

The Ombudsman's

# Annual report and accounts 2025 to 2026



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## Annual report and accounts 2025 to 2026

For the period 1 April 2025 to 31 March 2026

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# Performance report

# Foreword from the Ombudsman

This, my first year as Parliamentary and Health Service Ombudsman, has seen an operational challenge for my Office in the form of a significant increase in complaints about health and government services. But that has also surfaced an important strategic objective to understand and address the drivers of that demand.



Demand for our service has continued to rise to record levels, with a substantial increase in cases requiring further investigation. This reflects the scale of need among people who have been let down by public services and the trust placed in us to help put things right.

This is not just an operational challenge – it is a systemic one, and it demands a systemic response.

In this reporting year, we developed our strategy for 2026 to 2031. This explains how we will meet this challenge. Shaped by the insights of colleagues, the public, Parliament, MPs and complaint handlers, it sets a clear and ambitious direction for how we will increase our impact, continuing to deliver fair and impartial justice for individuals while driving the system-level change that will make public services work better for everyone. It is the blueprint for how we will operate in the years to come.

Central to this approach is a clear belief in the value of complaints. I hold a deep conviction that complaints are not a problem to be managed, but a rich source of intelligence that public services cannot afford to ignore. Every complaint reflects the experience of someone who feels they have been let down. That evidence can be powerful. It can and should drive improvements not just for individuals, but across entire systems.

Over the past year, we have invested in how we use this evidence to fulfil our mission for better public services, developing new data tools and analysis capability that will allow us to spot emerging issues and patterns cutting across health and government casework. By addressing these at root cause, we aim to prevent repeated failings and support sustainable improvements.

To help with those improvements, we have built partnerships with the people and organisations that shape and oversee public services, deepening our engagement with health regulators, audit bodies and other

ombudsman schemes, and working more closely with government departments to embed complaint learning in policy and practice. I have met with almost 200 MPs this year and am determined to raise our profile further so that Parliament understands our role and MPs turn to us for insight on the voice of the citizen. This is central to communicating the value we bring in restoring trust in public services.

As a core part of building understanding of our role and mission, this year also marked an important step in the evolution of our identity, as we prepare to change our name to the Public Service Ombudsman. Built on research and testing with the public and our colleagues, our new name will better reflect what we do and help more people find and use our service.

I am grateful to Rebecca Hilsenrath KC (Hon), to our Board and Executive Team, and every colleague across the organisation for their energy and dedication during a year of significant change and record demand. We have already made great progress towards realising our vision, and I am confident that we will build something remarkable together in the years ahead.

**Paula Sussex CBE**

Accounting Officer, Ombudsman and Chair

# Foreword from the Chief Executive Officer

This has been a year of significant progress, set against a backdrop of growing demand for our service. I am immensely proud of how colleagues have responded - with professionalism, resilience and a deep commitment to delivering fair and timely outcomes for those who rely on us.



Meeting this demand has required real investment in our people and processes. We recruited a significant number of new caseworkers and senior caseworkers this year to strengthen our capacity, while investing in the digital capabilities that will allow us to work more efficiently and effectively as pressures on our service increase. Crucially, we introduced a more structured framework for triaging and prioritising our casework. Our Public Value Model assesses each case against consistent criteria so we can be confident we are directing our resources where they will make the greatest difference. This approach also gives us the flexibility to respond to fluctuations in demand, and to be more transparent with complainants about what they can expect from us.

We also accelerated our digital transformation, building the systems we need for the future. Working with a delivery partner, we are developing secure online accounts for complainants and organisations and internal AI tools to support our casework. This will transform how people experience and interact with our service. We also automated part of our casework publication process, significantly increasing the number of decisions we publish each month. These are essential steps towards becoming a leading digital ombudsman service which is more accessible, more transparent and more efficient.

We continued to deepen our engagement with organisations and communities, helping more people to access our service and supporting better complaint handling across the government and NHS. We published guidance on using AI tools to support people to write complaints, delivered Complaint Champions workshops to more than a hundred organisations, and held a regional roadshow to listen to communities directly and understand the barriers they face. We also undertook a programme of visits to NHS trusts, hearing directly from senior leaders about how they are using learning from complaints to improve their services.

Our casework continues to deliver real impact for the people and organisations we serve. Our findings helped to secure an important commitment from the Home Office to review the exclusion of private pension losses from the Windrush Compensation Scheme and prompted a systemic review of an NHS Trust's performance against national cancer wait time targets. These examples demonstrate why our work matters and the significant difference one complaint can make.

None of this would have been possible without the commitment and passion of our colleagues. This has been a year of significant change, and staff engagement has been central to how we have responded. As a leadership team, we took targeted action in response to feedback in the previous staff survey, and the latest results show improvement across many areas. We will continue working with colleagues to build on this progress in the year ahead. Opportunities to come together as an organisation, including our in-person All Colleague Event, have helped keep people connected, celebrate what we have achieved and look ahead with a shared sense of purpose. I am proud of how our teams have met this year's challenges with professionalism, dedication and enthusiasm for delivering our future vision.

Our priority now is to build on these foundations and continue making progress where it matters most. Our five-year strategy and new name provide a clear platform for our next chapter as a modern, data-led organisation – one that uses the power of complaints to drive meaningful and lasting change for public services and for people.

I want to thank the Ombudsman for her leadership since joining us in August, our Board for their continued guidance, and every colleague across the organisation for their hard work and compassion over the past year. I look forward to everything we will achieve together in the years to come.

**Rebecca Hilsenrath KC (Hon)**  
Chief Executive Officer

# Who we are and what we do

## Our role

We independently investigate complaints about the NHS in England, UK government departments and some other UK public organisations. Our service is free to use, fair and impartial, and open to everyone.

We provide a final, independent check when people believe a public service has let them down, treated them unfairly or failed to put things right. By doing this, we help make sure public services are accountable, champion higher standards, and help to inspire a better relationship between citizens and the state.

We are here to put things right for individuals, help prevent others from experiencing the same issues and improve public services.

When we find failings, we can make recommendations on what the organisation needs to do to put things right. This can involve explanations, apologies and taking steps to learn and improve.

Our website has more information about [our casework process](#).

We use evidence from complaints to identify the underlying causes of failings in public services and help to deliver lasting change. This can include presenting reports to Parliament so it can make sure organisations act on our recommendations.

We are accountable to Parliament and our work is scrutinised by the Public Administration and Constitutional Affairs Committee (PACAC).

## Our vision

The vision in our bridging strategy for the financial year in this report was ‘to be an independent, impartial and fair complaint-handling service with an exceptional user experience that harnesses the power of complaints to help improve public services.’

The vision in our new [five-year strategy](#) is ‘to deliver fair and impartial justice for individuals and drive improvements in public services for everyone.’

## Our values

We refreshed our values this year using feedback from colleagues to make them clearer, bolder, relatable and more tangible.



### Independence

we have integrity and impartiality in all decision-making.



### Excellence

we are committed to high standards and are open to change and improvement.



### Fairness

we are respectful, inclusive and fair.



### Transparency

we are open, honest and constructive.

## Our Board

We are governed by a non-statutory, unitary, decision-making Board of executives and non-executives. The Board's main purpose is to make decisions about our strategic direction and performance.

The Board is led by its Chair, Paula Sussex CBE, the Parliamentary and Health Service Ombudsman. The Chief Executive Officer, Rebecca Hilsenrath KC (Hon), and Deputy Ombudsman, Karl Banister, are also members of the Board.

The Ombudsman was appointed on 26 June 2025 and joined the organisation on a full-time basis on 1 August 2025. Due to unforeseen delays in the appointment process led by Parliament, there was no Ombudsman in post between 31 March 2025 and 26 June 2025. During that time, the Board was chaired by senior independent Board member Polly Curtis.

The non-executive Board members bring an external perspective to the organisation. They come from diverse professional backgrounds and bring a wide range of experience. More information about the Board is on page 70.

# Performance overview

This section looks at our main achievements in the financial year 2025 to 2026.

## Our strategy

Our strategy for 2025 to 2026 focused on putting the building blocks in place for a longer-term strategy under the new Ombudsman.

This one-year bridging strategy was set in the context of record demand for our services. Demand has increased sharply in recent years and the complaints we receive are becoming increasingly complex. While we have continued to improve productivity and invest in our people, systems and capability, increasing effort alone cannot absorb a sustained rise in demand of the scale we are now facing. This reality has shaped the strategic choices we made during the year.

Our focus has been on managing demand responsibly, prioritising our resources to deliver the greatest public value, and strengthening our ability to improve learning across public services. The bridging strategy was framed around three streamlined objectives to clarify, simplify and focus our efforts:

improving **access** to our service

providing an exceptional **user experience**

delivering **impact** from our casework

Over the last year, we built on this work to develop a [new five-year strategy](#), published in April 2026. We carried out a comprehensive engagement process, including workshops, surveys, webinars and feedback from the public, to inform our approach. Meaningful input from colleagues, our Public Engagement Advisory Group comprised of members of the public, including some former complainants, complaints managers across NHS trusts and government departments, advocates, MPs and members of the public has directly influenced our strategic direction.

We also began a new approach to identify and deliver systemic impact, using a set of strategic themes that spanned both health and parliamentary complaints. Throughout 2025, we continually reviewed and refined this thematic approach.

Our aims for 2026 to 2031 are:

### impact:

to drive meaningful improvements and system-level changes in public services

### user experience:

to provide an accessible, timely and person-centred complaints process

### awareness:

to be a recognised and influential voice in improving public services.

The impact strand is underpinned by our core policy framework for public service improvement in the following areas:

- **design:** public services are designed around the people who use them
- **communication:** public services communicate in an open, empathetic and effective way
- **complaint handling:** public services provide an effective complaints service
- **learning from complaints:** public services actively learn from complaints to drive continuous improvement.

Through strengthened ability to understand recurring themes in our casework data, we will identify systemic themes on which to focus. The first area which we have identified is strategic commissioning in the NHS.

To achieve impact during the first year of our strategy, we are adopting a campaigns approach, focusing activity on key areas in line with our policy framework. Over the next year, our focus will be on:

- strategic commissioning in the NHS and how our insights can support improvements in the design, commissioning and contract management of health services
- increasing the NHS's capability and commitment to communicate openly, empathetically and effectively so that patient experience informs decisions, complaints are valued as early warning intelligence, and avoidable distress and repeat harm are reduced
- in government services in particular, that complaints data is used as a platform for improvement that helps public bodies provide consistently high standards of service and public administration.

During 2025 to 2026, our performance was shaped not only by the outcomes we achieved through individual complaints but also by the foundations we put in place. These foundations will ensure our future success and are essential for the outcomes of our new strategy for sustained, system-level improvements in public services.

## Our year in numbers

**151,319** enquiries dealt with by our contact centre

**10,349** complaints decided following primary or detailed investigation

99% of decisions on initial checks made within seven days (target of 95%)

99%

target of 95%



**41,109**

complaint decisions made in total  
(an increase of 10%)



**796**

recommendations  
made in health  
and government

**£312,677**  
of financial payment  
recommendations



made across  
**220**  
cases



averaging  
**£1,421**  
per case



**1,112**

NHS staff

and

**509**

UK central  
government  
colleagues

trained to help  
organisations implement  
the Complaint Standards

**447**

attendees

from

**135**

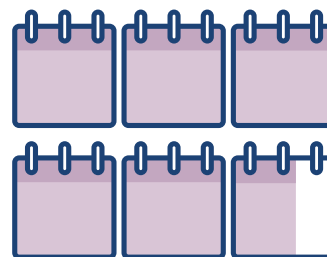
organisations

attended one of our

**Complaint  
Champions  
workshops**

**3,321** days

of staff training delivered  
to improve our service



an average of

**5.63 training days  
per colleague**

# Highlights from the financial year 2025 to 2026

In a year marked by rising demand, we focused on the actions that mattered most for service users and public service improvement.



We responded to record levels of demand for our services by prioritising complaints with the greatest public value.



We laid an important report on an organisation's non-compliance before Parliament enabling them to hold the organisation to account, with the High Court upholding our jurisdiction in enforcing accountability.



We developed our new five-year strategy, shaped by public, parliamentary and stakeholder engagement, setting a clear direction to improve public services.



We strengthened our strategic partnerships across health and government, laying the foundations towards greater system-level impact, using evidence from complaints more effectively.



We deepened our relationship with Parliament, directly engaging with almost 200 MPs and their staff, and launched 'PHSO in your patch' to share our insights at constituency, regional and national levels.



We built new data and analysis tools to better understand the complaints landscape, which has enabled us to start identifying emerging themes and target our impact where it matters most.



We progressed our digital transformation to improve how complainants and organisations access and interact with our service, developing a range of new user-facing digital products.

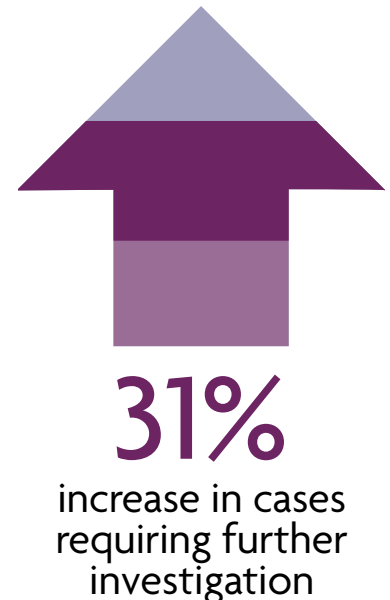


We increased the number of decisions we publish each month making our work more transparent and accessible to all our stakeholders.

# What we achieved this year

## Objective 1: Improving access to our service

Over the last year, we sought to improve access to our service for complainants, MPs and organisations we investigate. During the year, record-breaking increases in demand, reflected in a 31% increase in cases requiring further investigation, reinforced the need to focus our activity where it could deliver the greatest impact.



## Focusing our efforts where we can make the biggest difference

This year, we introduced a significant change to how we triage and prioritise our casework. Our new approach uses a structured framework, our Public Value Model, to assess each case against consistent criteria, focusing on the seriousness of the impact on the individual and the potential for wider public benefit. This means we can be more confident that we are directing our resources towards the cases where we can make the greatest difference. It also gives us the flexibility to respond to fluctuations in demand, which we were able to do during the year by increasing the threshold for when we take a case forward.

This approach helps us make sure that as pressures on our service increase, we remain focused on delivering maximum impact. By being clearer about the scope of the cases we take on, we can be more transparent with complainants about what to expect from us – and reduce the time people wait for a response. [More information about the criteria](#) is available on our website.

This approach focuses on making sure our work leads to real change in public services, not just decisions on individual cases.

In parallel, we also commissioned in-depth research to understand the drivers of this demand. The research aims to help us identify where the greatest demand for our service comes from and why this might be. We have done this so that we can anticipate demand, tailor outreach and messaging, and work with organisations to improve their complaint handling so people get quicker resolution. The research will combine a mixture of qualitative evidence from interviews with our colleagues, and quantitative evidence from our datasets that have been compared to external data.

## Improving awareness and access to our service

We continued delivering our interactive online Complaint Champions workshops, giving organisations the tools they need to help their service users navigate the complex complaints landscape. The workshops explain our role and remit, our investigation process and the support we can offer.

In the past year, 447 attendees from 135 organisations have attended our sessions. We have delivered bespoke workshops to parliamentary caseworkers and organisations such as RNID and its partner organisations, supported by British Sign Language (BSL) interpreters. 98% of attendees said the workshop helped them to understand more about our investigation process.



**‘Really engaging, respectful and accessible workshop for our deaf community. If only more organisations were as aware of the importance of equal access as you are. Thank you all!’**

**Online participant,**  
Empowering Deaf Society

We also delivered joint Complaint Champions workshops with the Local Government and Social Care Ombudsman (LGSCO) and the Housing Ombudsman. The workshops have been attended by over 100 participants, with 85% of the attendees agreeing the workshops are useful in outlining the roles and remit of each Ombudsman.

**‘These workshops have been invaluable opportunities for the public sector Ombudsman schemes in England to come together and explain their respective roles and powers to a wider range of external stakeholders in the third sector. Visibility in the Ombudsman sector is always a perennial challenge, and the challenges are all the more acute in England where we suffer from a fragmentation of public sector Ombudsman schemes.’**

**Evan Lerwill,**  
Assistant Ombudsman at the Local Government and Social Care Ombudsman

## Improving our digital front door

Artificial intelligence (AI) tools like ChatGPT and Copilot help complainants create and submit complaints to us. We know some people find AI tools useful, but complaints written with AI tools can be harder to understand, often including technical jargon or irrelevant references. Other organisations have reported similar concerns. This year we developed and published [guidance to help people use these AI tools](#) more effectively. Our guidance includes practical tips and [prompts to help people who are using AI](#) as well as support to help avoid the risks of sharing personal information in online tools.

To improve our website content, based on user research and testing, and make information about our service more accessible, we made more information [available in an Easy Read format](#). These documents are designed to support people with a learning disability but can also help people who find it difficult to read, have memory problems or are not fluent in English. We updated our Easy Read complaint forms and added Easy Read leaflets to explain our financial remedy guidance, our mediation service and our privacy policy.

We also created a [new animation](#) to explain how we can help people who might want to bring their complaint to us.



## Building relationships with MPs and Parliament

MPs and their staff refer complaints to us and are essential partners in our work. We have focused on strengthening those relationships to help new MPs understand our role and help us deliver our service.

Over the year we directly engaged with almost 200 MPs and MPs' staff.

- We delivered drop-in sessions and events in Westminster with the Ombudsman, attended by more than 60 MPs and MPs' staff to discuss specific cases they had referred to us.
- We took part in the inaugural House of Commons External Services Fair, where we were able to speak to more than 50 MPs' offices about our service and referral process.
- In addition, the Ombudsman had 20 meetings with MPs in various capacities, including backbenchers and committee members, to discuss matters ranging from constituency casework queries to legislation reform.
- Over the last year, we also delivered three Complaint Champions workshops for 46 MPs' caseworkers to explain the areas in our remit, how and when to bring a complaint to us and what to expect from our service.

The first 'PHSO in your patch' event held at our Manchester office for local MPs and stakeholders showcased our newly developed thematic and geodemographic insights. This compelling new offer allows us to share trends and insights about complaints at constituency, regional and national levels.



**‘The dashboards we showed - bringing together themes and local demographics - are genuinely ahead of the curve, enabling us to use complaints data to highlight emerging issues and drive improvement. I’m really excited about how we will build on this work in future.’**

**Paula Sussex CBE,**  
Ombudsman

**‘You just don’t see almost real-time health data and trends being presented like this at regional and national levels.’**

**Attendee at PHSO in your patch event**

The Public Administration and Constitutional Affairs Committee (PACAC) held its annual scrutiny inquiry hearing on 24 March 2026 attended by the Ombudsman and Chief Executive Officer. We are awaiting the Committee's recommendations, which we plan to respond to in autumn 2026. We valued the support of PACAC in raising awareness of our service in Parliament. We are looking forward to welcoming Committee members to our Manchester office to learn more about how we deliver our service and to meet our teams.

Our relationship with Parliament was strengthened by providing evidence to several Parliamentary select committee inquiries. These included the Justice Select Committee's inquiry into Access to Justice, the Work and Pensions Select Committee's inquiry into the Child Maintenance Service, the Privileges Committee's inquiry into the actions of the Charity Commission, and PACAC's inquiry into propriety, ethics and the wider standards landscape in the UK.

## Preparing to change our name

During the year, we explored the impact of changing our organisation's name through internal and external research and focus groups. Findings showed that our current name does not convey our purpose and can be confusing for people. We concluded that we needed a new, recognisable identity to reflect our mission and help people reach us more easily. In autumn 2026, we will change our name to the Public Service Ombudsman. We believe this move is the right one to help the public better understand what we do and make sure the right types of complaints are being made to the right organisation. In an environment where demand for Ombudsman services is rising, this will make navigating the complaints landscape easier for people.



## Objective 2:

### Providing an exceptional user experience

We focused on delivering a better overall user experience, by delivering our digital transformation and working towards our digital ambitions. We also implemented operational changes that speed up decisions on whether we will investigate complaints in detail.

The sustained increase in demand throughout the year had a direct impact on pressure within the service. This shaped our approach to prioritisation and led to changes that were intended to protect timeliness and our user experience.

### Working towards our digital ambitions

To support us to become a leading digital ombudsman service and provide a better experience for our users, we made significant progress with digital transformation in 2025 to 2026.

We procured a digital delivery partner that began working with us in June 2025. Following a detailed discovery phase that captured feedback and looked for improvement opportunities, we have worked to develop several digital products to support our service, applying user-centred design.

Our new complainant account is being built as a secure online portal where users can log in to submit new complaints, share supporting evidence and view case details as they progress. As the portal matures, users will be able to see up-to-date information on the status of their complaint in one place, reducing the need to chase by phone or email. They will receive notifications and reminders to make sure important information and documents can be reviewed and responded to quickly.

A new portal for organisations will provide a secure platform and reliable space to view complaint details, share evidence and communicate with us throughout the process. It will also provide a single central place for organisations managing multiple complaints together, giving them a more complete overview of their interactions with us. In time it will also enable us to follow through on their compliance with our recommendations.

We regularly contact people who use our service and organisations we investigate to take part in feedback surveys. These surveys help us understand what we do well and areas where we can improve. We are working to integrate our feedback surveys in our new digital portals. We have redesigned the survey questionnaires to align with our new strategy objectives and can gather more detailed feedback from people who use our service.

Caseworkers and frontline colleagues have been involved in testing the products and providing structured feedback on what works and what needs to change. External users, including our Public Engagement Advisory Group, have also given user feedback to validate features, co-design future enhancements and make sure the account reflects real user needs and expectations.

This work will continue into the next financial year as the products undergo user testing and refinement before rollout to a wider audience, which is anticipated to take place in October 2026. This is an essential part of our 2026 to 2031 strategy and will transform our service.

## Providing a user-focused service

Our Public Engagement Advisory Group (PEAG) is made up of former complainants as well as people with relevant personal or professional experience who have never used our service. Their feedback and insights help us make sure any changes to our services are user-focused.

**‘Sharing different ideas during the meeting was really helpful in furthering the objectives of the meeting. Hearing how our feedback has been considered and actioned is really valuable.’**

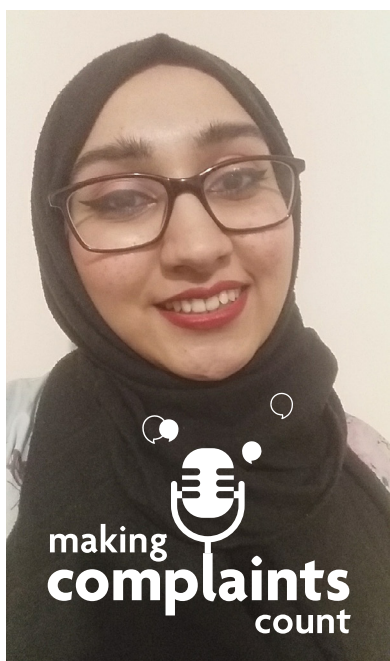
**PEAG member**

We regularly conduct targeted recruitment to make sure the group reflects the public and people who use our service. This year, we targeted recruitment of younger people (aged 18 to 30) to make sure the group continues to be representative.

In 2025 to 2026, PEAG focused on providing feedback on our spotlight reports, compliance and recommendations, our strategy, the respectful behaviour policy, financial remedy, the PHSO Account (complainant portal), website content, and ongoing reflection on how PEAG feedback is used across the organisation.



**PEAG member and former complainant**



**‘A lot of preparation obviously goes into the meeting. The attendance of other staff [across the organisation] makes PEAG members feel valued with a wide range of input.’**

**PEAG member**

We also recorded a [podcast with one of the young members of our PEAG](#). In this podcast she talks about her experience of being part of the group, how the group improves the service we provide and why diverse voices are essential to improving public services.



**‘When I first joined I was really nervous. Obviously it’s a new thing. You’re meeting new people, but the first thing that I noticed when I walked into the room was that it wasn’t homogeneous. It was people from all different backgrounds, walks of life, ages, ethnicities, religion. That for me is something that really shows whether a company is committed to making change or not.’**

**Sadir Mir,  
PEAG member**

## Strengthening assurance of casework

We have well-established and well-functioning quality and assurance processes in place to support fair, consistent and defensible casework decisions. Over the past year, we have strengthened these to improve how we identify emerging risks, learn when things go wrong and provide confidence in the quality and consistency of our decisions.

As the organisation invests in understanding root causes of issues, this has enabled us to make a clearer articulation of learning and structured progress on lessons and actions, strengthening protective controls and guarding against repeat issues. These arrangements are intended to improve clarity, consistency and fairness for people using our service, particularly in more complex or higher-risk cases.

We have also improved how assurance informs decision-making, through a forum that brings leaders together to test learning and agree actions, and clearer documentation and tracking of assurance activity. This supports timely action on emerging issues and greater transparency about how learning is identified and acted on, helping us to continually improve the experience for people who come to us, while recognising that assurance and learning must continue to evolve.

## Objective 3:

### Delivering impact from our casework

As demand for our services continued to rise, delivering impact from our casework meant focusing not only on individual outcomes but on the improvement our work in general brings across public services.

#### Our casework: protecting people and improving services

This year, we made 796 recommendations to improve services, prevent repeated failings and put things right for service users. These case summaries show the range of organisations and complaints we investigate, the significant impact of public service failings on people's lives, and how we make a real difference to people who have faced injustice and drive improvement in public service.



