

Approved Minutes of the Board Open Session meeting held on 19 March 2025 at Citygate, Manchester

CHAIR

Rebecca Hilsenrath, Ombudsman

NON-EXECUTIVE MEMBERS

Polly Curtis, Senior Independent Member
John Ainsworth
Anne Davies
Michael Parsons
Anu Singh
Sir Dave Thompson

EXECUTIVE MEMBERS

Gill Kilpatrick, Chief Executive Officer
Karl Banister, Director, Operations, Legal and Clinical

IN ATTENDANCE

Scott Stevenson, Director of Strategy
Maria Mansfeld, Chief of Staff
Roz Pedersen, Assistant Director, Finance
Hazel Waddington, Assistant Director, Transformation
Rowena Culshaw, Chief Digital and Transformation Officer
Katy Connon, Assistant Director, People and Talent
Neil Brook, Deputy Director of Operations
Martin Deller, Assistant Director, Strategy and Public Affairs (Item 11)
Faridah Newman, Governance Officer (minutes)

OBSERVERS - INTERNAL

Clare Andrew, Casework Development Programme Trainer
Michael Dickinson, Digital Project Manager
Stephen Middleton, AD Communications
Sarah Scott, AD Engagement
Anne Sutcliffe, Caseworker, Intake and Resolutions
Anneyce Wheatcroft, AD Casework
Helen Wilson, Operations Manager

OBSERVERS - EXTERNAL

Mohamed Mishal, Partner, Canvs (Board Effectiveness Review Consultant)

APOLOGIES

Amerdeep Somal, Ex Officio Member

6. Chair's Introduction and Welcome

- 6.1 The Chair welcomed members and attendees to the meeting, identifying the focus as items 10 (Bridging Strategy, Business Plan and Budget), 13 (People, Equality Diversity and Inclusion) and 15 (Board Development).
- 6.2 The Chair highlighted that it would be her final meeting in this role before the end of her term as Interim Ombudsman, thanking colleagues for being a pleasure to work with, and for their integrity.

7. Declarations of Interest

- 7.1 No new interests were declared.

8. Minutes and Matters Arising from the meetings on 11 December 2024 and 22 January 2025

- 8.1 Members **agreed** the minutes as a true and accurate record.
- 8.2 Members noted that all matters are complete apart from action 10.2 from 25 September which they **agreed** to close as a detailed map is to be reported to the Strategic Delivery Committee.

9. Ombudsman's Report to the Board

- 9.1 Members noted a verbal overview of the report from the Ombudsman, including the below key points:
- MP Filter: PHSO is considering the response to the Cabinet Office's refusal to incorporate reforms in this area under the forthcoming Hillsborough Law.
 - Public Value Model (PVM) threshold score at launch: This has been agreed at 2 (out of 10) as a more conservative initial approach that will be kept under review and can be recalibrated as circumstances and priorities dictate.
- 9.2 The Senior Independent Member emphasised the need to work with MPs to understand their varying thoughts about and experiences of the MP filter and their appetite for change in this area.
- 9.3 John Ainsworth explained that he has had good conversations with the Director of Operations, Legal and Clinical about the risks and benefits of launching the PVM at score 2 rather than 3, which was initially his preferred approach in that it would likely reduce the casework queue at a faster rate.
- 9.4 Members sought and were provided with verbal assurance from the Director of Operations, Legal and Clinical that he would be willing to move the threshold to level 3 if level 2 was not realising benefits at an acceptable rate.
- 9.5 The Ombudsman highlighted other longer-term benefits of the PVM beyond demand management, including the ability to identify systemic indicators to

support system-wide service improvements which would hopefully inform longer-term demand reduction.

9.6 Members were united in their support of the approach of launching the PVM with a threshold score of 2, subject to testing the model's application and outcomes to make further informed choices about future score decisions.

9.7 The CEO and CDTO added updates about the digital section of the Ombudsman's report, including the below key points:

- Significant preparatory work is underway to support moving forward at pace to secure a Digital Ombudsman partner or partners.
- Data consultants are currently exploring the landscape and developing a data strategy to support this work.
- In the BAU space, data scientists are developing machine learning to support us to interpret and act on the data we have.

9.8 Members discussed feedback from the All Staff Event, including about the split venue format and opportunities to connect as smaller groups on the day with informal networking.

