



50 years of the Ombudsman service

1967-2017

PHSO BOARD OPEN SESSION MEETING

27 September 2018

Minutes (Approved)

MINUTES OF PHSO BOARD OPEN SESSION MEETING

27 September 2018

CHAIR:

Rob Behrens CBE, Ombudsman

NON-EXECUTIVES

Sir Alex Allan KCB

Elisabeth Davies

Dean Fathers

Ram Gidoomal CBE

Alan Graham MBE

Mick King

Ruth Sawtell

Dr Julia Tabreham

EXECUTIVES

Amanda Campbell, Chief Executive

Alex Robertson, Executive Director of Strategy and Operations

IN ATTENDANCE:

Karl Banister, Director of Legal and Professional Services

Andrew Dawson, Governance officer (minutes)

Hames Hand, Assistant Director of Business Management

Abigail Howarth, Director of Operations and Quality

Lisa Kitto, Director of Resources

Steve James, Director of Human Resources

Stuart Ogden, Assistant Director of ICT and Accommodation

Martyn Schofield, Assistant Director of Governance

Paula Woodward, Chief of Staff

Apologies

Gill Kilpatrick, Executive Director of Corporate Services

Observers

Mark Armstrong, Assistant Director of Programme Office

Anna Brady, Programme Co-ordinator

Helen Holmes, Interim Assistant Director of Governance from 1 October 2018

6. Chair's Introduction and Welcome

- 6.1 The Chair welcomed members, others present and observers to the meeting. He noted that it was Martyn Schofield's last Board Meeting, thanked Martyn for her significant contribution and added that she would be greatly missed by the Board and the wider organisation.

7. Declarations of Interest

- 7.2 There were no declarations of interest relevant to items on the agenda

8. Minutes and Matters Arising

- 8.1 The minutes of the meeting held on 21 June 2018 were approved subject to the following correction and other minor corrections. At 14.4 Ram Gidoomal had asked for a breakdown of Black and Minority Ethnic staffing by grade.
- 8.2 The minutes of the meeting held on 6 July 2018 were approved.

9. Chief Executive's Report to the Board

- 9.1 The Chief Executive's report had been circulated to the Board. The report was **noted**.
- 9.2 Amanda Campbell said that she wished to highlight to the Board the progress made in various Transformation Programme projects set out in the report, including the publication of a project management handbook 'Delivering Change at PHSO' and a monthly transformation newsletter. She said that the progress made on so many fronts meant that the organisation was now in a very different place to where it had been 18 months ago.
- 9.3 Amanda Campbell said that we had now agreed an approach to dealing with State Pension Age Inequality cases. There were several thousand cases going through DWP's complaints process and PHSO had received about 50 cases so far. We intend to examine six cases as test cases and will then assess and categorise other cases received in line with the test cases.
- 9.4 Ruth Sawtell asked if the organisation had used the 'test case' approach to investigations in previous cases. Amanda Campbell confirmed that we had in a number of cases, including the State Earnings Related Pensions investigations. Our legal advice was that this approach was sound.
- 9.5 Julia Tabreham said that she was interested in the emerging concerns protocol; she asked how it would work and whether it could identify hidden harm. Amanda Campbell said that the aim was for the protocol to identify immediate harm, from cultural or high level failings, as well as lower level failings which could result in hidden harm. PHSO had agreed to host a series of regional meetings, including one in Manchester before the end of the year.

- 9.6 Dean Fathers said that the report showed that we were making good progress on diversity, particularly through the Diversity Steering and Working Groups.

