

# Financial Ombudsman Service Limited

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## MINUTES

MINUTES of the meeting of the directors, held off-site on Wednesday 20 September 2017 at 14.00.

<b>Present</b>	Nick Montagu (NM)	chairman
	Gerard Connell (GC)	director
	Alan Jenkins (AJ)	director
	Maeve Sherlock (MS)	director
	Sienne Veit (SV)	director
	Diana Warwick (DW)	director
	Jenny Watson (JW)	director
<b>In attendance</b>	Caroline Wayman (CW)	chief executive and chief ombudsman
	Julia Cavanagh (JC)	chief finance officer
	Annette Lovell (AL)	director of engagement
	Richard Thompson (RT)	principal ombudsman & director of quality
	Garry Wilkinson (GW)	principal ombudsman & director of new services
	Alison Hoyland (AH)	board secretary

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### Apologies for absence

Apologies were received from Chris McDermott, chief operating officer.

### 1-4/1709 Board minutes

The Board approved the note of the meeting held on 26 July 2017, subject to certain minor amendments.

### Matters arising

Matters arising were picked up in the formal business before the Board.

### Chairman's update:

The chairman updated the Board on the ombudsman service business in which he had been involved since the last board meeting, which had included:

- attending a staff event to mark their co-location into the service's accommodation at Exchange Tower;
- 1:1 meetings with Board directors, members of the executive and other senior members of staff.
- meeting John-Griffith-Jones, FCA Chairman as part of a regular cycle of meetings with the regulator;
- attending the FCA oversight committee on the service's ADR re-accreditation, along with fellow board member, Alan Jenkins, the chief ombudsman and chief executive, the chief finance officer and the director of engagement;
- meeting the chairman of Barclays, as part of a regular cycle of chair-to-chair level meetings with the industry; and
- approving the latest round of ombudsmen appointments (which the Board noted).

The chairman also welcomed new Board members, Diana Warwick and Sienne Veit, to their first formal meeting.

### Chief ombudsman and chief executive's update

Much of the chief ombudsman and chief executive's update was picked up in substantive business later on the agenda, with the Board noting at this point of the meeting developments in relation to:

- ADR access for small and medium sized enterprises ;
- litigation and employee tribunal cases of note; and
- staff engagement.

On staff engagement, the chief ombudsman and chief executive provided an update on the action planning work that was under way to address the range of issues which had been raised in the recent staff survey, and which the Board had discussed in depth at its meeting in July. To help inform the action planning, the executive had run workshops with senior leaders and staff representative groups to share thinking on the actions that could be taken in response to the survey and to seek wider participation and contribution.

The executive had taken away the strong sense that colleagues continued to be committed to helping make the service a great place to work. The levels of engagement during the sessions provided every reason to be encouraged, though there was much work to be done before significant shifts in how staff were feeling were likely to be realised.

The action planning work was now being overseen by a project manager, Tessa Clark, who was in the process of introducing regular reporting on the work in hand and ensuring that different initiatives and interdependencies were joined up. She was also working with the head of internal communications, Liz Reynolds, to ensure timely and coordinated updates were provided to staff.

Updates on steps being taken to address some of the area-specific concerns highlighted in the staff survey were provided under substantive business later on the agenda.

## **5/1709 Developing our service**

**fos/17/09/05**

### *Progress on establishing the investigation teams*

The success of the investigation model and improved staff engagement were two sides of the same coin. Management attention was focussed currently on balancing the need to respond to higher than anticipated customer demand and giving case-handlers the time and support they needed to develop properly in their roles.

The executive team remained confident about the viability of the model. Improved customer outcomes were evident in the performance metrics to date, as well as in independent benchmarking results (see below). At the same time, a great deal of work was being undertaken to understand the support and infrastructure required to address capability and capacity challenges, the developing plans for which would be shared with the Board, as appropriate.

In discussing the staff survey results at its July meeting, the Board had stressed that it would wish to be kept up to date with trends and actions. As well as tracking casework and people performance through the commitments dashboard, the service undertook to look at what other metrics and measures it could draw on from time to time.

The commitments performance dashboard for the half year would be presented at the October Board, but in the meantime, the service had received the Institute of Customer Service (ICS) benchmarking survey results which showed an overall improvement (4%) in customer satisfaction. The improvement could be directly attributed to case-handling under the investigation model, as satisfaction levels were notably higher for cases handled in the investigation teams than for those cases subject to different processes elsewhere. Further detail on performance against the underlying key metrics in the ICS survey would come to the October Board, alongside the half-year performance report.

### *Managing the PPI caseload*

Since the Board last met in July, the FCA had introduced the rules and guidance for Plevin-affected cases and a PPI time-bar and had launched its awareness campaign to encourage people to take action before the deadline.

The start of the campaign and the introduction of the rules and guidance marked a significant milestone. It would provide a greater degree of certainty to the service's planning, albeit a number of factors would remain at play which could impact the path ahead. Importantly, it also meant that the service would be able to give staff more clarity about the forward view and what colleagues working in this area could expect over the next few years (which would go a long way to addressing the most pressing issues from the staff survey for these colleagues).

The service had yet to see any significant impact from the campaign on volumes, but it would keep a very close eye on all the lead indicators to inform its thinking and plans. The Board would take account of the latest analysis when it looked at the short and medium term view and agreed the forecast position at the mid-year point at its October meeting.

**6/1709 Casework trends**

**fos/17/09/06**

The Board reviewed a high-level view of casework trends, in terms of both volumes and case-mix, in preparation for the annual budget planning cycle which was due to start in earnest in October.

Early planning for 2018/2019 was looking at a range of factors, from historical trends and the current caseload to the prevailing socio-economic climate and anticipated headwinds and tailwinds.

**Any other business**

There being no other business, the meeting ended at 16.30.