

APPROVED MINUTES OF PHSO BOARD EXTRAORDINARY MEETING

30 January 2020, Millbank Tower, London

CHAIR:

Rob Behrens CBE, Parliamentary and Health Service Ombudsman

NON-EXECUTIVES

Sir Alex Allan KCB

Elisabeth Davies

Dean Fathers

Ram Gidoomal CBE

Alan Graham MBE

Ruth Sawtell

Dr Julia Tabreham

EXECUTIVES

Amanda Amroliwala, Chief Executive

Gill Kilpatrick, Executive Director of Corporate Services

APOLOGIES

Mick King

Alex Robertson, Executive Director of Strategy and Operations

IN ATTENDANCE:

Karl Banister, Director of Legal and Professional Services

Andrew Dawson, Governance officer (minutes)

James Hand, Assistant Director of Business Management

Abigail Howarth, Director of Operations and Quality

Maria Mansfeld, Interim Chief of Staff

Richard O'Connell, Director of Resources

Warren Seddon, Director of Strategy and Insight

OBSERVERS:

Anna Brady, Programme Office Manager

Hazel Waddington, Assistant Director of Policy and Service Quality

1. Chair's Introduction and Welcome

1.1 The Chair welcomed everyone to the meeting, which had been convened to allow Board members the opportunity to provide input into the draft business plan and budget.

2. Declarations of Interest

2.1 There were no declarations of interest.

3. PHSO Draft Business Plan and Budget

3.1 Draft papers by Gill Kilpatrick, Executive Director of Corporate Services, had been distributed to the Board.

3.2 Amanda Amroliwala introduced the report, highlighting that we were entering the final year of our current strategy. Whilst we had delivered much in the previous two years, the Executive Team (ET) were clear that the final year had to be about improving the quality of our casework. This would be the focus of the Business Plan, together with two other objectives:

- Transparency - publishing our casework online; and
- Complaints Standard Framework - to be developed and rolled out this year.

3.3 Amanda Amroliwala said that the meeting would discuss the Business Plan and Budget together, as they were interlinked. She asked Board members to consider whether the focus was right, and whether anything was missing. Gill Kilpatrick asked the Board when doing so to consider prioritisation - which activities would have the biggest impact on casework; and interdependencies in terms of phasing and resourcing activities.

3.4 Gill Kilpatrick set out her current understanding of the next Comprehensive Spending Review. It was likely that there will be a full CSR this year, and the Business Plan needed to position us towards the new strategy which would be supported by the CSR.

3.5 Richard O'Connell said that in developing the business plan, there had been good conversations within the office, both with the senior leadership team (SLT) and with staff. There was a broad consensus about the need to balance ambition with quality. Rob Behrens agreed, saying that we now needed to consolidate and address quality issues. We also needed to remain flexible to deal with variation in demand.

3.6 Alan Graham asked about external perceptions of the organisation and whether these had changed. Amanda Amroliwala said that there remained a small group of vocal and challenging critics who were unlikely to ever be supportive. However, we had made good progress in terms of our standing with other regulators, the bodies we investigate, and with the wider Ombudsman community. For example, we were taking the lead on the

development of the Complaints Standard Framework; we had developed a good relationship with the Government Complaints Network; and we were working hard to build relationships with advocacy and patients' representative groups. This was very different to the position two to three years ago.

- 3.7 Rob Behrens added that we were viewed within the Public Sector Ombudsman Group as being innovative compared to other ombuds in Europe. However, we needed to improve our profile with decision-makers. Our standing with the Public Administration and Constitutional Affairs Committee (PACAC) had improved steadily and we needed to build on that with the new committee chair.
- 3.8 Elisabeth Davies said that she welcomed the focus on casework quality. However, the balance between complaint handling and systemic reports should be retained - we should not lose focus on systemic improvements.
- 3.9 Elisabeth Davies asked whether it was a priority to develop specialist teams to deal with Parliamentary casework. Amanda Amroliwala explained that specialist teams will develop skills and confidence as complaint handlers, which will lead to better outcomes and in turn will increase the numbers of complaints received.
- 3.10 Ruth Sawtell asked about the identified risk around SLT capacity. Alex Allan added that he was concerned that this was the highest identified risk. Amanda Amroliwala said that we were asking a lot of the SLT, who were facing a third year of continuous pressure. She believed that SLT were ready to meet the challenge, but it was right to bring the risk to the Board's attention.
- 3.11 Alex Allan asked whether the plan as proposed was achievable given the impact on SLT's capacity. Amanda Amroliwala replied that we were asking the Board to consider the phasing of business plan objectives and whether any of those did not need to be a priority for this year. She added that we needed to be mindful that if additional objectives were set, we would need to deprioritise some deliverables. The risk was not just about SLT capacity, but organisational capacity.
- 3.12 Ruth Sawtell asked why increased demand was not listed as a key risk. Amanda Amroliwala replied that we had experienced a single increase this year of 13%. If this was sustained year on year then that would be a significant additional risk. However, we were not seeing a continuous increase. We had taken action to mitigate the increase this year and had improved our forecasting.
- 3.13 Ram Gidoomal asked how resource allocation was linked to demand, and how allocation of resources was linked to casework risk, so that high risk casework was resourced appropriately. Amanda Amroliwala said that the proportion of high risk cases in our casework load was small, but that risk increased the longer cases are queued. Ideally, we would operate with 30

days' casework in hand. We were currently operating above that level due to the increase in demand, so were recruiting additional caseworkers. However, we needed to consider our priorities in the event that there was no further funding available for recruitment.

