



Q4 BOARD MEETING

26 April 2016

Minutes (agreed by Chair)

MINUTES OF PHSO BOARD

26 APRIL 2016

CHAIR:

Dame Julie Mellor DBE, the Ombudsman

EXECUTIVE MEMBERS:

Gill Kilpatrick, Executive Director of Finance and Governance

Rebecca Marsh, Executive Director of Operations and Investigations

NON-EXECUTIVE MEMBERS:

Sir Jon Shortridge KCB

Peter Freedman

Alan Graham

Dr. Jane Martin

Ruth Sawtell

Dr. Julia Tabreham

Helen Walley

IN ATTENDANCE:

Shareena Merzi, Acting Executive Director of External Affairs and Strategy

Rebecca Coady, Chief of Staff

Adam Hawksbee, Principal Private Secretary to the Chair

Sarah Deans, Investigation Manager (observer)

Rachael Russell, Head of Intake and Assessment (observer)

Grace Semp, Quality Assurance Caseworker (observer)

Melissa Stewart, Head of Internal Communication and Engagement (observer)

Sarah Wells, Investigator (observer)

Alex O'Donoghue, Corporate Governance Manager (minute-taker)

1. Chair's Introduction

1.1 The Chair welcomed members and observers to the Board meeting

- 1.2 The Chair noted that it was Peter Freedman's last Board meeting. She thanked him on behalf of the Board for his contributions and for his stewardship of the Quality Committee.
- 1.3 The Chair welcomed Alan Graham, new non-Executive Director and Chair of the Audit Committee, to the meeting.

2. Minutes and Matters Arising from previous meeting

- 2.1 The Board agreed to approve the minutes for 26 January, 9-10 March and 1 April 2016 via correspondence.
- 2.2 The Board agreed the Matters Arising.

ACTION 1 The Board to agree the three outstanding minutes by correspondence.

3. Items agreed by correspondence

- 3.1 It was formally noted that the following items were agreed by the Board by correspondence between 27 January and 26 April 2016:
 - Cleaning Services business case (£299,000)
 - Terms of Reference for the Independent Review

4. Business Case: Financial Management Support

- 4.1 The Executive Director of Finance and Governance introduced the item and stated that the commitment of additional resources for financial and governance support had been agreed by the Board and the Audit Committee in March 2016.
- 4.2 Summary of Board discussion:
 - The Board agreed the business case as an essential and urgent project of work.
 - It was noted that this project reflects the views of the NAO, the internal auditors and the Audit Committee.
 - It was agreed that a critical element of the project would be to build staff ownership and to integrate and embed the new systems and ways of working.
 - It was agreed that progress reports would be received at future Board meetings.
 - It was noted that the aim was to recruit immediately and have a financial support team on site by the end of May 2016.

ACTION 2 The Executive Director of Finance and Governance to procure the necessary financial management consultancy support immediately, in accordance with the Procurement Code.

ACTION 3 Regular progress reports on the financial management support project to be provided to future Board meetings.

5. Business Plan 2016-17

- 5.1 The Chair introduced the business plan and stated that it reflected the Board's October, January and March discussions and focused on meeting demand while increasing focus on aim 2 and 5. She thanked the Executive Team for their work over the last few months to deliver the plan.
- 5.2 The Board agreed the 2016-17 business plan and welcomed its clarity of focus. It was acknowledged that development of the detailed workstream plans by the Executive Team would probably lead to additional reductions in activities to ensure the plan's deliverability.
- 5.3 Summary of Board discussion on aim 5:
- The Board welcomed the organisation-wide, strategic approach.
 - It was agreed that given the critical importance of staff engagement and morale, the Director of Human Resources should join the Board meeting.
 - It was agreed that the business plan language should reflect more explicitly that the accommodation strategy will be developed with LGO.
 - It was agreed that finalising the organisation's corporate scheme of delegation was a priority.
- 5.4 Summary of Board discussion on aim 2:
- The Board welcomed the focus on queues, service and quality.
 - It was agreed that aim 2 should fully integrate with the Quality Committee's action plan.
 - It was agreed that the joint work with LGO should be included in the business plan.

ACTION 4 The Executive Team to provide further iteration of the business plan at Q1 Board meeting in July, including the work streams for aims 2 and 5.

ACTION 5 A fuller human resources report to be added to the performance suite and the Director of Human Resources to attend future Board meetings.