Elisabeth Davies took the Chair

10. Ombudsman's report to the Board

- 10.1 The Ombudsman's report had been circulated. The Board **noted** the report.
- 10.2 Rob Behrens said that, as set out in paragraphs 1.1 and 1.2 of his report, he detected a significant change across the organisation. There was a clear and positive change in the mood of staff, and working relationships were more constructive. Staff saw this change as permanent rather than temporary.
- 10.3 10.4 Rob Behrens said that he had spoken in Vienna to a conference of auditors and ombudsmen on the subject of assuring accountability in Government, following which he had met with the European Ombudsman.
- 10.4 Alan Graham asked about the external perception of the Ombudsman, and how this could be improved. Rob Behrens said that the external perception was fragmented, with differing views across various stakeholder sectors. However it was clear that stakeholders were keen to talk to us and work with us.
- 10.5 Ram Gidoomal asked if we carried out perception audits. Alex Robertson said that we had carried out a general exercise in 2016, and more recently a survey involving MPs. Elisabeth Davies commented the Value for Money study had identified public confidence as an important issue which merited further study. She said that if public perception of the Ombudsman improved this could have implications for casework.

Rob Behrens took the Chair

11. Operational Performance Report July (P4) 2018/19

- 11.1 A report by James Hand, Assistant Director of Business management, and Ian Higgins, Management Information manager, had been circulated. Abigail Howarth presented the report to the Board.
- 11.2 Highlights from the report included:
- Delivery against the Transition Plan was on track and we were slightly ahead of where we expected to be.
 - The time taken to resolve complaints was increasing; all cases were at 152 days, whereas investigations was at 302 days. Abigail Howarth said that this was not unexpected as we were now dealing with older cases, and changes in policy and process were also having an impact.
 - The number of cases over 12 months old was increasing and stood at 220. This will continue to increase in coming months despite productivity increases. Abigail Howarth said that plans were in place to manage the

reduction of this part of the workload in future. In the meantime we will still honour commitments made to PACAC and will still deliver our Transition Plan.

- We are changing the terminology used in our closure codes to more accurately record and report the work that we are doing. We are now resolving more cases at assessment stage than in previous years. The number of cases closed as resolutions was also increasing.
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Action: Transition Plan Progress Tracker to be enhanced for the P7 report

- 11.4 Ram Gidoomal asked what additional resources would be required to resolve the rising numbers of cases over 12 months old. Abigail Howarth replied that additional resources would not really help. The issue was one of staff experience and training.
- 11.5 Julia Tabreham said that she welcomed the creation of a single queue of old cases. She said that the Activity Tracker was very helpful, but asked whether the projections assumed constant demand and whether we had factored in State Pension Inequality (SPI) cases and other variable factors. Abigail Howarth replied that demand in previous years had been fairly flat, but that the SPI cases had been factored in. Amanda Campbell said that although there were many SPI cases, they were on the whole similar. Alex Allan pointed out that, even so, the high volume of cases expected would distort the statistics. Abigail Howarth agreed that we needed to look at how SPI cases were assimilated.
- 11.6 Elisabeth Davies asked whether we were satisfied that our key performance indicators measured the right things. Abigail Howarth said that she believed that, even if they were more focused on early resolution and other closures, the picture would be similar.
- 11.6 Elisabeth Davies said that it was interesting to reflect on early resolution and other non-investigation cases, and asked what implication this could have for what the Board see and our key performance indicators. Abigail Howarth said that this as an area requiring further consideration. However one impact of early resolution was to release resources further on; staff had recognised this and were keen to share resources on that basis. Mick King suggested that early resolution may mean that systemic failures would be less visible. There could also be an impact further along the complaints system.
- 11.7 Abigail Howarth said that we would be implementing early resolution in two phases. Currently it was being piloted at intake, where we were looking at straightforward resolutions. The next phase would be about looking at different types of resolution, for example mediation. The focus was to get the right outcome for the complainant without investigation where possible.
- 11.8 Ruth Sawtell asked if the decline in the score for ‘Giving a Good Service’ was linked to the increase in time taken to resolve cases. Abigail Howarth said that timeliness was a major driver of customer satisfaction. However Elisabeth

Davies commented that the red markers were on our internal Quality Assurance scores rather than on customer feedback.

