	76%	N/A
Health and Wellbeing	92%	83%	89%	76%	N/A

The SPSO achieved gold accreditation in IIP, valid from 2017 to 2026. IIP carried out its re-accreditation in March 2023, the outcome being the SPSO maintained our accreditation.

Staff policies for disabled persons

The SPSO is committed to providing a fair and inclusive workplace free from discrimination, which promotes equality of opportunity for all. As part of standard recruitment practice, applications are encouraged from those with disabilities who meet the essential selection criteria.

The SPSO recognised and values what everyone has to offer. We are committed to improving our policies and practices on disability. We are aware of our equality duties under the Equality Act 2010. In our policy development and our decision-making, we consider the implications for staff who are protected under the Equality Act. Staff with management responsibilities receive training and HR advice and support in relation to working with individual team members. This is to ensure all staff are well supported in their roles and adjustments are made and monitored as individual circumstances change over time, and in line with the relevant HR policies.

This year we continued with our focus on health and wellbeing, with particular focus on support to staff during the pandemic and while working from home, isolated. We continued to apply enhanced flexible working policies and work time-bands to support home-working arrangements, including where required to support a disability, or caring responsibilities.

Our internal working group 'IDEA' (Inclusion, Diversity, Equalities and Accessibility) are interested on a broad range of issues where questions of inclusion might arise including looking at diversity within the SPSO itself.

7. Other employee matters

Equality and diversity

The SPSO supports the principle of equal opportunities in carrying out operational functions and employment practices. We are committed to pursuing positive action through the organisation's policies and practices. This is to ensure that no individual is discriminated against, directly or indirectly, unlawfully or unjustifiably because of their personal status in relation to race, ethnic or national origin, religion, age, gender, disability, and sexual or marital status.

Learning and development

The SPSO runs a comprehensive annual performance review process, where individuals are encouraged and supported to plan for their own development needs and career plans. In addition, we review our organisation-wide learning and development requirements and deliver training programmes and development opportunities on a rolling basis. A mix of internal and external experts deliver group training and development sessions.

In 2022-23 we launched SPSO's Learning Hub. This online learning platform supports us to deliver online learning content, manage completions and maintain accurate training records for all SPSO staff. In 2022-23 we continued to develop and deliver a range of virtual training including casework knowledge and information sessions, management development and new start inductions. With the reopening of the office, we have been able to deliver some of these session in person according to training

delegate needs.

Health, safety and wellbeing

The SPSO actively promotes the health, safety and wellbeing of all staff, and a working environment to support this. Our systematic approach to health and safety ensures we comply with all legislative obligations. It also ensures we all know what is expected of us and what we can expect of colleagues, by setting out the appropriate way of carrying out our duties. Importantly, it provides a foundation for continually improving health and safety management within the SPSO. Health and safety continue to be an integral part of the overall leadership culture and we seek to develop a positive attitude to health and safety amongst staff.

Further detail on our approach to health and safety is published on our website.¹⁰ In addition to our qualified first aiders and mental health first aiders, in 2017 the SPSO established a Staff Wellbeing Group, consisting of staff with an interest in developing and progressing SPSO's wellbeing support for staff. This group continue to meet and have launched several initiatives and a programme of activities and resources promoting wellbeing through the year.

¹⁰ <https://www.spsso.org.uk/spsso-policies>

Relevant Union Officials

Number of employees who were relevant union officials during the period 1 April 2021 to 31 March 2022	Full-time equivalent employee number
4	3.75

Percentage of time spent on facility time	Number of representatives
0% of working hours	1
1–50% of working hours	3

Percentage of pay bill spent on facility time ('000)	
Total cost of facility time	39
Total pay bill	5, 427
Percentage of the total pay bill spent on facility time	0.71%

Paid trade union activities	
Time spent on paid trade union activities as a percentage of total paid facility time hours	20%

Trade union relations

We recognise the value and importance of good industrial relations, and effective communication with our staff. In addition to the activities related to staff consultation and participation described above, the management team meet regularly with staff representatives of the Public and Commercial Services Union (PCS) about pay and other related matters. We have published our facility time statement of support on our website.



