

Minutes – Banking Industry Steering Group

13 December 2023, Meeting held via Microsoft Teams

Financial Ombudsman Service attendees	Industry attendees
Abby Thomas, Chief Executive & Chief Ombudsman (meeting chair) Karl Khan, Chief Operating Officer Chandra Hirani, Head of Strategic Finance Pat Hurley, Ombudsman Director David Bainbridge, Head of Stakeholder and Regulatory Liaison Sean Orrick, Stakeholder and Regulatory Liaison Lead (taking the minutes)	Manuel Baldasano, Barclays Katie Worgan, Lloyds Raghu Narula, NatWest Mike Bamber, HSBC Stephen Noakes, Nationwide Sharon Moulton, Santander Sarah Conway, Co-Op Chris Fisher, Metro Bank Lisa Walker, Capital One Padraig Carton, Virgin Money

Item	Agenda
1.	Welcome and introductions
2.	Key updates from the Financial Ombudsman Service
4.	Financial Ombudsman Service Plans and Budget
5.	Account closures
6.	Close

Summary

December meeting of the Banking Industry Steering Group, which meets twice a year to discuss trends, emerging issues and priority areas of work with the Financial Ombudsman Service's key banking stakeholders, as well as providing updates on organisational progress.

1. Welcome and introductions

1.1 The Chair welcomed attendees to the meeting and invited them to introduce themselves.

2. Key updates from the Financial Ombudsman Service

2.1 Karl outlined our key priorities, which were improving timeliness while maintaining quality, refocusing our processes to be able to move cases forward, and providing our people with the tools and structures to be able to do this.

- 2.2 Karl explained we are continuing to invest in a digital end to end journey, which will enable us to look at our information in a more insightful way and to be able to share that with firms more regularly and unlock further improvements.
- 2.3 The group mentioned they have been seeing improvements in our performance. They would like more information about our transformation timeline and whether we would extend the proactive settlement pilot.

3. Plans and Budget including plans for charging representatives

- 3.1 The Chair explained that we have moved into a sustainably different place over the last 12 months – having reduced the number of oldest cases and being more cost-effective. We plan on resolving cases more quickly whilst increasing consumer confidence.
- 3.2 The Chair also confirmed to attendees that we are not proposing to progress further with the options for differential case fees that we looked at in our previous Plans and Budget consultations and felt that the best way forward was our proposals to reduce case fees.
- 3.3 The Chair explained our proposal to reduce our case fee from £750 to £650 per case and our compulsory jurisdiction levy from £106m to £70m.
- 3.4 Karl explained the case for charging representatives and explained that we are still at an early stage with the consultation. The group generally felt this was a positive first step and recognised that it might help ensure that cases brought to the Financial Ombudsman Service have merit.
- 3.5 The group were interested in learning about our timeframes, whether this would increase cases brought by professional representatives in advance of the charging date, and how the fee would work. They were also interested in how this may impact vulnerable customers. We asked the group to respond to the consultation and share their thoughts there.

4. Account closures

- 4.1 Pat thanked attendees for their engagement earlier this year to help resolve some of the more pressing cases when account closures became prominent.
- 4.2 The group mentioned seeing a very small uptick in account closures but it is not translating into increased volumes of complaints. They are not seeing many DSAR requests either which are another indicator of future complaints.
- 4.3 The Financial Ombudsman Service used this opportunity to remind the group of the importance of providing us with all of the information relating to these cases up front and through secure channels.

5. Close

- 5.1 The Chair closed the session, thanking attendees and requested feedback on the format as well as more broadly about our engagement as this is always helpful to us.
- 5.2 The Chair reiterated that the more accurate our forecasts are the cheaper we are, and therefore it is important for firms to continue to share forecasting with us.