

Minutes – Board Meeting on 23 March 2026

Board attendees Liam Coleman, Interim Chair Jacob Abboud, Director Tracey Ashworth-Davies, Director Warren Buckley, Senior Independent Director Bill Castell, Director Shrinivas Honap, Director Vicky Sandry, Director	Executive attendees James Dipple-Johnstone, Interim Chief Ombudsman (CO) Jenny Simmonds, Interim Chief Executive Officer (CEO) Marc Harris, Chief Operating Officer (COO) Rachel Lam, Ombudsman Managing Director (OMD) Chandra Hirani, Finance Director (FD) Owen Brace, Director of Communications (DoC)
Other attendees Ben Messore, Head of Strategic Planning (item 10) Paul Mills, Head of Risk and Assurance (item 12) Phillipa Cook, Director of Corporate Governance and Strategy Katie North, Business Manager	
Apologies Jane Cosgrove, Chief People Officer (CPO)	

1. Introduction and approval of agenda

- 1.1. The meeting was called to order at 10.00am by Liam Coleman, Interim Chair.
- 1.2. The agenda was approved as presented and the quorum was reached.

2. Conflicts of interest

- 2.1 No conflicts of interest were declared.

3. Approval of board minutes

- 3.1. The Board reviewed and **approved** the minutes of the previous Board Meeting held on 23 February 2026.

4. Action log

- 4.1. Action 3 – The Interim Chief Ombudsman ('CO') provided an update on the engagement with consumer groups relating to Deferred Payment Credit and an approach from firms seeking a lower case fee for these cases. It was agreed to update the deadline of the action to Q3 2025/26 recognising the developing nature of the implementation pathway.
- 4.2. Action 4 – The Finance Director ('FD') confirmed that discussions are ongoing with the Legal Team regarding the financial obligations to help shape discussion and agreement around an appropriate reserves policy. An update is included in the risk agenda item in the March Board meeting.
- 4.3. The Board **noted** the Actions Log.

5. Noting of subcommittee minutes

- 5.1. The Board **noted** the Transformation Committee ('TransCo') minutes of the 9 February 2026 meeting.
- 5.2. The Chair of the Audit, Risk and Compliance Committee ('ARAC') confirmed that revisions had been made to the draft minutes from the 24 February 2026 meeting. The final minutes will be shared with the Board once approved.

6. Update from Interim Chair

- 6.1. The Interim Chair discussed the oral evidence session with the Treasury Select Committee ('TSC'), which took place on 18 March, also attended by the CO and Interim Chief Executive Officer ('CEO'). Attendees noted the balanced discussion and the focus on strategy and independence of the Financial Ombudsman Service. The CEO confirmed that internal communications were provided to colleagues to reinforce the key messages from the session.
- 6.2. The Director of Communications ('DoC') noted the ongoing engagement with the TSC and interest in consumer impact of the Modernising Redress reforms, particularly for vulnerable customers.
- 6.3. The Interim Chair also commented on the FCA Oversight Committee ('OSC') meeting, which took place on 11 March. Attendees agreed that this session was productive and agreed to invite the OSC Chair to a future Board meeting to continue to enhance engagement and understanding. **Action: The Private Office by 26 May 2026.**
- 6.4. The Interim Chair discussed the ongoing modernising redress reforms work, following HM Treasury's announcement on 16 March.
- 6.5. The Board discussed the role of thematic reviews to enhance confidence and trust building within the industry and requested sight of the early reports ahead of publication.
- 6.6. The Board acknowledged the ongoing work of the Executive and teams on the modernising redress reforms and preparations for the TSC and FCA Oversight Committee meetings.

7. Interim Chief Ombudsman and Interim CEO's report

- 7.1. The Interim CEO provided an overview of the progress in 2025/26, outside of operational performance, including the launch of the new interest-rate and accompanying calculator, early decisions frameworks and progress on the new billing system, due to be launched in 2026/27.
- 7.2. The CEO also noted the improvements to the customer experience, including the launch of 'Ombudsman Connect' and 'Ombudsman Connect for Business'. Driving further efficiency opportunities from these platforms will be ongoing through 2026/27.
- 7.3. The CO noted recent engagement with Ofgem to discuss trends within casework where there was some overlap of interest, including windfarm investments and property insulation payments.
- 7.4. Attendees discussed preparatory work on Deferred Credit Payment cases. The CO

outlined the upcoming phases:

- Preparations for the go live regulation date in July 2026, including changes to Digital Front Door and Customer Connect processes and engagement with firms and charities/trade bodies to discuss signposting for consumers. A walk through of our process has also been planned for firms and consumer groups.
- Service efficiencies and changes in ways of working, including potential access to open banking platforms to improve timeliness for information gathering. It was noted that these may help support differential case fees for products which require less of our involvement in the future.