**Case summary:****Windrush Compensation Scheme: one complaint that creates the right outcome for many**

Thomas Tobierre, 71, came to the UK from St Lucia in 1960 at the age of seven. After more than 40 years working, he was made redundant in 2017 and was unable to find new employment because he did not have the documentation proving his right to live and work in the UK. He was forced to live on his savings and cash in his private pension.

After the Windrush scandal, Thomas was granted the right to work and returned to employment in 2018. Shortly after, his wife Caroline was diagnosed with terminal bowel cancer. She applied to the Windrush Compensation Scheme in August 2021, with around six months to live, but died before her claim was settled. Thomas's daughter Charlotte, 40, brought the complaint to us.

Our investigation found that the Scheme failed to properly consider Thomas's claim and wrongly excluded his private pension loss. The lengthy process meant the family missed precious time with Caroline.

Following our investigation, Thomas and Charlotte received £25,000 between them from the Scheme. The Home Office agreed with our findings and reviewed its decision to exclude private pension losses. As a result, the Scheme has now been updated to include compensation for private and occupational pension losses.

**'It was a relief and refreshing to have the experience with the Ombudsman. I would urge everyone, if they are not happy with the Scheme, lodge a complaint. It really needs to be held to account.'**

**Charlotte Tobierre**

**Case summary:****communication failures and treatment delays led to avoidable death of man with disabilities**

Mr D, 45, died from sepsis after waiting 34 hours for intravenous (IV) antibiotics at Doncaster and Bassetlaw Teaching Hospitals NHS Foundation Trust. Our investigation found that his death was avoidable.

Mr D had Alexander's Disease, a rare disorder affecting the nervous system, and needed 24-hour care. Due to his condition, he was at risk of urinary tract infections (UTI). In November 2022, he was referred to hospital by his GP for IV antibiotics after developing a UTI infection that was resistant to oral medication.

His disabilities meant he had difficulties communicating with staff and was entirely reliant on medical staff to provide the right treatment. His mother raised concerns with hospital staff at the time but was not told her son had not received the antibiotics he had been sent there for. When IV antibiotics were eventually given, they were only given at half the required dosage, and a further delay meant he had already become septic. He died a week later.

We recommended that the Trust apologise to Mr D's mother, pay her £12,500 and produce an action plan to prevent the same failings from happening again. The Trust set out several steps to improve and monitor its service, including a monthly sepsis audit capturing the timeline between antibiotics being prescribed and administered.

**'I knew my son better than anyone and I was trying to help the doctors. But they just totally dismissed me. Their attitude was they were the doctors and I was just his mum.'**

**Mr D's mother**

**Case summary:****failure to meet accessible communication needs**

Alan Graham, 75, was born Deaf and British Sign Language (BSL) was his first language. After a fall at his home in June 2021, he was admitted to University Hospitals Birmingham NHS Foundation Trust and diagnosed with heart failure. He died eleven weeks later.

During his time in hospital, his daughter Jennifer complained that the hospital only provided professional BSL interpreters on three occasions. Instead, staff repeatedly relied on Alan's grandchildren to translate medical information, including that he might not survive the night.

Our investigation found that the Trust failed to comply with national guidance by repeatedly using family members as interpreters. This caused significant distress to the family and affected their ability to grieve.

We recommended that the Trust apologise, pay the grandchildren £900 each and pay Jennifer £750 in recognition of the impact on them. We also recommended the Trust produce an action plan to prevent this from happening again.

Following our investigation, the Trust took action to make sure there was organisation-wide learning. This included providing guidance to all ward staff and presentations on Jennifer's experience to several forums. It also improved its process for booking BSL interpreters on its website and added a section on communication needs to its admission form.



**'It was extremely frustrating, every day I was asking for an interpreter. My children just wanted to visit their grandad and be there for him as family members, but they were constantly being asked to translate by the staff.'**

**Alan's daughter, Jennifer**

## Analysing our casework to identify systemic issues

When we find repeated issues, we monitor them to make sure services are learning and improving. In July 2025, we warned of growing concerns about stroke patient care after seeing a 25% rise in complaints and a 65% rise in investigations related to strokes between 2021 and 2025. We identified repeated failings in diagnosis, nursing care, communication and treatment, and urged clinicians to act quickly when they suspect a stroke, even when a patient presents with atypical symptoms.

**‘These investigations all represent instances where organisations involved have not identified a failing. It is important that the NHS operates in a learning culture and that when things go wrong clinicians recognise what has happened and put it right for those involved, as well as improve care and treatment for future patients.’**

**Rebecca Hilsenrath KC (Hon),**  
Chief Executive Officer

Our investigation into a complaint about cancer treatment delays at Mid and South Essex NHS Foundation Trust prompted a systemic review of the Trust’s performance against national cancer wait time targets. The Trust has since committed to new technology to improve efficiency, weekly meetings to track progress and prioritise the longest-waiting patients, and a new one-stop clinic to support timely diagnosis.

**‘Learning from past failings and continually improving services should be the lifeblood of the NHS ... Because of this investigation, other patients and families should experience wait times that are in line with national guidance.’**

**Paula Sussex CBE,**  
Ombudsman

## Improving complaint handling and using insights from complaints in public services

Supporting and improving frontline complaint handling remains important to our work. The [Complaint Standards](#) set out clear expectations for how NHS bodies and UK government organisations should approach complaint handling in a consistent, open and effective way.

The Complaint Standards also emphasise the importance of developing an organisation-wide culture that welcomes complaints and is accountable when things go wrong. They set out clear expectations for senior leaders to have meaningful strategic oversight of complaint handling. This includes regularly reviewing complaint data, understanding the themes and risks that emerge, and making sure that learning is used to improve services and prevent future failings.

We have seen strong and positive responses from organisations that have adopted the Complaint Standards. Feedback shows that the good practice guides and training are helping frontline staff to deliver high-quality complaint handling.

**‘The Ombudsman’s model complaint handling procedure is incredibly useful. All the Complaint Standards documentation on the website is very helpful and the support for staff in the Standards is very good.’**

**Feedback from an NHS Trust**

Over the past year, we worked with a number of NHS trusts to deliver workshops for senior leaders, based on our guide [‘Making sure your organisation meets the Complaint Standards: a guide for senior leaders’](#). These workshops provided time and space for senior colleagues to reflect on their organisation’s culture and approach to complaints. Leaders identified practical goals and actions to strengthen their complaints services, improve reporting and make better use of learning from complaints.

We continue to provide free, CPD-accredited training on good complaint handling, aligned with the expectations set out in the Complaint Standards and supporting guidance. These courses are designed to build capability and confidence among those handling complaints day to day. In 2025 to 2026, 1,112 complaint handlers from more than 180 NHS organisations completed our training, along with 509 colleagues from 34 UK government departments.



training completed by:

**1,112** complaint handlers

from more than  
**180 NHS organisations**



**509** colleagues

from 34 UK government  
departments

**‘I have been a complaints manager for many years, this is the first course I’ve attended which provided such specific details about the importance of investigating and responding to complaints. Made me refocus on what I do in my job role and how I do it.’**

**Feedback from a government department training attendee**

The Ombudsman and Chief Executive Officer trialled a new approach of workshops in central government with the Department of Work and Pensions, designed to support leaders to see complaints as a source of insight, learning and improvement. These sessions created space for senior colleagues to reflect on accountability and ownership and is part of a longer-term effort to extend our influence in acting on complaints at an early stage. We will be looking to run further sessions with other government departments over the next year.

In our casework in central government, we began moving towards a more structured approach with major departments in our remit. Through regular engagement with senior officials and policy teams, we shared insight from live casework, discussed emerging themes, and explored how complaint learning can better inform operational practice, policy development and accountability.

## **Building strategic partnerships**

In 2025 to 2026, we placed increased emphasis on building strategic partnerships with organisations that play a key role in shaping, regulating and overseeing public services. This work focused on extending the reach of learning from complaints beyond individual cases and supporting wider system improvement.

We strengthened engagement with health regulators, audit and assurance bodies, and other ombudsman schemes to explore how insight from complaints can be shared and used more effectively. This included discussions on closer collaboration, data sharing and aligned approaches to identifying systemic risks, particularly where issues cut across organisational boundaries.

**‘It is vital that we work directly with organisations to understand where their challenges lie and how we can support them to improve public services. Seeing how things work on the ground will improve our collaborative engagement with trusts and other bodies.’**

**Paula Sussex CBE,**  
Ombudsman

This partnership building work represents an important shift in how we seek to maximise the power of complaints. While many of these relationships are still developing, they provide a stronger platform for future systemic investigations, more targeted use of our powers and greater influence in public service improvement debates. We have extended the reach of learning from complaints beyond individual cases.

## Publishing more decisions and data

We made changes to our casework publication process to be able to publish more of our cases. [Our published decisions](#) provide a useful resource for public services, parliamentarians, potential complainants and other organisations to see the impact of our work and learn from past complaints.

By automating the final part of the process, we have been able to publish more cases than ever before. The number of cases closed in 2025 to 2026 that were subsequently published was 1,400, compared to 846 in 2024 to 2025. This is laying strong foundations for the future of our casework publication process by strengthening confidence among stakeholders and the public and creating more opportunities for the media and researchers to make connections in our work.



We have also transformed how we present [annual complaints data on our website](#) to make it easier to explore. Improvements include search and filtering to find specific organisations, improved navigation and a new layout so the information is easy to scan and understand. Organisations we investigate told us that the new way of presenting the data makes it ‘really clear and easy to use’. They highlighted how valuable the data will be for compiling annual reports and sharing insights across their organisations - we help organisations identify risks earlier and act on learning before problems escalate. This is part of our ongoing work to make complaints data transparent, accessible and practical.

## Informing public service improvement debates

By publishing our casework decisions and raising the profile of our investigations, we contribute to important national debates about the quality and safety of public services. This is contributing the lived experience from our complaints to public service reform and decision-making.

We played a full part in the national health and care conversation this year. We welcomed the Mental Health Act receiving Royal Assent in December 2025, after our 2024 report called for reform to improve the standard of care for patients in mental health inpatient settings – people who are among the least likely to raise concerns when things go wrong.

**‘Mental health patients are among the most vulnerable in our society and their safety and rights must be protected. To realise the full ambition of this legislation, we cannot be complacent. Adequate resourcing and a genuine culture of care across mental health services are essential if this reform is to deliver lasting change.’**

**Paula Sussex CBE,**  
Ombudsman

We also welcomed the publication of the Government’s 10 Year Health Plan for England and responded publicly to its ambitions for the NHS. We highlighted that listening to complaints and handling them well is critical to understanding where things are going wrong and driving lasting change. We drew attention to the need for any reform of the NHS complaints system to build on our [NHS Complaint Standards](#). We also called for the patient safety landscape to be streamlined to make sure there are clearer lines of responsibility without losing vital expertise.

**‘The Government’s ambition to put patient experience at the centre of the delivery of care is welcome. Listening to complaints and handling them well is critical to understanding where things are going wrong across the NHS and using that learning to drive lasting change.’**

**Rebecca Hilsenrath KC (Hon),**  
Chief Executive Officer

We engaged closely with Dr Penny Dash's review of patient safety, published in July 2025. The review recognised our call, first made in our '[Broken trust](#)' report, for the complex patient safety landscape to be streamlined. We welcomed its emphasis on learning from complaints and the importance of our NHS Complaint Standards, and committed to working with partners to strengthen their use so that more NHS organisations get it right first time for patients and families.

**'I welcome the importance placed on managing and learning from complaints and on building on our NHS Complaint Standards which set out how organisations should respond to complaints. A well-handled complaint can be pivotal in driving lasting change and improving care for all.'**

**Rebecca Hilsenrath KC (Hon),**  
Chief Executive Officer

In November 2025, the Ombudsman spoke publicly in support of the Public Office (Accountability) Bill as it was debated in Parliament for the first time. She set out the economic and democratic case for a Duty of Candour, highlighting that listening to complaints and learning from failures is not only the right thing to do but an economic imperative – noting that the NHS spent £3.6 billion on compensation in the previous year alone.

**'The Duty of Candour can be a defining moment in how our democracy works. It already exists in the NHS. There are brilliant, passionate people who work in our public services. People who day in day out want to improve things to make the country better. But things do go wrong. When they do, accountability and responsibility are vital. The provisions in this bill will go a long way to rebuild that trust between government and people.'**

**Paula Sussex CBE,**  
Ombudsman

## Holding organisations to account

At the heart of everything we do is creating better services for the public. Part of this work involves holding organisations to account where we see repeated mistakes or where our recommendations are not followed.

We continued our work to secure improvements to the Windrush Compensation Scheme. In September, we [published our findings from an investigation](#) into a further case, a year after our spotlight report had highlighted similar issues across multiple cases. As a result of our investigation, the Home Office committed to reviewing its decision to exclude private pension losses from claims - a change that could benefit others who have made claims to the Scheme. Since 2021, we have secured over £430,000 for people who were wrongly denied compensation..



**£430,000**  
compensation  
secured

**‘We know that there is important learning we need to do nationally about how we develop effective, user-friendly compensation schemes. By making a complaint and sharing their story, those affected can help improve public services for everyone and help stop mistakes from being repeated.’**

**Rebecca Hilsenrath KC (Hon),**  
Chief Executive Officer

In September 2025, we took the rare step of laying reports before Parliament after the Charity Commission failed to comply with our recommendations following two investigations into its handling of serious safeguarding concerns. Our investigations, completed in March 2024, found failings in the Commission’s decision-making and communication. While the Commission provided financial payments to both complainants, it did not accept or address all the failings we identified.

After extensive discussions failed to reach agreement, and after the Commission issued legal proceedings to prevent the reports from being laid, Parliament intervened and the reports were laid before the House of Commons. In March 2026, the High Court refused the Charity Commission’s application for judicial review, upholding that our role is to hold public bodies to account on behalf of Parliament and confirming that our decision to lay reports does not require a new complaint of maladministration. Following the application for judicial review being refused by the High Court, we are engaging with the Charity Commission to try to secure resolution for both complainants, as well as making sure learning is implemented. The Public Administration and Constitutional Affairs Committee has agreed to hold a hearing on this matter in June 2026.

**‘The Charity Commission indicated throughout our investigations that they did not agree with our findings. It was unfortunate that we were unable to secure compliance, despite our best efforts and willingness to work with them. However, since the conclusion of the litigation, the Charity Commission has engaged with us and the complainants, and we are hopeful that the injustice to the complainants will be resolved in due course. The purpose of our investigations is always to encourage learning and service improvements. If an organisation looks at what went wrong, it will be able to stop the same mistake from happening again.’**

**Rebecca Hilsenrath KC (Hon),**  
Chief Executive Officer

Taking these steps reinforces our constitutional role in holding public bodies to account on behalf of Parliament. By following through where organisations do not act on recommendations, we help to make sure failings are addressed, learning is embedded and trust in public services is upheld.

# Performance analysis

This section looks at our performance in more detail. It sets out the main risks we managed during the year and our financial and environmental performance for the financial year 2025 to 2026. It also provides detail on our people and organisation, including recruitment, training, and equality, diversity and inclusion.

Where comparative data for previous years is not available, we have explained why.

Demand on our service is measured by the number of complaints that we accept for consideration and the proportion of those cases requiring further investigation. We experienced record-breaking increases in demand this year, reflected in a 31% increase in cases requiring further investigation.

It is important to note that the year-on-year comparisons have been affected by two factors. Firstly, unforeseen delays in the Parliament-led Ombudsman appointment process meant we did not have an Ombudsman in place for the first three months of the financial year, which had an impact on casework. We had to pause cases being passed from primary to detailed investigations and were unable to publish or share decisions with complainants or the organisations being investigated at this time.

Secondly, changes to how we triage and prioritise our casework in our Public Value Model meant cases we take on are proportionately more serious meaning that the average workload for each is higher. Our investigations are the work that is most resource-intensive for us, as opposed to cases that are closed earlier in the process.

## Complaints worked on during the year

| Complaints worked on during the year | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Accepted for consideration*          | 36,248  | 35,103  | 36,886  | 38,045  | 43,255  |
| Carried forward to the next year**   | 4,885   | 4,303   | 4,257   | 4,854   | 7,048   |

\* This includes complaints that were previously not ready for us and have been brought back for consideration.

\*\*This includes complaints already being worked on and complaints waiting to be considered at 31 March.

We accepted 43,255 complaints for consideration, which is an increase of 14%. At the end of the year, there were 7,048 complaints either in progress or waiting to be allocated to a caseworker. The number of complaints carried forward is an increase of 45% on last year's levels, which reflects the increasing number of cases that need an investigation.

## Complaints accepted for primary investigation

| Complaints worked on during the year                    | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---------------------------------------------------------|---------|---------|---------|---------|---------|
| Number of complaints accepted for primary investigation | 7,036   | 7,743   | 8,675   | 9,692   | 12,688  |

The number of cases accepted for primary investigation has increased year on year. Cases that require an investigation involve the most resource to resolve. This year, we took on more primary investigations than ever before, accepting 31% more than in 2024 to 2025. Some of those will go on to become detailed investigations.

## Decisions made

We made 41,109 decisions on complaints.

### Stages in the complaints process

| Decisions made at each stage in the complaints process | 2021-22       | 2022-23       | 2023-24       | 2024-25       | 2025-26       |
|--------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Decided following initial checks                       | 29,213        | 27,492        | 28,075        | 28,311        | 30,715        |
| Resolved by mediation                                  | 29            | 74            | 72            | 58            | 45            |
| Decided following primary investigation                | 6,760         | 7,484         | 8,140         | 8,363         | 9,686         |
| Decided following detailed investigation               | 612           | 612           | 695           | 722           | 663           |
| <b>Total complaint decisions</b>                       | <b>36,614</b> | <b>35,662</b> | <b>36,982</b> | <b>37,454</b> | <b>41,109</b> |

The total number of decisions we made increased by 10% compared to the previous year. This reflects the increased demand on our service. While the number of detailed investigations has decreased, we have closed more primary investigations this year, which reflects our focus on making the right decision at the right time and providing outcomes as early as possible for complainants.

## Mediation

Mediation is a voluntary process that requires agreement from both sides. We remain committed to resolving complaints through mediation where suitable. We were able to approach parties about the possibility of resolving complaints in this way in 296 cases and mediated successfully on 45 cases in 2025 to 2026, compared to 58 cases the year before (a decrease of 22%). Forty-two cases remain ongoing.

The changes to how we triage and prioritise our casework removed some of the cases we would have previously tried to resolve through mediation. Over the last year, we focused mediations on complaints where we could achieve systemic benefits and wider impact, including complaints from underrepresented groups.

We have also looked to increase the use of mediation skills in general casework to help caseworkers show empathy and get to the heart of the complaint.

**‘Overall I found the experience really positive and felt you managed the meeting well. It felt that you supported us to think about what might be realistic actions we could take away too and were open and understanding of what limits there might be with this.’**

**Feedback from an organisation,  
March 2026**

**‘I found the whole process to be well led by you. Expectations were discussed prior to us meeting which was reassuring and the meeting was facilitated well and summarised appropriately. This is certainly something that I would advocate others to be involved in, if required.’**

**Feedback from a complainant,  
May 2025**

## Types of decision

We issue a large range of decisions grouped into ten categories.

| Decisions made: types of decision               |                                                                                                   | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|-------------------------------------------------|---------------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|
| Not able to consider further                    | Not ready for us*                                                                                 | 26,043  | 24,984  | 25,156  | 24,625  | 27,778  |
|                                                 | Out of jurisdiction or remit                                                                      | 1,879   | 2,138   | 3,254   | 4,154   | 3,584   |
|                                                 | Out of time                                                                                       | 834     | 1,002   | 890     | 863     | 935     |
|                                                 | Public Value Model or lower severity injustice                                                    | 1,319   | 1,029   | 1,131   | 1,394   | 1,902   |
| Examined for maladministration and/or injustice | No failings or injustice identified                                                               | 1,734   | 1,886   | 2,013   | 1,857   | 2,016   |
|                                                 | Failings or injustice identified, but already addressed                                           | 498     | 533     | 550     | 492     | 601     |
|                                                 | Failings or injustice identified, with recommendations made                                       | 394     | 419     | 494     | 545     | 461     |
| Resolved                                        | Resolved with the agreement of the complainant                                                    | 453     | 544     | 436     | 464     | 511     |
| Withdrawn or discontinued                       | Withdrawn or discontinued                                                                         | 337     | 380     | 407     | 488     | 628     |
| Other                                           | Other reason to conclude the complaint, for example, the existence of an alternative legal remedy | 3,123   | 2,747   | 2,651   | 2,572   | 2,693   |
| Total complaint decisions                       |                                                                                                   | 36,614  | 35,662  | 36,982  | 37,454  | 41,109  |

\* These are complaints where the person has come to us too soon and needs to go back to the organisation they complained about or their MP. By law, we can only look at complaints about UK government departments if an MP refers the complaint to us.

The proportion of different types of decisions we made is similar to the results from 2024 to 2025 and is in line with our commitment to make the right decision at the right time.

In 2025 to 2026, there was a decrease in the number of cases we cannot look at because they are out of our jurisdiction or remit. This was a decrease of 570 cases (14%) from 2024 to 2025.

The numbers of cases not taken forward has increased by 36% as a result of our Public Value Model criteria, which also tends to incorporate cases with a lower severity of injustice.

We focus our recommendations on the most serious cases where we can make the biggest impact, as demonstrated in the case summaries on pages 27 to 29. In 2025 to 2026, we completed 461 cases with recommendations (a decrease of 15% compared to 2024 to 2025), which aligns with our focus on making the right decision at the right time. This means we have promoted resolution in casework as an impactful way of achieving outcomes for complainants. Resolutions without investigations do not result in formal recommendations, but the outcomes are just as impactful. In one case, we secured £1,600 for an inpatient with dementia after their dentures were lost while they were unable to manage their own belongings. This ensured the Trust acknowledged its responsibility to safeguard patients with additional needs. In another, we obtained £4,000 for a complainant following failings in mental health care and discharge planning, achieving compensation for the significant impact of what took place without the need for formal recommendations. We have also supported organisations to make early service improvements, such as introducing additional staff training on neurodivergence to improve communication and patient experience. Alongside this, we have seen examples of better complaint handling where we consider that the issue has been remedied by the body in jurisdiction and so there is no need to make recommendations.

We were able to resolve 511 cases with the agreement of the complainant. We have continued to target our resources in the places where it can make the most impact, in line with other ombudsman schemes in the international community.

## The time it takes to reach a decision

| Time taken to reach a decision          |                 | 2021-22   | 2022-23 | 2023-24 | 2024-25 | 2025-26 | Target |
|-----------------------------------------|-----------------|-----------|---------|---------|---------|---------|--------|
| Decided following initial checks        | Within 7 days   | 99%       | 99%     | 99%     | 99%     | 99%     | 95%    |
| Decided following further consideration | Within 13 weeks | 32% (31%) | 40%     | 43%     | 43%     | 48%     | 50%    |
|                                         | Within 26 weeks | 49% (48%) | 51%     | 66%     | 69%     | 65%     | 75%    |
|                                         | Within 52 weeks | 81% (81%) | 77%     | 83%     | 89%     | 90%     | 95%    |

2021 to 2022 comparative data excludes the time cases were paused during the previous year, as we (and the NHS) suspended complaint handling so the NHS could focus on dealing with the COVID-19 pandemic. The percentages in brackets show what the performance results would be if we did not remove from the data the three-month period where we paused our casework.

We are striving to be an accessible, user-focused service. While we have made some improvements, we know there is still more to be done. Consistent with previous years, we reached 99% of decisions made following initial checks within seven days. This was against a target of 95%. The volume of decisions we reached following further consideration within 13 weeks has increased to 48% against a target of 50%. The volume reached following further consideration within 26 weeks has decreased slightly to 65%, while the volume reached within 52 weeks has increased to 90%.

We have prioritised closing the oldest cases to make sure complainants receive timely decisions. This has reduced the proportion of cases closed within the timeframe being measured. We had 274 aged cases (a case more than 12 months old) in 2019 to 2020 and 943 in 2021 to 2022, reflecting the impact of the pandemic. We finished 2025 to 2026 with 530.

