

**Approved Minutes of the Board Open Session meeting held on 18 June 2020
(Video conference)**

Chair:

Rob Behrens CBE, the Ombudsman

Non-Executive members:

Sir Alex Allan KCB

Elisabeth Davies

Linda Farrant

Dean Fathers

Balram Gidoomal CBE

Alan Graham MBE

Carolyn Hirst

Mick King

Anu Singh

In attendance:

Karl Banister, Director of Legal Quality
and Clinical

Andrew Dawson, Governance Officer
(minutes)

Abigail Howarth, Director of Operations
and Quality

Maria Mansfeld, Chief of Staff

Faridah Newman, Governance Officer
(minutes)

Richard O'Connell, Director of Resources

Warren Seddon, Director of Strategy and
Communications

Executive Members:

Amanda Amroliwala CBE, Chief Executive

Alex Robertson, Executive Director of
Strategy and Operations

Gill Kilpatrick, Executive Director of
Corporate Services

Observer:

Laura Goodwin, Senior Auditor (RSM)

1. Chair's Introduction and Welcome

- 1.1 Rob Behrens introduced the meeting and welcomed Carolyn Hirst and Anu Singh to their first Board meeting. He also welcomed Laura Goodwin from our internal auditors, RSM.

2. Declarations of Interest

- 2.1 Dean Fathers informed the Board that he had recently joined a company called NeedleSmart as a non-executive director. There was no conflict with his role at PHSO.
- 2.2 Elisabeth Davies reminded the Board that she was revising complainant perceptions of impartiality as part of her MSc course. The Board had previously noted the actions she was taking to prevent any conflict of interests.

3. Minutes and Matters Arising

- 3.1 The minutes of the Board meeting on 19 March 2020 were approved.
- 3.2 Board members noted that they had not seen a breakdown of BAME staff by grade (par 9.2).
- Action:** BAME data by grade to be circulated
- 3.3 The following issues and updates were discussed under matters arising:
- 27/03/19 item 9.4: The design of the Civil Service staff survey meant that statistics on groups of staff with less than 10 correspondents were not reported. We will look at how numbers of transgender staff can be captured in future surveys.
 - 13/06 2019 item 13.3(i): This action had been added to the Smarter Working project. Work was proceeding and we have had provider presentations. However, we had prioritised work on ICT to support staff working from home during lockdown.
 - 12/12/2019 item 23.2: The Governance Team were scheduled to review the Assurance Framework and would be reporting to ARAC in the autumn.

4. Chief Executive's Report to the Board

- 4.1 Amanda Amroliwala presented her report and highlighted the following:
- 4.2 Data breach (par.4)
- On 17 June 2020 the Executive Team had considered the report of the internal investigation of the data breach (para. 4) Two of the report's three actions had already been concluded and the final one was underway.
 - We had written to over 300 people whose names had been included, of whom 6 had complained.
 - The ICO were now investigating the matter and our investigation report would be passed to them.

4.3 COVID-19 response.

- The Citygate office had reopened on 15 June for a small group of staff.
- Work on NHS complaints would restart on 1 July.
- We had agreed to consider our position on long-term flexible working in response to the experience of lockdown.

4.4 Amanda Amroliwala informed the Board that she and Rob Behrens had used an all-staff dial in meeting on 10 June 2020 to discuss the issue of racial diversity in PHSO's workforce and in our accessibility to complainants.

4.5 The Board **noted** the Chief Executive's report.

Elisabeth Davies took the Chair

5. Ombudsman's Report

5.1 Rob Behrens presented his report to the Board. He said that whilst the organisation was going through a period of uncertainty, this was a good opportunity to think through the core issues for the new strategic plan.

5.2 Board members raised the following points in relation to the report.

- Benchmarking against peer organisations -the Board noted that we have now had 38 responses to our survey on leadership during the pandemic, which will enable us to benchmark against other Ombuds.

The Board discussed the absence of own initiative powers and whether the pandemic was the right time to be addressing this issue. The Board noted that other Ombudsman organisations had faced the same issues during the pandemic and had taken broadly the same decisions as PHSO in response. It was important that we shared experiences and learning about the crisis with our peer organisations.

- Board Members highlighted that it would be useful for the Board to have a separate session on stakeholder engagement.

