SBS 034-26

UK Shared Business Services Ltd

Minutes of the 127th UKSBS Board Meeting held in Polaris House, Swindon, on Thursday 28 May 2026 commencing at 9:20am

Attending:

Board Members:		**UKSBS Executives:**	
John Clarke, Chair	**JC**	Akos Csernus, Chief Transformation Officer	**AC**
Richard Semple, Chief Executive	**RS**	Caroline Jenkins, Company Secretary	**CJ**
Carolyn Isaacs, Audit Committee Chair	**CI**	Liz Creedy, Chief Operating Officer	**LC**
Mike Baker	**MB**	David Walder, Chief Digital and Information Officer	**DW**
Cath Denholm	**CD**	John Arnott, Chief Strategy and People Officer	**JA**
Leslie Gilbert	**LG**	Tim Knight, Chief Operations Officer	**TK**
		Caroline Bee, Finance Director	**CB**
		Observers / Guests:	
		Richard Henshall, Matrix SRO	**RH**
		Deborah Gregg, Deloitte (for item 8 only)	**DG**
		Ben Brady, Deloitte (for item 8 only)	**BB**
		James Michelson, DBT	**JM**
		Emma Gibbs, People Team (for item 4 only)	**EG**

Apologies:

Rosanna Wong	**RW**
Helen Mills	**HM**
Victoria McMyn, Chief Corporate Delivery Officer	**VM**

1. WELCOME, MINUTES, ACTIONS & DECLARATIONS (SBS 024-26 and 025-26)

1.1 The Chair opened the meeting at 9.20am and welcomed all attendees, particularly TK, the incoming Chief Operations Officer and JM who would be observing the meeting.

1.2 The minutes of the meeting held on 26 March 2026 were approved as a correct record.

1.3 The Board received the action log, noting that all actions had either been closed or would be covered elsewhere on the agenda.

1.4 No new declarations of interest were raised.

LG joined the meeting.

Author: Company Secretary, UKSBS
Date: 01 June 2026

2. CHIEF EXECUTIVE REPORT (SBS 027-26)

2.1 The CEO reported that FY25/26 had been characterised by the successful delivery of SHARP implementation and Fusion go-live, followed by stabilisation of services and completion of significant ALB onboarding activity, leaving the organisation in a broadly stable but not fully optimised position. Looking ahead, the Board noted that the Neo programme was now targeting a December 2026 go-live, requiring sustained focus on organisational readiness, including resourcing, operating model implementation and alignment with programme delivery plans.

2.2 The Board discussed key delivery risks to the Matrix Programme in detail, particularly around testing, pensions integration and data migration. Significant concern was raised regarding the inability to fully test pension processes, with sufficient assurance required due to the potential for material financial and reputational impact.

2.3 Risks relating to data quality and migration were also emphasised, alongside the resource and funding pressures associated with scaling for go-live and the impact of any further delay. While maintaining ambition to deliver in December, the Board agreed that a pragmatic approach would be required, underpinned by clear definition of minimum viable scope, robust stage gate governance and continued escalation of critical risks.

2.4 The Board agreed to meet ahead of each of the stage gate review meetings to ensure alignment and common understanding of the decisions to be taken and potential impacts to UKSBS.

2.5 It was noted that agreement to jointly fund the charging model had not yet been reached between ICS and UKSBS.

Actions:

- **To ensure timely oversight of Neo readiness and decision points, additional Board calls ahead of Stage Gate Review meetings to be scheduled should the usual Board meeting cadence not be suitable.**

3. AUDIT COMMITTEE UPDATE (verbal)

3.1 The Audit Committee Chair reported that external audit activity led by the NAO was progressing well, with no significant concerns raised. The Committee undertook a detailed examination of the year-end overspend relating to annual leave accruals and received assurance on the underlying cause. Attention was also given to the financial outlook for future years, including anticipated savings requirements and emerging pressures linked to areas such as the charging model and technology investment.

3.2 The Committee had discussed the corporate risk register in detail, noting that several key risks, particularly those relating to concurrency of change and funding alignment, had persisted over time. Members emphasised the need to move beyond high-level articulation of these risks towards more tangible, measurable mitigation actions that provide assurance of progress. It was also noted that there was a need to more clearly differentiate between programme risks and BAU risks, ensuring that mitigation strategies were appropriately tailored.

3.3 The Committee also reviewed the Head of Internal Audit's annual opinion, noting a 'moderate' assurance rating, which was considered appropriate given the scale and complexity of ongoing transformation. Internal audit findings highlighted areas of weakness rather than systemic failure, often linked to the reliance on manual workarounds during transition.

3.4 CI confirmed a regular cadence of ARAC meetings had been established, with the opportunity to propose topics for future meetings.

EG joined the meeting.

4. EQUALITY, DIVERSITY AND INCLUSION ANNUAL UPDATE (SBS 028-26)

4.1 The Board received the annual update on Equality, Diversity and Inclusion (EDI) and noted the continued progress made in embedding EDI within the organisation's culture and day-to-day operations. It was reported that colleague engagement activity had grown, supported by the establishment of additional staff networks, the launch of new engagement channels and visible leadership sponsorship. Early results from a recent pulse survey indicated an overall improvement in colleague satisfaction and a positive trajectory in relation to wellbeing and inclusion.

4.2 The Board welcomed this progress but noted that the organisation's ability to evidence impact remains constrained by limitations in workforce data. It was highlighted that, following system changes, key diversity data had not been consistently captured or maintained, resulting in gaps that limited meaningful analysis. The Board supported the planned data improvement campaign and emphasised the importance of rebuilding a robust baseline to enable more informed decision-making and reporting in future.