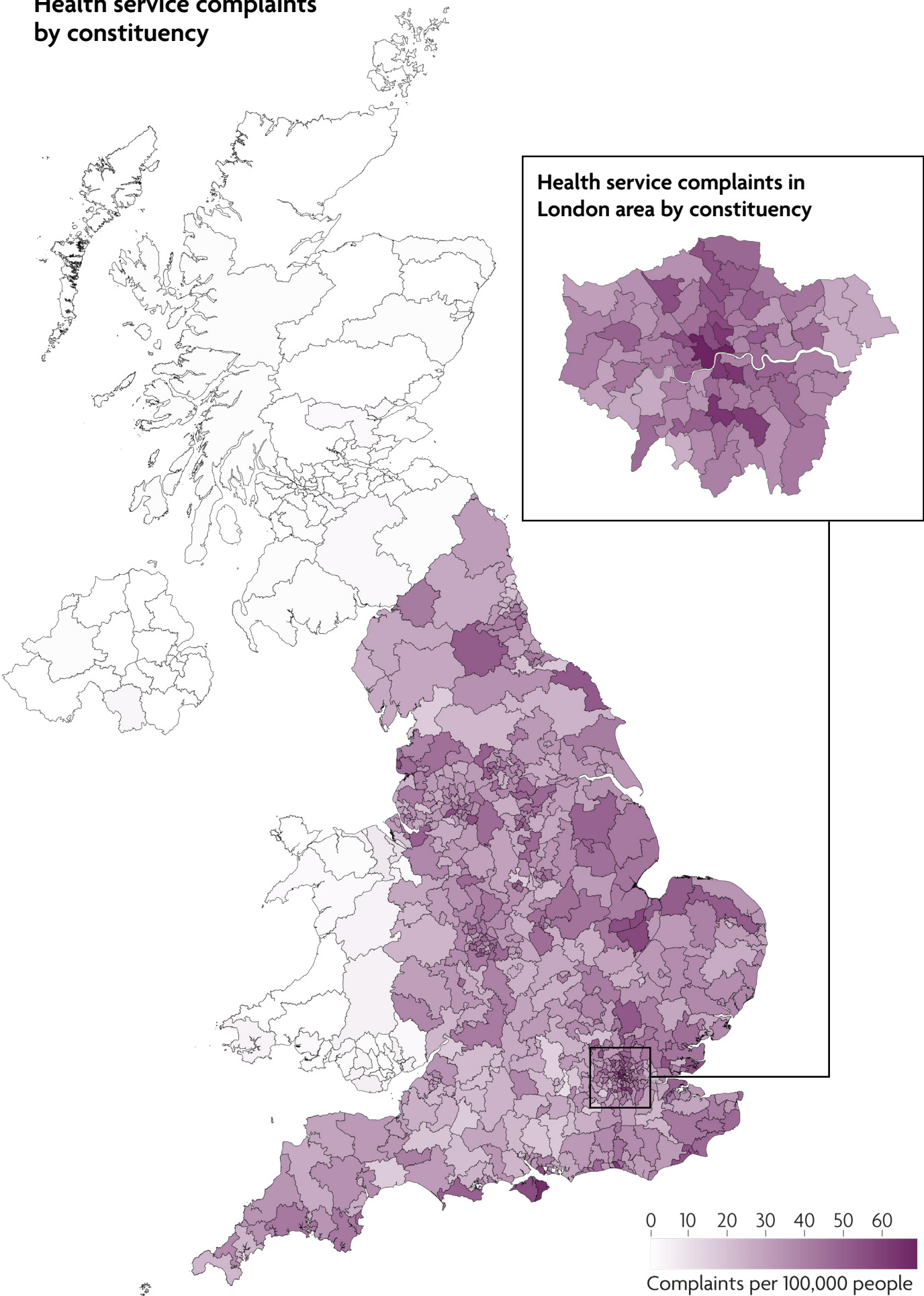
## Complaints by geographical area

The tables below show the constituencies with the highest proportion of complaints received per 100,000 people in 2025 to 2026.

### Health service complaints

| Region          | Constituency                     | Health complaints received (per 100,000 people) |
|-----------------|----------------------------------|-------------------------------------------------|
| London          | Cities of London and Westminster | 68.4                                            |
| South East      | Isle of Wight East               | 64.6                                            |
| London          | Streatham and Croydon North      | 62.5                                            |
| London          | Peckham                          | 62                                              |
| London          | Islington South and Finsbury     | 61.2                                            |
| South East      | Hove and Portslade               | 61.1                                            |
| London          | Vauxhall and Camberwell Green    | 61                                              |
| London          | Beckenham and Penge              | 59.7                                            |
| East of England | North East Cambridgeshire        | 56.6                                            |
| South East      | Gosport                          | 56.1                                            |

Health service complaints  
by constituency

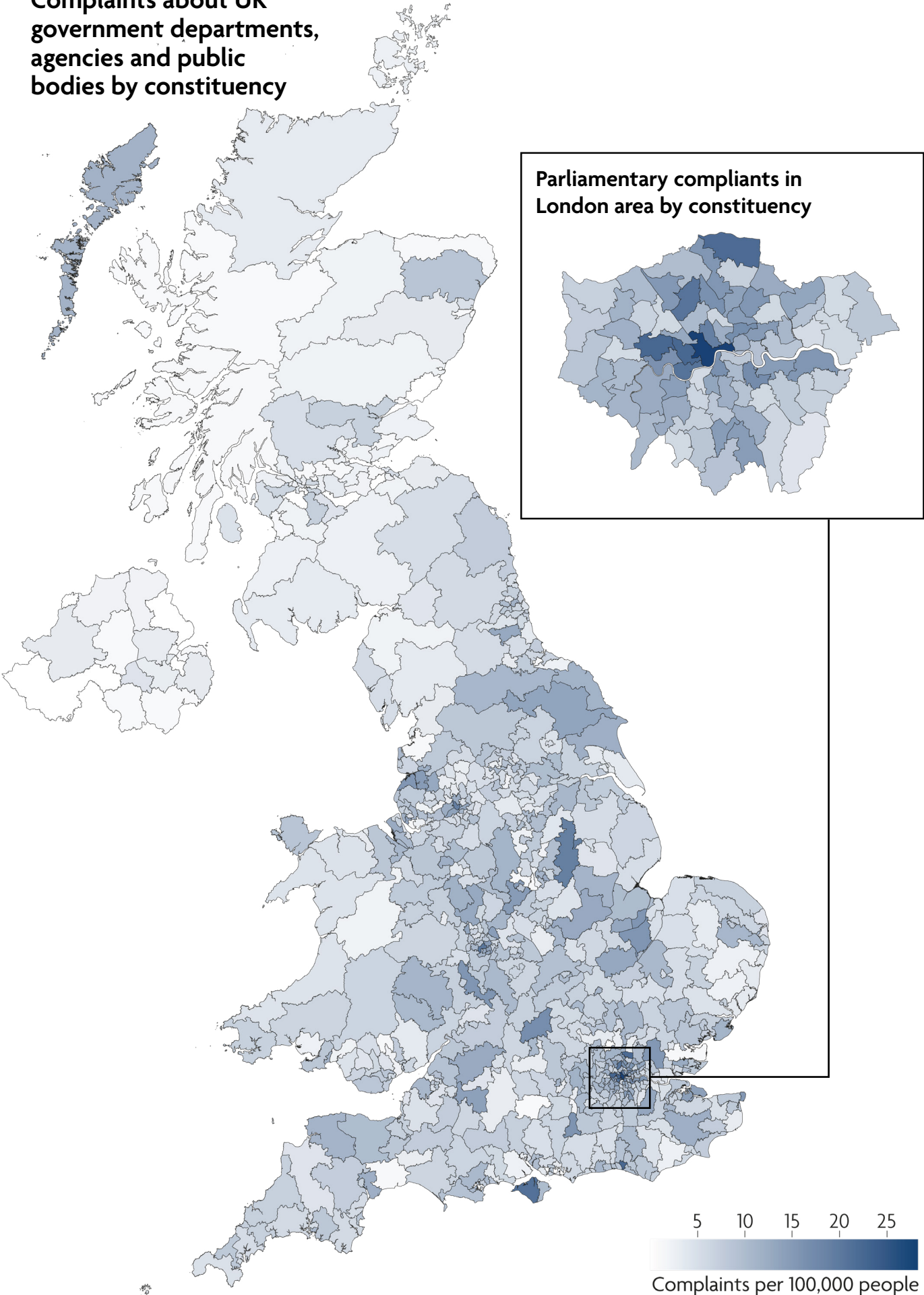


## Complaints about UK government departments, agencies and public bodies

| Region        | Constituency                     | Complaints received about UK government departments, agencies and public bodies (per 100,000 people) |
|---------------|----------------------------------|------------------------------------------------------------------------------------------------------|
| London        | Cities of London and Westminster | 28.3                                                                                                 |
| London        | Ealing Central and Acton         | 22.7                                                                                                 |
| London        | Kensington and Bayswater         | 22.6                                                                                                 |
| South East    | Brighton Pavilion                | 22.3                                                                                                 |
| London        | Enfield North                    | 22                                                                                                   |
| South East    | Isle of Wight West               | 21.2                                                                                                 |
| London        | Chelsea and Fulham               | 20.9                                                                                                 |
| London        | Finchley and Golders Green       | 20.6                                                                                                 |
| West Midlands | Birmingham Edgbaston             | 20.3                                                                                                 |
| North West    | Salford                          | 19.1                                                                                                 |

Source for digital boundaries and reference maps: Office for National Statistics licensed under the Open Government Licence v.3.0. Parliamentary constituency boundaries used follow the results of the 2023 boundary review. Population data for the United Kingdom uses the latest available census data.

**Complaints about UK  
government departments,  
agencies and public  
bodies by constituency**



## Recommendations and compliance

When we find that an organisation has made a mistake, we make recommendations for it to put things right and we provide a timeframe for this. We follow up with the organisation to track progress.

If an organisation does not act on our recommendations, we can present a report to Parliament. We can also work with the relevant Parliamentary Select Committee to hold to account a Secretary of State or head of an NHS organisation.

| Recommendations made and compliance with those recommendations | 2021-22    | 2022-23      | 2023-24      | 2024-25      | 2025-26    |
|----------------------------------------------------------------|------------|--------------|--------------|--------------|------------|
| Apologies                                                      | 361        | 361          | 383          | 436          | 306        |
| Service improvements                                           | 294        | 298          | 306          | 353          | 215        |
| Other actions to put things right                              | 85         | 98           | 134          | 149          | 55         |
| Financial compensation recommendations                         | 249        | 256          | 297          | 336          | 220        |
| <b>Total recommendations made</b>                              | <b>989</b> | <b>1,013</b> | <b>1,120</b> | <b>1,274</b> | <b>796</b> |
| Financial compensation total                                   | £265,656   | £401,847     | £341,937     | £426,212     | £312,677   |
| Recommendations closed complied with                           | 863        | 967          | 919          | 1,156        | 1,051      |
| Recommendations closed not complied with                       | 2          | 2            | 7            | 3            | 1          |

As set out on page 42, we made fewer recommendations in 2025 to 2026, reflecting our focus on resolution and making the right decision at the right time. Where complaints have been resolved directly or remedied by the organisation without the need for an investigation, formal recommendations have not been made, but the outcomes for complainants have been no less meaningful.

Financial recommendations will fluctuate each year. This year, financial payment recommendations totalled £312,677. For example, an [investigation into Northern Care Alliance NHS Foundation Trust](#) resulted in a £17,000 payment to the complainant, Ms D, recognising the immense distress caused by treatment failings that led to the potentially avoidable death of her father.

Examples of service improvement recommendations have included [Herefordshire and Worcestershire ICB](#) meeting with a complainant to show how it has improved its complaints service, and the [Child Maintenance Service](#) producing an action plan to learn and address failings identified in its translation services. Our recommendations can have wide-reaching impact beyond the individual complaint. For example, we recommended [Mid and South Essex NHS Foundation Trust](#) conduct a systemic review of its performance against national cancer wait times and develop a robust plan to improve them.

**‘The Trust has committed to carrying out this work and will be rolling out new technology to help it allocate resources more efficiently and increase capacity for cancer appointments. While this will sadly not change what happened in this case, it highlights how one complaint can make a difference.’**

**Paula Sussex CBE,**  
Ombudsman

We have seen a decrease in the small number of recommendations where compliance is not achieved. We continue to work with organisations we investigate to secure agreement to our recommendations ahead of issuing our final decision. This gives us a high level of confidence that they will follow our recommendations, which is reflected in the compliance statistics. Non-compliance is extremely rare but is an issue we treat seriously.

## Feedback on our service

It is critical for us to provide a service that is user-focused. We aim to gather feedback through a range of approaches, including our Public Engagement Advisory Group and other forms of stakeholder engagement.

We also regularly invite people who use our services to share feedback through our surveys. In recent years, we have kept these surveys short and simple to encourage as many people as possible to respond. This led to a good number of responses but it has limited the more detailed information we need to understand which parts of our service are working well or where people experience difficulties.

This year we have redesigned our user feedback surveys so that they monitor how we are progressing against our strategic aim for user experience and to focus on improving in areas that receive low scores. In 2025 to 2026, we had a total of 6,429 responses to our surveys for complainants and organisations we investigate. A challenge with our feedback data is that perceptions of service quality often appear to be related to the outcome of an individual's complaint. Over the last year, 86% of complainants who received a positive outcome from the detailed investigation of their complaint said they were satisfied, compared with 17% when the complaint was not upheld.

A [quarterly breakdown for this year](#) and previous years is available on our website.

We receive a small percentage of requests to review our service and decisions. In 2025 to 2026, service review requests increased, and the number upheld also increased, while the proportion upheld remained broadly in line with the previous year. Decision review requests closed also increased, while the number upheld decreased.

| Service and decision reviews    | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---------------------------------|---------|---------|---------|---------|---------|
| Service review requests         | 61      | 43      | 74      | 104     | 127     |
| Service review requests upheld  | 25      | 24      | 42      | 47      | 57      |
| Decision review requests closed | 455     | 255     | 339     | 294     | 448     |
| Decision review requests upheld | 37      | 48      | 35      | 26      | 25      |
| Positive feedback received      | 86      | 136     | 136     | 143     | 131     |

**‘Thank you for your compassion and care in this case. As I have told you many times, to follow through with this is very hard but it is what Mum would have wanted me to do. It will not change anything for us but maybe, just maybe make something better for someone else.’**

Feedback from a complainant,  
January 2026

**‘For the first time in over seven years, I finally feel that my case is being taken seriously and that I am in the right place for my voice to be heard. That alone has given me some comfort after everything me and my children have been through.’**

Feedback from a complainant,  
October 2025

**‘I know we have said it several times now but thank you for everything you have done - from the thorough investigation work to the wonderful support, for all your advice and help, for reading our emails, for speaking with us on the phone, for listening and for your kind, caring and professional approach, and for being there for us. We don’t think that we could have got to the point we are at without you and your team. And I think also, for understanding why we felt the need to complain and for taking our complaint seriously as well as explaining everything in an easy to understand way.’**

Feedback from a complainant,  
March 2026

**‘Thanks and gratitude for the work you have put in to completing the report. I feel that my son was wonderfully honoured throughout. I’m incredibly grateful for you going above and beyond within my investigation. I have a form of closure I never thought I would be able to get.’**

**Feedback from a complainant,  
February 2026**

We received 904 Freedom of Information (FOI) requests and 491 Subject Access Requests (SAR), with 98% and 96% responded to in the statutory time limit respectively. These percentages are similar to last year’s performance.

We also handled 190 other General Data Protection Regulation (GDPR) requests. The percentage we responded to within statutory limits is similar to previous years.

| Information rights requests                          | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|------------------------------------------------------|---------|---------|---------|---------|---------|
| FOI requests received in year                        | 498     | 699     | 871     | 640     | 904     |
| SAR requests received in year                        | 288     | 339     | 400     | 323     | 491     |
| Other GDPR requests received in year                 | -       | 153     | 160     | 131     | 190     |
| FOI requests responded to in statutory limitations   | 51%     | 94%     | 98%     | 98%     | 98%     |
| SAR requests responded to in statutory limitations   | 45%     | 91%     | 96%     | 95%     | 96%     |
| Other GDPR requests responded to in statutory limits | -       | 94%     | 95%     | 97%     | 94%     |

## People who use our service

Data from previous years was captured from our complainant survey results. This year's data is based on people who supply the information voluntarily as part of our complaint form, giving us a more detailed picture of who is using our service. In future annual reports, we will be able to make comparisons against the previous year.

| People who use the service                           | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|------------------------------------------------------|---------|---------|---------|---------|---------|
| Sample size (number of people who supplied data)     | -       | -       | -       | -       | 10,987  |
| Proportion of people supplying data                  | -       | -       | -       | -       | 27%     |
| Male                                                 | 46%     | 43%     | 44%     | 44%     | 40%     |
| Female                                               | 54%     | 57%     | 55%     | 55%     | 55%     |
| Non-binary                                           | -       | -       | -       | -       | 1%      |
| Other / no response                                  | -       | -       | -       | -       | 4%      |
| Mean age (years)                                     | -       | -       | -       | -       | 46      |
| 0-17                                                 | -       | -       | -       | -       | 4%      |
| 18-34                                                | 18%     | 15%     | 13%     | 13%     | 22%     |
| 35-54                                                | 37%     | 40%     | 42%     | 41%     | 44%     |
| 55-74                                                | 39%     | 39%     | 36%     | 37%     | 23%     |
| 75+                                                  | 6%      | 6%      | 9%      | 9%      | 6%      |
| Disabled people                                      | 39%     | 44%     | 52%     | 52%     | 44%     |
| Non-disabled people                                  | 61%     | 56%     | 48%     | 48%     | 44%     |
| Disability no response                               | -       | -       | -       | -       | 12%     |
| Asian, black, mixed ethnicity and other ethnic group | 18%     | 16%     | 17%     | 18%     | 19%     |
| White                                                | 82%     | 84%     | 83%     | 82%     | 70%     |
| Ethnicity no response                                | -       | -       | -       | -       | 10%     |
| Gay, lesbian, bisexual or other sexual orientation   | -       | -       | -       | -       | 8%      |
| Heterosexual or straight sexual orientation          | -       | -       | -       | -       | 79%     |
| Sexual orientation no response                       | -       | -       | -       | -       | 13%     |

## Risks we managed

The following table summarises the risks that we managed during the year, the strategic objectives that they have influenced and the main actions that we took to mitigate them.

| Strategic risk description and development over the course of the year                                                                                                                                                                                                                                                                                                                                                                                      | What we did to mitigate the risk                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Business plan / change</b></p> <p>‘We are unable to realise the full outcomes and benefits of business change.’</p> <p>The risk remained stable throughout 2025 to 2026. Progress on digital delivery was positive, but the organisation remained alert to capacity pressures from concurrent demand and change activity.</p> <p><b>Link to bridging strategy:</b><br/>Access, user experience, digital and data</p>                                  | <ul style="list-style-type: none"> <li>• Strengthened change governance, including Change Board oversight.</li> <li>• Substantial internal audit assurance over the transformation programme, providing confidence in delivery.</li> <li>• Significant increase in resources and capital investment for digital products.</li> </ul>                                                                                                                                              |
| <p><b>Demand management</b></p> <p>‘The strategies we employ to manage sustained high levels of demand are unsuccessful and have negative effects on user experience, satisfaction and confidence in our service.’</p> <p>This risk increased to the highest score, reflecting unprecedented and sustained demand pressures, despite strong productivity and mitigations in place.</p> <p><b>Link to bridging strategy:</b><br/>User experience, impact</p> | <ul style="list-style-type: none"> <li>• Ongoing demand management measures, including overtime and targeted allocation.</li> <li>• Continued investment in caseworker recruitment and skills.</li> <li>• Future planning for the ongoing management of this risk includes investment in digital tools, refining how we prioritise complaints and making changes to our service so we can focus our resources where they will have the greatest impact for the public.</li> </ul> |
| <p><b>Financial management</b></p> <p>‘Unpredictable cost increases could create challenges in managing our budgets, limiting the extent to which we can provide a value-for-money service and realise benefits from our strategic investments.’</p> <p>The risk outlook improved over the course of the year as we maximised spend on our objectives.</p> <p><b>Link to bridging strategy:</b><br/>Access, user experience, impact, digital and data</p>   | <ul style="list-style-type: none"> <li>• Close in-year monitoring of budgets and forecast underspends.</li> <li>• Active engagement with HM Treasury and early planning for future years.</li> <li>• Clear prioritisation of spend aligned to strategic objectives.</li> </ul>                                                                                                                                                                                                    |

| Strategic risk description and development over the course of the year                                                                                                                                                                                                                                                                                                                                                                                           | What we did to mitigate the risk                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Motivation and morale</b></p> <p>‘A significant decrease in motivation and morale negatively impacts service provision, engagement with change, organisational behaviours and productivity across PHSO.’</p> <p>The risk reduced, with evidence supporting improved staff sentiment and organisational resilience, leading to a lower impact score.</p> <p><b>Link to bridging strategy:</b><br/>User experience, people and capability, communication</p> | <ul style="list-style-type: none"> <li>• Regular staff engagement through all-staff calls and our in-person All Colleague Event.</li> <li>• Senior leadership sponsored working groups established in response to staff survey results, driving improvements in targeted areas.</li> <li>• Employee Experience Forum established, giving colleagues a platform to discuss issues affecting them.</li> </ul> |
| <p><b>Operating without an Ombudsman</b></p> <p>‘Until a permanent appointment was made, there was a risk that not having an Ombudsman in post would impact our casework investigations.’</p> <p>This risk was successfully managed and closed in August 2025.</p> <p><b>Link to bridging strategy:</b><br/>Access, user experience, impact</p>                                                                                                                  | <ul style="list-style-type: none"> <li>• Issued operational guidance to support lawful and consistent casework handling.</li> <li>• Engaged with the Cabinet Office on appointment timelines and contingency arrangements.</li> <li>• Maintained Executive Team oversight of interim arrangements..</li> </ul>                                                                                              |
| <p><b>Cyber and information security</b></p> <p>‘Cyber-attack on PHSO data systems and communications networks results in severe disruption to service delivery and/or data breach.’</p> <p>The risk remained high but stable, reflecting the external threat environment, with strong confidence in the effectiveness of mitigations.</p> <p><b>Link to bridging strategy:</b><br/>Access, user experience, impact, digital and data</p>                        | <ul style="list-style-type: none"> <li>• 24/7 monitoring via the Security Operations Centre.</li> <li>• Substantial internal audit assurance over cyber maturity obtained.</li> <li>• Clear controls over the use of AI tools and data protection.</li> </ul>                                                                                                                                               |
| <p><b>Complaint decision / service impact</b></p> <p>‘An incorrect or unsupportive casework decision, series of decisions or emergence of overlooked high impact cases causes damage in public trust and impacts confidence in our service.’</p> <p>This risk was newly articulated in 2025 to 2026 and remained lowly rated.</p> <p><b>Link to bridging strategy:</b><br/>User experience, impact</p>                                                           | <ul style="list-style-type: none"> <li>• Robust quality assurance and defined service standards.</li> <li>• Oversight of high-impact cases and senior-level quality assurance meetings.</li> <li>• Internally commissioned assurance review planned and underway.</li> </ul>                                                                                                                                |

## Financial review

Expenditure is reported in the Statement of Outturn against Parliamentary Supply (page 107) and the Statement of Comprehensive Net Expenditure (page 122). We do not charge for services and the only income we receive is occasional cost recoveries. All our expenditure is funded by Parliament.

Our budget falls under four headings in the Treasury's spending control framework. The majority is Resource Departmental Expenditure Limit (RDEL). The RDEL budget funds salaries and operating costs.

We also have a Resource Annually Managed Expenditure (RAME) budget, a Capital Annually Managed Expenditure (CAME) budget and a Capital Departmental Expenditure Limit (CDEL) budget. The CAME and RAME budgets cover the creation of provisions, and the CDEL budget funds the purchase of fixed assets.

The budgets and actual spend for each of these headings in 2025 to 2026 is summarised in the table on the next page and shown in more detail in the Summary of Resource and Capital Outturn in the accountability report on page 108. The actual spend over the past five years, and the budgets agreed in Spending Review 2025 for 2026 to 2027, are set out in the table on page 56.

The main factor in the £1.62m (3.37%) underspend of the RDEL budget was depreciation being lower than budgeted due to the timing of asset capitalisations and asset disposals. The underspend against core RDEL (excluding depreciation which is a ring-fenced budget) was just £288k or 0.6% of the available funding. Through effective financial management, we redirected emerging underspends to priority areas, supporting delivery of the bridging strategy and managing increasing demand. Renegotiation of a lease accounts for £0.23m of the £0.6m (9.89%) underspend against the CDEL budget. Outside of the funding allocated to IFRS 16 lease accounting, our underspend was £370k (6.66%) and consists almost entirely of our contingency spend which was budgeted at the beginning of the year to cover unexpected spend, which did not crystallise. The RAME and CAME budgets were set to cover provisions for legal claims and dilapidations respectively, not all of which have been used. Legal claims are inherently difficult to forecast and value, so we take a cautious approach in budgeting.

## Summary of expenditure in the financial year 2025 to 2026

|                                       | Budget       | Actual       | Underspend / (overspend) |               |
|---------------------------------------|--------------|--------------|--------------------------|---------------|
|                                       | £m           | £m           | £m                       | %             |
| <b>Departmental expenditure limit</b> |              |              |                          |               |
| Resource                              | 48.17        | 46.55        | 1.62                     | 3.37%         |
| Capital                               | 6.03         | 5.40         | 0.63                     | 10.45%        |
| <b>Annually managed expenditure</b>   |              |              |                          |               |
| Resource                              | 0.60         | (0.07)       | 0.67                     | 111.66%       |
| Capital                               | 0.33         | 0.03         | 0.30                     | 90.91%        |
| <b>Total resource</b>                 | <b>48.77</b> | <b>46.48</b> | <b>2.29</b>              | <b>4.69%</b>  |
| <b>Total capital</b>                  | <b>6.36</b>  | <b>5.43</b>  | <b>0.93</b>              | <b>14.62%</b> |
| <b>Total expenditure</b>              | <b>55.13</b> | <b>51.91</b> | <b>3.22</b>              | <b>5.84%</b>  |

## Actual spend over past five years and budgeted spend for next year

|                                | 2021-22     | 2022-23     | 2023-24     | 2024-25     | 2025-26     | 2026-27     |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Departmental expenditure limit | £m          | £m          | £m          | £m          | £m          | £m          |
| Total resource                 | 32.5        | 40.5        | 41.8        | 41.5        | 46.5        | 52.8        |
| Total capital                  | 1.8         | 1.9         | 2.0         | 1.6         | 5.4         | 11.3        |
| <b>Total expenditure</b>       | <b>34.3</b> | <b>42.4</b> | <b>43.8</b> | <b>43.1</b> | <b>51.9</b> | <b>64.1</b> |

## Spending in the financial year 2025 to 2026

The Statement of Comprehensive Net Expenditure on page 122 and the related notes to the accounts show the detail of our spending in 2025 to 2026.