7.5. The Board discussed the Model Office, including the recent work it supported on the refresh of casework target setting and supporting process and tooling. Attendees discussed the rollout of the new target approach for the start of 2026/27 and the steps the Executive will be taking to monitor the changes and impact.

7.6. The Board discussed other emerging casework themes and risks, particularly the potential impact of recent global conflicts including on mortgage and travel insurance products, and cases about affordability. The Board also discussed opportunities for data exchange with firms to identify emerging case trends and improve forecasting.

7.7. The Board **noted** the CEO/CO report.

8. 2025/26 Performance update

8.1. The Board noted the strong performance in timeliness and quality metrics. The Board noted performance on resolution volume and closure of 12 month+ cases, was tracking below target and the context behind this. The Board also noted the potential impact on bonus outcomes and agreed that this impact will be discussed further at the Remuneration and People Committee ('RemCo').

8.2. The Board highlighted the variance in FTE against budget, particularly among investigators, and a discussion was held on the driving factors. The Board supported the potential use of increased budget in the coming year to deliver on higher resolutions and lower stock, though the CEO was clear that this would need to be considered in context of the overall financial position at that time and that clear agreement would need to be reached as to the impact on other metrics, such as productivity and cost-per-case.

8.3. The FD confirmed that recruitment activity will increase towards the end of Q1 2026/27, and the Ombudsman Managing Director ('OMD') confirmed that we will be looking at internal progression to maximise efficiency, pace and confidence across the organisation. The focus for recruitment will also be into our hub locations, building on recent successful recruitment activity.

8.4. The Board reviewed current casework trends and discussed the link to demand forecasting methodology. The Board requested a better understanding of the dynamics that underpin demand forecasting, resource planning and driving operational effectiveness and productivity to support constructive future discussions
Action: The FD and OMD by 22 June.

9. 2026/27 Budget with Motor Finance Commission scenarios

9.1. The FD confirmed that no changes are proposed to the 2026/27 financial budget and service standards following approval at the February Board meeting.

- 9.2. The FD presented theoretical scenarios for additional volumes of new FCA scheme motor finance commission ('MFC') cases for 2026/27, outlining the potential impact on operations and financials. These cases would be in addition to the c.90,000 cases already with the service that will not be resolved under the FCA scheme.
- 9.3. The Board discussed the external pressure to reduce case fees for MFC scheme cases and continued to support the position that case fees should appropriately reflect the time, effort and cost of working those cases, as we are a not-for-profit organisation. The Board agreed that a high-level articulation of the risk of significantly more MFC scheme cases than planned coming to the Financial Ombudsman Service should be included in the Plan and Budget 2026/27 published document. **Action: The FD by 30 March 2026.**
- 9.4. The Board agreed in principle that no upfront reduction in case fees should be considered unless a reduced level of work is required on the cases - current information is not yet adequate to conclude that less work is needed and so this remains under review for future Board discussion at an appropriate point in time.
- 9.5. The Board discussed the potential implications of a judicial review of the soon to be announced FCA MFC redress scheme and the impact this may have on the cases already with the Financial Ombudsman Service. This included the possibility that cases may need to be segmented into different cohorts, depending on the issues challenged, which will require different resolution approaches.
- 9.6. The Board noted that, while further clarity of assumptions is expected following the FCA MFC scheme announcement, the Financial Ombudsman Service's Plan and Budget 2026/27 will be published externally by the end of FY 2025/26 and based on the information available at the time.

10. Strategy progress update

Strategic framework 2026/27

- 10.1. The Head of Strategic Planning ('HoSP') provided an overview of how feedback from the January 2026 Board Strategy meeting had been incorporated into the organisational strategy articulation. The Board confirmed that this feedback has been appropriately incorporated.