11.9 The Board **noted** the operational performance and the impact on the achievement of PHSO strategic objectives.

12. Corporate Health Performance Report, July (P4) 2018/19

12.1 A report by James Hand had been circulated.

12.2 Highlights of the report included:

- Sickness absence levels have reduced from 10.5 days (rolling 12 month average per FTE) at the end of 2017/18 to 9.5 days at the end of P4. This was approaching the target of 8.5 days, although we are still outside of tolerance.
- Learning & Development days currently stood at 1.8 days per FTE, compared to 0.5 days for the same period last year. We expect to achieve the annual target of 5 days.
- All of our Business Plan activities for 2018/19 are on track.

12.2 Mick King expressed concern that cash in the bank had fallen below £100k. Lisa Kitto, Director of Resources, explained that it had fallen briefly to £97k. This was a one-off and should not be repeated. Alex Allan commented that the cash balance at the end of the year had been significantly higher. Lisa Kitto said that we were now much better at forecasting and had greater control than last year.

12.3 Elisabeth Davies said that the report clearly showed the strength of our programme management, which was a credit to the Programme Management team.

12.4 Steve James, Director of Human Resources, spoke to the Board about progress against the Equality, Diversity and Inclusion (ED&I) action plan. He explained that the plan had been refreshed and now captured information from all sources in a single document.

12.5 Elisabeth Davies said that it was helpful to have a single plan. She asked how, on Strategic Objective 1, ED&I factors would be captured in our casework decision making process. Steve James replied that this formed part of our ED&I Specialist's project, and would feed back to the ED&I Steering Group. Alex Robertson said that the ED&I Specialist would also be looking at our research into the experience of Black and Minority Ethnic complainants.

12.6 Dean Fathers said that there was a very positive feel across all of the reports. It was clear that there were many positive actions going on. The position wasn't perfect, but the reports were very open about areas which required improvement.

12.7 The Board **noted** the report, the impact on the achievement of strategic objectives and the progress against business plan and ED&I plan objectives.

12.8 The Board **agreed** the refreshed ED&I Action Plan.

13. Financial Monitoring Report, 31 July 2018

13.1 A report by Lisa Kitto had been circulated.

13.2 Lisa Kitto said that the main financial headline was that there was currently a forecast overspend against the resource budget of £99k (0.3%). We were monitoring the position carefully, expected to recover, and it was possible that we might underspend slightly. On Capital there was a forecast underspend of £300k, which we were looking at ways to utilise. In particular the Technology Board was looking at options.

13.3 Ruth Sawtell said that she had met recently with our ICT Strategy consultant, following which she understood that there was an issue of outdated ICT equipment and, in particular, home working was not properly supported. Lisa Kitto said that these matters were being taken forward by the Technology Board. Alex Allan added that he supported the efforts of the Technology Board and that we should aim to avoid capital underspends.

13.4 Julia Tabreham expressed concern about the imposition of higher business rates than we had expected for Citygate. Lisa Kitto explained that our property consultants were clear that the rates were too high and we were therefore challenging them. However we would have to carry the cost at this stage. She added that she had no doubt that the process we had used was correct. Dean Fathers added that this seemed to be a common theme as local authorities sought to increase revenue.

13.5 Ram Gidoomal asked whether it was likely that dilapidation costs would increase. Lisa Kitto said that we were in discussion with the landlords at Millbank Tower, and were monitoring the position carefully.

13.6 The Board **noted** the monitoring position at 31 July 2018 against Resource and Capital budgets, and the forecast position against Parliamentary control totals.

14. Strategic Risk Report & Register, P4 (July) 2018/19

14.1 A report by James Hand, including the Strategic Risk Register, had been circulated.

14.2 James Hand detailed the main changes to the Strategic Risk Register. SR13 (Miller and Howarth Judicial Review) had been closed. However a new risk, SR18, on the possibility of challenges to our new clinical standard, had been raised. SR 17 (Impact of GDPR) had also been closed.