Staff costs at £38.2m are the biggest expense at 82% of the resource budget. The other main areas of spend were information and communications technology of £2.2m (5%) and accommodation costs of £1.4m (3%). Depreciation and amortisation expenses were £2.2m (5%) of the RDEL total.

We have experienced a sustained increase in demand over the last few years but strong financial management, a focus on value for money and efficiencies in casework operations has enabled us to maintain delivery of our service.

## Statement of financial position

Taxpayers' Equity increased by £3.5m from £1.1m at 31 March 2025 to £4.6m at 31 March 2026.

The main movements were an increase in fixed assets of £3.2m, a decrease in current liabilities of £0.1m as a result of decreased provisions balances, and a reduction of £0.5m in non-current liabilities due to lease payments made during the year.

## Financial outlook

For the Government's Spending Review 2025, we submitted proposals for investments to support the Government's priorities of the NHS reform agenda and the commitment to put patients at the heart of NHS service design, and our funding request was agreed.

The resource budget for 2026 to 2027 is £52.8m, which is an increase of 17% on actual spending in 2025 to 2026, as shown in the table above. The majority of the increase is depreciation on newly created digital assets and we also requested an additional £1.8m resource funding for 2026 to 2027 due to a continued and unprecedented increase in demand for our service. This investment will enable us to increase the number of caseworkers in our operation and therefore the number of cases we can take on. We continue to invest in digitisation to drive efficiencies to manage increasing demand, improve our digital architecture to support value for money improvements in public services, and strengthen our capacity to deliver systemic investigations to improve effectiveness in driving public service improvement.

## People and organisation

Continuing to attract, retain and develop an engaged and high-performing workforce was central to the delivery of our 2025 to 2026 strategy.

Over the last year, we recruited 82 new caseworkers and senior caseworkers in response to growing demand for our service.

Our training and development plans continued to focus on meeting the changing needs of our service provision, with learning activity clearly linked to supporting the delivery of the strategy. We continued to listen to colleagues and develop our culture. We revised our values and behaviours framework, following feedback from colleagues that it should be clearer, bolder, relatable and more tangible. While retaining our four values, we reviewed the behaviour statements that bring them to life.

We have delivered a range of initiatives to promote equality, diversity, inclusion and wellbeing. We have prioritised proactive wellbeing interventions to promote and support good health and prevent the known risks that can happen. The 2025 staff survey saw a positive 15% increase in providing good support for colleague health, wellbeing and resilience.

### Enabling a positive and supportive culture

Our annual employee engagement survey saw a response rate of 78%, which was the same as in 2024. Employee engagement is the extent to which colleagues feel positive and valued in their role and committed to the organisation.

The overall employee engagement score was 65%. This has increased from 62% in 2024 and is equal to the 2025 Civil Service People Survey we benchmark against. It reflects a year-round focus on improving engagement through organisation and team-level action plans, and regular pulse surveys as a temperature check of engagement. The full [employee engagement survey results](#) are available on our website.

### Developing leaders and leadership skills

This year marked the conclusion of our 'Manager 25' development programme, which was open to all line managers. It was designed to equip managers with the skills and knowledge associated with a high-performing organisation. This year included self-paced learning and workshops on supporting and developing colleagues through change, as well as a focus on an agile mindset to embed the outputs of our digital ambitions.

## Developing workforce skills and capability

We provide a wide range of learning and development opportunities to support colleagues in their role and in their career development. We delivered 3,321 days of training in 2025 to 2026, which was an average of 5.63 training days per colleague. This compares to 2,561 training days and average of 4.59 training days per colleague last year.

Colleagues benefit from a broad range of development opportunities, including coaching, mentoring and job shadowing, and have access to over 24,000 on-demand courses via LinkedIn Learning. Over 400 colleagues engaged with more than 2,800 LinkedIn Learning courses this year, contributing over 621 hours of learning across areas such as compliance, equity, diversity and inclusion, high performance, AI, agile methodologies, and project management.

We also prioritised targeted professional development aligned to organisational needs, including agile project management training tailored to the public sector. These programmes have strengthened digital, data visualisation and technical capabilities, supporting the digital and transformation directorate as it prepares to deliver next year's strategic priorities.

As of March 2026, we had eight apprenticeships in a variety of roles. We continue to support applications to fund professional qualifications linked to role and business requirements.

We trained six new caseworker cohorts of our role-ready training programme, along with a comprehensive ten-month Academy training programme. We continued our recommendations and compliance coaching programme and successfully coached 25 caseworkers and senior caseworkers this year.

Our sector-leading internal accreditation programme for senior caseworkers continues, with six senior caseworkers continuing their accreditation pathway and one gaining recent accreditation. 23 senior caseworkers continued their professional development via the maintaining accreditation programme.

We have further strengthened operational capability through structured pathways. Five colleagues completed the intake caseworker accreditation and nine progressed from intake caseworker to caseworker.

Our annual staff survey score for learning and development has increased by 3% this year to 47%, compared with 43% in 2024, but this remains a relatively low score. In recent months, as part of our employee engagement improvement planning, we are refreshing our approach to learning and development, making it clearer how to access training and how we prioritise learning and development activity to support our strategic aims. We recently introduced career paths and guidance for colleagues in a range of casework roles, and we prioritised upskilling our transformation and digital colleagues to deliver our digital ambitions.

We have developed a new strategic workforce plan, giving clarity on the skills and capabilities our workforce will require to support our new strategy.

## Effective resourcing

In 2025 to 2026, we recruited 110 new employees to our organisation. Out of the 110 new employees, 100 were directly recruited by us and 10 were recruited through an agency. In total, we advertised 34 roles.

This included roles to support the operations recruitment in line with the Comprehensive Spending Review (CSR) which was delivered within budget and on time and was managed in-house. We recruited 82 new caseworkers and 14 internal colleagues were promoted to the caseworker role. We appointed seven new senior caseworkers and nine internal colleagues were promoted to the senior caseworker role.

Alongside this, as part of our approach to support internal career development, we devised a 12-month trainee senior caseworker programme with nine colleagues promoted to this role.

Due to the volume of high calibre applicants, we were able to build our talent pool, which was used twice to appoint without the need to run a full campaign (both successful candidates were internal colleagues). 51 colleagues were promoted internally.

To develop our early careers approach, we offered two new apprenticeship roles - one in business support and one in IT. We used assessment centres as a selection tool for both roles, as well as the intake caseworker role. All three were a significant success, both from the candidates' perspective and for hiring managers. We are continuing to widen our early careers offering moving into next year.

Over the summer, we continued to host work experience placements, with plans underway to host four more placements in summer 2026.

As part of our ongoing improvements to the recruitment process, we launched an onboarding portal and interview scheduler in early summer, improving efficiency in the HR Shared Service and enhancing the new starter journey.

## Equality, diversity and inclusion (EDI)

In 2025 to 2026, we embedded our organisational commitment to EDI in our one-year bridging strategy and the EDI statement published alongside it. The statement sets out our ambition to making our services easier to access, providing a positive user experience and making a difference through our casework.

For the internal, people and culture aspects of the organisation, we developed a two-year EDI plan. This focuses on improving diversity in leadership and making sure colleagues continue to learn about EDI in ways that are relevant to them, their roles and experiences. Important areas of activity include exploring new approaches to recruitment and assessment to attract more people from underrepresented groups, particularly into senior roles. As well as piloting initiatives such as reverse mentoring and leadership shadowing to connect leaders with colleagues across the organisation and learn from their diverse lived experience.

Over the past year, colleagues continued to actively engage with resources, events and network groups which built understanding and contributed to meaningful ongoing learning and open discussion on topics including cultural diversity, neurodivergence and gender equity.

## Monitoring and reporting

From 2025 onwards, we changed our governance processes for EDI and this work is now reported to and monitored by the Board.

We have also continued to review staff survey results by diversity demographics.

## Gender pay gap

As at 31 March 2025, we had a mean gender pay gap of 7.0% and a median of 13.3%. One factor contributing to the mean and median gender pay gap is that we employ a small number of clinical advisors. These include NHS consultants who are paid under the terms of the relevant NHS framework, which is outside our control.

Overall, the reported gaps are influenced by a small group of roles paid under an external framework, and the adjusted figures of a mean of 2.4%, with a median of -5.7%. This provides an indication of our pay gap excluding this effect.

The full gender pay gap data up to 31 March 2025 is in our [pay gap report 2025](#).

## Sustainability report

We are voluntarily making disclosures in line with the Task Force on Climate-related Financial Disclosures recommendations where relevant. We are committed to reducing our impact on the environment and are continually looking for more efficient ways of working.

### Mitigating climate change: working towards Net Zero by 2050

We are based in offices in Manchester (31,000 sq. ft.) and London (7,800 sq. ft.) over a combined area of 38,800 sq. ft. The following commitments are in place to offset carbon emissions:

- continuing to purchase recycled non-bleached paper
- recycling food waste at both sites
- paper, card, bottles and plastics recycled at both sites
- using non-toxic cleaning products
- cycle to work scheme
- LED lights over fluorescent at our Manchester office.

### Hybrid working

We have maintained a hybrid working arrangement, which allows staff to work from home up to 60% of the time. We have found that we continue to operate effectively under this model. This reduces energy consumption and the need to travel into the office.

We continue to operate in the same office space and regularly analyse records of our office occupancy rates, despite an 8.36% increase in headcount in 2024 to 2025 and a further 11.5% increase in 2025 to 2026. These records are being used to create an office environment suitable to occupancy and task, with supporting services such as recycling collections in line with these figures.

## Minimising waste and promoting resource efficiency

### Electricity usage (kWh)

We lease accommodation at both Citygate in Manchester and Millbank Tower in London. Our landlords provide energy performance data and we report on usage, consumption and costs where possible. We also incur energy charges for shared areas, but these charges are an apportioned element of the service charges and specific usage data is not available.

Costs are shown where directly attributable to us. No analysis of renewable or non-renewable energy usage is available from the energy provider for communal areas in the accommodation.

### Carbon dioxide emissions

We use an external provider for rail and air tickets, and for car hire for business travel. These provide standard management information on the emissions impact of each journey booked.

Travel in 2025 to 2026 has increased from the previous year. The Manchester office, the largest of the two sites, was closed for refurbishment in 2024 to 2025 which reduced travel in that year. The increase in travel has reduced compared to figures from 2022 to 2023 and 2023 to 2024.

We typically use technology such as video conferencing, reducing the need to travel. With sites in Manchester and London, we endeavour to use sustainable methods of transport and only travel when necessary.

| Non-financial information: emissions (CO <sub>2</sub> / tonnes) | 2021-22      | 2022-23       | 2023-24       | 2024-25      | 2025-26       |
|-----------------------------------------------------------------|--------------|---------------|---------------|--------------|---------------|
| Scope 1: Direct emissions                                       | n/a          | n/a           | n/a           | n/a          | n/a           |
| Scope 2: Indirect emissions                                     | n/a          | n/a           | n/a           | n/a          | n/a           |
| Scope 3: Business travel emissions                              | 4.000        | 13.000        | 12.000        | 9.400        | 11.020        |
| <b>Total emissions</b>                                          | <b>4.000</b> | <b>13.000</b> | <b>12.000</b> | <b>9.400</b> | <b>11.020</b> |
| Normalised comparison per FTE                                   | 0.007        | 0.021         | 0.020         | 0.016        | 0.018         |

| Non-financial information: energy (Kwh) | 2021-22        | 2022-23         | 2023-24         | 2024-25        | 2025-26        |
|-----------------------------------------|----------------|-----------------|-----------------|----------------|----------------|
| Scope 1: Direct emissions               | n/a            | n/a             | n/a             | n/a            | n/a            |
| Scope 2: Indirect emissions             | 353,958        | 320,342†        | 284,946†        | 200,980        | 243,815        |
| Scope 3: Business travel emissions      | n/a            | n/a             | n/a             | n/a            | n/a            |
| <b>Total emissions</b>                  | <b>353,958</b> | <b>320,342†</b> | <b>284,946†</b> | <b>200,980</b> | <b>243,815</b> |
| Normalised comparison per FTE           | 643            | 533†            | 492†            | 429            | 414            |

| Financial information (£,000)      | 2021-22    | 2022-23     | 2023-24    | 2024-25    | 2025-26    |
|------------------------------------|------------|-------------|------------|------------|------------|
| Scope 1: Direct emissions          | n/a        | n/a         | n/a        | n/a        | n/a        |
| Scope 2: Indirect emissions        | 64         | 66†         | 149†       | 88         | 102        |
| Scope 3: Business travel emissions | 36         | 126†        | 88         | 81         | 88         |
| <b>Total emissions</b>             | <b>100</b> | <b>192†</b> | <b>237</b> | <b>169</b> | <b>190</b> |
| Normalised comparison per FTE      | 0.18       | 0.32        | 0.40       | 0.29       | 0.32       |

† estimated figure only

**Scope 1** – direct greenhouse gas emissions from sources owned or controlled by the organisation. We lease our accommodation (including air conditioning) and do not own any fleet vehicles.

**Scope 2** – energy indirect emissions arise from electricity that we consume, which is supplied by another party. We report on usage, consumption and costs where we are invoiced directly by the energy supplier. We also incur energy charges for shared areas in jointly occupied buildings, but these charges are an apportioned element of the service charges and specific usage data is not available.

**Scope 3** – official business travel and electricity directly paid for by the organisation.

### Travel (car or fleet)

Nil return. Not applicable.

### Commitment to remove all consumer single-use plastics – reuse scheme at site

We make the following commitments to remove single-use plastics:

- continue to use refillable items used by cleaning contractors
- no plastic cups used in the offices
- no plastic bags used for posting out bulk items
- binding and any related plastic now to be used as the exception for reasonable adjustment only
- procurement strategy includes no use of consumer single-use plastics.

We also use soluble non-toxic chemicals for cleaning.

### Reducing water use

Nil return. Water usage is apportioned and recharged as part of the accommodation service charge across all sites.

### Procuring sustainable products and services

We continue to work with existing suppliers to reduce the emissions of the goods and services they provide and use technological advances to do the same. Where relevant, sustainable clauses are incorporated into new contracts, which are meeting the Government Buying Standards.

All procurement activity must clearly show and deliver value for money and consider the impact of environmental, economic and social factors in compliance with the Public Services Social Value Act 2019. Environmental, social and corporate governance (ESG) is 10% of the technical marking in all tender evaluations. The Crown Commercial Service framework continues to be the standard used to procure services. The framework supports sustainability in line with the Government Buying Standards.

A procurement matrix has now been developed to allow for sustainability, where relevant, to be included in the technical marking scheme.

Microsoft is our primary supplier of digital products and services, either directly or through third-party providers. It delivers our cloud hosting environment, which includes AI capabilities and data warehouse infrastructure, and supports most of our core systems.

Beyond its technological leadership, Microsoft is deeply committed to sustainability. The company has pledged to become carbon negative by 2030, aiming to remove more carbon than it emits and to offset all emissions produced since its founding in 1975.

## Nature recovery and biodiversity action planning

Nil return. Not applicable.

## Adapting to climate change

We remain committed to reducing our impact on greenhouse gas emissions to improve our impact on the environment. Staff awareness has increased as we adjust our behaviour to make ongoing improvements.

## Reducing environmental impacts and ICT and digital

|                            | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|----------------------------|---------|---------|---------|---------|---------|
| <b>Paper usage (reams)</b> | 127     | 237     | 417     | 265     | 466     |

There has been an increase in paper usage of 76%. Whilst this may appear to be a dramatic increase, we need to acknowledge that our main Manchester office was closed last year for 16 weeks for refurbishment. Figures for 2025 to 2026 are in-line with figures from 2023 to 2024. The increase of 12% between these figures is reflective of the increase in headcount and the number of complaints received.

Printers remain default to black and white and double-sided printing.

## Total ICT waste recycled, reused and recovered (externally)

| 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---------|---------|---------|---------|---------|
| No data | 894     | 873     | 609     | 491     |

Figures represent the number of digital items recycled. We use an ethical organisation that has a mission to drive decarbonisation through sustainable and socially responsible circular economy business. Accreditation of Tier1 includes ISO 9001, 14001, 27001, 45001, 22301, BS 7858, BS 15713, ADISA and Cyber Essentials Plus. CPNI approved, CAS-S certified.

We recycle all ICT waste.

**Waste minimisation and management (metric tonnes)**

Waste management is through our landlords' contracts, apart from confidential paper waste. All offices provide facilities for staff to recycle suitable waste and we encourage staff to recycle.

**Total waste composted (food waste)**

Food waste is through our landlords' contracts. Our Citygate office is supplied with separate food waste bins to allow for separated waste. This has now been extended to our London office.

**Total waste incinerated with energy recovery**

Nil return. Included in service charge at both sites.

**Total waste to landfill**

Nil return. Included in service charge at both sites.

**Catering services**

Nil return. No on-site catering facilities.

**Paula Sussex CBE**  
Accounting Officer,  
Ombudsman and Chair

3 July 2026



# Accountability report

# The Board

## Ombudsman and Chair



**Paula Sussex CBE** took up post as Parliamentary and Health Service Ombudsman on 26 June 2025. She brings extensive leadership experience, particularly in delivering large-scale transformation and change programmes and services in the public, private and voluntary sectors. A graduate of the London Business School, she originally trained as a barrister before working in the private sector. Her career started in management consultancy and continued into service delivery of large-scale IT, latterly working as Senior Vice President with CGI. She was Chief Executive Officer of the Charity Commission from 2014 to 2017 and Chief Executive Officer of the Student Loans Company (SLC) from 2018 to 2023. In 2021, on behalf of SLC, Paula was recognised as Chief Executive Officer of the year by the National Centre for Diversity at the annual Fairness, Respect, Equality, Diversity, Inclusion and Engagement (FREDIE) Awards.

## Non-executive members

Throughout the financial year 2025 to 2026 our non-executive Board members brought an invaluable external perspective to the organisation. They come from diverse professional backgrounds and offer a wide range of experience and expertise.



**John Ainsworth** joined the Board in May 2023. He has extensive executive leadership experience with a focus on business transformation through the use of digital technology. Most recently, John was the Chief Executive Officer for Atos BPS Limited and Head of Business Transformation Services for Atos for nine years. He was previously a Board member for Blackpool Pride of Place where he played an active role in securing inward investment from government for the regeneration of the area. During his time on the Board, John sponsored the Digital Vision for Blackpool to maximise community opportunities and support schools to develop a non-traditional, business-led digital curriculum. This work also supported the creation of a digital education hub that is accessible to all children in one of the most deprived areas in the UK. John's term ended on 4 May 2026.

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**Polly Curtis** joined the Board on 9 May 2022. She is a journalist, author and media executive and is currently the Chief Executive of Demos. She has worked as a reporter, news editor and then digital editor at the Guardian before leading HuffPost UK as Editor-in-Chief. Her interest has always been in how the state's powers affect ordinary people and building media models that reach those who are often left out of the news conversation and therefore disenfranchised. She served on the Cairncross Review for the future sustainability of high-quality news, has been a visiting fellow at the Reuters Institute for the Study of Journalism and was most recently Managing Director of PA Media, the UK's national news agency. Polly was appointed Senior Non-executive Board member in January 2025.



**Professor Anne Davies FBA** joined the Board on 9 May 2022 and is Chair of the Remuneration and Nominations Committee and a member of the Audit and Risk Assurance Committee. She is Professor of Law and Public Policy in the Faculty of Law at the University of Oxford and a Fellow of Brasenose College. Her research interests include employment law and administrative law. She was Dean of the Faculty of Law at Oxford from 2015 to 2020. She has previously served as an independent member of the Council of the Advisory, Conciliation and Arbitration Service (Acas) and as a member of the Advisory Panel to the Welsh Language Commissioner.

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**Michael Parsons** joined the Board on 5 May 2023 and is Chair of the Audit and Risk Assurance Committee. He is a qualified accountant and has held several executive and non-executive board positions in the wider public and charitable sector.

Before returning to his alma mater Christ's College Cambridge as Bursar in 2021, Michael was Director General, Government Property at the Cabinet Office (2017 to 2021) and head of the Government Property Function, leading a network of over 5,000 colleagues with responsibility for property-related activities across a range of government departments, delivery organisations and agencies. He was responsible for the Government Estate Strategy and launched the Government Property Agency.

Michael previously held the role of Director General, Capabilities and Resources (Chief Operating Officer) at the Home Office. Joining the Home Office in February 2013, he led the consolidation of corporate functions in the department following the ending of the agency status of UK Border Agency and HM Passport Office. During his time at the Home Office (2013 to 2017), Michael led the Home Office Spending Review 2015, securing significant change investment to support Home Office transformation, oversaw the establishment of the Home Office digital function alongside a strengthened technology function, increased the professionalism of commercial activity, and initiated a reconfiguration of Home Office science activity with the Ministry of Defence.

Before 2013, Michael had extensive experience in local government, including in Hertfordshire County Council as Director of Resources and Performance where he led the council's ambitious transformation programme, and as Deputy Chief Executive and Director of Resources at Cambridgeshire County Council where he worked closely with the City Council and the university.



**Anu Singh** joined the Board on 13 April 2020 and was Chair of the Inclusion and Wellbeing Committee and a member of the Audit and Risk Assurance Committee. She is a Board-level local government and health leader, has chaired an NHS Integrated Care Trust and held the role of Statutory Director of Adult Social Care.

Anu was also Director of Patient and Public Participation and Insight for NHS England, where she made sure that the voices of patients, service users, carers and the public were at the heart of how the NHS worked. She was responsible for equalities, health inequalities, person-centred care, and the national relationship with the voluntary and community sector.

Anu helps to drive improved experiences and outcomes through Board roles on the Black Country, Southeast London and the Birmingham and Solihull Integrated Care Boards, and as Chair of Lambeth Adult Safeguarding Board. Anu's term ended on 12 April 2026.

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**Sir Dave Thompson QPM DL** joined the Board on 2 January 2025 and is Chair of the Strategic Delivery Committee. He is the former Chief Constable of the West Midlands Police and National Police Chief Council Vice Chair. In his 32-year police career Sir Dave worked with government and policing partners on major policy issues.

Sir Dave now works in consultancy and in non-executive roles. He is a Deputy Lord Lieutenant in the West Midlands and a trustee of the Birmingham Commonwealth Games Legacy charity, United by 2022. He is the senior independent director and trustee for Invictus Games Birmingham 2027.



**Amerdeep Clarke** joined the Board on 1 July 2021 as a non-executive member and succeeded Paul Najsarek as Local Government and Social Care Ombudsman for England on 1 February 2024, at which point she became an ex-officio member of the Board. She is the Chair of the Commission for Local Administration in England, Chair of the Board at The Law Society of England and Wales, and a Judge of the Asylum and Immigration Tribunal.

Her previous roles include Complaints Commissioner to the financial regulators (Bank of England, Financial Conduct Authority and Prudential Regulation Authority), Chief Commissioner at the Data and Marketing Commission, Independent Assessor to the Financial Ombudsman Service and Board member at both the General Medical Council and Nursing and Midwifery Council. She is a former founding Commissioner at the Independent Police Complaints Commission.

## Executive members



**Rebecca Hilsenrath KC (Hon)** was appointed Acting Commissioner (Acting Ombudsman) on 19 April 2024 and held the office until 31 March 2025. She joined the organisation as Director of Strategy in 2021 and subsequently succeeded Amanda Amroliwala as Chief Executive Officer on 31 July 2023. Before joining the organisation, Rebecca was the Chief Legal Officer and then Chief Executive Officer of the Equality and Human Rights Commission. Previously, after holding a number of roles in the then Government Legal Service, she was the Chief Executive Officer for five years of LawWorks (the Solicitors Pro Bono Group), a national charity facilitating free legal advice to community groups and individuals in need.

She trained as a lawyer and began her career at Linklaters. She set up the National Pro Bono Centre in Chancery Lane and has sat on the boards of a number of charities and advice agencies, including the Bar Pro Bono Unit and the Mary Ward Legal Centre. She holds two honorary doctorates awarded in recognition of services to law and is currently the Chair of Governors of the London Academy of Excellence in Tottenham, sponsored by Tottenham Hotspur Football Club and Highgate School. Rebecca was appointed as a member of the Civil Justice Council in April 2025 and was appointed as KC Honoris Causa, in recognition of her contribution to the laws of England and Wales.

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**Karl Banister**, Director of Operations, Legal and Clinical and Deputy Ombudsman, joined the organisation in July 2017 from the Government Legal Department, where he held various positions including Deputy Director roles in the Department for Culture, Media and Sport, Ministry of Justice and Department for Constitutional Affairs, and leadership of the Justice and Security Public Law team. He also represented named participants in two public inquiries. Before working at the Government Legal Department, Karl worked for the Serious Fraud Office.

# Statement of Accounting Officer's responsibilities

Under the Parliamentary Commissioner Act 1967 and the Health Service Commissioners Act 1993, the expenses of the Parliamentary and Health Service Ombudsman are paid out of money provided by Parliament and sanctioned by HM Treasury. For each financial year, HM Treasury requires the preparation of a statement of accounts detailing the use of resources during that year. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Parliamentary and Health Service Ombudsman: its net resource outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer complies with the requirements of the Government Financial Reporting Manual, in particular to:

- observe the Accounts Direction issued by HM Treasury including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts
- prepare the accounts on a going concern basis.