Rosemary Agnew
Scottish Public Services Ombudsman
22 September 2023

Independent auditor's report to the Scottish Public Services Ombudsman, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of the Scottish Public Services Ombudsman for the year ended 31 March 2023 under the Scottish Public Services Ombudsman Act 2002. The financial statements comprise the Statement of Financial Position, the Statement of Comprehensive Net Expenditure, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2022/23 Government Financial Reporting Manual (the 2022/23 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2023 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2022/23 FReM; and
- have been prepared in accordance with the requirements of the Scottish Public Services Ombudsman Act 2002 and directions made thereunder by the Scottish Ministers.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the **Code of Audit Practice** approved by the Auditor General for Scotland. My responsibilities under those standards are further

described in the auditor’s responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 3 April 2023. My period of appointment is five years, covering 2022/23 to 2026/27. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council’s Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body’s current or future financial sustainability. However, I report on the body’s arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

I report in my separate Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer’s Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for assessing the body’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the body’s operations.

Auditor’s responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit

conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the central government sector to identify that the Scottish Public Services Ombudsman Act 2002 and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Accountable Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In my opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited parts of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with Scottish Public Services Ombudsman Act 2002 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially

inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Scottish Public Services Ombudsman Act 2002 and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are

prepared is consistent with the financial statements and that report has been prepared in accordance with the Scottish Public Services Ombudsman Act 2002 and directions made thereunder by the Scottish Ministers.

Matters on which I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

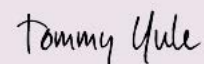
I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual report and accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.



Tommy Yule, FCPFA

Audit Scotland
4th Floor
8 Nelson Mandela Place
Glasgow
G2 1BT

22 September 2023

Financial statements

Statement of comprehensive net expenditure for the year ended 31 March 2023

		2022-23	2021-22
	Notes	£'000	£'000
Operating costs			
Staff and pension costs	4,5	5,540	4,914
Other administrative costs	6	1,005	1,090
Depreciation	8,9	479	206
Total operating costs		7,024	6,210
Operating income			
Other operating income	3	(28)	(46)
Total operating income		(28)	(46)
Net operating costs			
Finance costs	7	10	-
Total comprehensive net expenditure for the year		7,006	6,164

All amounts relate to continuing activities. There have been no gains or losses.

The accompanying notes on pages 129 to 139 form an integral part of these financial statements.

Statement of financial position as at 31 March 2023

	Notes	2022-23 £'000	2021-22 £'000
Non-current assets			
Property, plant and equipment	8	773	965
Property, plant and equipment	9	1,202	-
Total non-current assets		1,975	965
Current assets			
Trade receivables and other current assets	10	219	195
Cash and cash equivalents	11	101	113
Total current assets		320	308
Total assets		2,295	1,273
Current liabilities			
Trade payables and other current liabilities	12	(726)	(551)
Provisions	13	(1)	(1)
Total current liabilities		(727)	(552)
Total assets less current liabilities		1,568	721
Non-current liabilities			
Trade payables and other liabilities	12	(1,097)	-
Assets less liabilities		471	721
Taxpayers' equity			
General fund As per Statement of Changes in Taxpayers' Equity		471	721
Total taxpayers' equity		471	721

The accompanying notes on pages 129 to 139 form an integral part of these financial statements.

As Accountable Officer, I authorised these financial statements for issue on 22 September 2023



Rosemary Agnew, Scottish Public Services Ombudsman
22 September 2023

Statement of cash flows for year ended 31 March 2023

	Notes	2022-23 £'000	2021-22 £'000
Cash flows from operating activities			
Net operating cost		(6,996)	(6,164)
Adjustment for non-cash transactions			
Depreciation	8,9	479	206
Movements in working capital			
(Increase)/Decrease in trade and other receivables	10	(24)	(53)
(Increase)/Decrease in trade and other payables	12	1,272	(55)
(Increase)/Decrease in provisions	13	-	(12)
Net cash outflow from operating activities		(5,269)	(6,078)
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(18)	(31)
Recognition of right of use asset	9	(1,471)	-
Net cash outflow from investing activities		(1,489)	(31)
Cash flows from financing activities			
Financing from the SPCB	2	6,756	6,095
Finance costs	7	(10)	-
Net cash inflow from financing activities		6,746	6,095
Net decrease in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year		113	127
Cash flow in year		(12)	(14)
Cash and cash equivalents at the end of the period	11	101	113

The accompanying notes on pages 129 to 139 form an integral part of these financial statements.