14.3 Ruth Sawtell expressed concern that in Table 3 of the report (Risk Tolerances), we were outside of tolerance in almost half of the metrics. Exceeding

tolerance should be exceptional but she did not get the sense that we were treating this with sufficient urgency. James Hand said that all of the areas where we exceeded tolerance were being addressed. He undertook to provide further detail about the actions being taken. Alex Robertson said that all five metrics had been discussed by the Executive Team and were receiving careful attention.

Action: Details of actions being taken to address strategic risks which are outside of tolerance to be provided to the Board.

14.4 Alan Graham asked for an assurance that, below the level of strategic risks and organisation-wide issues detailed in the report and Risk Register, there was another level of risks that were being actively managed. James Hand confirmed that each Directorate had its own risk register, which was managed through the Risk Forum and which elevated risks to strategic level where appropriate.

14.5 The Board:

- **agreed** the strategic risks identified in the report;
- **noted** the actions in mitigation;
- **noted** the corporate issues being managed; and
- **noted** the risk tolerance measures outside threshold and the actions being taken to manage these.

15. ICT and Digital Strategy and Capita Contract

15.1 A paper by Lisa Kitto had been circulated.

15.2 Lisa Kitto explained that the paper set out our plans to develop an ICT and Digital Strategy, which was a key objective for the current financial year. This would include an assessment of infrastructure and applications, and the development of a technology roadmap. We had engaged a firm of consultants to help develop the strategy and they were currently meeting with staff. We expected to receive their findings in the next few weeks.

15.3 Ruth Sawtell referred to her previous comments (par 13.3) and said that we needed to make a cultural and philosophical shift to bring ICT needs into the centre of our decision-making.

15.4 Dean Fathers said that in future we should be aiming to make far greater use of artificial intelligence (AI), both in our insight reports and our investigation processes. We should also be looking to link with the NHS System. Stuart Ogden, Assistant Director of ICT and Accommodation, said that he agreed. There were many opportunities for us to make use of AI.

15.5 Amanda Campbell said that she was fully in agreement, and part of the project brief was to expand the use of AI. She said that a degree of tactical activity was required to make the most of our current system, but that we also needed

to take a careful, measured approach to ensure that we did not end up with the wrong system.

- 15.6 Stuart Ogden explained that, as the current ICT contract with Capita was due to end in November 2018, the paper asked the Board to approve a further one-year extension until November 2019, until the work on the ICT and Digital Strategy was completed. Amanda Campbell added that it had been a deliberate decision not to go out to market for ICT support until the strategy was in place.
- 15.7 Alan Graham asked for assurance that the intended timeframe would be adhered to, that there would be no further extension in 12 months, that a suitable standard of service would be maintained, and that we would carry out appropriate due diligence. Stuart Ogden said that there was no intention to seek a further extension and that service would be maintained.
- 15.8 The Board **noted** the progress made in the development of an ICT and Digital Strategy and approved the proposal to extend the Capita contract until 2019.

Action: Redacted Commercial in Confidence

16. Microsoft Licenses

- 16.1 A paper by Stuart Ogden had been circulated.
- 16.2 Stuart Ogden explained that our current three-year licence to use Microsoft applications expires at the end of October. We are seeking approval to incur anticipated expenditure estimated at £900k over the next three years. However as we do not know the final cost we are also asking for the Board to delegate powers to the Chief Executive to approve further expenditure, subject to limits set out in the scheme of financial delegation.
- 16.3 Stuart Ogden said that we were looking to identify our licencing needs and to optimise our use of Microsoft applications. We were due to have further talks with Microsoft in the near future and had engaged the services of Insight, a firm of specialist consultants, to help us prepare a tender. We were also working closely with Crown Commercial Services.
- 16.4 Alan Graham asked if the consultants were independent of Microsoft. Stuart Ogden said that they were.
- 16.5 The Board:
- **approved** anticipated expenditure of circa £900k over 3 years;
 - **agreed** to provide the Chief Executive Officer with delegated powers to approve any increase in the cost of the final contract in line with the limits set out in the Scheme of Financial Delegation;
 - **noted** that any increase in costs beyond £900k will be reflected in the 2019/20 budget.

