

## Consultation Paper 4 2015 Case fee and levy schemes

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### A: This consultation

The Channel Islands Financial Ombudsman (CIFO) published the following schemes on 9 September 2015 on <http://www.ci-fo.org>:

- the Financial Services Ombudsman Levy and Establishment Levy Scheme (Bailiwick of Guernsey) 2015 [the Guernsey Levy Scheme];
- the Financial Services Ombudsman Fee Scheme (Bailiwick of Guernsey) 2015 [the Guernsey Fee Scheme];
- the Financial Services Ombudsman Fee Scheme (Jersey) 2015 [the Jersey Fee Scheme];
- the Financial Services Ombudsman Levy Scheme (Jersey) 2015 [the Jersey Levy Scheme].

The four schemes set out the funding of the Office of the Financial Services Ombudsman (Jersey) and the Office of the Financial Services Ombudsman (Guernsey), collectively trading as the Channel Islands Financial Ombudsman, through case fees and levies on certain financial services providers. The Jersey and Guernsey Levy Schemes cover the initial establishment and 2015 operating costs of CIFO.

Under the Financial Services Ombudsman (Case-fee and Levy) (Jersey) Regulations 2015<sup>1</sup> and the Financial Services Ombudsman (Case Fee and Levies) (Bailiwick of Guernsey) Order 2015<sup>2</sup>, CIFO must consult as to whether any amendments should be made to the initial schemes. Representative bodies of financial services providers and the Financial Services Commissions are invited to respond.

Section B explains how to respond. Section C explains the role of CIFO. Section D explains the background to the schemes. Section E explains the issue covered by this consultation. The schemes are shown in the annex.

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### B: How to respond

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<http://www.jerseylaw.je/law/display.aspx?url=LawsInForce\htm\ROFiles%5cR%26OYear2015%2fR%26O-009-2015.htm>

<sup>2</sup> <http://www.guernseylegalresources.gg/CHttpHandler.ashx?id=95899&p=0>

Please send any response in writing by email to [consultations@ci-fo.org](mailto:consultations@ci-fo.org) or by post to Channel Islands Financial Ombudsman, P O Box 114, Jersey, JE4 4QG. Responses may be published, unless clearly stated to be confidential.

This paper is being issued to remind stakeholders that, as stated in the previously published fee and levy schemes, responses were requested by 8 November 2015. Interested parties requesting additional time to provide comments are asked to contact CIFO at [enquiries@ci-fo.org](mailto:enquiries@ci-fo.org).

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## C: Financial Ombudsman

CIFO is the joint operation of the statutory bodies established by the Financial Services Ombudsman (Jersey) Law 2014 [‘the Jersey Ombudsman Law’]<sup>3</sup> and the Financial Services Ombudsman (Bailiwick of Guernsey) Law 2014 [‘the Guernsey Ombudsman Law’].<sup>4</sup>

CIFO is independent of the States. The joint operation – working from a shared office in Jersey, with the same board, ombudsman and staff – will cover complaints about financial services provided in and from Jersey, Guernsey, Alderney and Sark. It is due to open for business on 16 November 2015.

It will resolve complaints against financial services providers – independently, fairly, effectively, promptly, with minimum formality and so as to offer a more accessible alternative to court proceedings. This will help to underpin confidence in the finance sectors, both locally and internationally.

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## D: Legal background

The proposed framework for the funding of the Office of the Financial Services Ombudsman (Jersey) and the Office of the Financial Services Ombudsman (Guernsey) was set out by both of the States of Jersey<sup>5</sup> and Guernsey<sup>6</sup> in a joint consultation document.

The Financial Services Ombudsman (Case-fee and Levy) (Jersey) Regulations 2015<sup>7</sup> [‘the Jersey Funding Regulations’] and the Financial Services Ombudsman (Case Fee and Levies) (Bailiwick of Guernsey) Order 2015<sup>8</sup> [‘the Guernsey Funding Order’] provide for CIFO to prescribe schemes for case fees and levies to be paid by certain financial services providers in respect of the expenses of CIFO.

CIFO published on 9<sup>th</sup> September 2015 the Guernsey Levy Scheme, the Guernsey Fee Scheme, the Jersey Levy Scheme and the Jersey Fee Scheme and subsequently issued levy notices in accordance with the schemes.

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<sup>3</sup> [www.jerseylaw.je/Law/display.aspx?url=lawsinforce%5chtm%5cLawFiles%5c2014%2fl-14-2014.htm](http://www.jerseylaw.je/Law/display.aspx?url=lawsinforce%5chtm%5cLawFiles%5c2014%2fl-14-2014.htm)

<sup>4</sup> [www.guernseylegalresources.gg/article/115617/Financial-Services-Ombudsman-Bailiwick-of-Guernsey-Law-2014](http://www.guernseylegalresources.gg/article/115617/Financial-Services-Ombudsman-Bailiwick-of-Guernsey-Law-2014)

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<http://www.gov.je/SiteCollectionDocuments/Industry%20and%20finance/ID%20Joint%20funding%20consultation%20paper%20Final%2020140925%20LB.pdf>

<sup>6</sup> <http://www.gov.gg/article/114386/Financial-Services-Ombudsman-funding-consultation>

<sup>7</sup> <http://www.jerseylaw.je/law/display.aspx?url=LawsInForce\htm\ROFiles%5cR%26OYear2015%2fR%26O-009-2015.htm>

<sup>8</sup> <http://www.guernseylegalresources.gg/CHttpHandler.ashx?id=95899&p=0>

Under Regulations 3 and 5 of the Jersey Funding Regulations and Articles 2, 4 and 8 of the Guernsey Funding Order, prior consultation on the initial schemes was not required as CIFO had taken into account the States of Guernsey and States of Jersey joint consultation on funding. Subsequent schemes will require prior consultation.

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## **E: Issues covered by this consultation**

Stakeholders are invited to comment as to whether any amendment should be made to the Guernsey Levy Scheme, the Guernsey Fee Scheme, the Jersey Levy Scheme and the Jersey Fee Scheme.

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## Annex:

- the Financial Services Ombudsman Levy and Establishment Levy Scheme (Bailiwick of Guernsey) 2015 [the Guernsey Levy Scheme] see <https://www.ci-fo.org/levy-and-establishment-levy-scheme-bailiwick-of-guernsey-2015/>;
- the Financial Services Ombudsman Fee Scheme (Bailiwick of Guernsey) 2015 [the Guernsey Fee Scheme] see <https://www.ci-fo.org/fee-scheme-bailiwick-of-guernsey-2015/>;
- the Financial Services Ombudsman Fee Scheme (Jersey) 2015 [the Jersey Fee Scheme] see <https://www.ci-fo.org/fee-scheme-jersey-2015/>;
- the Financial Services Ombudsman Levy Scheme (Jersey) 2015 [the Jersey Levy Scheme] see <https://www.ci-fo.org/levy-scheme-jersey-2015/>.