

Board Meeting 36

9.30am – 3:00pm Wednesday 21 April 2022

2nd Floor Boardroom

Forum 3, Grenville Street, St Helier, Jersey

Minutes

Board of Jersey OFSO

Board of Guernsey OFSO

Present:

David Thomas (DT) in the chair

Debbie Guillou (DG)

John Mills (JM)

Antony Townsend (AT)

Robert Girard (RG)

In attendance:

Douglas Melville (DM), Principal Ombudsman and Chief Executive

Alison Finn (AF), Manager, Finance and Administration

Ross Symes (RS), Manager, Complaints Resolution

Hannah Dinsdale (HD), Audit Manager, RSM Channel Islands (Audit) Limited - Item 7.1 only

RSM Channel Islands (Audit) Limited (by video conference) - Item 7.1 only

Natalie Mooney (NM), Case handler – Item 9.3 only

Apologies:

1	Approval of the Agenda Approved
2	Declaration of interests or potential conflict with respect to the agenda No interests or potential conflict with items on the agenda were declared.
3	Minutes of the last meeting The board approved the minutes of the last meeting.
4	Previous board decisions by email to note None this quarter.
5	Board to note The board noted: - publication of Q4 2021 complaint statistics (8 February 2022) - proposed meeting dates for 2022 and 2023 (invitations to be sent out after the meeting)
6	Chief Executive's Report The board noted the Chief Executive's report and in particular:

	<ul style="list-style-type: none"> • The rise in Guernsey insurance complaints, overtaking banking as the dominant sector for Q1. • The appointment of a new Director General at JFSC. • The continuing effort to engage with Guernsey stakeholders. • A project team is being established with equivalent Jersey bodies to undertake a benchmarking exercise for salaries and benefits and an update will be provided at the July board meeting. • All recommendations issued by the Cyber emergency response team, Jersey, in relation to the raised threat of cyber-attacks due to the Ukraine conflict have been enacted.
7	<p>Finance</p> <p>7.1 2021 Financial statements</p> <p>RSM joined the meeting to report on the audit findings and closing letter. The board reviewed the letter of representation and requested a minor amendment to the wording. The letter of representation and 2021 financial statements were then approved for signature.</p> <p>7.2 Q1 2022 Financial accounts</p> <p>The Q1 2022 financial accounts were reviewed, it was noted the higher than budgeted staff costs combined with the rising number of cases could push the staff costs above the current forecast.</p> <p>7.3 Q1 2022 Cashflow analysis</p> <p>The board noted the Q1 2022 Cashflow analysis and updated cash-flow forecast.</p> <p>7.4 Levy collection update</p> <ul style="list-style-type: none"> • A petty debt court judgment was issued in respect of the remaining one 2021 unpaid levy. This will be forwarded to the Viscount's Office for enforcement. • The 2022 bank levies were issued on 1 March 2022 and as at the date of the meeting all levies had been collected.
8	<p>Governance and Policy</p> <p>8.1 Update on board recruitment and appointments</p> <p>The process for appointing a board member to replace DG, whose term ends in January 2023, will be undertaken by a committee consisting of AT, a representative of both Guernsey and Jersey governments and a member of the Jersey Appointment Commission. The recruitment process will begin in June to ensure a suitable candidate is selected before the end of Q4.</p> <p>8.2 Approval of 2021 annual report</p> <p>The annual report was approved, and the Chair was authorised to make any subsequent minor editorial amendments in conjunction with management.</p> <p>8.3 Board and staff conflict declarations</p> <p>DM confirmed all declarations had been received. The board noted items declared and the steps being taken to ensure all potential conflicts are suitably managed.</p>

8.4	<p>Timeliness metrics</p> <p>The board noted there were outliers in each Stage of the timeliness metrics and RS explained the reasons for those and that these would see improvement over the next few quarters</p>
8.5	<p>Quality metrics</p> <p>DT advised he had not received any service complaints in Q1.</p> <p>DM advised 3 service complaints were received during Q1. These were perceived to be appeals against the decisions rather than actual complaints about the service received.</p>
8.6	<p>Non-case work policies</p> <p>The board agreed that policies should be approved by the board whereas procedures were a matter for management.</p> <p>A list of policies and procedures was presented, and the board advised one of these should be presented at the next meeting to establish whether it was a policy, a procedure or both. It was agreed the document named 'Data Protection and Information Security Policy and Procedure' would be reviewed in July.</p>
8.7	<p>Funding principles for extension of pension mandate in Jersey</p> <p>Government of Jersey officials have requested that CIFO clarify its intentions regarding funding for this new in-mandate sector. The board's view was as follows:</p> <ul style="list-style-type: none"> ▪ Its preferred approach was to retain the existing pattern of levy and case fee. The Jersey public-sector pension schemes would pay a yearly levy plus a lower-case fee. Other pension schemes (not all of which are identifiable in advance) would pay no levy but a higher case fee. ▪ In setting the amount of the levy and case fee, the CIFO board would take into account the proportion of CIFO's resources expected to be devoted to complaints about occupational pensions. The amounts can be adjusted each year in the light of experience. ▪ Before the board could estimate the amount of resources required, and hence the level of levy and case fees, it would need information from Jersey occupational pension schemes about the number and types of complaints they currently receive that would be likely to be referred to CIFO. ▪ It will keep under review, in the light of experience, whether to propose a change to the law - so that the ombudsman would have a wider power to charge such external expenditure to the occupational scheme involved in the particular case (rather than it falling into general overheads). ▪ Taking on this work will require CIFO to incur some up-front expenditure, and it does not seem appropriate that this should be charged against CIFO's existing FSP-provided reserves. Accordingly, it is proposed that there should be an additional up-front establishment levy.
8.8	<p>Business continuity plan</p> <p>It was noted that notifying the board was not mentioned in the notification calling tree and this would be added as an amber item, 'notification made in a timely but considered basis considering the circumstances of the situation'.</p>
8.9	<p>Corporate records management</p> <p>The board noted the records were up to date and saved in an accessible format.</p>
8.10	<p>Format for annual stakeholder meetings</p> <p>It was agreed that the annual meeting held after publication of the annual report would be a virtual presentation.</p>

9	<p>Case-related Reports</p> <p>The board received:</p> <ul style="list-style-type: none"> ▪ detailed complaint statistics; ▪ an overview of the types of complaints received in the pensions sector; and ▪ a presentation on case studies.
10	<p>CIFO Consultations</p> <p>The Board noted that no responses were received to Consultation Paper 19 – 2022 Levy Schemes (closed 10 January 2022).</p>
11	<p>Administration</p> <p>All administrative matters involving required letters and confirmations were attended to.</p>
12	<p>AOB – Nothing to discuss</p>
13	<p>In Camera – Nothing to discuss</p>
	<p>Approved at board meeting 37 on 27 July 2022.</p> <p>Chairman</p>