

## Projected Income and Expenditure Statement for 2025

Providing a professional and efficient service to all stakeholders who deal with the OAFS at any stage is a primary objective. For the Office of the Arbiter for Financial Services to do so, it must have the appropriate financial resources. The financial plans for the OAFS for 2025 are featured overleaf. The Board will ensure that these plans are regularly reviewed for their relevance and effectiveness.

### EXPLANATORY NOTES

#### Legal basis

In terms of Article 9(2)(a) of the said Act, the Board of Management and Administration (the Board) must prepare and approve a statement with estimates of income and expenditure relating to the OAFS for the year 2025. The Board has approved the projected income and expenditure for 2025 (as featured overleaf).

In terms of Article 9(2)(c) and pursuant to Article 9(2)(d), the OAFS's estimates for 2025 are being submitted to the Honourable Minister for Finance for his consideration.

#### Assumptions

All figures are approximate and subject to change. Reserves and surpluses are not shown. Additional funds will be required if unanticipated expenditure for the year exceeds the subvention amount and funds from accumulated reserves.

#### Income

**Government subvention:** The OAFS is financed by means of subventions made

available by the Government. The subvention allocated by Government for 2025 is marginally higher than the amounts the OAFS received over the past years. Any unexpended amounts from 2024 will be carried over to 2025.

**Complaint fees:** The OAFS plans to discontinue charging consumers the nominal fee of €25 for the lodgement of complaints. This is in line with the 2024 strategic plan tabled in Parliament.

#### Expenditure

**Wages and Salaries:** A significant part of the OAFS's budget is allocated to salaries and benefits for staff. Other than the Arbiter for Financial Services and the chairman of the Board, the current staff complement of the OAFS is composed of the following officials:

- Two Case Analysts
- Two Customer Relations Officer
- One Officer in charge of mediation
- One PA and Registrar to the Arbiter
- One Administrative Assistant
- One Receptionist
- One Junior Case Reviewer

- One Support Staff
- One Driver

**Scam watch campaign:** The OAFS and the MFSA are in talks to embark on a 'scam awareness' campaign, given the spike in complaints that the former received in the last quarter of 2023 and 2024. The OAFS has come across heartbreaking stories of consumers who have fallen victim to sophisticated scams involving thousands of euros, and in this regard, a national awareness

campaign is necessary and urgent. Talks about the campaign are still in the early stages. The OAFS estimates its contribution to this campaign to be in the region of €20,000.

**Case Management System (Capital Expenditure):** The Board is allocating €35,000 for essential upgrades to the case management system, ensuring it conforms with necessary updates to the underlying IT platforms.

### Projected Income and Expenditure for the year 2025

	Projected 2025 €
Government subvention	700,000
<b>Total Projected Income</b>	<b>€ 700,000</b>
Salaries (including NI and bonuses)	545,000
Hospitality	1,000
Office Maintenance & Upkeep	8,000
Office Services	25,000
General Expenses	9,000
Vehicle, Leasing and Fuel Expenses	32,000
Professional Fees	20,000
Travelling Expenses	11,000
Training	2,000
Replacement of Assets (Depreciation)	25,000
Financial Costs	1,000
<b>Projected General Expenditure</b>	<b>€ 679,000</b>
Scam watch campaign	20,000
<b>Total Projected Expenditure</b>	<b>€ 699,000</b>
<b>Surplus</b>	<b>€ 1,000</b>
<b>Projected Capital Expenditure</b>	
Case and File Management System (Upgrade)	€ 35,000