

## Minutes – Board Meeting on 24 September 2024

<p><b>Board attendees</b></p> <p>The Baroness Manzoor CBE, Chairman Jacob Abboud, Director Bill Castell, Director Nigel Fretwell, Director Shrinivas Honap, Director Sarah Lee, Director</p>	<p><b>Executive attendees</b></p> <p>Abby Thomas, CEO/Chief Ombudsman James Dipple-Johnstone, Deputy Chief Ombudsman Karl Khan, Chief Operating Officer Jenny Simmonds, Chief Finance &amp; Risk Officer and Company Secretary Jane Cosgrove, Chief People Officer</p>
<p><b>Other attendees</b></p> <p>Mark Sceeny, Head of Private Office</p>	

### 1. Introduction and approval of agenda

- 1.1. The meeting was called to order at 11.50am by The Lady Manzoor, Chairman.
- 1.2. The agenda was approved as presented.

### 2. Conflicts of interest

- 2.1. Jacob Abboud declared that he had accepted a new non-executive role as Chair of MS Amlin Business Services. The CEO/CO raised a concern about potential connections with a non-retail insurer and reinsurer called MS Amlin, a firm that was subject to FOS's jurisdiction. Dr Abboud clarified that the company he would be chairing was a separate legal entity which only provided IT and business services to the group and was not directly involved in regulated insurance activities. Dr Abboud gave assurance that he will recuse himself from any Board discussions or business that relate to or might affect MS Amlin companies.
- 2.2. Nobody else declared any conflict of interest.

### 3. Approval of board minutes

- 3.1. The Board reviewed and **approved** the minutes of two previous Board meetings held respectively on 22 July and 29 July 2024.

### 4. Actions log

- 4.1. The Board **approved** the Actions Log subject to minor amendments.

### 5. Noting of sub-committee minutes

- 5.1. The following sub-committee minutes were **noted** by the Board:
  - Transformation Committee ('TransCo') minutes of 10 June 2024; and
  - Remuneration and People Committee ('RemCo') minutes of 2 July 2024.
- 5.2. The respective sub-committee Chairs provided the Board with a summary of key points and actions set out in the minutes.

- 5.3. The Board noted that all FOS strategies – e.g. Digital, Data, IT, People, Location, etc – should go to the whole Board for approval; whereas the sub-committees would review and approve individual projects and business cases that collectively contributed to the achievement of their long-term strategies.

## 6. CEO/Chief Ombudsman's report

- 6.1. The Board **noted** the CEO/Chief Ombudsman's Report.
- 6.2. The Board noted that a substantive update on the overall organisational design and people structure would shortly be presented in writing by the CEO/CO so that staff would have clarity on their positions and the impact of recently announced changes.  
**Action: CEO/CO and CPO.**

## 7. Finance and assurance (CFRO)

- 7.1. The Board **approved** the CFRO's paper on scaling-up resources to meet increasing demand in Casework. In brief, the paper proposed a temporary solution to meet the large influx of APP fraud and consumer-credit cases (amongst others) by recruiting to a new role for line-managing investigators so that ombudsman-managers could focus on resolving cases and giving technical advice. This would involve calling upon some of the contingent funds from reserves set aside in the 2024/25 budget precisely for such an eventuality. The paper also proposed a tactical surge in the recruitment of 'contingent caseworkers' (i.e. self-employed contractors), which would be funded from underspend on FOS's existing budget.
- 7.2. The Board noted that the operating model introduced in 2023/24 provided employment contracts that were flexible enough to cope with this sort of response to external events – and that about two-thirds of sample views taken from staff were supportive or neutral about the proposals. The Board expressed some reservations about whether this might appear to be a step back from the 2023/24 operating model but, overall, were supportive on the basis that it was a flexible and logical solution to a short-term demand problem estimated to last only 18 months.
- 7.3. The Board **noted** the CFRO's regular financial report.

## 8. Casework policy and strategy (DCO)

- 8.1. The Board **noted** the DCO's draft Response to the Independent Assessor's Annual Report, which will shortly be shared with the Independent Assessor so that both Report and Response can be published together.
- 8.2. The Board **noted** the DCO's regular update on policy and casework matters (including the litigation report).
- 8.3. The Board noted the DCO's oral update on the progress of the consultation on charging fees to professional representatives. In brief, an update on the consultation responses would be sent to the Financial Conduct Authority ('FCA') and HM Treasury under cover of a letter from the Chairman of the Board notifying them of the Board's decision on 29 July 2024. That update – which was ancillary to the official consultation response and policy statement – would include FOS's answers to the consultation responses, covering any concerns raised and mitigating actions proposed or being taken. In light of the likely timetable for making the required secondary legislation (i.e. statutory instrument), FOS's legal team would work on the draft fees instrument whilst Parliament and the FCA considered the proposals and, pending their respective approvals, the DCO would present the Board with a draft

fees instrument together with the complete package of legal advice on risks and mitigations, including any new information, advice or developments. This would enable the Board to make a fully-informed final decision on the draft fees instrument (subject to the current decision – i.e. on how much to charge, at what stage, and via what mechanism – being approved by the FCA; and subject to the statutory instrument being approved by Parliament).

## **9. Operational performance report and transformation (COO)**

9.1. The Board **noted** the COO's operational performance report and his update on the Transformation portfolio.

## **10. HR update (CPO)**

10.1. The Board **noted** the CPO's regular update report on HR matters.

## **11. AOB and next meeting**

11.1. There was no other business.

11.2. The next Board Meeting is scheduled for **4 November 2024**.

## **12. Adjournment**

12.1. The meeting was adjourned at 1.25pm.