9.9 The Ombudsman and Executive Team are considering running another event in the Autumn when the new Ombudsman is in post.

9.10 Members **noted** the report.

10. PHSO Bridging Strategy, Business Plan and Budget 2025-26

10.1 Bridging Strategy and Business Plan 2025-26

10.1.1 Members noted a verbal overview of the reports from the Director of Strategy and Assistant Director of Transformation.

10.1.2 Members discussed the report, including the below key points:

- This work has been well-trailed and the Board involved in its development.
- Measuring impact (1.32): The Strategy team are working further on this including use of demographic data.
- The importance of retaining casework decisions made and led by humans (keeping AI use to improving quality of analysis only).
- Complainant feedback KPIs and the problems of having an aggregate satisfaction score that does not distinguish between those whose complaints were fully or partially upheld on the one hand or not upheld on the other.
- Maximising casework publishing as a priority informed by values of transparency as a Public Service Ombudsman.

10.1.3 The Ombudsman acknowledged that demographic data began to be collected later than planned. Lessons have been learned from examining the factors that led to this, however, and its submission rate has been high (over 80%) since launch at the start of Q4.

Action: AD Transformation to consider presenting business plan activities around PHSO's strategic objectives in future to more closely link the strategy and business plan.

10.1.4 Members agreed the Bridging Strategy 2025/26.

10.1.5 Members agreed the Business Plan 2025/26

10.2 Budget 2025-26

Members noted a verbal overview of the report from the Assistant Director of Finance, including the below key points:

- We are still awaiting confirmation of this year's Comprehensive Spending Review (CSR) submission. Theoretically, we will find out by mid-June, but can adapt as needed.
- There is a focus on agile maximisation of underspend utilisation as it emerges this year.

10.2.1 Members discussed the report, including the below key points:

- Caseworker recruitment this year is modelled on the maximum amount that Operations can handle at any one time, with mid-year flexibility to continue at pace or roll-back as circumstances require.
- Operational modelling has been refined to support these decisions, particularly around staff attrition.

10.2.2 Members **agreed** the Budget 2025/26

10.3 Risk Appetite 2025-26

10.3.1 Members noted a verbal overview of the paper from the Assistant Director of Transformation: The suggested risk appetite is 'hungry' for Strategic Objective 1 and 'open' for Strategic Objectives 2 and 3.

10.3.2 Members **agreed** the Risk Appetite 2025/26

11. Strategic Risk Report and Register 2024-25 P10

11.1 Members noted a verbal update of the Audit and Risk Assurance Committee's considerations of strategic risk at the most recent meeting 12 February from the committee Chair Michael Parsons.

11.2 Members discussed the report and register, including the below key points:

- A substantial contingency was maintained earlier in the year alongside various mitigation options to account for the fact that our latest CSR bid has not yet been confirmed.
- Members confirmed their agreement with keeping the Cyber and Information Security risk as high given the general public sector landscape of cyber-attack risk and PHSO having the word 'Parliamentary' in the name, and the scale of the potential impacts of this risk becoming an issue.

12. Performance

12.1 Business Plan and Strategy Delivery 2024-25

12.1.1 Members noted the report, with no comments.

12.2 Casework Performance Report 2024-25 P10

12.2.1 Members noted the report, with no comments.

12.3 Financial Management Report 2024-25 P10

12.3.1 Members noted the report, with no comments.

13. People, Equality, Diversity and Inclusion

13.1 People Update

13.1.1 Members noted a verbal update of the report from the Assistant Director of People and Talent. This is a new report to Board and feedback is welcome.

13.1.2 Members discussed the report, including the below key points:

- Initial work is beginning on the new Learning and Development Strategy and how this will link with other PHSO strategies, with an emphasis on adding value informed by Staff Survey feedback and providing clarity around what the offer is and why.
- Members agreed that EDI should be included as a standing section of the report in future.

13.2 Staff Survey Results 2024-25

13.2.1 Members noted a verbal update of the report from the Assistant Director of People and Talent. Some decline of scores was expected during the interim leadership period, but the scale of this was disappointing and the leadership are committed to listening to, learning from and taking forward meaningful action in response.

13.2.2 The CEO emphasised that every member of the Executive and wider Senior Leadership Teams takes seriously all feedback received through the survey, and particularly scores around leadership and decision-making.