5.3 The Board **noted** the Ombudsman's report.

Rob Behrens took the Chair

6. Remuneration and Nominations Committee Strategic Update

6.1 Alex Allan said that there were three main points from the last meeting.

- The Committee agreed that there was a need to publish the honours nomination system more widely within the organisation.
- Implementation of the cost of living increase for senior management had been paused to May 2021.
- The Committee discussed benchmarking of senior pay and were looking at the wider Ombuds sector.

6.2 The Board **noted** the update.

7. Quality Committee Strategic Update.

7.1 Elisabeth Davies provided a strategic update and highlighted the following:

- The Committee had considered the impact of COVID-19 on our casework and had committed to reviewing this going forward.
- The Committee had reviewed the presentation of assurance data in respect of our processes, as customer satisfaction was more closely linked to decision-based data.
- The Committee had queried future reporting, particularly on the Clinical Advice Review.
- The Committee were considering our approach to impartiality in the light of external research and were planning a future workshop on this issue.
- An initial stakeholder analysis had been completed and the Committee is looking at how non-executive members could be involved with this work as it develops.

Action: Governance team to distribute Creutzfeld's research on expectations of Ombuds services.

Action: Outcome of initial stakeholder analysis to be shared with Board members

7.2 Board members raised the following issues in discussion:

- Whether the current focus on racial diversity was likely to result in changes to our quality measures. The Board noted that measures will be kept under review.
- Board members were assured by the commitment to continuing to report on the Clinical Advice review.

7.3 The Board **noted** the update.

8. Audit and Risk Assurance Committee Strategic Update

8.1 Alan Graham provided a strategic update and highlighted the following:

- The Committee had commissioned an assurance review of the Business Continuity arrangements put in place in response to the COVID-19 pandemic.
- Our internal auditors had informed the Committee that the Head of Internal Audit Opinion was that that we have an adequate and effective framework for risk management, governance and internal control (amber/green).
- The external audit should be concluded in time to lay the annual report and accounts before the Parliamentary recess as planned.

- The Committee were looking closely at approaches to ensuring Value for Money (VfM). and had asked for further work on a quantitative approach.

8.2 Alan Graham invited Board members and attendees to attend the Committee's Technical walkthrough of the resource accounts on 25 June 2020.

Action: Governance Team to circulate joining details for the Technical Walkthrough meeting.

8.3 The Board noted the update.

9. Impact of COVID-19 on the 2020/21 Budget and Business Plan

9.1 Gill Kilpatrick presented the report highlighting that our planning needs to remain fluid and flexible. The business plan and budget will need constant review as the situation develops. Some aspects of the business plan have been deferred or rephased.

9.2 The key financial impacts are additional resource expenditure of £257k, and that we do not expect to utilise all of our capital allocation for 2020/21. We expect the additional resource expenditure to be offset by reductions in expenditure, for example on travel and subsistence. We have had discussions with HM Treasury about a Supplementary Estimates bid if needed.

9.3 Board members raised the following issues in discussion:

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- The Board noted that the Executive Team have a robust process, including regular review of the business plan and a two-weekly review of priorities.
- The Board noted the steps taken to support staff wellbeing during the COVID-19 pandemic.

9.4 The Board noted the revised Budget and Business Plan for 2020/21.

10. 2019/20 End of Year Financial Position

10.1 Richard O'Connell presented his paper setting out the financial position at the end of the 2019/20 Business year. As at 31 March 2020 we had underspent on the Resource budget by £580k and on Capital by £94k.

10.2 The Board noted the report.

11. Operational and Corporate Performance Report - Period 12 2019/20

11.1 Abigail Howarth presented the Operational Performance sections of the report and highlighted the following key points:

- The increase in demand during the first half of the year had been reflected in a rise in cases progressed through casework teams throughout the year.
- At the end of the year there were 1,104 unallocated complaints, an increase of 205 cases since the end of P10. The increase was largely as a result of the impact of COVID-19.

- At the end of May the number of unallocated cases was down to 581 but is expected to rise again when we recommence taking new health cases.
- The number of cases currently allocated to caseworkers has increased. However, our capacity to progress cases has been reduced by approximately one third.
- Work on Parliamentary cases is continuing as normal.

