

## **Board Meeting 44**

**10.30am – 1pm**

**Thursday 25 April 2024**

**Forum 3**

**Grenville Street**

**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)

### **In attendance:**

Douglas Melville (DM), Principal Ombudsman and Chief Executive

Alison Finn (AF), Manager, Finance and Administration

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

RSM Channel Islands (Audit) Limited (Section 9.1 only)

### **Apologies:**

Jennifer Carnegie (JC)

#### **1 Approval of the Agenda**

Approved

#### **2 Review of current Director declarations of interests**

Jennifer Carnegie has been appointed as Chair of Jersey Development Company.

Hayley North requested the removal of her columnist work.

The Board agreed that all meeting attendees should be included in the register of interests.

#### **3 Declaration of interests or potential conflict with respect to the agenda**

No interests or potential conflict with items on the agenda were declared.


The Board will review the conflicts policy to ensure they are correctly identifying any potential conflicts.

#### **4 Minutes of the last meeting**

The Board approved the minutes of the last meeting.

5	<p><b>Previous Board decisions by email to note</b></p> <ul style="list-style-type: none"> <li>• 25 March 2024 – Appointment of Sean Hamilton as Ombudsman</li> <li>• 12 April 2024 - Approval of 2023 financial statements</li> <li>• 14 April 2024 – Approval of letter of representation to RSM Channel Islands (Audit) Limited in respect of the 2023 financial statements</li> </ul>
6	<p><b>Board to note</b></p> <p>The Board noted</p> <ul style="list-style-type: none"> <li>• Publication of Q4 2023 complaint statistics (5 February 2024).</li> <li>• CIFO Board calendar of activities (including scheduled meeting dates for 2025).</li> </ul>
7	<p><b>Chief Executive’s Report</b></p> <p>The Board noted the Chief Executive’s report and in particular:</p> <ul style="list-style-type: none"> <li>• Guernsey has confirmed their view regarding the sufficiency of the current primary and secondary legislation governing CIFO’s mandate for occupational pension plans in Guernsey, including the new secondary pension plan. DM highlighted that if a pension plan is not administered by a fiduciary entity it could fall outside CIFO’s remit. This had been flagged to Government.</li> <li>• Revenue Jersey finalised its new legislation which provides a statutory gateway to share information with CIFO. This was identified previously as a requirement to enable CIFO to obtain information critical to the effective handling of private occupational pension complaints in Jersey.</li> <li>• The first annual inflation adjustment of UK FOS’s compensation limit saw it increase from £415,000 to £430,000. CIFO’s compensation limit remains at £150,000 despite having been the same as UK FOS’s limit at CIFO’s inception in 2015, when both stood at £150,000. The Board are of the opinion that a higher threshold is warranted.</li> <li>• Due to a combination of factors, CIFO’s mandate extension to cover Jersey occupational pension complaints did not meet the original target date of July 2023 nor the revised dates of October 2023 and 1 January 2024. Sometime in late 2024 or early 2025 is still being stated as the timetable for the legislation to come into force, but details are still unclear. Revised expectations are now that it will be late 2025 if not 2026 before any material complaint volumes are referred to CIFO.</li> <li>• DM advised that JFSC had requested our list of ongoing complaints against one FSP to cross reference with their own list. This indicated an interest in complaint handling operations. The JFSC are participating, alongside the Jersey Financial Intelligence Unit (FIU), in CIFO’s panel discussion in June on complaints handling best practice. The Board welcomed this development.</li> <li>• A work-from-home (WFH) draft policy has been prepared with external HR advice and will be implemented following the Board meeting and submission to both governments of the 2023 annual report at the end of April. It will be reviewed again after 6 months in operation.</li> </ul> <p>The Board advised they were pleased with the revised format of the CEO report.</p>
8	<p><b>Operations and case-related reports</b></p> <p>8.1 <b>Operations report</b></p> <p>There is increased demand and output is steady. The current inventory level is satisfactory.</p> <p>HN commented on the positive number of cases resolved by mediation. RS advised this can be increased with training. This was also a positive for FSPs, showing their willingness to</p>