13.2.3 Members discussed the report, including the below key points:

- The CEO has committed to more regular 'Pulse Surveys' in yesterday's All Staff Call.
- The Executive Team will be discussing key themes of the survey findings next week and there will be a Senior Leadership session in early April where thematic working groups will be formed to take forward approaches to key findings. This activity will be reported to the June Board meeting.
- Action planning is also taking place at directorate and team levels in recognition that the organisation is not homogenous and that tailored approaches may be needed for different areas.

- Scores around ‘feeling safe to challenge’ are assumed at present to be part of this variation but leadership will be exploring this and other assumptions arising from the results further for clarity.
- Scores around management and leadership of change: the Assistant Director of Transformation is currently leading a review of change governance in the organisation and awareness of such to inform exploration of these results.
- Engagement to further understand the results is important but must be proportionate and not delay timelines for actions arising. The Deputy Director of Operations is holding a call for Operations staff tomorrow to explain this balance between understanding and action.

ACTION: Staff Survey to return as a standing item under the ‘People, Equality Diversity and Inclusion’ section of the Board Forward Plan.

13.2.4 The Chair invited Observers to share their reflections on the Staff Survey, which included the below key points:

- Historically there has been a frustrating lag between the survey, results and actions with a failure to ‘close the feedback loop’ to report back on outcomes.
- People have raised that the survey itself contains a lot of questions but these are broad in scope and leave little space for nuance or explanation.
- Profiling internal career development examples is important. There is notable activity in this area but many may not be aware.

13.2.5 The Chair thanked colleagues for their reflections on this item.

Governance

14. Committee Updates

14.1 Audit and Risk Assurance Committee

14.1.1 Members noted the report, with no comments.

14.2 Strategic Delivery Committee

14.2.1 Members noted the report.

14.2.2 The Senior Independent Member congratulated colleagues for a successful inaugural meeting.

15. Board Development

15.1 Members noted a verbal update of the report from the Chief of Staff, who explained that Mohamed Mishal (observing today’s meeting) is conducting the 2024-25 Board Effectiveness Review in line with best practice which recommends external review at least every three years.

15.2 Members discussed potential unintended consequences of objective 2 (‘additional scrutiny, support and feedback outside formal board meetings’)

including compromising Non-Executives' independence, fragmentation of focus, and undermining Board meetings as the formal decision-making forum.

- 15.3 Members resolved to remain alert to these risks, but noted that they are not inevitable, especially when supported by strong governance and with successful precedent e.g. in John Ainsworth's role as Non-Executive Digital Lead.
- 15.4 Members discussed how to support Non-Executives working together as a team, including the option of meeting as a solely Non-Executive group without the Ombudsman or other Executive colleagues present.
- 15.5 The CEO suggested that because change leadership and management was identified as a key issue in the recent Staff Survey results, this should also perhaps be reflected in the Board's objectives.
- 15.6 Mohamed Mishal explained that he will be exploring all of these topics further in the interview phase of his review.
- 15.7 Members agreed broad approval of the direction of developing objectives and actions, which can be amended to reflect the outcomes of the review's further investigatory work.

Action: Chief of Staff to review Board objectives 2025/26 once Board Effectiveness Review work has concluded to ensure its outcomes are reflected.

16. Annual Report Update

- 16.1 Members noted the report, with no comments.

Other Business

17. Forward Plan and Date of Next Meeting

- 17.1 Members noted that the next Board meeting will be on Wednesday 18 June at Millbank.
- 17.2 Members noted that - per agreement at item 13 - the Staff Survey will be a standing item under the 'People, Equality, Diversity and Inclusion' section of the forward plan.

Action: Board Forward Plan to be considered by the Executive Team meeting at the start of each meeting's papers commissioning cycle.

18. Any Other Business

- 18.1 The Senior Independent member thanked the Interim Ombudsman and CEO for their extraordinary leadership in difficult interim circumstances.
- 18.2 The Ombudsman echoed this thanks to the CEO, Executive Team and Board for their support and challenge during this time.

19. Review of the Meeting

- 19.1 Members, attendees discussed their reflections on today's meeting, with observers agreeing that this was an insightful learning opportunity that they will promote within their teams.
- 19.2 The Ombudsman thanked all presence for their attendance and contributions.

The meeting ended at 15:20