

## **Minutes of the Board Open Session meeting held on 17 September 2025 at Citygate, Manchester**

### **CHAIR**

Paula Sussex, Ombudsman

### **NON-EXECUTIVE MEMBERS**

Polly Curtis, Senior Independent Member

John Ainsworth

Anne Davies

Michael Parsons

Anu Singh

Dave Thompson

### **EXECUTIVE MEMBERS**

Rebecca Hilsenrath, Chief Executive Officer

Karl Banister, Director, Operations, Legal and Clinical

### **APOLOGIES**

Amerdeep Somal, *ex officio* Member

### **IN ATTENDANCE**

Scott Stevenson, Director of Strategy

Maria Mansfeld, Chief of Staff & Director of Resources

Barry Topham, Chief Digital and Transformation Officer

Neil Brook, Assistant Director, Performance and Quality

Hazel Waddington, Assistant Director, Transformation Items 13; 14.1)

Roz Pedersen, Assistant Director, Finance (Item 14.3)

Katy Connon, Assistant Director, People and Talent (Item 15)

Donna Linton, Governance and Risk Manager

Andrew Dawson, Governance Officer (minutes)

James Smith, Reply (Item 12)

Adam Bird, Reply (Item 12)

### **OBSERVERS - INTERNAL**

Louise Snowball, Learning and Development Manager

Deirdre Micklethwaite, Assistant Director of Senior Casework

Sean Bennett, Solicitor, Legal Services

Darren Packer, Senior Ombudsman Assurance Officer

**6. Chair's Introduction and Welcome**

- 6.1 The Chair welcomed members and attendees to the meeting and thanked Polly Curtis for her work as interim Chair from April to July.
- 6.2 The Chair identified the focus of the meeting as items 11 (Long Term Strategy development) and 12 (Digital Partner Progress Report).

**7. Declarations of Interest**

- 7.1 Paula Sussex declared a potential conflict of interest arising from her former role as Chief Executive of the Charity Commission, given that David Holdsworth (now CEO of the Charity Commission) was her deputy between 2016-2017. She confirmed that she has delegated casework decisions on Charity Commission cases to the Director of Operations, Legal and Clinical, who will make appropriate arrangements to ensure that she is aware of casework developments. She has had no involvement with cases currently under investigation or the reports recently laid before Parliament. Outside casework (for example opportunities for learning and collaboration) Paula's knowledge of and relationships with the Commission are to be deployed in a way that is carefully managed so as not to undermine the casework arrangement.

**8. Minutes and Matters Arising from the meeting on 18 June 2025**

- 8.1 Members agreed the minutes as a true and accurate record.
- 8.2 Members noted that all matters arising are complete or on track. On closed item 11.2 (June 2025) it was confirmed that PHSO does not currently hold demographic data on sickness absence.

**STRATEGY****9. Ombudsman's Report**

- 9.2 Members received a report from the Ombudsman.
- 9.2 The Ombudsman set out her first impressions, including:
- She is grateful for the very good support of the Executive Office and Executive Team. The organisation is in a good shape, works to a high quality, and has an ambitious agenda. Colleagues are independent minded, very thoughtful about the future and committed to using the Ombudsman role to achieve more.
  - She is keen to use PHSO's 'good offices' - the law, data, our voice and influence - to make a greater impact.
  - Spending time with casework colleagues and attending the high impact casework meeting had been helpful and provided much insight on the organisation and its work.

- 9.3 The Ombudsman outlined her key priorities, including developing the strategy and strategic themes; building systemic investigations, and developing and using data more effectively.
- 9.4 Members noted the intention to develop partnerships and memoranda of understanding with a wider range of organisations and discussed the possibility of sharing data with partners to achieve change. This was dependent on an effective data strategy.

