

Board Meeting 42

9.00am – 12.00pm

Thursday 19 October 2023

Forum 3

St Helier, Jersey

Minutes

Board of Jersey OFSO

Board of Guernsey OFSO

Present:

Antony Townsend (AT) in the chair

Robert Girard (RG)

Hayley North (HN)

Jennifer Carnegie (JC)

In attendance:

Douglas Melville (DM), Principal Ombudsman and Chief Executive

Alison Finn (AF), Manager, Finance and Administration

Ross Symes (RS), Ombudsman & Manager, Complaints Resolution

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. Though not a conflict, RG noted his appointment to the Board of JamesCo 750.
3	Minutes of the last meeting The board approved the minutes of the last meeting. AT enquired whether there were any matters arising from the minutes or any update on Item 6.1 in relation to the Guernsey secondary pension schemes. DM advised no further progress in this area to report.
4	Previous board decisions by email to note <ul style="list-style-type: none"> 13 September – Approval of late zero-rating submission 28 September – Approval of late zero-rating submission

5	<p>Board to note</p> <p>Publication of Q2 2023 complaint statistics (27 July 2023)</p> <p>CIFO Board calendar of activities (note scheduled meeting dates for 2023 and 2024). A request had been made to adjust the April 2024 meeting dates as it was too near the deadline for submission of the annual report and audit sign off. The board agreed to keep the date the same but to ensure the annual report would be reviewed and approved prior to the meeting. A video call would be set up to enable the board to discuss and approve the final version.</p>
6	<p>Chief Executive's Report</p>
6.1	<p>Report for information and discussion</p> <p>The board noted the Chief Executive's report and in particular:</p> <p>The recent publicity around de-banking and CIFO's current approach to these complaints. The board is comfortable with CIFO's current approach to the cases.</p> <p>Ongoing meetings with the GoJ and occupational pension plan sub-sector stakeholders to plan for the extension of CIFO's mandate into this new area of financial services.</p> <p>The JFSC requirement for non-executive directors to register with them (Schedule 2).</p> <p>The Office of Comptroller and Auditor General, Jersey seeking permission to appoint auditors of statutory bodies.</p> <p>CIFO's funding model will require a review when the new Jersey pension legislation comes into effect and the Board agreed that the funding model issues and options that will be put out to industry for discussion need to be agreed by the July board meeting.</p>
7	<p>Operations and case-related reports</p>
7.1	<p>Operations report</p> <p>RS advised the complaint inventory is high due to recent CIFO staff changes and shared plans to address the situation.</p> <p>RS pointed out that he had included some new graphs in his report to reflect the quarterly comparisons for Q3 for each year from 2018. The board advised they were helpful and should be included in RS's report going forward.</p>
7.2	<p>Q3 2023 Complaint statistics</p> <p>The board noted the Q3 2023 Complaint statistics and approved them for publication.</p>

7.3	<p>Timeliness metrics</p> <p>The board noted the updated layout of the process stages and timeliness as agreed, to also show days elapsed of 30 or more as months.</p>
7.4	<p>Update on 10 oldest cases</p> <p>The board noted the report and requested further information on the oldest cases as to why they were still open, and the issues related to them. RS commented it was good to see some newer cases in the 10 oldest as this showed that the older cases were being closed.</p>
8	<p>Finance and Risk</p>
8.1	<p>CIFO 2023 financials</p>
8.2	<p>Q3 2023 Financial accounts</p> <p>The board noted the financial accounts, and that the operating year-end surplus was forecast to be higher than the budget.</p>
8.3	<p>Q3 2023 Cashflow analysis</p> <p>The board noted the cashflow analysis and that CIFO would be in a more favourable position than was forecast at the beginning of the year.</p>
8.4	<p>Levy update</p> <p>AF had previously advised the board that as the levy had been issued using QuickBooks for the first time. This resulted in a larger number of late payers as the emails were blocked by firewalls. Two levies remain outstanding, which should be settled shortly. Prosperity 24/7, the organisation's IT provider, is investigating a way to issue a more compatible version in future, until such time, they will be mailed out as done previously.</p>
8.5	<p>CIFO 2024 financials</p>
8.6 & 8.7	<p>2024 Draft Budget – Levies & case fees</p> <p>The main decisions around the 2024 budget were to;</p> <ol style="list-style-type: none"> 1. Increase reserves from 3 months to 5 months with a commitment to increase to at least 6 from 2025 to ensure sufficient cover for unexpected costs. 2. Increase case fees by 15% to reduce levies ensuring the user pay model continues. 3. Approve the draft operating expenses. 4. Increase bank levies by 9%, with the increase to non-bank levies to be determined by the number of payers.
8.8	<p>2024 cash flow forecast</p> <p>The board agreed that the increase in income was prudent and would assist with future proofing CIFO's cash flows and ensuring sufficient reserves were held.</p>
8.9	<p>Risk management and updated register</p> <p>The board advised they were happy with the revised register. Moving forward, a quarterly review would be undertaken with a summary provided to the board of any changes in impact severity, new risks or risks that are no longer relevant since the previous quarter.</p>

9	Governance and Policy
9.1	Update on occupational pensions mandate This was covered in the Chief Executive's report (Item 6.1).
9.2	Service complaint AT advised he had received 1 service complaint int the quarter. While he agreed CIFO's process in reaching an outcome was correct, he had some comments regarding the complaint handling.
9.3	Cyber security update In light of recent high-profile data breaches seen in the media in the UK, the Chair had requested an update on CIFO's own cyber security arrangements. The Board noted management's report on the risks and mitigation steps in place to address them.
9.4	Environmental policy <i>Not covered in meeting - DM to comment re email discussion on this</i>
10	Administration Nothing to discuss
11	AOB Nothing to discuss
12	In Camera – Nothing to discuss
	<p>Approved at board meeting 43 on 25 January 2023.</p> <p>Chair</p>