11.2 Gill Kilpatrick presented the Corporate Performance sections of the reports. She drew the Board's attention to a reduction in performance in our handling of Data Protection and Freedom of Information requests within statutory deadlines. This was due to an increase in the complexity of subject access requests during difficult times.

11.3 Board members raised the following issues in discussion:

- Trends in Service Charter Scores year on year and in Q4. The Board noted that the Quality Committee had discussed this in more detail - there were many more indicators than the three reported to the Board, of which most are stable. Quality Committee will look more closely at any substantive changes.
- The delay due to COVID-19 in consulting on the Complaints Standards Framework (CSF) was disappointing although understandable. A revised timetable was discussed.
- New Board Members would appreciate a 'teach-in' session on how the scores are calculated and what they represent.

Action: A session for new Board Members on Key Performance Indicators will be organised before the next Board meeting.

11.4 The Board noted the report.

12. Business Plan and Equality Action Plan Update - Period 12

12.1 James Hand presented the report to the Board.

12.2 Board members commented the Equality Action Plan was primarily about outputs rather than outcomes. The Board noted that the current version of the plan is transitional and that a more forward-looking approach will become apparent in 2020/21.

12.3 The Board noted the report.

13. Strategic Risk Report and Register (Period 1 2020/21)

13.1 James Hand presented the report to the Board. He said that that we were operating in a dynamic and changing environment. We had therefore reviewed current risks and identified some new risks.

13.2 The Board **agreed** the Strategic Risk Register including new risks SR25 and SR26 and noted the actions in mitigation. The Board **noted** the Strategic Risk Report.

14. Freedom to Speak Up Guardian (FTSUG) Annual Report

14.1 Jane Touil presented her annual report to the Board. She highlighted the activities she had undertaken throughout 2019/20, and those planned for 2020/21, to promote the work of the FTSUG.

14.2 The FTSUG had received 24 contacts from staff, of which 21 were from Operations staff. 22 contacts were taken on as cases, of which 21 were concluded during the year as detailed in the report.

14.3 Board members noted the following in discussion:

- Whilst respondents were asked to provide information about age, gender and ethnicity, many did not do so and our information was incomplete.
- Some organisations now had a resolution policy instead of a grievance policy. It was confirmed that PHSO's policy is aimed at resolving concerns,
- There is currently no follow-up process to ensure that feedback results in improvements. This will be developed going forward.

14.4 The Board noted the report.

Elisabeth Davies took the Chair for items 15 & 16

15. Annual Report and Accounts 2019/20

15.1 Elisabeth Davies asked that any minor amendments should be notified to Maria Mansfeld outside of the meeting. The current discussion was to ensure consistency of message.

15.2 Maria Mansfeld presented her update report to the Board. This included the latest draft of the annual report, which incorporated comments made by the National Audit Office.

15.3 Alan Graham said that the Audit and Risk Assurance Committee were content to move the draft report forward to the Board for comment.

15.4 Board members raised the following issues:

- The implications of receiving referrals from MPs by email rather than post.
- What were the key messages the Ombudsman and CEO wished to bring out in the foreword. These were discussed and noted.
- Board members asked that future reports should include more from people within the organisation - or at least visuals of our staff. Visuals will be added.

15.5 Maria Mansfeld informed the Board of the steps to be taken to finalise the report. She asked for any final corrections to be submitted by 26 June.

16. Board Effectiveness Review 2019/20

16.1 Maria Mansfeld presented her paper setting out the conclusions of the recent Board Effectiveness Review exercise. She thanked Board members for their participation in the interview process and said that she would work with the Ombudsman to develop a detailed action plan.

16.2 Board members raised the following matters in discussion:

- The interview process had been thorough, effective and well-managed.
- It was apparent that many Board members felt that more ‘open spaces’ were needed for discussion of strategic matters outside of formal Board meetings.
- New policies could be discussed with groups of non-executive members outside of the formal Board setting.
- It would be interesting to get the views of others (non-Board members) who attended Board meetings.
- The Board needed more space for external voices.

16.3 The Board **noted** the report.

Rob Behrens resumed the Chair

17. Any Other Business

17.1 Amanda Amroliwala noted that it was Alex Robertson’s final Board meeting before leaving PHSO to take up a new role as Chief Operating Officer for the Pensions Ombudsman. She thanked Alex for his work at PHSO and for the contribution he had made to Board meetings.

The meeting ended at 14:40