

CHANNEL ISLANDS FINANCIAL OMBUDSMAN

<p>Board Meeting 5 10.30am Wednesday 4th June 2015 Guernsey Registry, Market Building, Fountain Street, St Peter Port, GY1 3GX</p>		
<p>Minutes Board of Jersey OFSO Board of Guernsey OFSO</p>		
<p>Present: David Thomas (DT) in the chair John Curran (JC) Debbie Guillou (DG) John Mills (JM)</p>		
<p>In attendance: Douglas Melville (DM), Principal Ombudsman and CEO Sophie Watkins (SW), consultant acting as interim operations manager</p>		
<p>Apologies: None</p>		
1	<p>Minutes of last meeting etc. The board welcomed DM. The board noted a quorum was present. The minutes were approved.</p>	Action
2	<p>Guernsey OFSO The board noted and re-signed the Guernsey OFSO resolutions for the loan from the States of Guernsey in the format requested by States of Guernsey Treasury and Resources. The board approved the budget to be sent to CED for approval under Schedule 2 paragraph 2(1) Financial Services Ombudsman (Bailiwick of Guernsey) Law 2014. The board noted that this matches the budget sent to the Minister for ED in December 2014 and that the accompanying report and letter highlight that the Ombudsman will review the budgets and may revise. The board requested that the letter and report be revised to reflect discussions in the board meeting.</p>	DT / SW
3	<p>Jersey OFSO The board noted that the Jersey OFSO 2014 report and account had been presented to the States Assembly on 29 May 2015.</p>	

4	Consultation on Eligible Complainants order	
	<p>The board discussed the draft consultation paper:</p> <ul style="list-style-type: none"> • Some further legislative queries need to be resolved and further research to ascertain the percentage of companies in the Channel Islands that meet the microenterprise definition and charities that meet the definition in the order. • The consultation period should be one month, as the issues have previously been consulted on and given the aim to open soon. • The list of consultees should include consumer groups, industry associations, regulators, CED, EDD, the Association of Jersey charities and Association of Guernsey Charities and the Chambers of Commerce. • CED and EDD have agreed it can be published on the States' websites if CIFO's website is not available. • The questions should be brought to the front of the consultation document to make the issues clear at the start. • A press release should be put out summarising the consultation issues for the general public and to spread awareness of CIFO. • Contact should be made with the officer in the Chief Ministers' Department responsible for the Charities Law. <p>The board asked for the Ombudsman to consider the high-level principles for CIFO consultations.</p>	<p>SW</p> <p>SW</p> <p>SW</p> <p>DM</p>
4	<p>Guernsey States</p> <p>The board noted that the Financial Services Ombudsman (Exempt Business) (Bailiwick of Guernsey) Order 2015 and the Financial Services Ombudsman (Case Fee and Levies) (Bailiwick of Guernsey) Order 2015 were made on 21 May 2015 by CED.</p> <p>The board noted that the briefing note for stakeholders will be updated once the CIFO website is active.</p>	
5	<p>Jersey States</p> <p>The board noted the consultation had concluded on the Financial Services Ombudsman (Exempt Business) (Amendment) (Jersey) Order 201- and that the Order will now proceed to be made.</p> <p>The board noted that EDD will make no further request for police disclosures from the directors, having received the certificates obtained from the Guernsey</p>	