## 10. Chief Executive's Report to the Board

- 10.1 Members received a report from the Chief Executive (CEO).
- 10.2 The CEO drew the Board's attention to three key points in her report:
- The Hillsborough Bill, introduced in Parliament this week, creates a duty of candour for public bodies. It is not yet clear how this will impact on PHSO.
  - The Executive Team (ET) had discussed the record level of demand in July. Even though output was also very high - it had increased by 12.5% in 2025 - the casework queue was still increasing and was currently over 2,500. This would inevitably result in a worsening user experience and impact on staff and PHSO's ability to deliver its agenda and other priorities. ET had therefore taken the difficult decision to increase the Public Value Model 'score' to score 3, meaning that only cases at PVM score 4 or above would be investigated.
  - The recent pulse survey had highlighted some improvement in staff morale. However, scores on how the organisation manages change had not improved. ET were now looking very carefully at the underlying reasons for this.
- 10.3 Members discussed the decision to increase the PVM level and acknowledged that this was a difficult decision. They discussed the likely impact on the casework queue, which is expected to return to frictional levels by the end of 2026. They were assured that a plan is in place to communicate the change to complainants and stakeholders, and that measures were under consideration to mitigate the impact of the change on complainants. They were provided with examples of the type of case likely to be affected and asked for information on how the impact of the change will be monitored.

**Action: Report to December Board including how the scoring system operates.**

## 11. Longer Term Strategy Development

- 11.1 Members received a paper from the Director of Strategy,
- 11.2 The Director confirmed that the emerging strategy had been discussed with the Ombudsman. Following that discussion, to increase *Impact* would be brought to the forefront of the strategy as it is central to the organisation's vision. The

strategy will be supported by a refreshed communications and engagement strategy.

- 11.3 The strategy proposal now includes three strategic themes: *Effective Commissioning and Contracting*; *Learning from Complaints*; and *Person-centred Communications*. Members said that it would be helpful to know how these themes had been selected, supported by data, and what other themes had been considered. The Director confirmed that themes had been selected based on emerging information from our casework, were very broad, and that there were potentially many sub-themes.

- 11.4 Members made the following points in discussion:

11.12 Thematic work needs to increase awareness of PHSO and give a sense of PHSO's 'personality' - what we do and how we do it, including more 'human interest' issues.

- It is essential to measure the impact of the thematic work, otherwise we risk losing emphasis.
- Interventions need to be carefully targeted, e.g. at advocacy groups. We also need to consider working with organisations where trust has broken down.
- The low volume of complaints about Government departments remains a concern.
- We need to work more closely with Members of Parliament and understand how they work with their constituents.

- 11.5 The Director thanked members for their input and confirmed that there will be further opportunities to discuss the strategy and themes at a series of forthcoming strategy workshops.

**Action: Non-executive Members to be invited to Strategic Themes workshops**

## 12. Digital Partner Progress Report

- 12.1 Members received a report from the Chief Digital and Transformation Officer (CDTO) providing an update on PHSO's partnership with Reply and progress on the *Digital Ombudsman* programme.

- 12.2 The CDTO outlined upcoming changes in the Digital Ombudsman governance arrangements. The digital work has been governed by the existing Casework Programme, which is due to be closed, therefore a separate project will be commissioned to complete the digital activity. A refresh of the existing data strategy is underway. Two separate portals were being developed, one for complainants and one for organisations we investigate. Another product was under development to automate the Public Value Model, and another would streamline interaction with the casework management platform.

- 12.3 Members outlined the importance of holding clean, consistent data and being able to differentiate between cleaned and not cleaned data, and of having an agreed approach to managing historical data.
- 12.4 Colleagues from Reply joined the meeting and gave demonstrations of two products currently under development.
- i) PHSO ASSIST - a product which enables staff to use artificial intelligence functionality without access to or from the public domain, e.g. to summarise documents submitted in support of a complaint; produce emails; translate documents.
  - ii) KNOWLEDGE - a single portal giving easy access to all PHSO casework policy and guidance, legal advice and other relevant information.
- 12.5 Members commented that *PHSO Assist* appeared to be accessing data and information held externally, and asked where the information had been obtained and how it was quality assured for accuracy. The CDTO confirmed that the product was primarily intended for the handling of internal documents, and that guardrails were under development for the safe use of AI, together with a broader AI policy.
- 12.6 Members noted that there was an element of risk around the use of AI, and that the level of risk acceptance still needed to be determined.
- Action: CDTO to bring back to December Board with information and assurances about guardrails and the AI policy**
- 12.7 Members commented that *Knowledge* appeared to be useful and fit for purpose.

