

Quality Committee – Terms of Reference

1. Constitution

- 1.1. The Quality Committee is constituted as a committee of the Board of the Financial Ombudsman Service Limited.
- 1.2. It has been established on a time-limited basis, for an initial period of up to two years, and its ongoing need will be subject to periodic review.
- 1.3. The committee's terms of reference (ToR) may be amended at any time by the Board.

2. Authority

The committee is authorised by the Board to:

- 2.1. Undertake business within its ToR.
- 2.2. Seek any information it requires from any employee (all employees are directed to co-operate with any request made by the committee).
- 2.3. Obtain external legal or other professional advice.
- 2.4. Secure the attendance of anyone it considers has relevant experience, expertise or knowledge.

3. Membership

- 3.1. The committee shall be appointed by the nomination committee from amongst the Board membership and shall consist of not less than three members.
- 3.2. The chairman of the committee shall be appointed by the Nomination Committee.
- 3.3. In the absence of the committee chairman, the remaining members present shall elect one of their number to chair the meeting.
- 3.4. The Board secretary will provide secretariat support to the committee.

4. Meetings

- 4.1. Meetings shall be held at least three times a year at appropriate times in the reporting and audit cycle and otherwise as required.
- 4.2. The quorum necessary for the transaction of the business of the committee shall be at least two committee members.
- 4.3. Only members of the committee have the right to attend committee meetings. Other individuals, including other Board, executive and staff members, may be invited to attend all or part of any meeting as and when appropriate.
- 4.4. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed and the supporting papers, shall be forwarded to each member of the committee and any other person required to attend, no later than five working days before the date of the meeting.

5. Minutes of meetings

5.1. The Board secretary shall minute the proceedings and decisions of all committee meetings, including the names of those present.

5.2. Where possible, the minutes shall be prepared for the chair's review within five working days of the meeting.

5.3. The chair will provide an oral update on committee business at the next Board meeting and minutes will be shared, once approved.

6. Responsibilities

The committee shall:

6.1. Provide strategic oversight and challenge in relation to the end to end efficiency, effectiveness and consistency of casework processes for consumers, businesses and colleagues (i.e. this is what "Quality" means for the purposes of this committee).

6.2. Scrutinise consistency and excellence in the processes for making decisions.

6.3. Examine and monitor consumer and business satisfaction with the service received.

6.4. Examine and monitor remedial actions and mitigating steps being taken to address concerns raised by service complaints and the findings of the Independent Assessor.

6.5. Define and monitor metrics and targets which measure both processes and outcomes associated with the above.

6.6. Examine and monitor actions, owners and timescales for ensuring targets are met or exceeded.

7. Approval and reporting procedures

The committee shall:

7.1. Make recommendations to the Board on all matters requiring Board approval.

7.2. Make recommendations to the Board on any area within its remit where action or improvement is needed.

7.3. Produce an annual report on its activities for submission to the Board and for inclusion in the Directors' annual report.

8. Other matters

The committee shall:

8.1. Have access to sufficient resources to carry out its duties, including access to the company and Board secretariat for assistance, as required.

8.2. Receive appropriate and timely training, both in the form of an induction programme for new members, and on an ongoing basis for all members.

8.3. Oversee any investigation of activities which are within its ToR.

8.4. Review its performance, constitution and ToR periodically (at least annually), and put forward any changes to its ToR to the Board for approval.