4.3 In discussion, Board members challenged how EDI activity was being translated into demonstrable organisational value, particularly in the context of significant transformation and operational pressure. It was recognised that there was a well-established link between inclusion, colleague engagement and productivity; however, the Board encouraged further work to articulate this connection more clearly within the UKSBS context, including through the use of measurable indicators and insights from survey data.

4.4 The Board reaffirmed its commitment to maintaining an inclusive and supportive working environment during a period of sustained change. It was agreed that a further update should be considered in six months' time to include more data-led insights, including progress in closing data gaps, trends in workforce diversity, and clearer linkage between EDI activity and organisational outcomes.

EG left the meeting.

5. STANDING ITIEMS (SBS 029-26 via PowerBI)

5.1 The Board received an update on service performance and noted continued progress in operational delivery, including the successful implementation of the new telephony system, significant completion of outstanding standard operating procedures, and ongoing continuous improvement activity across the organisation. Overall performance trends over the past 18 months were reported as positive, with improvements in partner satisfaction and service delivery capability, despite the scale of transformation activity.

5.2 The Board noted, however, that performance has been impacted in the short term by increased operational volumes, particularly in procurement and transaction processing, resulting in some temporary dips in key performance indicators and customer feedback metrics. These issues were understood to be largely driven by volume pressures and specific service challenges rather than systemic decline.

6. FINANCE UPDATE (SBS 030-26)

6.1 The Board reviewed the financial outturn for FY2025/26 and noted that the organisation had closed the year with a £609k overspend, primarily driven by a year-end adjustment relating to annual leave accruals. The Board was assured that the underlying cause had been identified and that corrective actions were being implemented to strengthen forecasting, reporting and management oversight, with a particular focus on improving data reliability from systems and reinforcing behaviours around leave management.

6.2 In considering the financial outlook for FY2026/27, the Board noted that UKSBS was entering a financially constrained period, with savings targets embedded in the budget and limited flexibility due to a high proportion of fixed costs. Emerging pressures, including pay remit increases and wider cost uncertainties, were acknowledged.

6.3 The Board focused significant discussion on the funding position for the Neo programme, noting that only Q1 funding had been confirmed and that lack of clarity on full-year funding presented a material financial risk. The interaction between programme timelines, resourcing requirements and affordability was explored in detail, with particular concern regarding the potential cost exposure if programme delays continue. The Board emphasised the need for urgent resolution of funding arrangements, improved cost transparency and a clear, coherent narrative to support engagement with the programme and departments, recognising the broader context of financial constraint across government.

DG and BB joined the meeting.

7. TRANSFORMATION PROGRESS (SBS 031-26)

7.1 The Board received an update on the organisation's transformation programme and progress towards delivery of the Neo service. It was noted that activity remained focused on achieving operational readiness for the planned go-live, including development of the new operating model, recruitment of service capability, finalisation of service design, and progression of system testing and data migration. The Board acknowledged the scale and complexity of the programme and the interdependencies with wider government partners.

7.2 It was noted that overall progress was being made, but that delivery risk remained, particularly in relation to data migration, testing timelines, resourcing and affordability. A number of key milestones, including upcoming programme stage gates, were highlighted as critical to confirming readiness and supporting informed decision-making. The importance of maintaining a clear focus on priority deliverables and ensuring alignment between service design, operational readiness and financial assumptions was emphasised.

7.3 The Neo Service Implementation Readiness slide to include progress / direction of travel against each of the transformation objectives at the next Board meeting, and to include further detail on the amber and red rated outcomes progressing to green.

7.4 The Board supported the Executive's proposal to proceed with the £300k development of the charging model at risk ahead of 2026/27 Matrix Programme funding confirmation being received.

DG and BB left the meeting.

8. 3-5 YEAR INVESTMENT STRATEGY (SBS 032-26)

8.1 DW introduced the report, commenting on the shift of investment from system maintenance to exploitation of systems through business led initiatives, with service owners leading the way on the changes required to the technology.

8.2 The Board to consider a business led technology roadmap at the upcoming offsite, to include AI potential.

9. PORTFOLIO OF CHANGE (SBS 033-26)

9.1 The Board considered an update on organisation's portfolio of change, noting a significant increase of 23% in Change Requests received against a backdrop of Fusion and MoG activity. A pipeline of work for 2026/27 had been agreed with UKRI, supported by a strong governance structure.

9.2 An agenda item to be added to the next Strategic Cluster Alliance Board agenda for UKSBS to present the current change portfolio, what has already been achieved and the trajectory, including the impacts and benefits realised.

10. ANY OTHER BUSINESS

10.1 Caroline Bee

The Board acknowledged that this was CB's last Board meeting and thanked her for the collaborative, proactive and solution-focused approach which had made significant positive contributions over the past 12 months.

10.2 Liz Creedy

The Board noted LC's forthcoming retirement and recorded its sincere thanks for her contribution to the organisation, recognising the significant impact she has made during her tenure, particularly through her commitment, professionalism and collaborative approach in supporting the delivery of key organisational priorities.

10.3 The Board agreed to schedule a pre-Board call between the papers being circulated and the next meeting date.

10.4 The items to be considered at the next Board meeting on 23 July 2026 were noted as:

- Transformation Progress
- Portfolio of Change
- Risk Appetite
- Modern Slavery Statement
- NED Appointments
- REMCOM and NOMCOM

Board closed at 2.00pm

The next Board meeting is scheduled for 23 July 2026

This document was created with assistance from Co-Pilot to generate an initial draft. The content has been reviewed, edited, and verified by the author.

Author: Company Secretary, UKSBS
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