The Parliamentary and Health Service Ombudsman is the Accounting Officer.

The responsibilities of an Accounting Officer include responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, keeping proper records and safeguarding the Parliamentary and Health Service Ombudsman's assets, and are set out in 'Managing Public Money' by HM Treasury.

As Accounting Officer, I can confirm that, to the best of my knowledge, there is no relevant audit information of which the Parliamentary and Health Service Ombudsman's auditors are unaware. I have taken all reasonable steps to identify any such information and to make sure the auditors are aware of it.

I can confirm that the annual report and accounts as a whole are fair, balanced and understandable. I take personal responsibility for the annual report and accounts and the judgments required for determining that they are fair, balanced and understandable.

**Paula Sussex CBE**  
Accounting Officer,  
Ombudsman and Chair

3 July 2026

# Governance statement

## Introduction

This governance statement sets out the governance, risk management and internal control arrangements for the Parliamentary and Health Service Ombudsman. It applies to the financial year 1 April 2025 to 31 March 2026.

## Statutory position

The Parliamentary Commissioner Act 1967 and the Health Service Commissioners Act 1993, respectively, define the statutory roles of the Parliamentary Commissioner for Administration (the Parliamentary Ombudsman) and Health Service Commissioner (the Health Service Ombudsman). These two roles are vested in one individual post as the Parliamentary and Health Service Ombudsman.

## Governance structure

As Accounting Officer, I am responsible for the sound governance and effective internal control of the Ombudsman service.

I was formally appointed on 26 June 2025 and joined the organisation on a full-time basis on 1 August 2025. In the period between 1 April and 26 June 2025, there was no Ombudsman in post due to unforeseen delays in the appointment process led by Parliament. The timing of my appointment in advance of joining the organisation allowed the vital work of the organisation to continue and, in particular, to enable our teams to consider cases, take action where appropriate and, in so doing, give service users access to justice. During this time, Polly Curtis, senior independent Board member, chaired the Board. In the intervening period until I took up the role full-time in August 2025, I worked closely with the Executive Team and the Board to take formal assurance on the controls for delegated casework decision-making.

Rebecca Hilsenrath KC (Hon), Chief Executive Officer, was Acting Ombudsman for the accounting year to 31 March 2025. Rebecca has, together with the Board, the Audit and Risk Assurance Committee and the Executive Team, provided assurance to me that the content of this governance statement, as far as it relates to the period before I joined the organisation, is an accurate reflection of the period before my tenure as Ombudsman.

In law, the Parliamentary and Health Service Ombudsman is a corporation sole and has a personal jurisdiction. This is not consistent with the requirements of good governance. Therefore, a unitary Board is in place to strengthen the governance of the organisation. My executive responsibilities, as a corporation sole, are thus exercised personally as an individual but also aided by means of defined and corporate arrangements that allow for proper scrutiny. As Chair of the Board for most of the financial year 2025 to 2026, I promoted collective decision-making. I reserved the right, given the statutory role, to depart from the Board's decisions but only in exceptional circumstances and with a commitment to put reasons in writing. This right was not exercised in 2025 to 2026.

As Ombudsman, I have a statutory responsibility for individual cases. To make sure that this responsibility is exercised within a clear framework of oversight, a detailed scheme of delegated authority of casework is in place, which includes two deputy ombudsman appointments: Rebecca Hilsenrath KC (Hon), Chief Executive Officer, and Karl Banister, Director of Operations, Legal and Clinical. The Ombudsman Assurance Team, which is independent of the casework operation, provides organisational assurance by reviewing decisions where it appears we may have got something wrong, and by providing assurance on cases escalated to me. The Ombudsman Assurance Team also supports organisational learning and improvement by identifying themes and repeat issues arising from casework and providing its assurance to me directly, with a clear route to escalate serious or repeat issues.

I act personally in complex cases and where we identify serious or repeated mistakes that may have system-wide relevance. The Board considers overall casework productivity and demand management and the overall risk inherent in our casework, but not individual case outcomes.

As Accounting Officer, I am accountable to Parliament for the stewardship of our resources. I have delegated executive responsibility to the Chief Executive Officer for effective financial control arrangements as Accountable Officer. This allows me to have a separate accountable person charged with stewardship and probity for our use of public money.

I discharge my responsibility through assurance from the Chief Executive Officer and the Executive Team, and through assurance and challenge by the Board and its committees.

## The Board and committee structure

The Board and Committee structure is set out in the table below.

| Committee                                                                                                          | Role                                                                                                                                                                                                                      | Reports to PHSO Board | Board role:<br><br>collective decision-making on strategic direction and performance<br><br>Ombudsman, seven non-executive and two executive members<br><br>Met seven times in 2025 to 2026 |
|--------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Audit and Risk Assurance Committee</b><br><br>Three non-executive members<br><br>Met five times in 2025 to 2026 | Oversees the adequacy of the corporate governance and control systems, ensuring compliance with accounting policies and standards and ensuring systems are in place to achieve value for money                            |                       |                                                                                                                                                                                             |
| <b>Strategic Delivery Committee</b><br><br>Three non-executive members<br><br>Met five times in 2025 to 2026       | Provides assurance to the Board on the delivery and impact of the corporate strategy and scrutinises organisational performance against this                                                                              |                       |                                                                                                                                                                                             |
| <b>Remuneration and Nominations Committee</b><br><br>Two non-executive members<br><br>Met once in 2025 to 2026     | Agrees pay and performance review arrangements for the Chief Executive Officer and directors. It supports the Ombudsman and Chief Executive Officer with recruitment of senior executives and non-executive Board members |                       |                                                                                                                                                                                             |

Terms of reference for the Board and each committee have clarity and accountability, allowing Board members to make decisions, monitor performance and manage resources and risk. An observer programme, open to all staff, ensures visibility and transparency of the decision-making processes of the Board.

## The role of the Board

There is no requirement in legislation for the Ombudsman to appoint a Board. The role of the Board is therefore at the discretion of the Ombudsman and, as a result, is advisory in nature. However, to enable challenge in the way we consider necessary, we seek collective decisions from the Board on the strategic direction and performance of our service. In practice, the Board works as a fully functioning unitary board but has no responsibility for individual cases.

### Board operating model

In December 2025, the Ombudsman commissioned a piece of work to consider how the Board spends its time, what it focuses on, and how it can better support the delivery of our strategy. The main objectives of the work were to:

- develop an operating model for the Board which increases its external focus and strategic impact
- develop Board skills and experience to meet that objective
- develop appropriate and proportionate governance arrangements which balance the Board's role in providing assurance with a more external focus.

In March 2026, the Board approved the new Board operating model, which is centred around supporting our strategic ambition of improving public services, with a particular focus on stakeholder engagement and partnership working.

A new role specification for Board members was developed to provide clarity of expectations, and the governance framework was updated to reflect these changes.

Recruitment of three new Board members took place in 2025 to 2026, with the aim of supporting the implementation of the new Board operating model. Professor Sir Stephen Powis and Dr Mark Chakravarty will join the organisation on 1 April 2026 and Sir Jonathan Jones on 1 July 2026.

The Board will continue to have an oversight and assurance role for the organisation including the operationalising of the strategy and the people aspect of the organisation.

To deliver its role, the Board focuses on:

- strategy, planning and policy
- development of the organisation to deliver its strategic aims
- governance, including risk and assurance
- performance, including financial, service quality and operational.

The Board has no responsibility for individual casework decisions or investigations. These remain the responsibility of the Ombudsman, managed in the Scheme of Delegation.

Matters reserved for the Board include:

- vision, mission, strategy and key policies
- annual business plan and budget
- annual report and accounts
- all non-pay expenditure above £500k, whether a single item, over the life of a single contract or constituting the total cost of a project.

Matters considered by the Board in 2025 to 2026 included the following:

- operational and corporate performance, including the management of rapidly rising demand and strategic risk, including regular review of the Strategic Risk Register and approval of the organisation's risk appetite for 2026 to 2027
- financial management
- delivery of the business plan 2025 to 2026 and bridging strategy 2025 to 2026
- the Ombudsman transition and onboarding
- people, equality, diversity and inclusion, including response to the staff survey results
- progress on the digital partnership work with Reply and the AI Ethics and Transparency Policy
- approval of the annual report and accounts for 2025 to 2026
- approval of the business plan and budget for 2025 to 2026, including the business case for investment into digitalisation of our service
- development and approval of the corporate strategy 2026 to 2031
- agreement of the new Board Operating Model
- review of Board effectiveness in 2024 to 2025, Board development and objectives.

## Highlights of the activities of the committees

The main areas considered by the committees are set out below.

### Audit and Risk Assurance Committee (ARAC)

**Chair:** Michael Parsons

#### Highlights of Committee reports

To oversee the adequacy of governance and internal controls, in 2025 to 2026 ARAC approved, reviewed or was assured of the following:

- financial management, including financial performance and compliance with the Finance Code and Procurement Code
- the level of financial risk within our budget position, which is being appropriately managed in the face of inflationary pressures and the uncertain economic position
- information assurance performance and compliance with the General Data Protection Regulation
- value for money, including application of the HM Treasury Public Value Framework
- risk management – the Committee discussed the Strategic Risk Register and the actions to mitigate those risks as a regular agenda item in advance of quarterly Board meetings
- assurance reviews – five in-depth examinations of specific areas of activity to seek assurances on the compliance with the Governance Framework, managing demand via the Public Value Model, the digital transformation programme, risk management, and recruitment, retention, performance and EDI
- the scope of the plan and findings of the National Audit Office's audit of the organisation's accounts
- five internal audits, completed by our internal auditors TIAA, of which three reported substantial assurance and two reported reasonable assurance that the management controls in place are suitably designed and are being applied consistently
- compliance with the organisation's internal policies, controls and assurance mechanisms.

## Remuneration and Nominations Committee

**Chair:** Anne Davies

### Highlights of Committee reports

The Remuneration and Nominations Committee reviewed and was assured of the pay and performance of the Acting Chief Executive Officer. The Committee had no role in the Parliament-led process to appoint a new Ombudsman.

## Strategic Delivery Committee

**Chair:** Dave Thompson

### Highlights of Committee reports

The Strategic Delivery Committee provides assurance to the Board on the delivery and impact of the bridging strategy 2025 to 2026 and the development of the new corporate strategy 2026 to 2031, by considering:

- progress on delivery and an assessment of the performance against the 2025 to 2026 business plan and strategy
- the focus and content of our new 2026 to 2031 corporate strategy, which covered increasing our impact, improving the user experience, increasing awareness of our service through a strategic framework of policy objectives, systemic themes, and data analytics
- the 2026 to 2027 business plan, including alignment with strategic objectives, performance reporting, and monitoring of risks, outcomes and benefits
- the growing data capability to support our strategic aims of gaining a better understanding of our complainants and high-quality insight into complaints
- the progress and contribution of the Public Value Model to addressing the external demand environment.

## Dates of appointments and attendance at Board and committee meetings

Table of attendance of executives and non-executive Board members at meetings where they are members.

| Board member                                           | Date of appointment (date of reappointment for second term) | End of appointment | Board (seven meetings) | Audit and Risk Assurance Committee (five meetings) | Remuneration and Nominations Committee (one meeting) | Strategic Delivery Committee (five meetings) |
|--------------------------------------------------------|-------------------------------------------------------------|--------------------|------------------------|----------------------------------------------------|------------------------------------------------------|----------------------------------------------|
| Paula Sussex CBE                                       | 26 June 2025                                                | N/A                | 5 out of 5             | 4 out of 4                                         | N/A                                                  | 4 out of 4                                   |
| <b>Non-executive Board members as at 31 March 2026</b> |                                                             |                    |                        |                                                    |                                                      |                                              |
| John Ainsworth                                         | 5 May 2023                                                  | 4 May 2026         | 7 out of 7             | N/A                                                | N/A                                                  | 5 out of 5                                   |
| Polly Curtis                                           | 9 May 2022<br>(9 May 2025)                                  | 8 May 2028         | 7 out of 7             | N/A                                                | 1 out of 1                                           | 5 out of 5                                   |
| Anne Davies                                            | 9 May 2022<br>(9 May 2025)                                  | 8 May 2028         | 7 out of 7             | 5 out of 5                                         | 1 out of 1                                           | N/A                                          |
| Michael Parsons                                        | 5 May 2023<br>(4 May 2026)                                  | 4 May 2029         | 7 out of 7             | 5 out of 5                                         | N/A                                                  | N/A                                          |
| Anu Singh                                              | 13 April 2020<br>(13 April 2023)                            | 12 April 2026      | 5 out of 7             | 5 out of 5                                         | N/A                                                  | N/A                                          |
| Amerdeep Clarke                                        | 1 July 2021<br>1 February 2024<br>(LGSCO ex-officio)        | N/A                | 4 out of 7             | N/A                                                | N/A                                                  | N/A                                          |

| Board member                | Date of appointment (date of reappointment for second term) | End of appointment | Board (seven meetings) | Audit and Risk Assurance Committee (five meetings) | Remuneration and Nominations Committee (one meeting) | Strategic Delivery Committee (five meetings) |
|-----------------------------|-------------------------------------------------------------|--------------------|------------------------|----------------------------------------------------|------------------------------------------------------|----------------------------------------------|
| Sir Dave Thompson QPM DL    | 2 January 2025                                              | 1 January 2028     | 6 out of 7             | N/A                                                | N/A                                                  | 5 out of 5                                   |
| Rebecca Hilsenrath KC (Hon) | 31 July 2023                                                | N/A                | 6 out of 7             | 5 out of 5                                         | 1 out of 1                                           | 5 out of 5                                   |
| Gill Kilpatrick             | 1 May 2015                                                  | 30 June 2025       | 2 out of 2             | 1 out of 1                                         | N/A                                                  | 1 out of 1                                   |
| Karl Banister               | 11 July 2024                                                | N/A                | 5 out of 7             | N/A                                                | N/A                                                  | 4 out of 5                                   |

## The effectiveness of the Board and its committees

Best practice in corporate governance recommends that an effectiveness review of the Board is undertaken every year and that an independent evaluation of Board effectiveness is undertaken at least every three years. We comply with best practice, with an independent review commissioned to review Board effectiveness in 2024 to 2025. In 2025 to 2026, we conducted the Board effectiveness review in-house. This consisted of a survey to which various stakeholders contributed, including the Ombudsman and the Executive Team, all of which fed into the overall Board review process.

The findings of the review were presented to the Board in June 2026 and provided substantial assurance of the Board's effectiveness across seven themes (objectives, strategy and remit; performance management; relationships with key stakeholders; delivery chain and project management; risk management and the Audit and Risk Assurance Committee; and the Board).

Each non-executive member of the Board and the Chief Executive Officer receives an annual competency-based appraisal of their performance, undertaken by the Ombudsman. The Ombudsman's appraisal is undertaken by the Senior Non-executive Board Member.

## Performance reporting to the Board

**There are a number of quality assurance processes in place for information to be considered by the Board, including:**

- consistent reporting on performance against key performance indicators at each Board meeting, including both current and historical information to enable the Board to identify trends over time
- applying consistent methodologies for collecting and analysing data that are understood by all staff responsible for data input and collection, with clear sign-off processes
- a robust process for checking the accuracy of the information being extracted from systems before it is presented to the Board
- reporting on emerging risks.

## Risk management

Our risk management framework is aligned with the principles set out in HM Treasury's Orange Book. Risk is embedded across the organisation and is systematically identified, assessed and managed in line with our strategic objectives and risk appetite. The Board provides oversight, supported by scrutiny from the Audit and Risk Assurance Committee. These systems have been in place for the year under review and up to the date of approval of the annual report and accounts.

At the start of the financial year 2025 to 2026, the Board agreed the organisation's risk appetite as open, setting out the level of risk we were willing to accept in pursuit of our strategic objectives. The Board reviewed the strategic risk landscape throughout the year through regular consideration of the Strategic Risk Register, supported by scrutiny and challenge from the Audit and Risk Assurance Committee.

The strategic risk landscape over the last 12 months was affected by shifts in the external environment and the cross-cutting impact of a significant increase in demand for our service. In addition to sustained increases in demand, the volume and ambition of our programme of change continued to place pressure on organisational capacity. Over the course of the year, we monitored how these factors influenced the risks to change delivery and to staff motivation and morale.

Risk management continued to focus on risk factors and mitigations, with analysis of the dependencies between risks and how changes in one risk area could affect the likelihood or impact of others. Managing change and staff morale and motivation were two risks that were particularly sensitive to changes in other risk areas and were kept under close review.

As in previous years, we continued to make sure that risk management is embedded throughout the organisation. All staff were required to undertake annual risk management training. The Risk Forum met regularly to review strategic and directorate-level risks and to support effective escalation of project and programme risks, making sure these were understood and managed in the context of corporate risk.

The risks we managed during the year are set out on page 53.

## Internal controls

The assurance framework operated in the organisation enables us to be satisfied that internal controls are sufficiently robust, to be confident that risks are proactively identified, mitigated and escalated as required, that the Scheme of Delegation in the governance framework is understood and adhered to by the appropriate staff, and that assurance systems are in place to monitor compliance.

In 2025 to 2026, TIAA was our internal auditor. The internal audits it conducted during the year provided assurance on governance, risk management arrangements, HR/payroll and the transformation programme. RSM was appointed as internal auditor from 1 April 2026 for the next three years.

In 2025 to 2026, the NAO audit completion report set out the findings from the audit work, including findings from areas of key risk. No control weaknesses were identified.

## Personal data-related incidents

The Chief Digital and Transformation Officer is the Senior Information Risk Owner (SIRO), and we have a dedicated Data Protection Officer (DPO) in accordance with our obligations under the General Data Protection Regulation (UK GDPR). Our commitment to making sure that information risks are treated and that data is stored and managed securely in line with legal obligations is set out in our information management policies and each of our privacy notices, including the complainant privacy notice on our website.

Data security incidents are reported to the Information Access and Assurance Team who manage them in accordance with data protection legislation and best practice. All incidents are recorded, as are the immediate steps taken to minimise the risk of a repeat occurrence. The SIRO and the DPO consider the wider implications and agree steps to improve overall information security. Risks are recorded on the appropriate risk register and mitigations put in place and monitored by the Strategic Information Risk Group and reported to the Audit and Risk Assurance Committee. The DPO considers where serious incidents may require additional reporting to the Information Commissioner's Office (ICO) and informs relevant stakeholders of any recommendation to do so.

We reported one significant incident to the ICO in 2025 to 2026 as a precautionary measure and were later able to update the notification when further details became available, which lowered the risk to below the ICO's reporting threshold. We consulted the ICO about a further incident involving sensitive data, but the ICO agreed that this did not require formal reporting and it was satisfied with the steps we had already taken to resolve it.

## Governance compliance

The Board monitors compliance with the governance framework, which is based on the principles of good governance as detailed in the relevant sections of 'Corporate Governance in Central Departments: Code of Good Practice' (Cabinet Office, HM Treasury, April 2017).

The Audit and Risk Assurance Committee scrutinises quarterly compliance with the Governance Framework and reviews the risk management process set out in the Risk Management Policy, which is approved by the Board. The Committee actively seeks additional sources of assurance on the robustness of the governance and risk arrangements, including internal audit reports and commissioning assurance reviews into specific areas of risk or risk mitigation. In 2025 to 2026, an assurance review on the finance system implementation, completed in the previous financial year, took place in November 2025.

The Committee also considers compliance with the finance and procurement codes quarterly. In 2025 to 2026, the Committee noted a small number of instances where low-value services were commissioned without following the procedures in the procurement code. The Committee was satisfied, however, that the procurement was appropriate.

Compliance with all aspects of the governance framework is scrutinised annually by the Audit and Risk Assurance Committee. In 2025 to 2026, all aspects of the framework were complied with and no departures were noted. The Committee reports this activity to the Board.

## Fraud, bribery and raising concerns policies

We have an anti-fraud and bribery policy, and a Freedom to Speak Up (including Whistleblowing) policy, with associated response plans in place:

- The Freedom to Speak Up (including Whistleblowing) policy was developed in line with best practice guidance from the National Guardian's Office to encourage and support staff in raising concerns, no matter how small. As part of the policy, we have two Freedom to Speak Up Guardians in post, with whom staff can raise concerns in the first instance.
- The anti-fraud and bribery policy is a zero-tolerance policy. We do not tolerate any form of fraudulent or improper activity and are supportive of those wishing to raise concerns. Anonymity and security are assured by offering alternative routes to raise concerns as well as providing professional and independent support as and when necessary. In 2025 to 2026, no action was required under the policy. Additional advice and training on the anti-fraud and bribery policy is provided for staff who manage budgets or undertake procurement.

Both policies are available to staff on the intranet and promoted at induction.

## Declaration and management of interests

We operate a Conflict of Interest Policy, which requires all employees to report any actual or perceived professional or personal obligations or personal or financial interests that would make it difficult to fulfil their duties fairly or effectively, or which could influence, or may be perceived to influence, the organisation's judgements or actions. All staff are required to declare all external interests on appointment. The Ombudsman, members of the Executive Team and non-executive Board members are also required to make annual declarations of any conflicts of interest and any transactions between the organisation and themselves and close relatives. Board members and all attendees are required to declare any conflicts of interest in relation to the matters under discussion at the beginning of each Board or Committee meeting. We also maintain a register of [Board members' interests](#), which is published annually on our website and reported to the Audit and Risk Assurance Committee.

## Gifts and hospitality

Our staff are required to report the offer or receipt of gifts and hospitality with a value of £25 or more, and we regularly remind them of this requirement. We record the offer or receipt of gifts and any invitations of hospitality in a register for this purpose, whether the offer was accepted or declined. Three reports of hospitality received were recorded during the business year, to the total value of approximately £170. The [register](#) is published on the [Publication Scheme](#) area of our website.

## Internal audit reports

The Audit and Risk Assurance Committee approves an internal audit plan based on an analysis of our corporate objectives, risk profile and assurance framework, and likely changes in the sector.

TIAA, the internal auditor for 2025 to 2026, undertook five internal audits that were considered by the Audit and Risk Assurance Committee:

- compliance with our Governance Framework
- managing demand via our Public Value Model
- the transformation programme
- risk management
- recruitment, retention and performance, including EDI.

All five completed audits included a formal assurance rating, three of which reported substantial assurance and two reported reasonable assurance that the management controls in place are suitably designed and are being applied consistently.

All internal audit recommendations receive a detailed management response and action plan that is monitored by the Audit and Risk Assurance Committee.

The follow-up review of audit recommendations from 2025 to 2026 found that we had made good progress in implementing audit recommendations.

## Head of Internal Audit opinion

The Head of Internal Audit is required to provide an annual opinion in accordance with Public Sector Internal Audit Standards, based on and limited to the work performed, on the overall adequacy of the organisation's risk management, control and governance processes. This is achieved through a risk-based programme of work, agreed with the Executive Team and approved by the Audit and Risk Assurance Committee. Four assurance levels are available in regard to risk management, control and governance processes: substantial assurance (green), reasonable assurance (yellow), limited assurance (amber) and no assurance (red).

The Head of Internal Audit has provided their opinion for 2025 to 2026. They are satisfied that, for the areas reviewed during the year, we have reasonable and effective risk management, control and governance processes in place.

## Review of the year and looking ahead

I am assured that effective governance processes are embedded in the organisation. The Audit and Risk Assurance Committee has an annual plan of assurance and has reviewed evidence on the implementation of internal audit recommendations. It has also assured itself of the effectiveness of risk management and mitigation arrangements, including in-depth examinations of specific areas of activity. Alongside this assurance, I have taken full account of the NAO's reports.

In 2026 to 2027, we will continue to consolidate this activity by making sure that the governance framework and the strategy for managing risk are regularly reviewed and are supporting good governance and active risk management throughout the organisation. We will do this by promoting consistent, coherent and transparent frameworks for decision-making as we continue our transformational journey to raise standards in public service.

**Paula Sussex CBE**  
Accounting Officer,  
Ombudsman and Chair

3 July 2026

# Remuneration and staff report

The remuneration and staff report includes details of the pay and benefits of our Board members, total salary costs, staff numbers and diversity of the organisation as a whole, and other staff-related disclosures required by the HM Treasury Financial Reporting Manual.

## The Ombudsman and executive Board members' remuneration (audited)

|                                        | 2025-26                             |                                                       |                                                        |                                                    |
|----------------------------------------|-------------------------------------|-------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------|
|                                        | Salary<br>(bands of £5,000)<br>£000 | Non-<br>consolidated pay<br>(bands of £5,000)<br>£000 | Pension benefits<br>(to the nearest<br>£1,000)<br>£000 | Total<br>remuneration<br>(bands of £5,000)<br>£000 |
| Paula Sussex CBE                       | 120-125<br>(FYE 180-185)            | 0                                                     | 10                                                     | 130-135                                            |
| Rebecca Hilsenrath<br>KC (Hon)         | 180-185                             | 0                                                     | 64                                                     | 245-250                                            |
| Karl Banister                          | 140-145                             | 0-5                                                   | 88                                                     | 235-240                                            |
| Gill Kilpatrick (left<br>30 June 2025) | 35-40<br>(FYE 150-155)              | 0-5                                                   | 0                                                      | 40-45                                              |

|                                | 2024-25                             |                                                       |                                                        |                                                    |
|--------------------------------|-------------------------------------|-------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------|
|                                | Salary<br>(bands of £5,000)<br>£000 | Non-<br>consolidated pay<br>(bands of £5,000)<br>£000 | Pension benefits<br>(to the nearest<br>£1,000)<br>£000 | Total<br>remuneration<br>(bands of £5,000)<br>£000 |
| Rebecca<br>Hilsenrath KC (Hon) | 170-175                             | 5-10                                                  | 9                                                      | 185-190                                            |
| Gill Kilpatrick                | 160-165<br>(FYE 165-170)            | 5-10                                                  | -                                                      | 165-170                                            |
| Karl Banister                  | 135-140                             | 5-10                                                  | 78                                                     | 215-220                                            |

None of the Board members receive any taxable benefits in kind.