- 3.14 Ram Gidoomal asked whether, in that situation, we would compromise the focus on quality. Abigail Howarth said that we would not. She said that our priority should be to ensure that all cases were handled consistently and to a good standard.
- 3.15 Abigail Howarth said that, at any one time we had about 9,000 live cases in our system. Of those, usually around 30 would be classified as high risk. Our resources had to be focused towards dealing with our wider caseload.
- 3.16 Alan Graham added that the Audit and Risk Assurance Committee had recently carried out an Assurance Review of high risk casework and had been assured that the risks were managed properly. This would be reported to the next Board.
- 3.17 Julia Tabreham said that she welcomed the focus on quality. Transparency was a fundamental part of that. However, she stressed that it was important that we delivered on equality, diversity and inclusion commitments, and would like to see human rights drawn out more within the Business Plan.
- 3.18 Julia Tabreham added that she agreed with the risk around SLT capacity. Her perception from the joint Board/SLT awayday was that SLT were enthusiastic and committed but were under pressure.
- 3.19 Dean Fathers asked whether the forthcoming CSR was likely to include further cuts to our budget, and what would be the impact of those cuts, or of the ripple effect from cuts to wider public sector budgets. Amanda Amroliwala replied that she did not expect further cuts. Gill Kilpatrick added that due to our small size, HM Treasury do not invariably expect us to comply with budget reduction targets set for Government Departments. Amanda Amroliwala added that, historically, we had not identified a clear link between pressure on public sector finances and complaint volume.
- 3.20 Rob Behrens said that there was no PHSO commitment to offer free training to the NHS and other public bodies. Funding for training and development was limited to developing the framework and an online training resource, and to consider the best model for rolling out.
- 3.21 Alex Allan said that he found the format of Business Plan confusing as the difference between objectives, deliverables and activities was not always clear. It was agreed this would be refined for the March meeting.
- 3.22 Alex Allen queried the reduction in budgeted expenditure on clinical advice of £88k. Abigail Howarth explained that this was a reduction in numbers of clinical advisors and was not related to the Clinical Advice Review.

- 3.23 Ruth Sawtell suggested that it would be useful to have all savings arising from the Business Plan included within the Plan in tabular form, as this would make both the Business Plan and Budget easier to understand.
- 3.24 Alan Graham asked whether the completed activity: *Implemented quick win VFM metrics* on page 23 of the draft Business Plan was correct. James Hand said that it had been superseded by a more holistic approach to the VFM scorecard and could be removed.
- 3.25 Elisabeth Davies asked where systemic improvement featured within the Business Plan. It was confirmed that systemic reviews form part of *business as usual* activities.
- 3.26 Ram Gidoomal asked about the risk around insufficient financial contingency (Budget paper, par 7.1). Gill Kilpatrick assured the Board that the risk from this was low and we would be able to reduce expenditure if required.
- 3.27 Dean Fathers said that several business plan activities were not reflected in the Key Performance Indicators, particularly those relating to Value For Money (VFM), Transparency and Exemplary ICT. He asked how it was intended to measure performance against these deliverables. Gill Kilpatrick explained that we were developing a separate VFM scorecard and that other deliverables were included in Directorate Scorecards.
- 3.28 Gill Kilpatrick gave an overview of the draft budget for 2020/21, highlighting that the outcome of the CSR had placed us in a better position to deliver the strategy and to cope with increased demand. The budget included significant investment in our key priorities. However, she expected any changes to the Business Plan as it was refined before the March Board would flow to changes the Budget.
- 3.29 Alan Graham suggested that it would be useful if the budget could show the current year budget. This would give the Board the historical context and allow them to make better-informed decisions.
- 3.30 Rob Behrens said that the investment in Professional Development £15k seemed small. Amanda Amroliwala confirmed that this was additional investment, not the full budget.
- 3.31 Ruth Sawtell welcomed the additional investment in staff wellbeing, but queried the precision of the allocation (£20,880). Amanda Amroliwala explained that ET had agreed that we should have a mental and physical health professional on the premises on a regular basis which enabled the costings to be precise. Dean Fathers congratulated the organisation for this approach. Gill Kilpatrick added that physical wellbeing checks were being offered to all staff, funded from the 2019/20 underspend.

3.32 Dean Fathers suggested that there may be additional funding available from the Northern Powerhouse initiative. Amanda Amroliwala said that we would explore this.

3.33 Rob Behrens asked the Board whether, subject to their comments and suggestions, they were broadly content with the proposals set out in the draft Business Plan and Budget. The Board **agreed**, noting that

- they were impressed with the progress that had been made;
- that they did not want to lose the fundamentals of the current Strategy;
- they recognised that making changes may take longer than anticipated;
- there were no fundamental concerns about risks or contingencies, but these needed to be mapped out more clearly;
- there was still scope for the organisation to improve how it handled change management.

3.34 Action: James Hand and Richard O’Connell to consider suggestions and comments made by the Board and incorporate these in the next draft of the Business Plan and Budget.

4. Any other business

4.1 Gill Kilpatrick informed the Board that the PHSO Finance Team had been shortlisted for the Finance Team of the Year - National Bodies Award at the Public Sector Finance Awards. The team would be attending the awards event in April. The Board congratulated Gill Kilpatrick and Richard O’Connell for this significant achievement.

4.2 Rob Behrens noted that this was Julia Tabreham’s last Board meeting. He thanked her for her contribution as an outstanding Board member who presented good and constructive challenges and asked searching questions based on wide experience. Julia Tabreham thanked Rob Behrens for his comments and said that her time on the Board had been a fascinating experience.

The meeting ended at 13:00