

Minutes of the Board Open Session meeting held on 25 September 2024 at Citygate, Manchester

CHAIR:

Rebecca Hilsenrath, Ombudsman

NON-EXECUTIVE MEMBERS:

Sir Alex Allan KCB, Senior Independent Member

John Ainsworth

Polly Curtis

Anne Davies

Dean Fathers

Michael Parsons

Anu Singh

Amerdeep Somal, *Ex-Officio* Member

EXECUTIVE MEMBERS:

Gill Kilpatrick, Chief Executive Officer

Karl Banister, Director, Operations, Legal and Clinical

ATTENDEES

Scott Stevenson, Director of Strategy

Maria Mansfeld, Chief of Staff

Neil Brook, Deputy Director of Operations

Hazel Waddington, Assistant Director, Transformation

Roz Pedersen, Assistant Director, Finance

Faridah Newman, Governance Officer (minutes)

OBSERVERS

Martin Deller, Interim AD Strategy (Item 10)

Natalie Large, Project Manager (Item 11)

Kat Howard, External Comms Manager

Anthony Howarth, Operations Manager

Natalie Moore, Shared Services Manager

Laura Griffiths, Senior Lawyer

5. Chair's Introduction and Welcome

- 5.1 The Chair welcomed members and attendees to the meeting, relaying apologies for the delay in beginning due to the prior sessions running over time.
- 5.2 The Chair invited the Non-Executive Members and Observers to introduce themselves.
- 5.3 Members noted that no apologies had been received for this meeting and there were also no items raised for Any Other Business.

6. Declarations of Interest

- 6.1 John Ainsworth shared an update to the declaration he made at the 19 June meeting regarding Atos (of which he is the Chief Executive of the UK branch): Atos is working towards a deal with the French state regarding its strategic assets which would secure its status as a going concern and is due to be ratified by the French courts on 15 October 2024.
- 6.2 The Director of Operations, Legal and Clinical disclosed that he is in a committed personal relationship with the Assistant Director of Transformation.
- 6.3 Anu Singh declared that she is now Chair of the Black Country Integrated Care Board.
- 6.4 The Board Register of Interest has been updated and re-published on the PHSO website accordingly.

7. Minutes and Matters Arising from the previous meetings held on 19 June 2024 and 3 July 2024

- 7.1 Members noted and approved the minutes.
- 7.2 The Chief of Staff shared an update regarding action 9.3 from the 19 June 2024 meeting: The Transformation Service organogram is being updated and will be shared with members ahead of the October informal Board workshop.

Strategy - Senior Independent Member in the Chair**8. Chief Executive's Report to the Board**

- 8.1 Members noted an update from the Chief Executive Officer (CEO), including on the review of our hybrid working arrangements which is currently underway and due to report to the November meeting of the Audit and Risk Assurance Committee (ARAC).
- 8.2 Members noted that there has been no update yet from the Public and Commercial Services Union in relation to pay.
- 8.3 Members noted the report.

9. Ombudsman's Report to the Board

- 9.1 Members noted an update from the Ombudsman, including on recruitment for two new Non-Executive Members of the Board to join from January 2025: members of the panel are undertaking individual shortlisting now ahead of the group coming together to finalise the shortlist in mid-October, with interviews to take place at Millbank Tower in early November.
- 9.2 Sir Alex Allan congratulated the Ombudsman on excellent high-profile media work since she took office.
- 9.3 Polly Curtis agreed that this has been clear and nuanced and supports the organisation's strategic aims.

- 9.4 Anu Singh suggested exploring measurement of the impacts of media work and building this into Value for Money reporting to the Public Administration and Constitutional Affairs Committee (PACAC).
- 9.5 Members noted an update from the Ombudsman about transition to a new Permanent Ombudsman: Advice on this has gone to the Prime Minister and Sir Alex Allan recently wrote to the Prime Minister's Chief of Staff stressing the importance of prompt action on this.
- 9.6 Members noted the report.