## **RISK**

### **13. Strategic Risk Report**

- 13.1 Members received a report from the Assistant Director of Transformation, including the Strategic Risk Register and Corporate Issues Log. These had been scrutinised by the Audit and Risk Assurance Committee (ARAC) on 10 September.
- 13.2 Members asked whether there had been any further discussions on Cyber-security. The ARAC chair confirmed that this had been the subject of a very positive internal audit review which had been discussed at the June ARAC meeting; there had been no further discussion. However, the risk is constant and increasing and the committee maintains close scrutiny.
- 13.3 The Board noted the updated Strategic Risk Register.

### **14. PERFORMANCE**

#### **14.1 Business Plan and Strategy Delivery Report, July (Period 4) 2025-26**

- 14.1.1 Members noted the report, with no comments.

#### **14.2 Operations Performance Report, July (Period 4) 2025-26**

- 14.2.1 Members noted the report, with no comments.

**14.3 Financial Report, July (Period 4) 2025-26**

14.3.1 Members noted the report, with no comments.

**15. PEOPLE, EQUALITY, DIVERSITY AND INCLUSION****15.1 People Update**

15.1.1 Members received a report from the Assistant Director of People and Talent.

15.1.2 Members commented that the report contained a lot of data, to the extent that it was difficult to identify key information, and that further insight and analysis would have been helpful.

15.1.3 Members discussed recent recruitment exercises, noting that the demographic data available confirmed that recruitment was broadly tracking against census data. They noted that there was a lower conversion rate for candidates from ethnic minorities and commented that it would be helpful to have further information about attrition in the recruitment process and why candidates were dropping out at the assessment/interview stage.

**15.2 Responding to the Staff Survey**

15.2.1 Members noted the report, with no comments.

**16. COMMITTEE UPDATES****16.1 Strategic Delivery Committee (SDC)**

16.1.1 Members noted an update from the Committee Chair, who confirmed that the Committee was now receiving a core report which was being used to identify priorities for focus and challenge. This was likely to include Portfolio risk.

16.2 The ARAC Chair confirmed that he had had discussions with the SDC Chair to ensure that the work of the two committees complemented each other and did not overlap.

**16.2 Audit and Risk Assurance Committee**

16.2.1 Members noted an update from the Committee Chair, who confirmed that the Committee had recommended the Finance Code and Scheme of Financial Delegation for approval by the Board.

16.2.2 The Board **approved** the updated Finance Code

16.2.3 The Board **approved** the updated Scheme of Financial Delegation.

16.2.4 The SDC Chair asked if the SDC could have sight of the Transformation audit report.

**Action: Governance to provide SDC Chair with Transformation audit report.**

**GOVERNANCE****17. Board Effectiveness Review - Next Steps**

17.1 Members received a paper from the Chief of Staff setting out proposals for next steps in the Board Effectiveness Review. Rather than developing an action plan

it is proposed to take a longer-term view of the role and purpose of the Board. An initial proposal will be presented to the Board in December 2025.

- 17.2 The Board **agreed** the proposed next steps.

**Action: Governance team to add Review of Board Role and Function to Board Forward Plan for December.**

## **18. Governance Framework Updates**

- 18.1 The Board received a paper from the Chief of Staff, presenting an updated Governance Framework which had been revised to reflect changes in PHSO's leadership structure following the appointment of a permanent Ombudsman, to remove outdated or superseded content, and to better reflect current working practice.

- 18.2 In response to queries from Members, the Chief of Staff confirmed that the External Advisory Panel had been discontinued and it was not proposed to reinstate it.

- 18.3 The Board **approved** the updated Governance Framework.

**Action: Updated Governance Framework to be added to PHSO website**

## **19. Forward Plan**

- 19.1 The Board **noted** the updated Forward Plan

## **20. Any Other Business**

- 20.1 The Chief Executive thanked the Board for their response and expressions of condolence following the death of Faridah Newman (Governance Officer). Members reflected on Faridah's contribution to the work of the Board.

**Meeting ended 14:40**