

CHANNEL ISLANDS FINANCIAL OMBUDSMAN

<p>Board Meeting 7 9.30am – 2pm Thursday 23rd July 2015 CIFO, Regus, Floor 1, Liberation Station, Esplanade, St Helier JE2 3AS</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 (except for item 6.1)</p>		
<p>Apologies: None</p>		
1	<p>Minutes of last meeting The board noted a quorum was present. The minutes were approved.</p>	Action
2	<p>Guernsey OFSO Nothing to report.</p>	
3	<p>Jersey OFSO Nothing to report.</p>	
4	<p>Guernsey States actions: The board noted the Commencement Ordinance.</p>	
5	<p>Jersey States actions: The board noted the Appointed Day Act and the Exempt Business Amendment Order.</p>	
6.1	<p>CIFO Chief Executive's Report The board noted the operational progress to date and had a wide-ranging discussion on strategy and staffing issues. It was noted that the "opening" function may be held on different days in each island. The MOUs with the regulators in both Jersey and Guernsey will be revised by DM now that related issues have been discussed with both regulators. The Board agreed that the short form of the Channel Islands Financial Ombudsman for use in documentation will be "CIFO".</p>	
6.2	<p>Human Resources The Board discussed the report from Hassell Blampied and CIFO's</p>	

	<p>overall compensation strategy. The parameters for the proposed senior staff role were discussed as well as the proposed appointment vetting process to be followed for this and all subsequent roles.</p> <p>The Board considered the benefit policy for the organisation. It was agreed to include pension and employee health benefits. The level of employer pension contribution was set at 8%. Vacation entitlement was set at 25 days. Other items such as sick days were delegated to management's discretion and oversight.</p> <p>The Chief Executive is to discuss job terms and employment letter documentation best practices with JACS staff. Greater clarity on appropriate maternity and paternity benefits was also sought.</p>	DM
7.2	Stakeholder meetings schedule	
	The board noted the schedule of past meetings and asked that the DT/DM meeting with the Comptroller & Auditor General be added.	SW
8	<p>CIFO Project Plan to Launch Date</p> <p>The board considered the project plan. The timing and type of consultation in different areas was discussed. The consultation on sufficiently close relationships will be brought forward to the week beginning 27 July to assist with the funding project. Further consideration would be given to publishing in mid-August consultations on the model complaints procedure and operational policies on factors considered for the rejection of complaints; the delegation of complaints handling functions; and arrangements for review of delegated decisions to reject complaints. There was discussion of whether there should be public consultation or invited/round table type consultation – which it was noted must involve consumer as well as industry stakeholders.</p>	DM
9	Finance	
9.1	List of expenses written off by Jersey EDD	
	This item was circulated at the meeting. It was agreed that it would be amended to include only the first page as presented.	SW
9.2	<p>Management accounts second quarter 2015</p> <p>The board noted the accounts.</p>	
9.3	<p>Revised 2015 budget</p> <p>The Board discussed the revised budget. It noted that: The amount to be put into reserves would be a set amount rather than a number of months' operating costs for 2015 or 2016. It would take into account/have regard to potential 2016 costs, delayed payments, uncertainty as to the number of providers certifying for zero ratings for the levy, inflation etc. The 2015 revised budget requires the approval of both EDD and C&E even though the total is not materially different (approx. £30k) to that previously sent to both Departments. To be sent to both departments in September. The chairman will draft a covering letter to Departments on the revised budget. Text to be provided including that it has been reviewed by the</p>	SW DT

	<p>Chief Executive and the budget has been categorised into 3 areas:</p> <ul style="list-style-type: none"> • Standard operating costs • Volume/caseload-related costs • Contingent costs (dependent on unknown factors including the level of legal action) 	
9.4	<p>Revised cash flow analysis</p> <p>The board noted that</p> <ul style="list-style-type: none"> • Contingency in the form of a line of credit to £125k would be explored with the bank • The line of credit issue would be discussed with the Departments • Communications on funding may not reach all relevant parties in the industry, efforts to be made to reach a wider base particularly in Guernsey. • Next loan drawdown for Jersey to be lined up for early September 	<p>DM</p> <p>DM</p> <p>DM</p> <p>SW</p>
10	<p>CIFO Funding</p> <p>The board discussed the draft Case Fee and Levy Schemes and related documentation and made a number of editorial suggestions for the various documents in the funding package. The draft funding schemes are to be reworked to address the Board's comments.</p>	
11	<p>Policy Matters</p>	
11.1	<p>Consultation policy</p> <p>The board made some further revisions to the consultation policy which will be revised and recirculated to the Board for final approval.</p>	SW
11.2	<p>Tendering policy</p> <p>The board made some further revisions to the tendering policy which will be revised and recirculated to the Board for final approval.</p>	DM
7.2	<p>Next meeting</p> <p>9.30am Thurs 3rd September</p> <p>Discussed possibility of a longer overnight board session potentially Sept 30/ Oct 1 or a later meeting to review the operation planning to date and start on KPI and risk management. Chair to discuss with DM.</p>	<p>Chair</p> <p>DM</p>
	<p>Approved at board meeting 8 on 3 September 2015</p> <p>Chairman</p>	