Statement of changes in taxpayers' equity for year ended 31 March 2023

	Notes	2022-23	2021-22
		£'000	£'000
Balance at 31 March 2022		721	790
Total comprehensive net expenditure for the year as per the Statement of Comprehensive Net Expenditure		(7,006)	(6,164)
General funding from SPCB	2	6,756	6,095
Balance at 31 March 2023		471	721

The accompanying notes on pages 129 to 139 form an integral part of these financial statements.

Notes to the Financial Statements

1. Accounting policies

These financial statements have been prepared in accordance with the Government Financial Reporting Manual (FReM) in compliance with the accounts direction issued by Scottish Ministers. 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 is judged to be most appropriate to the particular circumstances of the Ombudsman for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Ombudsman are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.1 Accounting convention

These financial statements have been prepared under the historical cost convention. In common with similar public bodies, the future financing of SPSO's liabilities will be met through funding received through the Scottish Parliament. The approval of amounts for 2023-24 has already been given and there is no reason to believe that future approvals will not be forthcoming. Accordingly, it is considered appropriate to adopt a going concern basis for the preparation of these financial accounts.

1.2 Funding receivable

Funding received through the Scottish Parliamentary Corporate Body (SPCB) is credited directly to the General Fund in the period to which it relates.

1.3 Property, plant and equipment

1.3.1 Capitalisation

All property, plant, and equipment assets are accounted for as non-current assets unless they are deemed to be held for sale. Enhancements to occupied space relating to a property interest held under an operating lease, such as interior fit-out costs, and including related professional fees, are capitalised. The minimum level of capitalisation of a property asset is £10,000 and for individual items of equipment is £500. Costs relating to information technology hardware and systems are capitalised where the grouped value exceeds £500. All values include irrecoverable VAT.

1.3.2 Valuation

As appropriate, non-current assets are valued at their value to the organisation by reference to current costs.

1.3.3 Depreciation

Depreciation is provided on all non-current assets at rates calculated to write off the cost or valuation in equal instalments over the remaining estimated useful life of the asset. These are as follows:

Leasehold improvements	10 years over the period of the lease
Equipment	5 years
Furniture, fixtures and fittings	5 years
IT hardware and systems	2 or 3 years

1.3.4 There are no assets held for resale.

1.4 Right of use assets

Right-of-use assets are depreciated on a straight-line basis over the associated lease term, or estimated useful life where this is shorter. Impairment losses are charged in the same way as those arising on property, plant and equipment.

As permitted by the FReM, right-of-use assets are subsequently measured using the cost model as a proxy for the measurement of the cost value in use. This is because lease terms require lease payments to be updated for market conditions, for example, rent reviews for leased properties, which will be captured in the IFRS 16 cost measurement provisions. Right-of-use assets also have shorter useful lives and values than their respective underlying assets and, as such, cost can be used as a proxy for

assets with shorter economic lives or lower values in accordance with the FReM

On initial application of IFRS 16, the Ombudsman has recognised right-of-use assets at an amount equal to the initial lease liability, adjusted by the amount of any prepaid or accrued lease payments recognised immediately before the date of initial application. The initial lease liability has been calculated based on the present value of future cash flows for the lease over the applicable lease term determined in accordance with the new standard.

The Ombudsman has recognised the following opening balances in 2022-23:

	£'000
IAS operating lease commitments at 31 March 2022	1,774
Adjustment for discounting of future cashflows	(61)
IFRS 16 lease liability at 1 April 2022	1,713
Less costs accrued in previous years	(243)
Right of use value at 1 April 2022	1,470

1.5 Leases

The Ombudsman has adopted IFRS 16, as interpreted and adapted in the FReM, with effect from 1 April 2022. Where a lease has been identified, the Ombudsman recognises a right-of-use asset and a corresponding lease liability, except for short term leases and leases for which the underlying asset is of low value. For such leases, the lease payments are recognised as

an expense on a straight-line basis over the lease term. While no standard definition of “low value” has been mandated, the Ombudsman has elected to utilise the capitalisation threshold of £5,000. Where the interest rate implicit in a lease cannot be readily determined, the Ombudsman calculates the lease liability using the HM Treasury discount rates promulgated in PES papers as the incremental borrowing rate. For leases that commence or are remeasured in the 2022 calendar year, this rate is 0.95% (2021: 0.91%). The Ombudsman does not apply IFRS 16 to leases of intangible assets and recognises these in accordance with IAS 38 where appropriate.