Paula Sussex CBE was formally appointed as Ombudsman on 26 June 2025 and joined the organisation on a full-time basis on 1 August 2025. Rebecca Hilsenrath KC (Hon) returned to her substantive post of Chief Executive Officer on 1 April 2025.

Gill Kilpatrick was appointed as Interim Chief Executive Officer on 22 April 2024. The FYE figure is included based on her holding two roles in year. Gill Kilpatrick left the organisation on 30 June 2025.

## Pension entitlements (audited)

|                             | 2025-26                                                                   |                                                                      |                               |                               |                               |
|-----------------------------|---------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------|-------------------------------|-------------------------------|
|                             | Accrued pension and related lump sum at pension age 31 March 2026<br>£000 | Real increase in pension and related lump sum at pension age<br>£000 | CETV at 31 March 2026<br>£000 | CETV at 31 March 2025<br>£000 | Real increase in CETV<br>£000 |
| Rebecca Hilsenrath KC (Hon) | 35-40                                                                     | 2.5-5                                                                | 731                           | 659                           | 51                            |
| Karl Banister               | 60-65 plus a lump sum of 150-155                                          | 2.5-5 plus a lump sum of 2.5-5                                       | 1,421                         | 1,270                         | 75                            |

The pension entitlements figures for Paula Sussex CBE have not been made available at the time of reporting. This information has been requested by HM Treasury.

Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals who were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that affected members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022.

## Non-executive Board members' remuneration (audited)

|                                                                           | 2025-26                             | 2024-25                             |
|---------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                                                                           | Salary<br>(bands of £5,000)<br>£000 | Salary<br>(bands of £5,000)<br>£000 |
| Anu Singh<br>(non-executive term ended 12 April 2026)                     | 10-15                               | 10-15                               |
| Polly Curtis                                                              | 10-15                               | 10-15                               |
| Anne Davies                                                               | 10-15                               | 10-15                               |
| John Ainsworth<br>(non-executive term ended 4 May 2026)                   | 10-15                               | 10-15                               |
| Michael Parsons<br>(term extended, second term starts from<br>4 May 2026) | 10-15                               | 10-15                               |
| Sir Dave Thompson QPM DL                                                  | 10-15                               | 10-15                               |

[Three new non-executive Board members were appointed in 2025 to 2026](#) and will join the organisation in 2026 to 2027. Two will join the organisation in April 2026 and one will join in July 2026. The Board has an important role to play in supporting our aim of driving systemic improvement in public services and to challenge and scrutinise our performance and delivery against strategic goals.

Non-executive Board members do not receive a pension benefit and do not receive any taxable benefits in kind.

## Pay policy for Board members

Paula Sussex CBE was formally appointed as Ombudsman on 26 June 2025 and joined the organisation on a full-time basis on 1 August 2025. The Ombudsman post comprises two specific roles, with one salary for the combined post, paid directly from the Consolidated Fund.

Paula Sussex CBE is a member of the pension scheme and accrues pension benefits.

Our Remuneration and Nominations Committee determines the pay and performance review arrangements of the Chief Executive Officer and, as of 2026 to 2027, directors. The Committee meets annually to review pay arrangements and before reaching any decisions considers a range of pay benchmarking data including comparison with Senior Civil Service pay arrangements. Non-executive Board members' remuneration is agreed by the Ombudsman and payments reflect different responsibilities carried out by Board members, such as chairing a committee. Non-executive members are appointed to the Board through a fair and open competition for a term of three years, renewable for one further term. Further extension will be at the discretion of the Ombudsman. The contract appointment dates for non-executive members, dates of extension and end dates are shown in the table on pages 84 and 85.

Executive Board members' appointments are open-ended. Early termination of an executive Board member's contract, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

## Staff costs (audited)

|                                 | 2025-26                                  |                                 |                         |               | 2024-25       |
|---------------------------------|------------------------------------------|---------------------------------|-------------------------|---------------|---------------|
|                                 | Permanently<br>employed<br>staff<br>£000 | Fixed-term<br>contracts<br>£000 | Agency<br>staff<br>£000 | Total<br>£000 | Total<br>£000 |
| Wages and salaries              | 26,717                                   | 328                             | 596                     | <b>27,641</b> | 24,268        |
| Social security costs           | 3,579                                    | 44                              | -                       | <b>3,623</b>  | 2,938         |
| Other pension costs             | 7,413                                    | 94                              | -                       | <b>7,507</b>  | 6,701         |
| Less capitalised salary costs   | (603)                                    | (62)                            | (49)                    | <b>(714)</b>  | (903)         |
| <b>Subtotal</b>                 | <b>37,106</b>                            | <b>404</b>                      | <b>547</b>              | <b>38,057</b> | <b>33,004</b> |
| Ombudsman's salary and on-costs | 147                                      |                                 |                         | <b>147</b>    | 198           |
| <b>Total staff costs</b>        | <b>37,253</b>                            | <b>404</b>                      | <b>547</b>              | <b>38,204</b> | <b>33,202</b> |

## Staff numbers and diversity at 31 March

At the end of March 2026, we employed 581.2 full-time equivalents (FTEs) excluding agency staff and non-executive Board members.

### Senior managers by grade (full-time equivalents)

|                                  | 31 March 2026 |          |           | 31 March 2025 |
|----------------------------------|---------------|----------|-----------|---------------|
| Grade                            | Female        | Male     | Total     | Total         |
| 0 (Chief Executive Officer)      | 1             | -        | 1         | 1             |
| 1 (Directors)                    | 0             | 3        | 3         | 4             |
| 2 (Deputy / Assistant Directors) | 12            | 4        | 16        | 17            |
| <b>Total</b>                     | <b>13</b>     | <b>7</b> | <b>20</b> | <b>22</b>     |

### Average number of persons employed during the year (audited)

|                               | 2025-26    | 2024-25      |
|-------------------------------|------------|--------------|
| Permanent employees           | 590        | 550          |
| Fixed-term contract employees | 6          | 3.7          |
| <b>Total</b>                  | <b>596</b> | <b>553.7</b> |

## Diversity statistics

The reported diversity statistics of our Board and employees are as follows. Some characteristics may be under-reported where colleagues have chosen not to provide the information.

|                                                                           | 31 March 2026 | 31 March 2025 | Population benchmark (where available) |
|---------------------------------------------------------------------------|---------------|---------------|----------------------------------------|
| <b>The Board (9 members at 31 March 2026; 9 members at 31 March 2025)</b> |               |               |                                        |
| Female                                                                    | 56%           | 56%           | 51%                                    |
| Asian, black, mixed ethnicity and other ethnic group                      | 22%           | 33%           | 18%                                    |
| Disabled                                                                  | 0%            | 0%            | N/A                                    |
| Lesbian, gay, bisexual and transgender                                    | 22%           | 20%           | 3%                                     |
| Aged 50+                                                                  | 67%           | 80%           | 31%                                    |
| <b>Other employees</b>                                                    |               |               |                                        |
| Female                                                                    | 63%           | 61%           | 51%                                    |
| Asian, black, mixed ethnicity and other ethnic group                      | 18.4%         | 17.8%         | 18%                                    |
| Disabled                                                                  | 19%           | 18%           | N/A                                    |
| Lesbian, gay, bisexual and transgender                                    | 12%           | 12%           | 3%                                     |
| Part-time                                                                 | 16.3%         | 16%           | N/A                                    |
| Aged 50+                                                                  | 22%           | 22%           | 31%                                    |

The population benchmarks for the percentages of female colleagues, colleagues from Asian, black, mixed ethnicity and other ethnic groups, and colleagues aged 50 or older are from the working age 16 to 64 age grouping in the 2021 Census for England and Wales. The population benchmark for lesbian, gay, bisexual and transgender colleagues is for the population aged 16 and over in the 2021 Census for England and Wales. There is no appropriate population benchmark available through the 2021 Census for England and Wales data for disabled or part-time colleagues.

## Fair pay disclosure (audited)

|                                                                           | 2025-26<br>£    | 2024-25<br>£    | Percentage<br>change<br>% |
|---------------------------------------------------------------------------|-----------------|-----------------|---------------------------|
| Highest-paid director: salary (bands of £5,000)                           | 175,000-180,000 | 165,000-170,000 | 6%                        |
| Highest-paid director: non-consolidated performance pay (bands of £5,000) | 0,000-5,000     | 5,000-10,000    | -200%                     |
| Highest-paid director: total remuneration (bands of £5,000)               | 175,000-180,000 | 170,000-175,000 | 3%                        |
| Lowest paid salary (bands of £5,000)                                      | 20,000-25,000   | 20,000-25,000   | 0%                        |
| Average remuneration excluding the highest-paid director: salary          | 44,697          | 47,839          | -7%                       |
| 75th percentile remuneration                                              | 53,923          | 54,732          | -2%                       |
| Median remuneration                                                       | 39,303          | 38,158          | 3%                        |
| 25th percentile remuneration                                              | 35,541          | 36,773          | -3%                       |
| Ratio highest-paid to 75th percentile remuneration                        | 3.3:1           | 3.2:1           | N/A                       |
| Ratio highest-paid to median remuneration                                 | 4.5:1           | 4.3:1           | N/A                       |
| Ratio highest paid to 25th percentile remuneration                        | 4.9:1           | 4.7:1           | N/A                       |

The value calculated in the salary banding includes annual leave sold. This is a benefit that was offered to all employees and has not been factored into any of the above calculations of median, 75th and 25th percentiles, or any of the ratios.

Although the Ombudsman's salary cost is accounted for by the organisation, she is paid through a payroll managed by the Ministry of Justice and so this remuneration is not included in the calculation of the fair pay disclosures. The pay of non-executive Board members is also not included in the calculations. Remuneration for the purpose of the ratio disclosures includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions or the cash equivalent transfer value of pensions. The only employees who are eligible for performance-related pay are the Chief Executive Officer and the directors. In 2025 to 2026, this also included the Chief Operating Officer, who has since left the organisation. The Chief Executive Officer's and the former Chief Operating Officer's remuneration are disclosed in the table on page 92.

In 2024 to 2025, we had interim arrangements in place, which reduced the total remuneration for the highest-paid director. In 2025 to 2026, the substantive Chief Executive Officer returned to her role on her substantive salary, but she was not eligible for a non-consolidated performance payment due to having served as the Interim Ombudsman in the previous year.

In 2025 to 2026, the ratios of the total remuneration of the highest-paid director to the 75th percentile, median and 25th percentile remuneration all increased slightly due to the highest-paid director's salary being higher.

## Staff turnover

The attrition rate (turnover of permanent staff) in 2025 to 2026 was 6.2%, compared to 10.2% in 2024 to 2025. Staff turnover, including those on fixed-term and agency contracts, was 8.6% in 2025 to 2026, down from 11.5% in 2024 to 2025.

## Health and safety

There were no reportable health and safety at work incidents in 2025 to 2026 (2024 to 2025: nil) under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013.

## Sickness absence

The average number of sick days in 2025 to 2026 decreased to 9.38 days per full-time equivalent (FTE) employee, from 10.44 days in 2024 to 2025. We have increased our efforts to manage sickness absence and wellbeing in the past 12 months and have seen a reduction in sickness levels in the early part of 2025 to 2026.

## Off-payroll engagements

All public authorities that contract individuals to provide services through an intermediary for more than six months must report on the financial arrangements to make sure they are transparent, and that the worker is paying the right amount of tax and National Insurance.

In 2025 to 2026 there were no off-payroll arrangements.

## Employee relations

There were no days lost to industrial action in 2025 to 2026 and no other employee relations disputes. There were 221 days lost in 2024 to 2025 due to a dispute with the Public and Commercial Services (PCS) Union.

## Staff policies relating to the employment of disabled people

We have recruitment processes in place to make sure that shortlisting managers only assess applicants' skills, knowledge and experience for the role. All applications are anonymised and we upgraded to Level 2 Disability Confident status in July 2025.

Employees who are or become disabled during their employment are given equal access to training and development opportunities. We have a well-established process in place to ensure reasonable adjustments, with a disability passport to support colleagues and make sure that people are treated fairly.

## Consultancy

Spending on consultancy was £103k in 2025 to 2026 (2024 to 2025: £55k). The expenditure in 2025 to 2026 relates to research and other short-term work to support the development of our five-year strategy.

## Pensions

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as “Alpha” – are unfunded multi-employer defined benefit schemes, but we are unable to identify our share of the underlying assets and liabilities. The scheme actuary valued the PCSPS as at 31 March 2020.

You can find details in the resource accounts of the Cabinet Office on its website.

Details on the Civil Superannuation can be found on the Civil Service Pension Scheme website: [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk).

For 2025 to 2026, contributions of £8.929m were payable to the PCSPS (2024 to 2025: £7.952m) including both employee and employer's contributions a rate of between 33.6% and 37% of pensionable earnings, based on salary bands.

The Scheme Actuary usually reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2025 to 2026 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees who do not enter the Civil Service Pension Scheme can opt to open a partnership pension account or a stakeholder pension with an employer contribution. Employer's contributions of £107k (2024 to 2025: £88k) were paid to the provider appointed by the scheme manager (Legal & General). Employer contributions are age-related and ranged from 8% to 14.75%. Employers also match employee contributions up to 3% of pensionable earnings and 0.5% of pensionable pay to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the partnership pension providers at the balance sheet date were £17k (2024 to 2025: £12k).

## Exit packages (subject to audit)

There were three exit packages in 2025 to 2026, of which one payment related to an exit from 2024 to 2025 (2024 to 2025: seven). None of these were compulsory redundancies.

|                     | 2025-26                                    | 2024-25                                    |
|---------------------|--------------------------------------------|--------------------------------------------|
| Exit package band   | Total number of exit packages by cost band | Total number of exit packages by cost band |
| < £10,000           | 1                                          | 1                                          |
| £10,001-£25,000     | -                                          | 1                                          |
| £25,001-£50,000     | -                                          | 3                                          |
| £50,001-£100,000    | 1                                          | 2                                          |
| £100,001-£150,000   | 1                                          | 1                                          |
| £150,001-£200,000   | -                                          | -                                          |
| £200,001-£250,000   | -                                          | -                                          |
| Total number        | 3                                          | 8                                          |
| <b>Total (£000)</b> | <b>£193</b>                                | <b>£356</b>                                |

Exit costs are accounted for in full in the year of departure. Ill health retirement costs are met by the pension scheme and are not included in this table.

## Explanation of terms used in the remuneration and staff report

### Salary

Salary includes gross salary, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, private office allowances, and any other allowance to the extent that it is subject to UK taxation. This report is based on payments made by the organisation and recorded in these accounts.

### Benefits in kind

The monetary value of benefits in kind covers any benefit provided by us and treated by HM Revenue and Customs as a taxable emolument. We provided no taxable benefits in kind in either 2024 to 2025 or 2025 to 2026.

### Civil Service pensions

From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme, or alpha – which provides benefits on a career-average basis with a normal pension age equal to the member's State Pension age. From that date, all newly appointed civil servants and the majority of those already in service joined alpha. Before that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS).

The PCSPS has four sections: three providing benefits on a final-salary basis (classic, premium or classic plus) with a normal pension age of 60, and one providing benefits on a whole-career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with pensions increase legislation.

Existing members of the PCSPS who were within ten years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between ten years and thirteen years and five months from their normal pension age on 1 April 2012 switched into alpha between 1 June 2015 and 1 February 2022. All members who switch to alpha have their PCSPS benefits banked, and those with earlier benefits in one of the final salary sections of the PCSPS will have those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha, as appropriate. Where the official has benefits in both the PCSPS and alpha, the figure quoted is the combined value of their benefits in the two schemes.)

Members who joined from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid, with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos, a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March), the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with pensions increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases, members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 17.75% (depending on the age of the member) into a stakeholder pension.

The employee does not have to contribute, but where they make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha, as appropriate. Where the official has benefits in both the PCSPS and alpha, the figure quoted is the combined value of their benefits in the two schemes but note that part of that pension may be payable from different ages.)

### Cash equivalent transfer values (CETVs)

A CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement that the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of them buying additional pension benefits at their own cost.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2024. HM Treasury published updated guidance on 27 April 2023. This guidance will be used in the calculation of 2025 to 2026 CETV figures.

## Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

## Consultancy

Consultancy is expert or professional advice on options for change. It does not include ongoing contracted-out services or legal advice.

### Paula Sussex CBE

Accounting Officer,  
Ombudsman and Chair

3 July 2026

# Parliamentary accountability and audit report 2025 to 2026

## Statement of Outturn against Parliamentary Supply (audited)

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires us to prepare a Statement of Outturn against Parliamentary Supply (SOPS) and supporting notes.

The SOPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament.

The SOPS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate. Supply is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated Fund), that Parliament gives statutory authority for entities to utilise. The Estimate details Supply and is voted on by Parliament at the start of the financial year.

Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion.

The format of the SOPS mirrors the Supply Estimates, published on [www.gov.uk](http://www.gov.uk), to enable comparability between what Parliament approves and the final outturn.

The SOPS contain a summary table, detailing performance against the control limits that Parliament has voted on, cash spent (budgets are compiled on an accruals basis and so outturn does not in all respects exactly align to cash spent) and administration.

The supporting notes detail the following: Outturn by Estimate line, providing a more detailed breakdown (note 1); a reconciliation of outturn to net operating expenditure in the SOCNE, to tie the SOPS to the financial statements (note 2); and a reconciliation of outturn to net cash requirement (note 3).

The SOPS and Estimates are compiled against the budgeting framework, which is similar to, but different to, IFRS. An understanding of the budgeting framework and an explanation of key terms is provided on page 55, in the financial review section of the performance report. Further information on the Public Spending Framework and the reasons why budgeting rules are different to IFRS can also be found in chapter 1 of the Consolidated Budgeting Guidance, available on [www.gov.uk](http://www.gov.uk).

The SOPS provides a detailed view of financial performance, in a form that is voted on and recognised by Parliament. The financial review, in the performance report, provides a summarised discussion of outturn against estimate and functions as an introduction to the SOPS disclosures.

## Summary of Resource and Capital Outturn 2025 to 2026

|                                               |     | 2025-26       |                       |               |               |                       |               |                                                                                |                                                                                | 2024-25         |
|-----------------------------------------------|-----|---------------|-----------------------|---------------|---------------|-----------------------|---------------|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------|
|                                               |     | Estimate      |                       |               | Outturn       |                       |               |                                                                                |                                                                                | Outturn<br>£000 |
|                                               |     | Voted<br>£000 | Non-<br>Voted<br>£000 | Total<br>£000 | Voted<br>£000 | Non-<br>Voted<br>£000 | Total<br>£000 | Voted<br>outturn<br>compared<br>to<br>Estimate:<br>saving/<br>(excess)<br>£000 | Total<br>outturn<br>compared<br>to<br>Estimate:<br>saving/<br>(excess)<br>£000 |                 |
| SOPS<br>Note                                  |     |               |                       |               |               |                       |               |                                                                                |                                                                                |                 |
| <b>Departmental<br/>Expenditure<br/>Limit</b> |     |               |                       |               |               |                       |               |                                                                                |                                                                                |                 |
| - Resource                                    | 1.1 | <b>47,951</b> | 220                   | <b>48,171</b> | <b>46,403</b> | 147                   | <b>46,550</b> | 1,548                                                                          | 1,621                                                                          | <b>42,222</b>   |
| - Capital                                     | 1.2 | <b>6,030</b>  | -                     | <b>6,030</b>  | <b>5,404</b>  | -                     | <b>5,404</b>  | 626                                                                            | 626                                                                            | <b>844</b>      |
| <b>Annually<br/>Managed<br/>Expenditure</b>   |     |               |                       |               |               |                       |               |                                                                                |                                                                                |                 |
| - Resource                                    | 1.1 | <b>599</b>    | -                     | <b>599</b>    | <b>(73)</b>   | -                     | <b>(73)</b>   | 672                                                                            | 672                                                                            | <b>(709)</b>    |
| - Capital                                     | 1.2 | <b>333</b>    | -                     | <b>333</b>    | <b>33</b>     | -                     | <b>33</b>     | 300                                                                            | 300                                                                            | <b>6</b>        |
| <b>Total</b>                                  |     | <b>54,913</b> | <b>220</b>            | <b>55,133</b> | <b>51,767</b> | <b>147</b>            | <b>51,914</b> | <b>3,146</b>                                                                   | <b>3,219</b>                                                                   | <b>42,363</b>   |
| Total Resource                                |     | <b>48,550</b> | 220                   | <b>48,770</b> | <b>46,330</b> | 147                   | <b>46,477</b> | 2,220                                                                          | 2,293                                                                          | <b>41,513</b>   |
| Total Capital                                 |     | <b>6,363</b>  | -                     | <b>6,363</b>  | <b>5,437</b>  | -                     | <b>5,437</b>  | 926                                                                            | 926                                                                            | <b>850</b>      |
| <b>Total</b>                                  |     | <b>54,913</b> | <b>220</b>            | <b>55,133</b> | <b>51,767</b> | <b>147</b>            | <b>51,914</b> | <b>3,146</b>                                                                   | <b>3,219</b>                                                                   | <b>42,363</b>   |

Figures in the areas outlined in bold are voted totals subject to Parliamentary control. Refer to the Supply Estimates guidance manual, available on [gov.uk](https://www.gov.uk), for details on the control limits voted by Parliament.

## Net Cash Requirement 2025 to 2026

|                      |              | 2025-26          |                 |                                                                    | 2024-25         |
|----------------------|--------------|------------------|-----------------|--------------------------------------------------------------------|-----------------|
|                      | SOPS<br>Note | Estimate<br>£000 | Outturn<br>£000 | Outturn<br>compared to<br>Estimate:<br>saving/<br>(excess)<br>£000 | Outturn<br>£000 |
| Net Cash Requirement | 3            | 51,984           | 49,826          | 2,158                                                              | 40,869          |

For Estimates purposes, all our income and expenditure is classified as Programme. The Statement of Parliamentary Supply does not therefore report against an Administration Cost Limit.

## Notes to the Statement of Outturn against Parliamentary Supply (SOPS)

### SOPS 1 Outturn detail, by Estimate line

#### SOPS 1.1 Analysis of resource outturn by Estimate line

|                                                                 | 2025-26       |             |               |                |                                  | 2024-25            |
|-----------------------------------------------------------------|---------------|-------------|---------------|----------------|----------------------------------|--------------------|
|                                                                 | Outturn       |             |               | Estimate       | Net Total compared with Estimate | Outturn total £000 |
|                                                                 | Gross £000    | Income £000 | Net £000      | Net total £000 | £000                             |                    |
| <b>Spending in Departmental Expenditure Limits (DEL)</b>        |               |             |               |                |                                  |                    |
| <b>Voted expenditure</b>                                        | <b>46,444</b> | <b>(41)</b> | <b>46,403</b> | <b>47,951</b>  | <b>1,548</b>                     | <b>42,024</b>      |
| Of which                                                        |               |             |               |                |                                  |                    |
| A Administration                                                | 46,444        | (41)        | 46,403        | 47,951         | 1,548                            | 42,024             |
| <b>Non-voted expenditure</b>                                    | <b>147</b>    | <b>-</b>    | <b>147</b>    | <b>220</b>     | <b>73</b>                        | <b>198</b>         |
| Of which                                                        |               |             |               |                |                                  |                    |
| B Ombudsman's salary and social security                        | 147           | -           | 147           | 220            | 73                               | 198                |
| <b>Total</b>                                                    | <b>46,591</b> | <b>(41)</b> | <b>46,550</b> | <b>48,171</b>  | <b>1,621</b>                     | <b>42,222</b>      |
| <b>Spending in Resource Annually Managed Expenditure (RAME)</b> |               |             |               |                |                                  |                    |
| <b>Voted expenditure</b>                                        | <b>(73)</b>   | <b>-</b>    | <b>(73)</b>   | <b>599</b>     | <b>672</b>                       | <b>(709)</b>       |
| Of which                                                        |               |             |               |                |                                  |                    |
| C Creation of Provisions                                        | (73)          | -           | (73)          | 599            | 672                              | (709)              |
| <b>Total</b>                                                    | <b>46,518</b> | <b>(41)</b> | <b>46,477</b> | <b>48,770</b>  | <b>2,293</b>                     | <b>41,513</b>      |

There were no virements. Virements are the reallocation of provision in the Estimates that do not require Parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements is provided in the Supply Estimates Manual, available on [gov.uk](https://www.gov.uk). The term 'Administration' above does not refer to our expenditure limit, which is classified as 'Programme'.