10. Strategy Development

- 10.1 Members noted an update from the Director of Strategy, giving early sight of current thinking on the development of a one-year bridging strategy to 2026. A multi-year corporate strategy will be developed by the permanent Ombudsman.
- 10.2 Members noted and discussed the report, including the below key points:
- Strategic importance of PACAC as a stakeholder, including in terms of lobbying for the removal of the MP filter for Parliamentary complaints.
 - New engagement opportunities with the new PACAC Chair and membership.
 - Tailored engagement strategies are underway for the Department for Work and Pensions and under consideration for the NHS.
 - Consideration is needed on how we choose focus areas within the NHS.
 - Tracking the new government's priorities as they emerge with a view to harnessing strategic engagement opportunities (e.g. Ombudsman reform).

Action: Director of Strategy to share with the Board a stakeholder map with any associated communication strategies to support the proposed bridging Corporate Strategy 2025-26.

- UK-wide public sector (including Ombudsman) demand increases are not necessarily reflected elsewhere in the world (though they are being experienced in Malta and Portugal).
- In the meantime, PHSO is seeking to develop itself as a more strategic body, in order to be in a position to address systemic failings in public services. This includes developing plans to engage with groups less likely to complain (to ensure visibility of core issues) including through engaging with advocacy and advice groups and strengthening our systemic approach .
- The role of AI and effective training of AI capabilities will be critical, including to support the identification of thematic and systemic issues.

- 10.3 Members queried the interaction between thematic priorities in the strategy and the Casework Programme's Public Value Model (PVM) and received the below assurances from the Director and Deputy Director of Operations:
- Casework is driving what we prioritise rather than the other way round;
 - The next stage of the PVM is about how we can generate this information most effectively;
 - It is envisaged that every 6 months we will review the PVM's strategic themes in order to remain agile. This would mitigate the current issues of blind spots and a time-lag on response;
 - As government priorities emerge, we should study the rationale and underlying data to consider if our complaints data indicate a connection or a basis for focus
- 10.4 Members queried what "better awareness of the role of the Ombudsman" meant as a strategic priority in terms of the target audience, noting that a balance is needed between general and specific awareness as these can serve different objectives.
- 10.5 Members noted that this item will return to the 11 December meeting.

11. Public Value Model

- 11.1 Members noted an update from the Director of Operations, Legal and Clinical, who thanked the Deputy Director of Operations and Project Manager for an excellent paper and provided the below clarifications:
- While there will likely be short term impacts to productivity in rolling out the PVM (as there are for almost all new processes rolled out within Operations), this is projected to be more than counteracted by its longer-term benefits.
 - Demographic data will continue to be developed and the PVM approach will be subject to ongoing review.
- 11.2 Members noted and discussed the report, including the below key points:
- A potential risk around the scoring on media attention and vocal nature of complaint: media campaigns often lag behind issues rather than indicating emerging or live ones.
 - Human intervention can override the PVM if necessary.
 - Training for staff will be needed on the clear explanation to complainants of PVM decisions, including thorough guidance.
 - The importance of the reliability and consistency of the approach to minimise any variations in the application of the PVM between caseworkers (thorough training and guidance will be required for this

as well as clearly explaining PVM-generated decisions to complainants).

- 11.3 Amerdeep Somal explained that the Local Government and Social Care Ombudsman (LGSCO) are already underway with a similar approach.
- 11.4 The Ombudsman added that plans are underway to host an international seminar on the PVM for other Ombudsman offices.
- 11.5 John Ainsworth congratulated the authors for an outstanding paper which brought clarity to the topic and - alongside engagement with colleagues since the previous meeting - had helped to transform his initial scepticism and concern about the PVM at the June Board meeting to his full support now.
- 11.6 The Ombudsman thanked Board members for the time they took between formal meetings to help develop this work, and for their feedback about how Board papers can be authored most effectively.
- 11.7 Members noted the report.