6. Resource Budget 2016-17

- 6.1 The Executive Director of Finance and Governance introduced the 2016-17 budget and stated that the revised budget included the previously agreed non-pay savings but not staff savings, as previously agreed by the Board. She stressed that the budget ensured the safe delivery of aims 2 and 5 and acknowledged that the proposal for 2016-17 would impact on the 2017-18 budget.
- 6.2 The Board agreed the 2016-17 resource budget.

6.3 Summary of Board discussion:

- It was agreed that the impact on future years of the 2016/17 budget would be shared with the Board at the Q1 meeting in July. It was agreed that while developing the work streams the budget may be adjusted, and this would also be reported to the July Board.
- It was agreed that the 2016/17 capital programme would be considered at the Q1 board meeting.
- It was confirmed that during 2016-17 additional resources would be invested on the queue project, intake and assessment, and finance and governance.
- It was agreed that the impact of Ombudsman Reform would be on the joint LGO-PHSO agenda on 20 June.
- It was acknowledged that the organisation had the right to approach the Treasury for further funding should a major event take place which significantly increases demand.

ACTION 6 The Executive Director of Finance and Governance to bring the 2016/17 capital programme, update on the 2016/17 resource budget and the impact of the 2016/17 budget decision on the future years' financial decision to the Q1 Board meeting in July 2016.

7. Service Charter and Quality Framework alignment

- 7.1 The Executive Director of Operations and Investigations introduced the Service Charter and stated that the focused document would be supplemented with further material that would provide more detail about Each stage of the customer journey.
- 7.2 The Board welcomed the clear simple Service Charter and agreed it in principle, subject to restructure to reflect the four principles of procedural justice and separately to provide descriptions of each element of our service. The Board further agreed to its soft launch in June 2016 and that formal reporting of performance against service commitments would be published at the end of Q3 in December 2016.

ACTION 7 The Executive Director of Operations and Investigations to take appropriate action to soft launch the Service Charter in June 2016 and report of performance against commitments at the end of Q3 2016-17.

8. Internal Engagement Strategy - Update and Forward Plan

- 8.1 The Acting Executive Director of External Affairs, Strategy and Insight introduced her update and stated that the priority was to ensure visible leadership and to address the performance development review system (PDRS) issues with staff.
- 8.2 The Board welcomed the update and the progress made in this area.

9. Corporate Performance Suite

- 9.1 The Executive Director of Finance and Governance presented the suite of performance reports, which focused on the performance of the organisation at the end of the 2015/16 business year.
- 9.2 The Board noted the corporate performance suite of reports.
- 9.3 Summary of Board discussion:
- The Board was assured that specific resources had been dedicated to delivering the annual report and accounts on time.
 - It was noted that the Executive Team were addressing the issues around the performance development review system (PDRS), which is a clear priority for staff.
 - The Board welcomed the reduction in waiting times since the introduction of the Service Model.

10. Report: Audit Committee

- 10.1 The Audit Committee minutes from 2 March 2016 were noted.
- 10.2 The new Chair of the Audit Committee thanked his predecessor for the supportive handover and stated that a number of meetings with the NAO, internal auditors, Chair and Executive Director of Finance and Governance had been scheduled.

11. Report: Quality Committee

- 11.1 The Quality Committee minutes from 9 March 2016 were noted.
- 11.2 It was noted that the next meeting on 2 June 2016 would be the Chair's last meeting.

12. Report: Joint Convergence Committee

- 12.1 The minutes from the final meeting of the Joint Convergence Committee on 8 March 2016 were noted.
- 12.2 It was confirmed a joint LGO-PHSO Board meeting was taking place on 20 June 2016.

13. Report: Remunerations and Nominations Committee

- 13.1 The Remunerations and Nominations Committee minutes from 1 March 2016 were noted by the Non-Executive Directors and the Chair.

14. Communication to staff

14.1 It was agreed that the staff communication would focus on:

- The agreement of the business plan and budget 2016-17
- The agreement and soft launch of the Service Charter
- Further engagement around the performance development review system (PDRS).

15. Review of the meeting

15.1 The Board observers shared their observations with the Board. They said that they were impressed that the conversations that had taken place so closely mirrored the concerns of staff. They were also impressed by the depth of discussion and level of scrutiny they had seen.

16. Board Forward Programme

16.1 The Board noted that the full Board Forward programme will be presented at the Q1 meeting in July.

17. Any other business

17.1 No further business was raised.

18. Date and location of next meeting

18.1 The joint LGO-PHSO Board meeting will take place at the LGO offices in Coventry on 20 June 2016.

18.2 The next quarterly meeting of the PHSO Board will take place on 25-26 July 2016 in Millbank Tower, London.

The meeting ended at 4:35PM