17. Value for Money

- 17.1 A paper by James Hand had been circulated. The paper included as an appendix the draft Value for Money Study report of the independent peer review of PHSO.
- 17.2 James Hand summarised the paper for the Board and detailed the process by which the peer review had been commissioned and produced. Following PACAC's recommendation that we should provide robust assurance of the value for money of PHSO's operations, the Ombudsman had approached the Ombudsman Association and the Public Service Ombudsman Group to consider commissioning a peer review from within the Ombuds community. As a result, Peter Tyndall, Ombudsman for Ireland, was appointed to carry out the review and had nominated a panel to support him.
- 17.3 Rob Behrens said that Peter Tyndall was President of the International Ombudsman Institute, with an impeccable record of independence. The study itself also represented value for money. It provided assurance that we are on our way to becoming a more efficient and effective organisation.
- 17.4 Rob Behrens said that he wished to commend Amanda Campbell and her team, and Ram Gidoomal, for the way in which we presented to the panel. He added that he did not sit in on the staff sessions, which were held in private, but feedback from the panel was that our staff are on board.
- 17.5 Rob Behrens added that the report was useful to us in that it recognised that the legislation within which we operate is unhelpful. It supported own-powers investigations and the removal of the MP filter. However to balance the broad endorsement of the new strategy and operations, there were several key areas of criticism:
- excessive oversight of caseworkers;
 - archaic ICT;
 - failure to protect sufficiently casework specialisms.
- 17.6 Elisabeth Davies said that the report was reassuring. Many of the areas of criticism had already been discussed by the Board, the Quality Committee or the Audit and Risk Assurance Committee. Whilst the report was mainly supportive it was clear that there was still scope for improvement. She said there was no complacency about this. She asked how we could make best use of the report, both internally and externally, and whether we should repeat the exercise.
- 17.7 Amanda Campbell agreed that there were two different markets for the report. Internally the report made some valid points and some of the operational issues were already in hand, for example specialisms. Externally, we will report back to PACAC. But there is a wider question of how to promote the peer review approach, as part of a holistic set of assurances at both audit committee and Board level. There was no doubt that the peer review approach had produced a solid piece of evidence. Rob Behrens said that it was now incumbent on us to support other Ombuds in their peer reviews.

- 17.8 Ram Gidoomal said that his main concern had been how the review team would treat Value for Money. In the Ombuds context value clearly went beyond purely financial metrics. A key point of the peer review was that the team had understood the business.
- 17.9 Alex Allan agreed that it was very difficult to identify value for money in an Ombuds organisation. The peer review had achieved this, and had brought out clearly our focus on advice and signposting, which were a significant but undervalued part of our work and for which the organisation deserved credit.
- 17.10 Mick King said that the peer review approach was used widely in local authorities, and went wider than internal audit. However in the Ombuds community PHSO were taking the lead - it was only the second time a peer review approach had been used. He believed that the report would provide assurance to MPs and Parliament. Rob Behrens thanked Mick King for championing the use of peer review.
- 17.11 Alan Graham said the Audit and Risk Assurance Committee would discuss further how to build on this report.
- 17.12 Julia Tabreham agreed that it was a very strong report. She asked who owned the report and what the next steps were. Rob Behrens confirmed that we commissioned the report, but stressed that it is an independent report and the editorial content belonged to the panel. He said that PACAC want Peter Tyndall to appear as a witness. The report contains his intellectual judgement and it is for him to answer. We can then respond.
- 17.13 Dean Fathers agreed that it was a good report. He said that he supported Rob Behrens messages in his report (Item 10). However he was concerned that some of the comparative data in the report could be misconstrued. He said that he fully supported the peer review approach, which he hoped might be used more widely in the NHS.
- 17.14 Rob Behrens asked Board member to submit any further comments on the report to James Hand.
- 17.15 The Board **noted** the progress of the Value for Money Study.