1.6 Operating income

Operating income relates directly to the activities of the office of the Ombudsman. It comprises fees for training events charged on a cost recovery basis and leasing surplus office car park spaces. Income is credited to the statement of comprehensive net expenditure in the year to which they relate.

1.7 Pension costs

The Ombudsman and office staff are members of the Principal Civil Service Pension Scheme (PCSPS). The PCSPS is an unfunded multi-employer defined benefit scheme with benefits underwritten by the government. As a result, the office of the Ombudsman is unable to identify its share of the underlying assets and liabilities and, therefore, it is accounted for as a defined contribution scheme and no liability is shown in the statement of financial position. The PCSPS is financed by payments from the employer and from those current employees who are members of the PCSPS, who pay contributions at

different rates which depend on their salaries and the section of the pension scheme of which they are a member. The rate of employer contributions is typically set following an actuarial valuation. Government Actuary’s Department has been appointed as the PCSPS actuary.

The scheme underwent a valuation designed to set employer contribution rates from 1 April 2019. HM Treasury have directed that part of the valuation process (“the cost control mechanism”) should be paused but have confirmed that the valuation will be used to set employer contribution rates. To provide certainty, PCSPS set employer contributions for 2019-20 on the basis of the draft valuation results. Once the valuation has been completed it will be used to set employer rates from 1 April 2020 for the remaining three years of the valuation period. In line with this, the 2022-23 employer contribution rate of 26.6-30.3% of pensionable pay was applied, according to the relevant pay band.

Further details can be found in the separate scheme statement of the PCSPS.¹¹

1.8 Value added tax (VAT)

The office of the Ombudsman is not registered for VAT, as such all amounts are recorded inclusive of VAT.

¹¹ <https://www.civilservicepensionscheme.org.uk/employers/employer-pension-notice/epn567-employer-contribution-rates-and-administration-charges/>

1.9 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual agreement, as either financial assets or financial liabilities.

The office of the Ombudsman has classified its financial instruments as follows:

1.9.1 Financial assets

Cash and cash equivalents, trade debtors, accrued income and amounts receivable are reported in the 'current assets' category.

1.9.2 Financial liabilities

Trade payables, accruals, and creditors are classified as 'current liabilities.'

1.10 Critical judgements in applying accounting policies

In applying the accounting policies set out in these Notes, the Ombudsman has had to make judgements about financial transactions or those involving uncertainty about future events. The critical judgement made in the financial statements is that the organisation will continue as a going concern. This is based on the assumption of continuation of service and appropriate funding from the SPCB

1.11 Critical accounting estimates

The financial statements contain estimated figures that are based on assumptions about the future or that are otherwise uncertain. These estimates relate to the value of tangible and intangible assets. Estimates of useful life are made taking account of historical experience, current trends, and other relevant factors but cannot be determined with certainty. Actual results could be different from the assumptions and estimates but are unlikely to be material.

Pension benefits are provided through the civil service pension arrangements. The civil service pension arrangements are unfunded multi-employer defined benefit schemes in which the Ombudsman's office is unable to identify its share of the underlying assets and liabilities. See note 1.7 for details.

Legal costs. Provision has been made based on the estimated likely outcome of claims not yet resolved brought against the SPSO. See note 13 for details.

1.12 Standards issued

1.12.1 Standards, amendments and interpretations effective in the current year

1.12.2 There are no new standards, amendments and interpretations effective in the current year. Standards, amendments and interpretations early adopted this year

There are no new standards, amendments or interpretations early adopted this year.

2. Financing from the Scottish Parliamentary Corporate Body (SPCB)

	Notes	Budget 2022-23 £'000	Outturn 2022-23 £'000	Variance 2022-23 £'000
Net operating costs	3, 4, 6, 8	6,768	6,996	228
Finance costs	7	-	10	10
Capital expenditure	8	9	18	9
Budget available/Total expenditure		6,777	7,024	247
Noncash adjustments	8,9,10,12	-	(256)	(256)
Decrease in cash balances	11	-	(12)	(12)
Funding from the SPCB in year		6,777	6,756	(21)

		2021-22 £'000	2021-22 £'000	2021-22 £'000
Net operating costs	4, 6	6,236	6,164	(72)
Capital expenditure		-	31	31
Budget available/Total expenditure		6,236	6,195	(41)
Noncash adjustments	7, 11	-	(86)	(86)
Decrease in cash balances		-	(14)	(14)
Funding from the SPCB in year		6,236	6,095	(141)

An increase in general funding in 2022-23 was mainly due the increase in staff costs as was the increase in general funding in 2021-22.

