Minutes for Meeting Book- Board Meeting 49

24/07/2025 | 09:00 - 12:00 - (GMT+00:00) Edinburgh
Forum 3

Attendees (7)

Board:
Antony Townsend (AT) Chair
Rob Girard (RG) Vice Chair
Jennifer Carnegie (JC), Board member

CIFO Executive:
CEO – Douglas Melville (DM)
Head of Legal, Policy and Compliance - Charlotte Brambilla (CB);
Ombudsman & Head of Complaints Resolution - Ross Symes (RS);
Head of Finance & Administration - Alison Finn (AF)

Apologies for absence
Hayley North, Board member

1. Approval of the agenda

The Board approved the Agenda.

2. Current Director and CEO and CIFO staff Declarations of Interests

No new interests were declared, and two existing interests were removed as they were no longer current.

The Board approved the updated CIFO Board and CEO Register of Interests presented to the Meeting.

3. Gift and Hospitality Register

The Board noted there were no new items recorded on the Gift and Hospitality Register.

4. Declaration of any interests and potential conflict with respect to the agenda

The Board noted there were no interests or potential conflicts of interest with respect to the Agenda.

5. Minutes of last meeting for approval

The Board approved the minutes of the last meeting in the form appended to the Agenda.

6. Board to note

The Board noted:

- CIFO's proposed calendar of activities for Q3 2025.
- its approval of the Q2 2025 statistics for publication.
- the renewal of the contract of the CEO and Principal Ombudsman for a term of 5 years, effective 1 June 2025.

7. Finance and Risk

The Board noted and approved the following items:

7.1(a) Q2 2025 financial accounts

The Board approved the Q2 draft accounts.

7.1(b) Q2 2025 cashflow analysis and year end projections

The Board noted the Q2 cashflow analysis and that CIFO was below budget for its Q2 income performance but there was anticipated to be a significant amount of income arising in August. The cash flow issue was identified as relating to CIFO's performance of its case allocation function which triggers its case fee income. A material number of complaints cases were still awaiting allocation. The Board was satisfied the outstanding case allocation would be addressed in the next quarter.

7.1(c) 2025 levy and case fee collection update

The Board was updated by the Head of Finance and noted all outstanding levies had been paid. It was anticipated there would be significant case fee income in the next quarter following the allocation of the inventory of cases currently awaiting allocation.

7.2 Updates to Risk Management Register

The Board noted there were no new items added to the Risk Management Register and that work continued to be undertaken by the Management Team in response to the findings of the Jersey Office of the Information Commissioner (JOIC).

8. Chief Executive's Report

The Board noted and approved the Chief Executive's report which identified the following developments:

- the establishment of the new States Assembly in Guernsey following its elections with new incumbents in the key CIFO stakeholder roles.
- the UK Supreme Court's motor finance case decision being due out shortly which would help clarify CIFO's approach to such cases.
- the proposed reforms to UK FOS in the UK Government consultation issued on 7 July 2025.
- the proposed change to the calculation of interest on UK FOS compensation awards moving from a fixed 8% rate to a 1% above UK base interest rate.
- the continued uncertainty in the UK and Channel Islands surrounding the legal and regulatory compensation framework for consumer frauds involving authorised push payments.
- the increase in volume of complaints referred to UK FOS by case management companies and the recent UK case brought by an industry participant against a CMC for economic harm caused by complaint proliferation which is still under consideration, but which could restrict the activities of such companies if upheld.

9. Operations and case-related reports

The Board noted and approved CIFO's operational case management report, which reported:

- five of the oldest cases have been resolved in the last quarter. The oldest case remains over 7 years' old. The proposed strategy to resolve the oldest cases was discussed and approved by the Board.
- there is evidence that CIFO's complaint volumes have plateaued and may even be in decline, but that the complexity of the complaints referred to CIFO has increased.
- CIFO should maintain its current resourcing levels despite the reduced case support available from the external contract Ombudsmen as greater efficiencies are being delivered by new software solutions with Microsoft Co-pilot. Management should

continue to investigate alternative and flexible resourcing models to address its demand led resource requirements.
- the issues impacting CIFO's case management process with the fraud cases have been resolved. Work is now underway in moving these cases through CIFO's case management process to resolution.

10. Legal, Policy & Compliance

The Board noted and approved CIFO's legal, policy, compliance and governance reports, which reported:

- Jersey's consumer lending primary legislation has been approved with its secondary legislation due to come into being next year and the new regime effective from Q1 2027.
- Jersey's public ombudsman proposals following government consultation are awaited.
- GFSC is due to undertake a thematic examination on its motor finance sector in Q3.
- Significant stakeholder engagement has been undertaken by the Management Team in both islands with industry, government and local regulators, and, also, with other external stakeholders with the Team's attendance at the Ombudsman Association Conference in May. This engagement will be further supplemented by the Annual Stakeholder Meeting.
- 5 service complaints and 2 DSARs have been raised in the last quarter; there is a trend for complainants who are unhappy with the outcome of their complaint to raise both.
- CIFO has implemented new DSAR policies and procedures and undertaken staff training on the same in response to the JOIC findings.
- CIFO's publication of its final determinations of complaint cases (on an anonymised basis) has recommenced. A new search function has been introduced with better functionality.
- The outcome of the initial period of the user survey showed a response rate from complaints which was approximately representative of 20% of cases closed over the period. No responses were completed by FSPs. This was recognised to be a slightly above average performance for other ombudsman user survey schemes. Alternative options for FSP feedback would be considered.
- CIFO prioritisation operationally of its adoption of technical solutions to improve the experience of its users and deliver more efficiencies in its case management process.

- The new permanent staff remote working policy was put in place effective from July 2025.
- The process for the reappointment of the Chair is underway in both islands with the compensation under review for all board members.

11. AOB

The Board noted there were no items for AOB.