18. Clinical Advice Review

- 18.1 Alex Allan (Review Chair) provided the Board with an update on the activities and progress of the Clinical Advice Review. The review team included Julia Tabreham and Sir Liam Donaldson. The review had met several times since June, and had also had about 15 meetings with clinicians.
- 18.2 The review had recently published a consultation document. Whilst it was a general, open-ended review, it included a section on transparency and whether we should publish the names of clinical advisers in our investigation reports. It also asked for comments on the new clinical standard, and whether

our clinical advisers should get to see and comment on final reports. The consultation ends in October. Following the consultation, it was proposed to hold further meetings with clinicians and complainants to discuss in groups.

- 18.3 Elisabeth Davies said that she was pleased that the review was engaging widely and that complainants were included. As ‘experts by experience’ their views were important.
- 18.4 Amanda Campbell said that the organisation needed to give further input before the review recommendations are finalised, to ensure consistency with our Strategy and affordability.
- 18.5 Julia Tabreham said that the transparency issue was highly complex. However she recognised that clinical advice formed only a small part of most investigations and that the role of our clinicians was different, for example, to when they were giving advice to regulators.
- 18.6 The Board **noted** the progress of the Clinical Advice Review.

19. Scheme of Financial Delegation and Procurement Code

- 19.1 A paper by Lisa Kitto had been circulated, together with an addendum following discussion of the proposals by ARAC on 21 September 2018.
- 19.2 Lisa Kitto explained that we were seeking to introduce a new set of procedures - the Scheme of Financial Delegation - which aimed to bring together all existing delegation limits, and to refresh those limits. Board were also being asked to approve amendments to the Corporate Governance Framework, Finance Code, and Procurement Code.
- 19.3 Lisa Kitto explained the key changes in delegation limits. She stressed that, whilst there would a far greater degree of self-approval, significant checks and controls were in place.
- 19.4 Alan Graham thanked Lisa Kitto for her work on the new procedures. He said that ARAC’s key concerns were that there should be a clear compliance process; that our financial systems should be resilient to ensure proper control, and that the processes should be embedded. ARAC had received assurances in respect of all of these and were content with the process and changes.
- 19.5 The Board:
- **agreed** the amendments to the Corporate Governance Framework, Finance Code and Procurement Code;
 - **noted** the introduction of the Scheme of Financial Delegation;
 - **noted** that ARAC supported the Scheme and the changes to the Corporate Governance Framework, Finance Code and Procurement Code;
 - **noted** that ARAC had suggested some changes to the documents, which would be incorporated in the final versions.

20. Internal Audit Procurement

- 20.1 A paper by Martyn Schofield, Assistant Director of Governance, had been circulated. The paper sought the Board's approval for the specification and business case for a joint exercise (with LGSCO) to appoint new internal auditors from 1 April 2019. At the time of despatch of Board papers (19 September 2018) the paper had not been considered by the Audit and Risk Assurance Committee, who had been due to meet on 21 September 2018.
- 20.2 Alan Graham (ARAC Chair) said that ARAC's terms of reference included advice on the appointment of auditors. When ARAC considered the proposals on 21 September 2018 they had been concerned by some of the details of the business case; by the process to be followed; and by the arrangements for reporting back to ARAC on the procurement. In particular they were concerned that the proposed annual spend on internal audit (£30k) was a significant reduction on the current contract and was not sufficient to fund the number of audit days, of the appropriate quality, to enable the auditors to provide an audit opinion on an annual basis.
- 20.3 Amanda Campbell said that, following the ARAC meeting she had written to ARAC on 25 September 2018 to put forward alternative proposals including an increased funding proposal of £45k per annum. This had been considered by an ad-hoc meeting of ARAC today. She said that in addition to externally sourced internal audit, there were other forms of assurance including the work of the Quality Committee and Governance reviews, and that she was confident that, with these additional mechanisms, the level of externally procured audit could be reduced.
- 20.4 Alan Graham said that on the basis of the revised proposal, ARAC were now happy for the procurement process to continue. Ram Gidoomal and Ruth Sawtell agreed.

