

Board Meeting 18

9:30am Wednesday 8th November 2017

CIFO office, St Helier, Jersey

Acronyms in these and future minutes:

- CED = Committee for Economic Development, Guernsey
- CIFO = Channel Islands Financial Ombudsman, joint operation of Jersey OFSO and Guernsey OFSO
- EDTSC = Department for Economic Development, Tourism, Sport and Culture, Jersey
- Guernsey OFSO = Office of the Financial Services Ombudsman established by law in Guernsey
- Jersey OFSO = Office of the Financial Services Ombudsman established by law in Jersey
- GIBA = Guernsey International Business Association
- UK FOS = UK Financial Ombudsman Service
- OBSI = Ombudsman for Banking Services and Investments (Canada).

Minutes

Board of Jersey OFSO

Board of Guernsey OFSO

Present:

David Thomas (DT) in the chair
John Curran (JC)
Debbie Guillou (DG)
John Mills (JM)

In attendance:

Douglas Melville (DM), Principal Ombudsman and Chief Executive
George Butler (GB), Financial Accountant

Apologies:

Sophie Watkins (SW), Manager, Administration and Stakeholder Relations

	Approval of the agenda	Action
1	<p>The board approved the agenda for the meeting and noted three items to be carried over to future meetings:</p> <ol style="list-style-type: none"> 1. Financial Control Paper (next board meeting); 2. Consumer Survey (to be covered in subsequent strategic planning discussions); 3. Compliance with Ombudsman association guidelines (to be covered in subsequent strategic planning discussions). 	GB
2	<p>Minutes of the last meeting</p> <p>The board approved the minutes of the last meeting.</p>	

3	<p>Approval of previous Board decisions</p> <p>None noted</p>	
4	<p>Guernsey OFSO</p> <p>No items</p>	
5	<p>Jersey OFSO</p> <p>No items</p>	
6	<p>Guernsey States actions</p> <p>The board noted:</p> <ul style="list-style-type: none"> • the actions underway to renew the Chair and Director appointments; • the request for meeting with OFSO Board from States officers, now planned for the January 2018 board meeting; • the response to the CIFO meeting request from Alderney leadership and planned presentation to States of Alderney members on 28 November 2017. 	
7	<p>Jersey States actions</p> <p>The board noted:</p> <ul style="list-style-type: none"> • the actions underway to renew the Chair and Director appointments; • the request for meeting with OFSO Board from States officers, now planned for the January 2018 board meeting. 	
8.1	<p>Chief Executive's Report</p> <p>The board noted the Chief Executive's report and in particular:</p> <ul style="list-style-type: none"> ▪ Considered the Corporate Services Scrutiny Panel's comments regarding the potential for establishing a Legal Ombudsman and the possibility of sharing CIFO resources arising from the Jersey Law Society legislation revision, as well as the Jersey Law Commission report on public sector complaints. ▪ The need to enhance the operating statistics provided to the Board to provide greater insight into pre-assessment volumes and timelines. ▪ Actions taken in response to the early 2017 external review. ▪ The operational implications of current mass complaint cases. 	
8.2	<p>Complaint Statistics</p> <p>The Board reviewed the Q3 operating statistics and approved the public version for publication.</p>	
9	<p>Finance</p>	
9.1	<p>2018 CIFO Budget</p> <p>The board approved:</p> <ul style="list-style-type: none"> ▪ the 2018 draft budget as presented; and ▪ for 2018, a proposed increase to current case fees for levy-payers of £100 to £400 from £300, subject to consultation; and 	

	<ul style="list-style-type: none"> ▪ for 2018, a proposed increase to current case fees for non-levy-payers of £150 to £900 from £750, subject to consultation; and ▪ for the budget to be put to CED and the Minister for EDTSC for approval, with the working assumptions on which it is based and with the details of the estimated levies for 2018. <p>The board noted that:</p> <ul style="list-style-type: none"> ▪ Under the primary legislation, CIFO must, before the start of each financial year, adopt an annual budget. Once approved by CED and the Minister for EDTSC, the budgets will be circulated by email to the board for adoption. 	<p>SW / DM</p> <p>SW / DM</p> <p>GB / DM</p> <p>DM</p>
9.2	<p>CIFO Q3 financial accounts</p> <p>The board noted the Q3 financial accounts as presented.</p>	
9.3	<p>Cash-flow analysis</p> <p>The board noted:</p> <ul style="list-style-type: none"> ▪ the analysis of actual cashflows for the year to 31 October 2017; and ▪ the forecast of cashflows for the period November and December 2017, in particular, that the projected closing cash position as at 31 December 2017 was aligned to the forecast made in November 2016; and ▪ the cashflow forecast associated with the proposed 2018 budget indicated that cash reserves as at 31 December 2018 would be approximately 50% of CIFO's annual expenditure requirement in accordance with the board's reserves policy. 	
10	<p>CIFO consultations</p> <p>The board considered Consultation Paper 11: CIFO Funding Structure Options and a draft feedback report on the Funding Options Discussions Paper issued by CIFO 11 July 2017.</p> <p>The board, noting the content of both papers, decided they should be combined into a single document to be issued at the earliest opportunity.</p>	<p>DM</p>
11	<p>Policy Issues</p> <p>11.1 Board Review of CIFO Status at 2 Years</p> <p>The board noted a paper prepared by the Chief Executive and considered how CIFO might assess its current and future status perhaps with reference to the International Network of Financial Services Ombudsman Schemes' six fundamental principles:</p> <ul style="list-style-type: none"> ▪ independence, to secure impartiality; ▪ clarity of scope and powers; ▪ accessibility; ▪ effectiveness; ▪ fairness; and ▪ transparency and accountability. <p>The board considered the use of 'horizon scanning' to identify how CIFO's operating environment might evolve over the medium and longer term and hence how best to position the organisation to meet any changes. The board</p>	<p>DM / DT</p>