**SOPS 1.2. Analysis of capital outturn by Estimate line**

|                                                                  | 2025-26       |                |              |                   |                                  | 2024-25               |
|------------------------------------------------------------------|---------------|----------------|--------------|-------------------|----------------------------------|-----------------------|
|                                                                  | Outturn       |                |              | Estimate          | Net Total compared with Estimate | Outturn total<br>£000 |
|                                                                  | Gross<br>£000 | Income<br>£000 | Net<br>£000  | Net total<br>£000 | £000                             |                       |
| <b>Spending in Capital Departmental Expenditure Limit (CDEL)</b> |               |                |              |                   |                                  |                       |
| <b>Voted expenditure</b>                                         | <b>5,404</b>  |                | <b>5,404</b> | <b>6,030</b>      | <b>626</b>                       | <b>844</b>            |
| Of which                                                         |               |                |              |                   |                                  |                       |
| <b>Administration</b>                                            | 5,404         |                | 5,404        | 6,030             | 626                              | 844                   |
| <b>Spending in Capital Annually Managed Expenditure (CAME)</b>   |               |                |              |                   |                                  |                       |
| <b>Voted Expenditure</b>                                         | <b>33</b>     | <b>-</b>       | <b>33</b>    | <b>333</b>        | <b>300</b>                       | <b>6</b>              |
| Of which                                                         |               |                |              |                   |                                  |                       |
| Creation of Provisions                                           | 33            | -              | 33           | 333               | 300                              | 6                     |
| <b>Total</b>                                                     | <b>5,437</b>  |                | <b>5,437</b> | <b>6,363</b>      | <b>926</b>                       | <b>850</b>            |

**SOPS 2. Reconciliation of Net Resource Outturn to Net Operating Expenditure**

The Resource Outturn in the Statement of Parliamentary Supply is the same as the net expenditure in the Statement of Comprehensive Net Expenditure.

### SOPS 3. Reconciliation of Net Resource Outturn to Net Cash Requirement

|                                                       | Note     | Estimate<br>£000 | Outturn<br>£000 | Net total<br>outturn<br>compared<br>with<br>Estimate:<br>savings/<br>(excess)<br>£000 |
|-------------------------------------------------------|----------|------------------|-----------------|---------------------------------------------------------------------------------------|
| <b>Resource Outturn</b>                               | SOPS 1.1 | 48,770           | 46,477          | 2,293                                                                                 |
| <b>Capital Outturn</b>                                | SOPS 1.2 | 6,363            | 5,437           | 926                                                                                   |
| <b>Accruals to cash adjustments:</b>                  |          |                  |                 |                                                                                       |
| Adjustment to remove non-cash items:                  |          |                  |                 |                                                                                       |
| Depreciation, Amortisation and Impairments            | 5,6,7    | (3,491)          | (2,218)         | (1,273)                                                                               |
| New provisions and adjustments to previous provisions | 12       | (932)            | (20)            | (912)                                                                                 |
| Other non-cash items                                  | 3,7      | -                | (363)           | 363                                                                                   |
| Adjustments to reflect movements in working balances  |          |                  |                 |                                                                                       |
| Increase/(decrease) in receivables                    | 9        | -                | (1)             | 1                                                                                     |
| (Increase)/decrease in payables                       | 10,11    | 1,494            | (92)            | 1,586                                                                                 |
| Repayments of lease liabilities                       | 11       | -                | 693             | (693)                                                                                 |
| Net change in provisions                              | 12       | -                | 60              | (60)                                                                                  |
|                                                       |          | <b>52,204</b>    | <b>49,973</b>   | <b>2,231</b>                                                                          |
| <b>Removal of non-voted budget items:</b>             |          |                  |                 |                                                                                       |
| Consolidated Fund                                     | SOPS 1.1 | (220)            | (147)           | (73)                                                                                  |
| <b>Net Cash Requirement</b>                           |          | <b>51,984</b>    | <b>49,826</b>   | <b>2,158</b>                                                                          |

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. Therefore, this reconciliation bridges the resource and capital outturn to the net cash requirement.

## Parliamentary Accountability Disclosures (audited)

### Regularity

There were no irregularities during 2025 to 2026 (2024 to 2025: nil).

### Losses and special payments

|                           | 2025-26      |           | 2024-25      |            |
|---------------------------|--------------|-----------|--------------|------------|
|                           | No. of cases | £000      | No. of cases | £000       |
| Administrative write-offs | 26           | -         | 22           | 302        |
| Special payments          | 11           | 33        | 17           | 39         |
| <b>Total</b>              | <b>37</b>    | <b>33</b> | <b>39</b>    | <b>341</b> |

There were no fruitless payments incurred in 2025 to 2026 (2024 to 2025: nil).

Administrative write-offs relate mainly to disposals of assets that could not be used for any other purpose and were not cost-effective to resell.

Special payments consist of compensation payments to people who complained to us about poor service they received from us. In 2025 to 2026 we made seven compensation payments which came to a total of £2k and four legal payments which came to a total of £31k.

### Fees and charges

We have not received any income related to fees and charges in 2025 to 2026 (2024 to 2025: nil).

### Remote contingent liabilities

There are no remote contingent liabilities as at 31 March 2026 (nil 31 March 2025). There were no contingent assets or liabilities as at 31 March 2026 (nil 31 March 2025). No guarantees, indemnities or letters of comfort have been issued by the organisation.

**Paula Sussex CBE**

Accounting Officer,  
Ombudsman and Chair

3 July 2026

# The Independent Auditor's report to the Board of the Parliamentary and Health Service Ombudsman and the Houses of Parliament

## Opinion on financial statements

I have audited the financial statements of the Parliamentary and Health Service Ombudsman for the year ended 31 March 2026.

The financial statements comprise the Parliamentary and Health Service Ombudsman's:

- Statement of Financial Position as at 31 March 2026;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Parliamentary and Health Service Ombudsman's affairs as at 31 March 2026 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the International Standards as interpreted by HM Treasury's Government Financial Reporting Manual .

## Opinion on regularity

In my opinion, in all material respects:

- the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2026 and shows that those totals have not been exceeded; and
- the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2024. I am independent of the Parliamentary and Health Service Ombudsman in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Parliamentary and Health Service Ombudsman's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Parliamentary and Health Service Ombudsman's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

The going concern basis of accounting for the Parliamentary and Health Service Ombudsman is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

## Other information

The other information comprises information included in the Accountability and Performance Reports, but does not include the financial statements and my auditor's report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury's Government Financial Reporting Manual.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury's Government Financial Reporting Manual; and
- the information given in the Accountability and Performance Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

## Matters on which I report by exception

In the light of the knowledge and understanding of the Parliamentary and Health Service Ombudsman and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Parliamentary and Health Service Ombudsman or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Parliamentary and Health Service Ombudsman from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with International Accounting Standards as interpreted by HM Treasury's Government Financial Reporting Manual;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury's Government Financial Reporting Manual; and
- assessing the Parliamentary and Health Service Ombudsman's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Parliamentary and Health Service Ombudsman will not continue to be provided in the future.

## Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and express an opinion on the financial statements in accordance with the applicable law and International Standards on Auditing (UK) (ISAs (UK)).

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

## Identifying and assessing potential risks related to non compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Parliamentary and Health Service Ombudsman's accounting policies.
- inquired of management, the Parliamentary and Health Service Ombudsman's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Parliamentary and Health Service Ombudsman's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Parliamentary and Health Service Ombudsman's controls relating to the Parliamentary and Health Service Ombudsman's compliance with the Parliamentary Commissioners Act 1967, the Health Services Commissioners Act 1993, Supply and Appropriation (Main Estimates) Act 2025 and Managing Public Money;
- inquired of management, the Parliamentary and Health Service Ombudsman's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Parliamentary and Health Service Ombudsman for fraud and identified the greatest potential for fraud in the following areas: -posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Parliamentary and Health Service Ombudsman's framework of authority and other legal and regulatory frameworks in which the Parliamentary and Health Service Ombudsman operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Parliamentary and Health Service Ombudsman. The key laws and regulations I considered in this context included the Parliamentary and Health Service Ombudsman's compliance with the Parliamentary Commissioners Act 1967, the Health Service Commissioners Act 1993, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2025, employment law, and tax legislation.

## Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my report.

## Other auditor's responsibilities

I am required to obtain appropriate evidence sufficient to give reasonable assurance that the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement.

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

**Gareth Davies**  
**Comptroller and Auditor General**

**Date 7 July 2026**

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP



# Financial statements

## Statement of Comprehensive Net Expenditure for the year ended 31 March 2026

This statement summarises the expenditure and income generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which include changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

|                                                                |          | 2025-26       | 2024-25       |
|----------------------------------------------------------------|----------|---------------|---------------|
|                                                                | Note     | £000          | £000          |
| <b>Operating income</b>                                        | <b>4</b> | <b>41</b>     | <b>56</b>     |
| <b>Operating expenditure</b>                                   |          |               |               |
| Staff costs                                                    | 3        | 38,204        | 33,202        |
| Purchase of goods and services                                 | 3        | 5,860         | 5,607         |
| Depreciation, amortisation, impairment charges and adjustments | 3        | 2,218         | 2,664         |
| Provision gain                                                 | 12       | (13)          | (70)          |
| <b>Total operating expenditure</b>                             |          | <b>46,269</b> | <b>41,403</b> |
| <b>Net operating expenditure</b>                               |          | <b>46,228</b> | <b>41,347</b> |
| Finance expense                                                | 11       | 249           | 166           |
| <b>Net expenditure for the year</b>                            |          | <b>46,477</b> | <b>41,513</b> |
| Other comprehensive expenditure                                |          | -             | -             |
| <b>Comprehensive net expenditure</b>                           |          | <b>46,477</b> | <b>41,513</b> |

The notes on pages 127 to 149 form part of these accounts.

## Statement of Financial Position as at 31 March 2026

This statement presents the financial position of the organisation. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

|                                              |      | 31 March 2026  | 31 March 2025  |
|----------------------------------------------|------|----------------|----------------|
|                                              | Note | £000           | £000           |
| <b>Non-current assets</b>                    |      |                |                |
| Property, plant and equipment                | 5    | 2,195          | 2,398          |
| Intangible assets                            | 6    | 6,642          | 2,735          |
| Right-of-use assets                          | 7    | 3,996          | 4,493          |
| <b>Total non-current assets</b>              |      | <b>12,833</b>  | <b>9,626</b>   |
| <b>Current assets</b>                        |      |                |                |
| Trade and other receivables                  | 9    | 1,013          | 1,014          |
| Cash at bank                                 | 8    | 221            | 257            |
| <b>Total current assets</b>                  |      | <b>1,234</b>   | <b>1,271</b>   |
| <b>Total assets</b>                          |      | <b>14,067</b>  | <b>10,897</b>  |
| <b>Current liabilities</b>                   |      |                |                |
| Trade and other payables                     | 10   | (3,820)        | (3,688)        |
| Provisions                                   | 12   | (13)           | (211)          |
| Lease liability                              | 11   | (713)          | (984)          |
| <b>Total current liabilities</b>             |      | <b>(4,546)</b> | <b>(4,883)</b> |
| <b>Total assets less current liabilities</b> |      | <b>9,521</b>   | <b>6,014</b>   |
| <b>Non-current liabilities</b>               |      |                |                |
| Provisions                                   | 12   | (802)          | (645)          |
| Lease liability                              | 11   | (4,073)        | (4,292)        |
| <b>Total non-current liabilities</b>         |      | <b>(4,875)</b> | <b>(4,937)</b> |
| <b>Total assets less total liabilities</b>   |      | <b>4,646</b>   | <b>1,077</b>   |
| <b>Taxpayers' equity and other reserves</b>  |      |                |                |
| General Fund                                 |      | 4,646          | 1,077          |
| <b>Total equity</b>                          |      | <b>4,646</b>   | <b>1,077</b>   |

The notes on pages 127 to 149 form part of these accounts.

**Paula Sussex CBE**

Accounting Officer,  
Ombudsman and Chair

3 July 2026

## Statement of Cash Flows for the year ended 31 March 2026

The Statement of Cash Flows shows the changes in cash and cash equivalents of the organisation during the reporting period. The statement shows how we generate and use cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to our future public service delivery.

|                                                                                                                        |        | 2025-26         | 2024-25         |
|------------------------------------------------------------------------------------------------------------------------|--------|-----------------|-----------------|
|                                                                                                                        | Note   | £000            | £000            |
| <b>Cash flows from operating activities</b>                                                                            |        |                 |                 |
| Net expenditure for the year                                                                                           | 2      | (46,477)        | (41,513)        |
| Adjustments for non-cash transactions                                                                                  | 3,7,12 | 2,278           | 2,667           |
| Decrease/(Increase) in trade and other receivables                                                                     | 9      | 1               | (237)           |
| Increase/(decrease) in trade payables                                                                                  | 10     | (449)           | 1,276           |
| Movements in payables/receivables relating to items not passing through the Statement of Comprehensive Net Expenditure | 10     | 36              | (198)           |
| Use of provisions                                                                                                      | 12     | (60)            | (639)           |
| <b>Net cash outflow from operating activities</b>                                                                      |        | <b>(44,671)</b> | <b>(38,644)</b> |
| <b>Cash flows from investing activities</b>                                                                            |        |                 |                 |
| Purchase of property, plant and equipment                                                                              | 5      | (503)           | (854)           |
| Additions to intangible assets                                                                                         | 6      | (4,106)         | (992)           |
| <b>Net cash outflow from investing activities</b>                                                                      |        | <b>(4,609)</b>  | <b>(1,846)</b>  |

## Statement of Cash Flows for the year ended 31 March 2026 (continued)

|                                                                                                                           |      | 2025-26       | 2024-25       |
|---------------------------------------------------------------------------------------------------------------------------|------|---------------|---------------|
|                                                                                                                           | Note | £000          | £000          |
| <b>Cash flows from financing activities</b>                                                                               |      |               |               |
| From the Consolidated Fund (Supply): current year                                                                         |      | 49,790        | 40,915        |
| From the Consolidated Fund (Non-Supply)                                                                                   | 3    | 147           | 198           |
| Capital element in respect of lease payments                                                                              | 11   | (942)         | (667)         |
| Interest element in respect of lease payments                                                                             | 11   | 249           | 166           |
| <b>Net cash flows from financing activities</b>                                                                           |      | <b>49,244</b> | <b>40,612</b> |
| <b>Net increase/(decrease) in cash in the period before adjustment for receipts and payments to the Consolidated Fund</b> |      | <b>(36)</b>   | <b>122</b>    |
| <b>Cash at the beginning of the period</b>                                                                                | 8    | <b>257</b>    | <b>135</b>    |
| <b>Cash at the end of the period</b>                                                                                      | 8    | <b>221</b>    | <b>257</b>    |

The notes on pages 127 to 149 form part of these accounts.

## Statement of Changes in Taxpayers' Equity for the year ended 31 March 2026

This statement shows the movement in the year on the different reserves held by the organisation, analysed into 'general fund reserves' (that is, those reserves that reflect a contribution from the Consolidated Fund).

The General Fund represents the total assets less liabilities of the organisation, to the extent that the total is not represented by other reserves and financing items.

|                                            | Note | Taxpayers' equity<br>£000 |
|--------------------------------------------|------|---------------------------|
| <b>Balance at 31 March 2024</b>            |      | <b>1,526</b>              |
| Net Parliamentary Funding – drawn down     |      | 40,915                    |
| Net Parliamentary Funding – deemed         |      | 135                       |
| Consolidated Fund Standing Services        | 3    | 198                       |
| Supply Payable Adjustment                  | 10   | (257)                     |
| Comprehensive net expenditure for the year | 2    | (41,513)                  |
| Auditor's remuneration                     | 3    | 73                        |
| <b>Balance at 31 March 2025</b>            |      | <b>1,077</b>              |
| Net Parliamentary Funding – drawn down     |      | 49,790                    |
| Net Parliamentary Funding – deemed         |      | 257                       |
| Consolidated Fund Standing Services        | 3    | 147                       |
| Supply Payable Adjustment                  | 10   | (221)                     |
| Comprehensive net expenditure for the year | 2    | (46,477)                  |
| Auditor's remuneration                     | 3    | 73                        |
| <b>Balance at 31 March 2026</b>            |      | <b>4,646</b>              |

Deemed funding and supply payable adjustment refer to opening and closing balances due to the Consolidated Fund respectively, and match opening and closing cash balances held.

The notes on pages 127 to 149 form part of these accounts.

# Notes to the Resource Accounts

## 1. Statement of accounting policies

These financial statements have been prepared in accordance with International Financial Reporting Standards as adapted and interpreted by the Government Financial Reporting Manual 2025-26 (FReM) issued by HM Treasury for use within Central Government. Where the FReM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to our particular circumstances for the purpose of giving a true and fair view has been selected. The particular policies adopted by the organisation are described below.

The accounting policies have been applied consistently to all periods presented in these financial statements.

### 1.1 Financing

We are primarily resourced by funds approved by the House of Commons through the annual Supply and Appropriation Act. Resources are drawn down each month to meet expenditure requirements.

### 1.2 Income

Our only income is in the form of recharging costs. These charges have been measured at the fair value of the consideration received or receivable. We recognise these recharges when the amount of revenue and related cost can be reliably measured, and it is probable that the collectability of the related receivable is reasonably assured.

IFRS 15 has been applied, and income is recognised when we have fulfilled the obligations that give rise to income.

Operating income relates directly to the operating activities that are within the organisation's Ambit.

The level of income that may be used in support of our activities is set out in the parliamentary estimates. Income earned in excess of the approved level, or income of a type for which we do not have parliamentary approval, cannot be used in support of our activities and is required to be paid over to the Consolidated Fund as excess income.

### 1.3 Property, plant and equipment

Expenditure on property, plant and equipment of £3,000 or more is capitalised. Similar assets costing less than £3,000 may be capitalised if they are acquired at broadly the same time, providing they are capital in nature and there are enough assets to be worth more than £3,000 in total.

On initial recognition, assets are measured at cost including any costs, such as installation costs, directly attributable to bringing them into working condition. All property, plant and equipment is reviewed annually for impairment and is carried at cost for a proxy for fair value. Property, plant and equipment is revalued using a rolling programme of valuations over a five-year cycle, with annual indexation applied to assets during the four intervening years.

Assets are disposed of once they are confirmed to be no longer in use or the asset is confirmed to no longer exist. The method of disposal will be dependent on the nature of the asset, taking into account security and cost factors. Any residual net book value for the asset is charged to the Statement of Comprehensive Net Expenditure.

## 1.4 Intangible assets

Expenditure on intangible assets, which is software and associated costs of implementation, is capitalised when the cost is £3,000 or more. Intangible assets costing less than £3,000 may be capitalised, providing they are capital in nature and there are enough assets and associated costs to be worth more than £3,000 in total.

We capitalise the labour costs for staff and contractors who were working on capital projects on an ongoing basis for more than 10% of their time.

Intangible assets are reviewed annually for impairment and are carried at cost as a proxy for fair value. Intangible assets are not revalued because there is no active market for them, these assets are carried at their cost less any accumulated amortisation and impairment losses.

## 1.5 Depreciation and Amortisation

Property, plant and equipment are depreciated at rates calculated to write assets down to their estimated residual value on a straight-line basis over their estimated useful lives. Software licences are amortised over the shorter of the term of the licence and the useful economic life. Asset lives are within the following ranges:

- furniture and fittings – five years
- IT software and equipment – three to ten years
- office machinery – five years
- leasehold improvements – the lesser of ten years or the lease term.

Where assets are contained in right-of-use assets, the life of the asset reflects the length of the lease.

## 1.6 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. A threshold of £100 applies for accruals.

## 1.7 Value added tax

We are not registered for value added tax (VAT) and these accounts are prepared on a VAT-inclusive basis.

## 1.8 Prepayments

Prepayments represent cash paid by the organisation prior to the reporting date in consideration for goods or services received after the reporting date.

## 1.9 Right-of-use assets and lease liabilities

We apply IFRS 16, as interpreted and adapted in the FReM.

For any new contracts, we consider whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition, we assess whether the contract meets three key evaluations, which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to us
- we have the right to obtain substantially all the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- we assess whether we have the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, we recognise the right-of-use asset and lease liability, excluding VAT, on the Statement of Financial Position. Right-of-use assets are measured at cost, which is made up of the initial measurement of the lease liability, any lease payments made in advance of the lease commencement date (net of any incentives received) up to the end of or extension of lease, whichever is later, or up to termination of lease if any.

We depreciate the right-of-use assets on a straight-line basis at rates estimated to write off our book values from the month in which an asset is brought into service, to the end of the lease term. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. We also assess the right-of-use asset for impairment when such indicators exist.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. The carrying amount of the right-of-use asset is adjusted by the same amount as the adjustment to the carrying value of the lease liability. There is no immediate gain or loss, but the revised cash flows will impact the Statement of Comprehensive Net Expenditure over the remaining term of the lease. Exceptions to this principle are when a reduction in the carrying value of the lease liability is greater than the carrying value of the related right-of-use asset at the point of remeasurement, in which case the asset is reduced to £nil and the excess is recognised in the Statement of Comprehensive Net Expenditure, and in many cases where a lease modification decreases the scope of an existing lease. Revaluation of right-of-use assets, if any, will be recognised in the revaluation reserve.

We measure the lease liability at the present value of the lease payments unpaid at the commencement date, discounted using the relevant HM Treasury rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments, and if any, the variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

We have elected to account for short-term leases of less than 12 months and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expenditure in the Statement of Comprehensive Net Expenditure on a straight-line basis over the lease term.

Liability for leases not yet commenced to which we are committed is recorded on the Statement of Financial Position only from the date of a signed lease agreement.

In Manchester, we lease four floors of the Citygate building. The lease period is for 15 years from 1 October 2017 to 30 September 2032, with break clauses at five and ten years. In London, we lease part of the 21st floor at Millbank Tower. The lease was renegotiated during 2025 to 2026 and the new lease period is from 29 September 2025 to 24 December 2027.

Liquidity risk is a risk that we might not meet our obligations. We manage our liquidity needs by forecasting cashflows. Liquidity needs are monitored in various time bands on a day-to-day, week-to-week basis and forecast through to financial year end. Net cash requirements are compared to available funding and are expected to be sufficient.

### 1.10 Accounting estimates

Significant accounting estimates have been made in relation to provisions. No other significant accounting estimates or judgements have been made in preparing these accounts.

### 1.11 Provisions

Dilapidations have been reviewed and provision made based on estimated costs provided by external professional property advisors in 2023 to 2024 and 2024 to 2025 and uplifted for inflation in line with CPIH. The increase in the dilapidations provision for both the premises has been capitalised according to IFRS 16 (Note 7).

Provisions in respect of Legal Costs have been included and are the best estimates of the potential liabilities. These costs have been accounted for in the statement of comprehensive net expenditure.

In accordance with IAS 37, provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that the obligation will be settled, and a reliable estimate can be made of the amount of the obligation.

## 1.12 Going concern

The Parliamentary Commissioner for Administration, otherwise known as the Parliamentary Ombudsman, is an independent officeholder appointed by the Crown under the Parliamentary Commissioner Act 1967. The Parliamentary Ombudsman is also currently appointed as the Health Service Commissioner for England, an independent officeholder appointed by the Crown under the Health Service Commissioners Act 1993. The Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England exists to support the work of the Ombudsman and, in her opinion, as long as the provisions of the Parliamentary Commissioner Act 1967 and the Health Service Commissioners Act 1993 apply, our services will continue in operation.

Our funding estimate for 2026 to 2027 has been approved by Parliament.

We are satisfied that these matters do not give rise to a material uncertainty around the going concern status of the organisation. The accounts have therefore been prepared on a going concern basis.

## 1.13 Financial instruments

As the cash requirements of the organisation are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts for non-financial items in line with the organisation's expected purchase and usage requirements, and the organisation is therefore usually exposed to little credit, liquidity or market risk. We initially recognise trade and other payables at cost, where the time value of money is material, we subsequently measure payables at amortised cost.

## 1.14 Impending application of newly issued Accounting Standards not yet effective

No new accounting standards or revisions to existing standards have been adopted early by the organisation in 2025 to 2026. IFRS 18 will replace IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 18 on the Public Sector is still being assessed, and a decision has not yet been taken on an implementation date.

## 2. Statement of Operating Costs by Operating Segment

For internal reporting purposes, resource costs are broken down on a 'directorate' basis and further classified by expenditure type.

Our three main areas of activity are set out below:

- **Operations, Legal and Clinical:** responsible for the delivery of casework and customer focused activities and the provision of all legal and clinical advice.
- **Strategy and Resources:** responsible for the development and delivery of the organisation's external strategy including stakeholder engagement activities and the production of media and policy products, as well as the corporate services that support effective delivery including governance, human resources and finance.
- **Digital and Transformation:** responsible for the delivery, design and support of our technology solutions and the transformation capability to achieve our strategic objectives.