3. Income from all sources

	2022-23	2021-22
	£'000	£'000
Gross income from training	28	46
Total	28	46

4. Staff costs (including the Ombudsman)

4.1 Average staff employed (full-time equivalent)

The average number of full-time equivalent (FTE) persons employed in the office of the Ombudsman during the period was as follows:

	2022-23	2021-22
	FTE	FTE
Ombudsman	1	1
Staff	80	76
Total	81	77

4.2 Breakdown of staff costs

	Ombudsman	Staff	Total
	£'000	£'000	£'000
Year ended 31 March 2023			
Salaries / wages	107	3,968	4,075
Social security costs	14	416	430
Pension costs	33	1,002	1,035
	154	5,386	5,540
Comparative for year ended 31 March 2022			
Salaries / wages	94	3,502	3,596
Social security costs	12	361	373
Pension costs	28	917	945
	134	4,780	4,914

Staff costs rose in 2022-23 due to, annual cost of living increases and increments in pay progression.

5. Pension costs

For 2022-23, employer's contributions of £957,000 were payable to the Principal Civil Service Pension Scheme at one of four rates in the range 26.6-30.3% of pensionable pay, based on salary bands. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme. There were no outstanding scheme contributions at 31 March 2023 (2022 £0). The expected employer contributions rates for 2023-24 are 26.6% to 30.3% of pensionable pay, based on salary bands.

On death, pensions are payable to the surviving spouse at the rate of half of the member's pension. On death in service, the scheme pays a lump sum benefit of at least twice pensionable pay, depending on the scheme joined within PCSPS, and also provides a service enhancement on computing the spouse's pension. The enhancement depends on the length of service and cannot exceed ten years. Medical retirement is possible in the event of serious ill health. In this case, pensions are brought into payment immediately without actuarial reduction and with service enhanced as for widow(er) pensions.

Four employees opted for a partnership pension account with a private sector pension scheme into which the office of the Ombudsman made an employer contribution to the value of £34,000 in 2022-23. Employer contributions include a matching contribution up to 3% and are age-related and ranging from 8% to 14.75% of pensionable pay.

6. Other administrative costs

	2022-23	2021-22
	£'000	£'000
Property costs	282	499
Professional advisors	212	168
Professional services	133	59
General office running costs	308	298
Staff training	17	15
Travel and expenses	3	(1)
Printing and publications	21	15
Telephones and postage	20	25
External communications and training unit costs	9	12
	1,005	1,090

The above total includes £24,690 (2021-22, £17,792) for external auditor's remuneration. The external auditor received no fees in relation to non-audit work.

The reduction in property costs is mainly due to the change in treatment of property lease costs attributable to SPSO in accordance with IFRS 16 and the continuing low occupancy of Bridgeside House. The general office running costs include the costs for franked postage and telephone system maintenance for the four Parliamentary Office Holder organisations (SPSO, SBC, SHRC and CYPES).

Running costs include £nil (2021-22 £nil) of equipment rental costs in association with operating leases.

7. Finance Costs

	2022-23	2021-22
	£'000	£'000
Interest on finance lease	10	-
	10	-

8. Property, plant and equipment

	Leasehold improvements	Equipment	Furniture fixtures & fittings	IT hardware & systems	Total
	£'000	£'000	£'000	£'000	£'000
Year ended 31 March 2023					
Cost					
At 1 April 2022	1,286	3	379	135	1,803
Disposals	-	-	(29)	(17)	(46)
Additions	-	-	-	18	18
At 31 March 2023	1,286	3	350	136	1,775
Depreciation					
At 1 April 2022	467	2	277	92	838
Disposals	-	-	(29)	(17)	(46)
Charge for year	128	1	51	30	210
At 31 March 2023	595	3	299	105	1,002
Net book value at					
31 March 2023	691	-	51	31	773