	police.	
6	Finance	
6.1	Q1 accounts	
	<p>The board noted the Q1 accounts received from Grant Thornton were received late and in draft, did not meet the agreed requirements and did not seem accurate. It was agreed that:</p> <ul style="list-style-type: none"> • urgent telephone contact should be made to Grant Thornton to notify on these points • that a meeting should be arranged for the following week involving DM, DG and SW • that DM should be sent the email record of the prior meeting with Grant Thornton to discuss requirements. <p>The board agreed that due to further work being required to set up the payroll administration, it will be necessary to make the salary payment to DM at the end of June, rather than the contractual date (15th of the month). A letter to explain the situation and request DM's agreement for this contractual requirement to be waived in June 2015 would be drafted and sent.</p>	<p>DG SW SW</p>
6.2	Delegation limits	
	<p>The board discussed delegation limits and agreed to create a category of A signatories comprised of board directors and the Ombudsman and a B signatory category comprised of selected staff members. For amounts of up to £5,000 two signatures would be required, one of which must be an A signatory. For amounts over £5,000 two A signatures are required.</p>	DG
6.3	Procurement	
	<p>The board agreed that a policy should be drafted covering the thresholds for formal tendering and quotations and requirements for pan-Channel Islands sourcing.</p> <p>The board noted the meeting planned with the Comptroller and Auditor General in Jersey on 29 June and that procurement should be on the agenda.</p>	DM
6.4	Funding: levy and case fee development work	
	<p>The board noted that:</p> <ul style="list-style-type: none"> • significant further work is required on the documentation • Grant Thornton had alerted the project team to anticipated increased costs and that a further 	DT/SW/DM

	<p>discussion was required over the justification. The invoice would be settled once a discussion on the increased costs had been held</p> <ul style="list-style-type: none"> • The amount required to be raised by levy needs further consideration • Advice had been received from Grant Thornton regarding International Services Exemption status for Goods & Service Tax and a further response had been requested from the GST department of Income Tax. 	<p>DM/JC/SW</p> <p>DM/DG/SW</p>
6.5	<p>Bank activity</p> <p>The board noted that:</p> <ul style="list-style-type: none"> • The Guernsey States' loan first drawdown was received on 13th May • a formal response had not yet been received from the bank regarding the joint mandate • that the electronic banking application form had been received and will be progressed and • that paperwork to make further drawdowns on both States' loans should be brought to the next meeting. 	<p>SW/DM/DG</p> <p>SW/DG</p>
6.6	<p>Departments' invoicing</p> <p>The board noted that the CED invoice for establishment costs has been settled and that the EDD invoice is to be settled forthwith.</p>	
6.7	<p>Directors' remuneration</p> <p>The board noted the confirmation from the book-keepers regarding the tax situation for CIFO and the directors.</p>	
6.8	<p>Finance other</p> <p>The Board ratified the expenditure on IT hardware, mobile telephony and premises.</p>	
7	<p>Insurance</p> <p>The board noted that</p> <ul style="list-style-type: none"> • the terms of the cyber insurance will need consideration before the opening of the ombudsman service • the office policy was in place for 1st June. • the insurance policies (death-in-service, income protection and medical/dental) for the Ombudsman are still in the process of arrangement and that the invoice for this advice 	<p>SW/JM</p> <p>SW</p>

	and arrangement would not be settled until the policies are in place.	
8	Consultancy The board noted that the consultancy contract with Sophie Watkins is still in force.	
9	Premises The board noted that temporary office space had been secured from 1 June 2015 at Regus, Esplanade, St Helier and that the premises consultant had been engaged and will proceed to identify long-term options.	DM/JM/SW
10	Communications The board noted that <ul style="list-style-type: none"> • there had been limited local publicity for the Ombudsman’s arrival in post and that this was intentional until an opening date had been set, when publicity would be sought, • accessibility issues regarding non-English speaking communities need consideration and identification of representatives for these groups • other accessibility issues regarding the pan-CI operation (address, phone number, website) require consideration • there was difficulty viewing board papers via 365 as it requires constant internet access. 	DM DM
11	Stakeholders The board noted the comprehensive schedule of introductory meetings arranged for the Ombudsman with stakeholders. The board noted that the Ombudsman and Chairman had had a useful discussion with the Jersey FSC on the draft memorandum of understanding and that this would be progressed.	DM
12.	Formalities and practicalities The board noted: <ul style="list-style-type: none"> • the CIFO business name registration in Jersey must wait until premises are held and the opening date is known; • the data protection registration is still to be progressed • that membership of the [British and Irish] Ombudsman Association would be progressed. 	SW SW

13	Next meeting The board agreed the next meetings would be 2pm at 29 June and 9.30am on 23 July, both in Jersey.	
	Approved at board meeting 6 on 29 June 2015 Chairman	