Executive priorities 2026/27

- 10.2. The HoSP outlined the Executive Team's priorities and how to provide assurance to the Board on delivery of these priorities. It was agreed that this will not be a regular Board agenda item, but updates will be provided where there are significant changes, challenges or delays arise.
- 10.3. The HoSP confirmed that milestone plans are in place and resourcing and KPIs will be reviewed at the Executive Committee meeting on 26 March 2026. Executive grade colleague objectives will be reviewed by RemCo and subsequently shared internally with colleagues.
- 10.4. The HoSP noted that the May Board Strategy Day will include discussions on three-year plans and provide a broader strategic update.

11. Modernising Redress project plan

- 11.1. The CO presented the high-level roadmap of key deliverables for the programme

extending to 2028 and noted that the cultural transformation work is expected to continue beyond 2028.

- 11.2. The Board discussed the alignment of the roadmap timings with the work required by FCA and HM Treasury. The CO confirmed that check points are in place, while noting the longer approval timelines within the FCA.
- 11.3. The Board requested stronger alignment between the programme roadmap and the wording of the Executive priorities, which was agreed by the CO.
- 11.4. Attendees discussed the resourcing requirements to monitor the legislative progress through Parliament and the CO confirmed that sufficient resources are in place and noted the Parliamentary timetable.
- 11.5. The Board considered the legislative process and requested a stakeholder mapping review to cover engagement with MPs and members of the House of Lords. This can be raised at the Reform and Customer Excellence Committee. **Action: The DoC by May 2026.**
- 11.6. The Board discussed the operational preparations ahead of the delivery of the new registration phase, expected for October 2026, subject to consultation.
- 11.7. The Board noted the high-level impact grid and agreed that any significant risks or challenges should be raised to the Board.
- 11.8. Attendees discussed cultural transformation for the organisation and the supporting frameworks for firms and consumers to ensure they fully understand they changes and their impact.
- 11.9. The CO confirmed that the next operational milestone expected in October 2026.

12. Risk: appetite and strategic risks

- 12.1. The Head of Risk and Assurance ('HoRA') provided an overview of how feedback from the November 2025 Board and January 2026 Board Strategy meetings had shaped the latest papers.
 - 12.2. The proposed changes to the risk appetite statement were discussed and feedback was provided by the Board.
 - 12.3. The discussions included the addition of a 'governance' category and scope of this area, particularly in light of the modernising redress reforms work.
- 12.4 The Board noted that further work is required to clarify how these statements would be most effectively used by the organisation, including how they will be reflected in the Internal Audit process.
- 12.4. The HoRA agreed to further refine the strategic risk appetite framework, incorporating scenario examples and recalibrating against the previous risk appetite framework. The Board requested the inclusion of a 3–6-month reserves cover range in the financial resilience risk appetite statement to provide the appropriate level of flexibility in managing volatility. The Board also requested a further discussion on the risk appetite level being recommended for the 'workforce' risk area further at the April informal Board meeting. **Action: The HoRA by 27 April 2026.**
 - 12.5. The Board **did not** approve the paper but agreed that this will be returned to the April Board meeting for approval.

13. Modern Slavery Statement

- 13.1. The Board discussed options to more effectively measure the assurances provided in the modern slavery statement and possible metrics to track the statement going forward.
- 13.2. The Board **approved** the modern slavery statement.

14. Reports for noting

- 14.1. The Board **noted** the monthly reports for the following areas:
- Productivity Explainer – The Board requested that this topic be a substantive future discussion item.
 - Service Complaints Journey – The Board discussed the reported increase in service complaint volumes and the diagnostics. Oversight of ongoing developments will be delegated to the Reform and Customer Experience Committee. The Board also requested that substantive report should be provided for review. **Action: The CO by September 2026.**
 - Corporate Dashboard
 - Finance Report
 - Risk Report
 - COO Report
 - Transformation
 - HR Report
 - Litigation Update
 - Comms Update

15. AOB and next meeting

- 14.1. The next informal Board meeting is on **27 April 2026**.
- 14.2. The next formal Board Meeting is on **26 May 2026**.

16. Adjournment

- 16.1. The meeting was adjourned at 3.10pm.