Comparative for year ended 31 March 2022

	Leasehold improvements	Equipment	Furniture fixtures & fittings	IT hardware & systems	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2021	1,286	3	365	123	1,777
Disposals	-	-	(5)	-	(5)
Additions	-	-	19	12	31
At 31 March 2022	1,286	3	379	135	1,803
Depreciation					
At 1 April 2021	338	2	230	67	637
Disposals	-	-	(5)	-	(5)
Charge for year	129	-	52	25	206
At 31 March 2022	467	2	277	92	838
Net book value at					
31 March 2022	819	1	102	43	965

9. Right of use assets

	2022-23	2021-22
	£'000	£'000
At 31 March 2022	-	-
Initial adoption of IFRS 16 on 1 April 2022	1,471	-
At 1 April 2022 and 31 March 2023	1,471	-
Depreciation		
At 1 April 2022	-	-
Charge for year	269	-
At 31 March 2023	269	-
Net book value at		
31 March 2023	1,202	
31 March 2022	-	-

10. Trade receivables and other assets

	2022-23	2021-22
	£'000	£'000
Amounts falling due within one year		
Prepayments	215	184
Other debtors	4	11
	219	195

11. Cash and cash equivalents

	2022-23	2021-22
	£'000	£'000
Balance at 1 April	113	127
Net change in cash and cash equivalents	(12)	(14)
Balance at 31 March	101	113
Cash held at commercial banks	101	113

12. Trade payables and other current liabilities

	2022-23	2021-22
	£'000	£'000
Amounts falling due within one year		
Trade payables	61	35
Lease liabilities	278	-
Accruals – HMRC	107	95
Accruals – non-government bodies	280	421
	726	551
Amounts falling due after one year		
Lease liabilities	1,097	-
	1,097	-

13. Provisions

	2022-23	2021-22
	£'000	£'000
Balance at 1 April	1	13
Released in year	-	(12)
Provided in year	-	-
Balance at 31 March	1	1

This provision relates to legal costs for claims brought against the SPSO in 2020. The maximum amount that may be claimed is £1,440 and will be paid on receipt of valid invoices.

14. Related party transactions

The Scottish Public Services Ombudsman was constituted by the Scottish Parliament, which provides funding for the Ombudsman. The SPCB is regarded as a related body. Neither the Ombudsman nor the Ombudsman's staff have undertaken material transactions with the SPCB nor with the Ombudsman's office during the year.

The SPSO provides some corporate services under a shared-service agreement to the Scottish Biometrics Commissioner, Scottish Human Rights Commissioner and the Children and Young Peoples' Commissioner for Scotland, who co-habit Bridgeside House.

15. Post balance sheet events

No event has occurred since the date of the balance sheet that materially affects the financial statements.

16. Financial instruments

Financial assets are carried in the balance sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining period of the instrument, using the assumption that the fair value of trade and other receivables is taken to be the invoiced or billed amount.

Credit risk – The Ombudsman receives funding on a monthly basis and restricts cash holdings to a minimum.

Liquidity risk – The Ombudsman does not have any external borrowings.

Market risk – Changes in market interest rates influence the interest on borrowings and on interest receivable on surplus funds invested. The Ombudsman does not rely on interest receivable as its key source of income.

Direction by the Scottish Ministers



SCOTTISH PUBLIC SERVICES OMBUDSMAN DIRECTION BY THE SCOTTISH MINISTERS

The Scottish Ministers, in pursuance of paragraph 15 (1) of Schedule 1 of the Scottish Public Services Ombudsman Act 2002, hereby give the following direction.

The statement of accounts for the financial year ended 31 March 2006, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.

The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.

This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 1 December 2004 is hereby revoked.

**Signed by the authority of the Scottish Ministers
Dated 6 November 2006**

**SCOTTISH
PUBLIC
SERVICES
OMBUDSMAN**



People Centred | Improvement Focused

**Scottish Public Services Ombudsman
Bridgeside House
99 McDonald Road
Edinburgh
EH7 4NS**

**Tel 0800 377 7330
Web www.spsso.org.uk**

Laid before the Scottish Parliament by the Scottish Public Services Ombudsman in October 2023
in pursuance of section 17(1) and (3) of the Scottish Public Services Ombudsman Act 2002.