

Board Meeting 11

9.00am – 2.00pm Thursday 14th January 2016

CIFO office, St Helier

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) – except for item 10

In attendance:

Douglas Melville (DM), Principal Ombudsman and CEO

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


For item 6.2.2 only: Lesley Averell, Audit Director, and Sandeep Lamba, Audit Manager, of KPMG

Apologies:

None

1	Minutes of last meeting The board noted a quorum was present. The minutes were approved.	
2	Guernsey OFSO The board noted that the 2016 OFSO budget had been submitted to and approved by the Commerce and Employment Department (CED) and that, once consultation paper 7 concludes on 15 th January 2016, OFSO would write to CED with a recommendation regarding the amendment of the Financial Services Ombudsman (Case Fee and Levies) (Bailiwick of Guernsey) Order 2015.	
3	Jersey OFSO The board noted that the 2016 OFSO budget had been submitted to and approved by the Minister for Economic Development (EDD) and that, once consultation paper 7 concludes on 15 th January 2016, OFSO would write to EDD with a recommendation regarding the amendment of the Financial Services Ombudsman (Case-fee and Levy) (Jersey) Regulations 2015.	

	<p>The board noted the analysis of complaint volumes to date and the development of quarterly statistics for the board. The board requested:</p> <ul style="list-style-type: none"> • ongoing monitoring of the volumes of rejections due to the 'starting date' for retrospection and the particular definitions of relevant financial services relating to collective investment funds; • that, on the summary sheet, the numbers were provided for complaints rejected at stage 3 and 4; • that type of complainant should be added to the data provided to the board on complaints (individual as consumer / individual as trustee / microenterprise / charity); • information to be included as to whether any of the same providers seem to be generating higher proportions of complaints; • the time analysis should be in multiples of 90 days. <p>The board noted:</p> <ul style="list-style-type: none"> • Both the type of provider and the type of product should be recorded. The nature of the complaints should be classified at the end of the complaint process (as it is not necessarily clearly defined at the start of the complaint process). • Caution should be exercised regarding meeting in person with one party in the absence of the other, in order to uphold independence and to be fair to all parties. Where a party requests a meeting in which to provide and discuss documentation, CIFO staff should request the documents first, review and then contact by telephone if there are any queries; • The board's July meeting will consider proposals from the chief executive for: a unit cost measure; and research into satisfaction levels. 	DM
6	<p>Finance</p> <p>The board noted:</p> <ul style="list-style-type: none"> • The cash flow update; • The options for a deposit account and approved the opening of an instant access account with HSBC, without the sweep option. 	
6.1	<p>2015 levy update</p> <p>The board noted the update on the 2015 levy collection. It recommended that the next statement of account to be sent to non-payers should be sent week beginning 18th January 2016. This should remind non-payers that interest is accruing at 6% pa from the due date. It should quote the amount of the interest as a daily rate (in cash terms) and say that interest must be added to the payment.</p> <p>The board noted the complexity of the levy collection process, the challenges for resources incurred in handling levy queries and the additional costs incurred from the billing and collection supplier for</p>	

	expenses.	
7	CIFO activities plan The board noted the plan.	
8	<p>Annual report 2015</p> <p>The board discussed the paper on the annual report and noted the following areas needed to be included:</p> <ul style="list-style-type: none"> • International relations (see item 4) • The implications for redress awards that there is not a compensation scheme for all areas of relevant business • Data integrity of licensee data from the regulators • The (high) proportion of complaints that are being settled on referral to CIFO, so that published ombudsman decisions may not be indicative of overall trends. • The expense of unavoidable overheads, such as the cost of raising the funding • Cases outside of jurisdiction ('starting date' and funds coverage) <p>The board will be asked to update their biographical information and a photographer will be arranged for the next board meeting.</p> <p>The board agreed an annual meeting in relation to the annual report should be held for stakeholders generally plus individual meetings with CED / EDD and the FSCs. The timing should be arranged so as to align appropriately with the submission of the annual report and accounts to the States by CED and EDD.</p>	<p>SW</p> <p>DM / SW</p>
9	<p>Board dates</p> <p>The board reassessed the meeting dates for 2016. The proposed revised dates are:</p> <p>Tuesday 26th April 2016 (all day) - Jersey Tuesday 19th (pm) and Wednesday 20th (9am – 2pm) July - Guernsey Wednesday 19th (pm) and Thursday 20th (9am – 2pm) October Wednesday 18th (pm) and Thursday 19th (9am – 2pm) January 2017</p>	SW
10	<p>Any other business</p> <p>John Mills left the meeting. The board discussed the jurisdictional boundaries relating to pensions.</p>	
	<p>Approved at board meeting 12 on 26th April 2016</p> <p></p> <p>Chairman</p>	