Quarterly Reporting

12. Risk

Strategic Risk Report & Register 2024/25 P4

- 12.1 Members noted an update from the Assistant Director of Transformation.
- 12.2 Michael Parsons explained that the refreshed risk register was presented to ARAC on 11 September and their feedback is incorporated into this Board paper: Committee members welcomed the changes, including the addition of Cyber and Information Security as a strategic risk.
- 12.3 Sir Alex Allan recommended the British Library report¹ on the cyber security attack that they experienced in October 2023 as a helpful source of learning.
- 12.4 Dean Fathers highlighted the Equality, Diversity and Inclusion risk articulated in the Public Value Model paper and suggested that this be considered as a strategic risk.
- 12.5 The Chief Executive explained that Transformation will also be articulated as an issue to the next Board meeting.
- 12.6 Members noted the report.

13. Performance

Business Plan and Strategy Delivery 2024/25 P4

- 13.1 Members noted an update from the Assistant Director of Transformation.

¹ bl.uk/home/british-library-cyber-incident-review-8-march-2024.pdf/

13.2 Sir Alex Allan thanked all involved in the Citygate office refurbishment. Board members were impressed with today's tour and assured of the realisation of business benefits that this project has unlocked.

13.3 Members noted the report.

Operational and Corporate Performance 2024/25 P4

13.4 Members noted an update from the Deputy Director of Operations and Assistant Director of Transformation.

13.5 Members discussed the report including the below key points:

- Increased sickness absence is anecdotally reflected across the public sector at the moment.
- There have been performance improvements of over 20% in the past few years. Intensive performance management can often lead to a spike in sickness absence.

13.6 The Chief Executive assured members that sickness absence levels and possible contributing factors are being monitored carefully: the depth and range of options considered were very helpful.

13.7 Members noted the report.

Financial management Report 2024/25 P4

13.8 Members noted an update from the Assistant Director of Finance, including the below key points:

- The Comprehensive Spending Review (CSR) bid for next year was submitted on 13 September and shared with members in correspondence.
- The Executive Team is currently undertaking scenario-based planning so that when HM Treasury give an indication of the likely CSR settlement, we can utilise underspend to put us in the best possible financial position to go into next year.

13.9 Dean Fathers thanked the authors of the letter accompanying the CSR bid which excellently portrayed PHSO's strategic aims and the funding required to achieve them.

Action: AD Finance to provide context on CSR settlements over a longer term to the December Board meeting.

13.10 Members noted the report.

Governance

14. Implementation of the new committee structure

- 14.1 Members noted an update from the Chief of Staff, and that draft terms of reference for the new Strategic Delivery Committee will follow to the December Board meeting.
- 14.2 Members discussed the report, noting that line of sight on areas not directly reporting into Board will be maintained through informal Board workshops.
- 14.3 Members noted the report.

15. Committee Strategic Updates

Audit and Risk Assurance Committee - 11 September 2024

- 15.1 Members noted an update from Michael Parsons.

Quality Committee - 5 September 2024

- 15.2 Members noted an update from Dean Fathers:
- This was the penultimate meeting of this committee ahead of implementation of the new committee structure early in 2025.
 - Thanks to all who have contributed to the success of this committee.

Inclusion and Wellbeing Committee - 5 September 2024

- 15.3 Members noted an update from Anu Singh:
- This was the penultimate meeting of this committee ahead of implementation of the new committee structure early in 2025.
 - Thanks to all who have contributed to the success of this committee.

16. Board Effectiveness Review Action Plan

- 16.1 Members noted an update from the Chief of Staff
- 16.2 Members noted the report and **agreed** the plan as presented.

Other Business

17. Forward Plan and Date of Next Meeting

- 17.1 Members noted the forward plan and the next meeting as 11 December 2024 at Millbank Tower, London.

18. Any Other Business

- 18.1 None raised.

19. Review of the meeting

- 19.1 Members and attendees discussed their reflections on today's meeting, noting the importance of engagement between formal meetings and the vital role of the iterative dialogue this creates in improving the quality of papers and discussions at formal meetings (as exemplified by work on the Public Value Model).

The meeting ended at 15:40.