	<p>engage, and it enhanced their reputation as this is reported in the publication of FSP data.</p> <p>The Board asked whether the adjudicators were involved in the new ombudsmen panel meetings. RS advised there was as yet no adjudicator involvement in those planned discussions. However, the adjudicators' own meetings with the ombudsmen would be resuming.</p> <p><b>8.2 Q2 2024 Complaint statistics</b></p> <p>The Board noted the Q1 2024 Complaint statistics, that overall it was a positive picture, and approved them for publication.</p> <p><b>8.3 Timeliness metrics</b></p> <p>RS explained the 25 cases in allocation were all within the 30-day time limit.</p> <p><b>8.4 Update on 10 oldest cases</b></p> <p>RS advised that since the report had been prepared two of the cases had closed. RS had enquired of CIFO's IT provider if it was possible to add a pause button to the CMS system for cases that were not being actively worked due to specific circumstances, so they could be placed in a suspended case category. This did not seem to be possible, and it is likely that the 3 cases currently with the Principal Ombudsman will be closed, and the complainants advised they can be reopened if further information becomes available in future. The possibility of recording suspended cases manually was discussed.</p>
<p><b>9</b></p> <p><b>9.1</b></p> <p><b>9.2</b></p> <p><b>9.3</b></p>	<p><b>Finance and Risk 2023</b></p> <p><b>Auditors' Report</b></p> <p>The Board noted that the 2023 financial statements and representation letter had been approved by email prior to the meeting, as the deadline for inclusion in the annual report was 22<sup>nd</sup> April.</p> <p>PC advised the Board on their audit process and that a clean audit report had been issued.</p> <p>DM asked what the auditor was seeing in relation to the uses of AI in accounting and audit practice, and amongst their clients.</p> <p>PC advised that while there was lots of interest at present there was uncertainty around what AI could actually be used for in financial reporting. With regards to audit, RSM would be using an audit methodology platform in future to assist in carrying out their audit work.</p> <p><b>Q1 2024 Financial accounts</b></p> <p>The Board noted the Q1 2024 financial accounts.</p> <p><b>Q1 2024 Cashflow analysis and 2024 cashflow forecast.</b></p> <p>The Board noted the 2024 cashflow analysis and that CIFO was predicted to be in a more favorable position than forecast at the end of the year.</p> <p><b>2024 Levy and case fee collection</b></p> <p>AF advised that all 2024 levies and case fees raised so far this year have been collected.</p> <p><b>Update to Risk management register</b></p> <p>There were no changes to the risk register from last quarter.</p>

10	<p><b>Governance and Policy</b></p> <p>DM advised that he had sought confirmation on the requirements for the directors to register under Schedule 2 with JFSC. He will provide a briefing note to the Board for them to review and decide if they are individually required to register under this legislation.</p> <p><b>10.1 CIFO Staff declaration of interests</b></p> <p>DM advised all declarations had been received. He advised the Board of a couple of potential conflicts. The Board were satisfied that there were not actual conflicts at present. The matter would be kept under review.</p> <hr/> <p><b>10.2 Planning for July 2024 annual stakeholder meeting</b></p> <p>The live event timings were conflicting with the timings for the strategy and Board meetings. It was agreed subject to one director's availability that the Board meeting would be held on the morning of 24 July.</p> <p><b>10.3 Update on occupational pensions mandate</b></p> <p>This was covered in the CEO's report in Section 7.</p> <p><b>10.4 Service complaints</b></p> <p>AT updated the Board on the service complaint he completed on 30 January 2024. Apart from one email which was not acknowledged, he found no issues with the service that CIFO had provided to the complainant.</p> <p><b>10.5 Plans for CIFO funding model consultation</b></p> <p>DM advised that prior to consulting on changes to the current funding model, CIFO would issue a thought paper on the various options to be considered. A draft outline was circulated for Directors' information and comments.</p> <p>A draft thought paper would be brought to the Board at the July meeting for their review.</p>
11	<p><b>Administration</b></p> <p>Nothing to note</p>
12	<p><b>AOB</b></p> <p>Nothing to note</p>
	<p>Approved at board meeting 45 on 24th July 2024</p> <p></p> <p>Chairman</p>