21. Quality Committee

- 21.1 Elisabeth Davies said that Quality Committee had met on 13 September 2018, so draft minutes were not yet available. She provided the Board with an update from that meeting.
- 21.2 Elisabeth Davies said that the Committee had considered two substantive papers. The first of these was the quarterly Quality Report, which contained triangulated quality data from multiple sources - our own internal quality assurance work and customer feedback; Review and Feedback Team Insight; and Feedback from organisations we investigate.
- 21.3 The Quality Report had included a Root Cause Analysis of Commitment 14 on signposting to advocacy and advice groups and responding to specific communication needs. This had found that, on signposting, we needed to do more once cases had got past the Intake stage, make better use of our website, and expand the role of the Liaison Team.

- 21.4 The Quality Report had also included a Casework Deep Dive on Premature Complaints. This had concluded that we were not always clear about explaining to organisations what more we felt they could do before the complaints process was concluded.
- 21.5 The Quality Committee also considered the Quality Review Progress Update. Priorities for the Quality Review were updating our assurance framework; developing a set of updated Quality standards and measures; reviewing our approach to compliance with our recommendations, and developing a standard Quality terminology.
- 21.6 Elisabeth Davies said that a common topic for the Committee was the question of when we would see the impact of our training programme. On the whole Quality data was fairly stable, but it was difficult to ask complainants meaningfully to comment on matters such as impartiality and thoroughness. One of the aims of the Quality Review was to find new ways to evidence these metrics.

22. Audit and Risk Assurance Committee

- 22.1 Minutes of the ARAC meeting of 6 July 2018 had been circulated to the Board. Alan Graham said that the highlights of that meeting had been the approval of the Annual Report and Accounts; an Internal Audit report on business continuity, and the Head of Internal Audit's annual opinion, which had provided significant assurance.
- 22.2 Alan Graham provided the Board with a verbal report of the ARAC meeting on 21 September 2018, minutes for which were not yet available. He said that the National Audit Office had not attended the meeting as the account manager has changed and other representatives were on leave. He said that we had received the NAO's annual management letter and had made representations to them about some of the content. Alan Graham had recently spoken to the account manager and reported that there were no significant differences of opinion.
- 22.3 Alan Graham reported that other issues discussed at the September ARAC meeting included:
- The financial management report;
 - Audit reports;
 - Budget planning;
 - The introduction of a Capital and Fixed Assets policy;
 - Internal audits: all were on schedule , and we had good assurance on cyber-security;
 - The Information Commissioner's Office audit on General Data Protection Regulations, which was amber/green.
 - The Register of Policies was reviewed. ARAC were pleased with progress on the policy reviews.

- Karl Banister had given a presentation on Business Continuity, which had provided assurance.
- The joint working protocol between ARAC and Quality Committee had been discussed and agreed.
- Internal Audit Procurement had been discussed.

22.4 Amanda Campbell said that we had since received a further draft of the NAO Management Letter, which still contained issues of materiality and accuracy. She would therefore be writing back to NAO. Alan Graham suggested that he and Amanda Campbell should discuss further outside of the meeting.

23. Review of the meeting

23.1 Rob Behrens asked the observers present for their impressions of the meeting.

23.2 Mark Armstrong said that it had been interesting to hear the degree of constructive but robust challenge.

23.3 Anna Brady said that she had been surprised by the pacing of the meeting and the speed through which the Board got through a significant amount of business.

23.4 Helen Holmes agreed that the pacing of the meeting had been excellent, and that adequate time had been given to each item. However she was concerned that the minute taker had been writing continuously for several hours and suggested that the Board should look at alternatives. Andrew Dawson assured the Board that he was quite comfortable.

24. Forward Plan, and next meeting

24.1 The next meeting is in London on 13 December 2018.

The meeting ended at 16:00