Staff costs (including on-costs such as pensions and National Insurance), general budgets (including travel and subsistence expenses), the direct costs of our casework and related income are allocated for internal management reporting purposes as follows:

|                                         | 2025-26                                   |                                   |                                       |               |
|-----------------------------------------|-------------------------------------------|-----------------------------------|---------------------------------------|---------------|
|                                         | Operations,<br>Legal and Clinical<br>£000 | Strategy and<br>Resources<br>£000 | Digital and<br>Transformation<br>£000 | Total<br>£000 |
| Staff costs                             | 25,808                                    | 7,740                             | 4,656                                 | 38,204        |
| Other employee expenditure              | 58                                        | 135                               | 21                                    | 214           |
| External casework costs                 | 447                                       | 6                                 | -                                     | 453           |
| Other professional advice               | 146                                       | 328                               | 141                                   | 615           |
| Research, media and publications        | 2                                         | 328                               | 107                                   | 437           |
| Accommodation costs                     | -                                         | 2,555                             | -                                     | 2,555         |
| IT and telecommunications               | -                                         | 1,164                             | 1,908                                 | 3,072         |
| Recruitment                             | -                                         | 144                               | -                                     | 144           |
| External learning and staff development | -                                         | 434                               | -                                     | 434           |
| Other central overheads                 | -                                         | 241                               | -                                     | 241           |
| Provisions                              | -                                         | (72)                              | -                                     | (72)          |
| Early departure costs                   | 4                                         | (32)                              | -                                     | (28)          |
| Finance costs                           | -                                         | 249                               | -                                     | 249           |
| Income                                  | (23)                                      | (18)                              | -                                     | (41)          |
| <b>Net operating expenditure</b>        | <b>26,442</b>                             | <b>13,202</b>                     | <b>6,833</b>                          | <b>46,477</b> |

## 2. Statement of Operating Costs by Operating Segment (continued)

|                                         | 2024-25 (restated)                        |                                   |                                       | Total<br>£000 |
|-----------------------------------------|-------------------------------------------|-----------------------------------|---------------------------------------|---------------|
|                                         | Operations,<br>Legal and Clinical<br>£000 | Strategy and<br>Resources<br>£000 | Digital and<br>Transformation<br>£000 |               |
| Staff costs                             | 22,899                                    | 6,418                             | 3,885                                 | 33,202        |
| Other employee expenditure              | 44                                        | 109                               | 18                                    | 171           |
| External casework costs                 | 379                                       | -                                 | -                                     | 379           |
| Other professional advice               | 54                                        | 207                               | 204                                   | 465           |
| Research, media and publications        | 2                                         | 355                               | 12                                    | 369           |
| Accommodation costs                     | -                                         | 2,766                             | -                                     | 2,766         |
| IT and telecommunications               | -                                         | 1,270                             | 1,845                                 | 3,115         |
| Recruitment                             | -                                         | 128                               | -                                     | 128           |
| External learning and staff development | -                                         | 203                               | -                                     | 203           |
| Other central overheads                 | -                                         | 225                               | -                                     | 225           |
| Provisions                              | -                                         | (331)                             | -                                     | (331)         |
| Early departure costs                   | 21                                        | 637                               | 53                                    | 711           |
| Finance costs                           | -                                         | 166                               | -                                     | 166           |
| Income                                  | (2)                                       | (49)                              | (5)                                   | (56)          |
| <b>Net operating expenditure</b>        | <b>23,397</b>                             | <b>12,104</b>                     | <b>6,012</b>                          | <b>41,513</b> |

The majority of central overhead costs, such as accommodation costs, telephones and staff learning and development, are managed centrally within Strategy and Resources. We do not reallocate these costs to the other directorates.

Corporate service functions, previously within a separate directorate, were incorporated into a new Strategy and Resources directorate in January 2026, and as such the comparatives have been restated.

Assets and liabilities are not reported by directorate but at organisational level.

### 3. Expenditure

|                                                 |      | 2025-26       | 2024-25       |
|-------------------------------------------------|------|---------------|---------------|
|                                                 | Note | £000          | £000          |
| <b>Cash items</b>                               |      |               |               |
| Wages and salaries                              |      | 27,641        | 24,268        |
| Less: capitalised staff costs                   |      | (714)         | (903)         |
| Social security costs                           |      | 3,623         | 2,938         |
| Other pension costs                             |      | 7,507         | 6,701         |
| Ombudsman's salary and social security          |      | 147           | 198           |
| Staff costs                                     |      | 38,204        | 33,202        |
| Early departure costs                           |      | (76)          | 478           |
| Information and communications technology       |      | 2,222         | 2,142         |
| Goods and services (including Finance Costs)    |      | 2,521         | 1,875         |
| Accommodation costs                             |      | 1,184         | 1,072         |
| Accommodation operating leases                  |      | 185           | 133           |
| Purchases of goods and services                 |      | 6,036         | 5,700         |
| <b>Total cash items</b>                         |      | <b>44,240</b> | <b>38,902</b> |
| <b>Non-cash items</b>                           |      |               |               |
| Auditor's remuneration                          |      | 73            | 73            |
|                                                 |      | 73            | 73            |
| Depreciation and amortisation of fixed assets:  |      |               |               |
| Property, plant and equipment                   | 5    | 672           | 753           |
| Intangible assets                               | 6    | 815           | 823           |
| Right-of-use assets                             | 7    | 744           | 788           |
| (Gain)/Loss on disposal and impairments         | 7    | (13)          | 300           |
| Depreciation impairment charges and adjustments |      | 2,218         | 2,664         |
| Provisions:                                     |      |               |               |
| Provided in year                                | 12   | 9             | 63            |
| Provisions not required written back            | 12   | (22)          | (133)         |
| Gain on Provisions                              |      | (13)          | (70)          |
| <b>Total non-cash items</b>                     |      | <b>2,278</b>  | <b>2,667</b>  |
| <b>Total</b>                                    |      | <b>46,518</b> | <b>41,569</b> |

Auditors have received no remuneration for non-audit work.

## Staff-related costs

|                                        | 2025-26                                  |                                 |                         | 2024-25       |               |
|----------------------------------------|------------------------------------------|---------------------------------|-------------------------|---------------|---------------|
|                                        | Permanently<br>employed<br>staff<br>£000 | Fixed-term<br>contracts<br>£000 | Agency<br>staff<br>£000 | Total<br>£000 | Total<br>£000 |
| Wages and salaries                     | 26,717                                   | 328                             | 596                     | 27,641        | 24,268        |
| Social security costs                  | 3,579                                    | 44                              | -                       | 3,623         | 2,938         |
| Other pension costs                    | 7,413                                    | 94                              | -                       | 7,507         | 6,701         |
| Less capitalised salary costs          | (603)                                    | (62)                            | (49)                    | (714)         | (903)         |
| <b>Subtotal</b>                        | <b>37,106</b>                            | <b>404</b>                      | <b>547</b>              | <b>38,057</b> | <b>33,004</b> |
| Ombudsman's salary and social security | 147                                      | -                               | -                       | 147           | 198           |
| <b>Total gross costs</b>               | <b>37,253</b>                            | <b>404</b>                      | <b>547</b>              | <b>38,204</b> | <b>33,202</b> |

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as “Alpha” – are unfunded multi-employer defined benefit schemes within which we are unable to identify our share of the underlying assets and liabilities. The scheme actuary valued the PCSPS as at 31 March 2020.

You can find details in the resource accounts of the Cabinet Office on its website.

Details on the Civil Superannuation can be found on the Civil Service Pension Scheme website:  
[www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk).

For 2025 to 2026, contributions of £8.929m were payable to the PCSPS (2024 to 2025: £7.952m) including both employee and employer's contributions at a rate of 33.6% to 37% of pensionable earnings, based on salary bands.

The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2025 to 2026 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees who do not enter the Civil Service Pension Scheme can opt to open a partnership pension account or a stakeholder pension with an employer contribution. Employer's contributions of £107k (2024 to 2025: £88k) were paid to the provider appointed by the scheme manager (Legal & General). Employer contributions are age-related and ranged from 8% to 14.75%. Employers also match employee contributions up to 3% of pensionable earnings and 0.5% of pensionable pay to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the partnership pension providers at the balance sheet date were £17k (2024 to 2025: £12k).

## 4. Income

|                                       | 2025-26   | 2024-25   |
|---------------------------------------|-----------|-----------|
|                                       | £000      | £000      |
| Recoveries in respect of legal fees   | 18        | 7         |
| Recoveries in respect of office space | 23        | 49        |
| <b>Total</b>                          | <b>41</b> | <b>56</b> |

We rented out desks and meeting room availability. This agreement came to an end in the current financial year. This did not constitute a sub-let of the rental agreement.

## 5. Property, plant and equipment

| 2025-26                                    | Furniture and fittings<br>£000 | Information technology<br>£000 | Office machinery<br>£000 | Leasehold improvements<br>£000 | Assets under construction<br>£000 | Total<br>£000  |
|--------------------------------------------|--------------------------------|--------------------------------|--------------------------|--------------------------------|-----------------------------------|----------------|
| <b>Cost or valuation</b>                   |                                |                                |                          |                                |                                   |                |
| At 1 April 2025                            | 926                            | 1,565                          | 71                       | 2,548                          | 141                               | <b>5,251</b>   |
| Additions                                  | 146                            | 281                            | -                        | -                              | 41                                | <b>468</b>     |
| Disposals and impairments                  | (383)                          | (1,145)                        | -                        | -                              | -                                 | <b>(1,528)</b> |
| Transfers                                  | 54                             | 57                             | 22                       | 10                             | (143)                             | -              |
| <b>At 31 March 2026</b>                    | <b>743</b>                     | <b>758</b>                     | <b>93</b>                | <b>2,558</b>                   | <b>39</b>                         | <b>4,191</b>   |
| <b>Depreciation</b>                        |                                |                                |                          |                                |                                   |                |
| At 1 April 2025                            | 782                            | 1,161                          | 63                       | 847                            | -                                 | <b>2,853</b>   |
| Charged in year                            | 117                            | 318                            | 7                        | 229                            | -                                 | <b>671</b>     |
| Disposals                                  | (383)                          | (1,145)                        | -                        | -                              | -                                 | <b>(1,528)</b> |
| Transfers                                  | -                              | -                              | -                        | -                              | -                                 | -              |
| <b>At 31 March 2026</b>                    | <b>516</b>                     | <b>334</b>                     | <b>70</b>                | <b>1,076</b>                   | <b>-</b>                          | <b>1,996</b>   |
| <b>Carrying amount as at 31 March 2026</b> | <b>227</b>                     | <b>424</b>                     | <b>23</b>                | <b>1,482</b>                   | <b>39</b>                         | <b>2,195</b>   |
| Carrying amount as at 31 March 2025        | 144                            | 404                            | 8                        | 1,701                          | 141                               | 2,398          |

All plant and equipment held at 31 March 2025 is owned. Our leased buildings are accounted for as right-of-use assets under IFRS 16 (see note 7). There are no assets held under private finance initiative (PFI) contracts. We hold no third-party assets.

## 5. Property, plant and equipment (continued)

| 2024-25                                    | Furniture and fittings<br>£000 | Information technology<br>£000 | Office machinery<br>£000 | Leasehold improvements<br>£000 | Assets under construction<br>£000 | Total<br>£000 |
|--------------------------------------------|--------------------------------|--------------------------------|--------------------------|--------------------------------|-----------------------------------|---------------|
| <b>Cost or valuation</b>                   |                                |                                |                          |                                |                                   |               |
| At 1 April 2024                            | 886                            | 1,617                          | 71                       | 1,061                          | 1,190                             | <b>4,825</b>  |
| Additions                                  | 12                             | 57                             | -                        | 720                            | 141                               | <b>930</b>    |
| Disposals and impairments                  | -                              | (256)                          | -                        | (248)                          | -                                 | <b>(504)</b>  |
| Transfers                                  | 28                             | 147                            | -                        | 1,015                          | (1,190)                           | -             |
| <b>At 31 March 2025</b>                    | <b>926</b>                     | <b>1,565</b>                   | <b>71</b>                | <b>2,548</b>                   | <b>141</b>                        | <b>5,251</b>  |
| <b>Depreciation</b>                        |                                |                                |                          |                                |                                   |               |
| At 1 April 2024                            | 655                            | 1,050                          | 56                       | 595                            | -                                 | <b>2,356</b>  |
| Charged in year                            | 127                            | 367                            | 7                        | 252                            | -                                 | <b>753</b>    |
| Disposals                                  | -                              | (256)                          | -                        | -                              | -                                 | <b>(256)</b>  |
| Transfers                                  | -                              | -                              | -                        | -                              | -                                 | -             |
| <b>At 31 March 2025</b>                    | <b>782</b>                     | <b>1,161</b>                   | <b>63</b>                | <b>847</b>                     | <b>-</b>                          | <b>2,853</b>  |
| <b>Carrying amount as at 31 March 2025</b> | <b>144</b>                     | <b>404</b>                     | <b>8</b>                 | <b>1,701</b>                   | <b>141</b>                        | <b>2,398</b>  |
| Carrying amount as at 31 March 2024        | 231                            | 567                            | 15                       | 466                            | 1,190                             | 2,469         |

## 6. Intangible assets

Intangible assets consist mostly of software which is specifically designed for the organisation.

| 2025-26                                    | Software<br>£000 | Assets under<br>construction<br>£000 | Total<br>£000 |
|--------------------------------------------|------------------|--------------------------------------|---------------|
| <b>Cost or valuation</b>                   |                  |                                      |               |
| At 1 April 2025                            | 4,935            | 1,217                                | 6,152         |
| Additions                                  | -                | 4,722                                | 4,722         |
| Transfers                                  | 1,218            | (1,218)                              | -             |
| Disposals and impairments                  | (75)             | -                                    | (75)          |
| <b>At 31 March 2026</b>                    | <b>6,078</b>     | <b>4,721</b>                         | <b>10,799</b> |
| <b>Amortisation</b>                        |                  |                                      |               |
| At 1 April 2025                            | 3,417            | -                                    | 3,417         |
| Charged in year                            | 815              | -                                    | 815           |
| Disposals                                  | (75)             | -                                    | (75)          |
| <b>At 31 March 2026</b>                    | <b>4,157</b>     | <b>-</b>                             | <b>4,157</b>  |
| Net book value:                            |                  |                                      |               |
| <b>Carrying amount as at 31 March 2026</b> | <b>1,921</b>     | <b>4,721</b>                         | <b>6,642</b>  |
| Carrying amount as at 31 March 2025        | 1,518            | 1,217                                | 2,735         |

All intangible assets held at 31 March 2026 are owned.

## 6. Intangible assets (continued)

| 2024-25                                    | Software<br>£000 | Assets under<br>construction<br>£000 | Total<br>£000 |
|--------------------------------------------|------------------|--------------------------------------|---------------|
| <b>Cost or valuation</b>                   |                  |                                      |               |
| At 1 April 2024                            | 4,531            | 681                                  | 5,212         |
| Additions                                  | -                | 992                                  | 992           |
| Transfers                                  | 444              | (444)                                | -             |
| Disposals                                  | (40)             | (12)                                 | (52)          |
| <b>At 31 March 2025</b>                    | <b>4,935</b>     | <b>1,217</b>                         | <b>6,152</b>  |
| <b>Amortisation</b>                        |                  |                                      |               |
| At 1 April 2024                            | 2,594            | -                                    | 2,594         |
| Charged in year                            | 823              | -                                    | 823           |
| Disposals and impairments                  | -                | -                                    | -             |
| <b>At 31 March 2025</b>                    | <b>3,417</b>     | <b>-</b>                             | <b>3,417</b>  |
| Net book value:                            |                  |                                      |               |
| <b>Carrying amount as at 31 March 2025</b> | <b>1,518</b>     | <b>1,217</b>                         | <b>2,735</b>  |
| Carrying amount as at 31 March 2024        | 1,937            | 681                                  | 2,618         |

## 7. Right-of-use assets

Right-of-use assets represent the right to direct the use of an underlying asset arising as a result of a lease. We do not own the underlying asset but recognise the value of the right of use in accordance with IFRS 16.

| 2025-26                                    | Land and buildings<br>£000 | Total<br>£000 |
|--------------------------------------------|----------------------------|---------------|
| <b>Cost or valuation</b>                   |                            |               |
| At 1 April 2025                            | 6,992                      | <b>6,992</b>  |
| Additions                                  | 323                        | <b>323</b>    |
| Adjustment due to lease modification*      | (76)                       | <b>(76)</b>   |
| <b>At 31 March 2026</b>                    | <b>7,239</b>               | <b>7,239</b>  |
| <b>Depreciation</b>                        |                            |               |
| At 1 April 2025                            | 2,499                      | <b>2,499</b>  |
| Charged in year                            | 744                        | <b>744</b>    |
| <b>At 31 March 2026</b>                    | <b>3,243</b>               | <b>3,243</b>  |
| <b>Carrying amount as at 31 March 2026</b> | <b>3,996</b>               | <b>3,996</b>  |
| Carrying amount as at 31 March 2025        | 4,493                      | 4,493         |

\* An adjustment was made in terms of IFRS 16 as a result of a change in scope due to the loss of parking spaces during the year.

## 7. Right-of-use assets (continued)

| 2024-25                                    | Land and buildings<br>£000 | Total<br>£000  |
|--------------------------------------------|----------------------------|----------------|
| <b>Cost or valuation</b>                   |                            |                |
| At 1 April 2024                            | 8,064                      | <b>8,064</b>   |
| Additions                                  | 6                          | <b>6</b>       |
| Adjustment due to lease modification*      | (1,078)                    | <b>(1,078)</b> |
| <b>At 31 March 2025</b>                    | <b>6,992</b>               | <b>6,992</b>   |
| <b>Depreciation</b>                        |                            |                |
| At 1 April 2024                            | 1,711                      | <b>1,711</b>   |
| Charged in year                            | 788                        | <b>788</b>     |
| <b>At 31 March 2025</b>                    | <b>2,499</b>               | <b>2,499</b>   |
| <b>Carrying amount as at 31 March 2025</b> | <b>4,493</b>               | <b>4,493</b>   |
| Carrying amount as at 31 March 2024        | 6,353                      | 6,353          |

\* An adjustment was made in terms of IFRS 16 to the opening balance as a result of a change in the lease due to a rent-free period during the year.

## 8. Cash and cash equivalents

|                                        | 31 March<br>2026 | 31 March<br>2025 |
|----------------------------------------|------------------|------------------|
|                                        | £000             | £000             |
| Balance at 1 April                     | 257              | 135              |
| Net change in cash balances            | (36)             | 122              |
| <b>Total cash balances at 31 March</b> | <b>221</b>       | <b>257</b>       |

We only hold cash balances with the Government Banking Service.

## 9. Trade and other receivables

|                                             | 31 March<br>2026 | 31 March<br>2025 |
|---------------------------------------------|------------------|------------------|
|                                             | £000             | £000             |
| <b>Amounts falling due within one year:</b> |                  |                  |
| Trade receivables within one year           | 50               | 87               |
| Credit loss provision                       | (2)              | (2)              |
| Deposits and advances                       | 3                | 11               |
| Prepayments and accrued income              | 962              | 918              |
| <b>Total</b>                                | <b>1,013</b>     | <b>1,014</b>     |

## 10. Trade and other payables

|                                                                                | 31 March<br>2026 | 31 March<br>2025 |
|--------------------------------------------------------------------------------|------------------|------------------|
|                                                                                | £000             | £000             |
| <b>Amounts falling due within one year</b>                                     |                  |                  |
| Trade payables                                                                 | 1,301            | 767              |
| Taxation and social security                                                   | 786              | 667              |
| Other payables                                                                 | 775              | 685              |
| Accruals and deferred income                                                   | 737              | 1,312            |
| Amounts issued from the Consolidated Fund for supply but not spent at year end | 221              | 257              |
| <b>Total falling due within one year</b>                                       | <b>3,820</b>     | <b>3,688</b>     |

## 11. Leases

The lease liability amounts recognised in the Statement of Financial Position under trade and other payables in the Statement of Financial Position are as follows:

|                                      | £000         |
|--------------------------------------|--------------|
| <b>Balance as at 1 April 2024</b>    | 6,855        |
| Additions during the year            | -            |
| Adjustment due to lease modification | (1,078)      |
| Lease payments made during the year  | (667)        |
| Interest charge for the year         | 166          |
| <b>Balance as at 31 March 2025</b>   | <b>5,276</b> |
| Additions during the year            | 290          |
| Adjustment due to lease modification | (87)         |
| Lease payments made during the year  | (942)        |
| Interest charge for the year         | 249          |
| <b>Balance as at 31 March 2026</b>   | <b>4,786</b> |

## 11. Leases (continued)

|                                                      | £000         |
|------------------------------------------------------|--------------|
| <b>Amounts falling due within one year:</b>          |              |
| Lease liability                                      | 713          |
| <b>Amounts falling due after more than one year:</b> |              |
| Lease liability                                      | 4,073        |
|                                                      | <b>4,786</b> |

The amounts recognised in the Statement of Comprehensive Net Expenditure are as follows:

|                                                   | 31 March<br>2026 | 31 March<br>2025 |
|---------------------------------------------------|------------------|------------------|
|                                                   | £000             | £000             |
| Interest on lease liabilities under finance costs | 249              | 166              |
| VAT on lease payments under accommodation costs   | 185              | 134              |
| Expenses relating to leases of low-value assets   | 26               | 17               |

The following table sets out the maturity analysis of lease payables, showing the undiscounted lease payments to be paid after the reporting date.

|                                                   | 31 March<br>2026 | 31 March<br>2025 |
|---------------------------------------------------|------------------|------------------|
|                                                   | £000             | £000             |
| Not later than one year                           | 1,139            | 984              |
| Later than one year and not later than five years | 4,024            | 3,901            |
| Later than five years                             | 1,463            | 2,438            |
| <b>Total</b>                                      | <b>6,626</b>     | <b>7,323</b>     |
| Less VAT and interest element                     | (1,840)          | (2,047)          |
| <b>Present value of obligations</b>               | <b>4,786</b>     | <b>5,276</b>     |

## 12. Provisions for liabilities and charges

|                                         |                            |                         |                       | 31 March<br>2026 | 31 March<br>2025 |
|-----------------------------------------|----------------------------|-------------------------|-----------------------|------------------|------------------|
|                                         | Early<br>departure<br>£000 | Legal<br>claims<br>£000 | Dilapidations<br>£000 | Total<br>£000    | Total<br>£000    |
| Balance at 1 April                      | 49                         | 37                      | 770                   | 856              | 1,559            |
| Provided in the year                    | -                          | 9*                      | 33**                  | 42               | 69               |
| Provisions not<br>required written back | -                          | (22)*                   | -                     | (22)             | (133)            |
| Provisions utilised in<br>the year      | (49)                       | (11)                    | -                     | (60)             | (639)            |
| <b>Balance at 31 March</b>              | <b>-</b>                   | <b>13</b>               | <b>803</b>            | <b>816</b>       | <b>856</b>       |

\* The amount shown in the SoCNE comprises the movement in year of £13k being made up of the sums marked with an asterisk above.

\*\* The amount shown includes the capitalisation of the current year dilapidations provision per IFRS 16 and is disclosed under Note 7.

The dilapidations provision not required represents the revaluation of the provision based on a professional assessment received.

We provide for legal or constructive obligations that are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the HM Treasury discount rate. This has not been applied as the impact is not material.

## 12.1 Analysis of expected timing of liabilities and charges

|                                                   | 2025-26                    |                         |                       |               | 2024-25       |
|---------------------------------------------------|----------------------------|-------------------------|-----------------------|---------------|---------------|
|                                                   | Early<br>departure<br>£000 | Legal<br>claims<br>£000 | Dilapidations<br>£000 | Total<br>£000 | Total<br>£000 |
| Not later than one year                           | -                          | 13                      | -                     | 13            | 211           |
| Later than one year and not later than five years | -                          | -                       | 135                   | 135           | -             |
| Later than five years                             | -                          | -                       | 667                   | 667           | 645           |
| <b>Balance at 31 March</b>                        | <b>-</b>                   | <b>13</b>               | <b>802</b>            | <b>815</b>    | <b>856</b>    |

### Dilapidations

We occupy leased office accommodation in London and Manchester. The leases contain provisions which require the reinstatement of the accommodation to its original condition upon departure. In the event that the properties are not restored, dilapidation payments become payable to the landlord. The dilapidation provisions are based on estimates provided by surveyors.

### 13. Commitments under leases

The total cost of operating leases is expensed in equal instalments over the life of the lease.

Total future minimum lease payments under operating leases are given in the table below analysed according to the period in which the lease expires. These operating leases represent leases that fall within the low value and short life exemptions of IFRS 16.

|                                                   | 31 March<br>2026 | 31 March<br>2025 |
|---------------------------------------------------|------------------|------------------|
|                                                   | £000             | £000             |
| Other:                                            |                  |                  |
| Not later than one year                           | 26               | 6                |
| Later than one year and not later than five years | 55               | -                |
| Later than five years                             | -                | -                |
| <b>Total</b>                                      | <b>81</b>        | <b>6</b>         |

## 14. Capital and other commitments

|                         | 31 March<br>2026 | 31 March<br>2025 |
|-------------------------|------------------|------------------|
|                         | £000             | £000             |
| Not later than one year | 683              | -                |
| <b>Total</b>            | <b>683</b>       | <b>-</b>         |

During 2025, we entered into a contract to design intangible assets for use within the business and we are committed to capital expenditure of £683k.

## 15. Other financial commitments

We have non-cancellable contracts (which are not leases or PFI contracts) for the service and maintenance of information technology equipment and the service of our leased buildings. The total payments to which we are committed are:

|                                                   | 31 March<br>2026 | 31 March<br>2025 |
|---------------------------------------------------|------------------|------------------|
|                                                   | £000             | £000             |
| Not later than one year                           | 4,325            | 2,120            |
| Later than one year and not later than five years | 1,853            | 1,542            |
| Later than five years                             | -                | -                |
| <b>Total</b>                                      | <b>6,178</b>     | <b>3,662</b>     |

Included above is a contract with Reply Ltd for £2.3m for development of intangible assets.

## 16. Related-party transactions

During the year neither the Ombudsman nor any other members of the Executive Team or Board, or their immediate families, have undertaken any material transactions with the organisation.

IAS 24 requires companies to disclose, in respect of individuals, any management compensation, and this requirement has been fulfilled through disclosure in the Remuneration Report. Expenses relating to the Executive Team and the Board are disclosed on our website.

## 17. Events after the reporting period date

In accordance with IAS 10, the Ombudsman is required to consider the impact of events since the closing date of the Statement of Financial Position and up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General. In the Ombudsman's opinion there have been no events since 31 March 2026 that would affect the financial statements.





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