

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE FOR ECONOMIC DEVELOPMENT

PROPOSED AMENDMENT TO THE FINANCIAL SERVICES OMBUDSMAN (BAILIWICK OF
GUERNSEY) LAW, 2014

The Presiding Officer
States of Guernsey
Royal Court House
St Peter Port

8th July 2020

Dear Sir

1 Executive summary

- 1.1 The Office of the Financial Services Ombudsman (“**OFSO**”) is a statutory body, which provides an independent dispute resolution service for unresolved complaints involving financial services provided in, or from, Guernsey, Alderney and Sark.
- 1.2 The OFSO is governed by the Financial Services Ombudsman (Bailiwick of Guernsey) Law, 2014, as amended (the “**Law**”).
- 1.3 An area for amendment of the Law has been identified, by the Committee *for* Economic Development (the “**Committee**”), to ensure an enhanced appointment process for members of OFSO.
- 1.4 This policy letter details a proposed amendment to the Law, which the States are asked to approve.

2 Background

- 2.1 Pursuant to the Law:

- 2.1.1 the OFSO has a board, consisting of a chairman and at least 2, but no more than 4, ordinary members¹;
- 2.1.2 the Committee is responsible for appointment of the ordinary members of OFSO, subject to nomination of the same by the chairman;²
- 2.1.3 an instrument in respect of the appointment, of an ordinary member, must be laid before a meeting, of the States of Deliberation (the “**States**”), as soon as possible, after such appointment has been made, the States having the power to annul the same;³ and
- 2.1.4 the Committee must specify a period of appointment which is not less than three (3) years and not more than five (5) years.⁴
- 2.2 Terms of appointment, negotiated between the Committee and the members, provide operational details in respect of each individual appointment.

3 Proposed amendment to the Law

- 3.1 There is currently no ability for the Committee to appoint a member, of the OFSO board, for a period shorter than three years, which may be beneficial to the ongoing continuity and functioning of OFSO.
- 3.2 It is proposed that paragraph 1(6) of Schedule 1 of the Law be amended, to (i) remove reference to appointment for a minimum period, and (ii) insert a provision, for the avoidance of doubt, that a member is eligible for reappointment.
- 3.3 The amendment is consistent with the appointment period in relation to other statutory bodies, such as the Guernsey Competition and Regulatory Authority, for which the Committee has oversight.

4 Compliance with Rule 4

- 4.1 Rule 4 of the Rules of Procedure of the States of Deliberation and their Committees sets out the information which must be included in, or appended to, motions laid before the States.
- 4.2 In accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees, it is confirmed that the proposition above

¹ Section 1(3) of the Law.

² Paragraph 1(1) of schedule 1 to the Law.

³ Paragraph 1(2) of schedule 1 to the Law.

⁴ Paragraph 1(6) of schedule 1 to the Law.

has been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications.

- 4.3 In accordance with Rule 4(4) of the Rules of Procedure of the States of Deliberation and their Committees, it is confirmed that the proposition above has the unanimous support of the Committee.
- 4.4 In accordance with Rule 4(5) of the Rules of Procedure of the States of Deliberation and their Committees, the propositions relate to the duties of the Committee including competition, innovation, diversification and regulation in the economy.

Yours faithfully

C N K Parkinson
President

Vice-President
A C Dudley-Owen

D de G de Lisle
N R Inder
J I Mooney

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The President
Policy & Resources Committee
Sir Charles Frossard House
La Charroterie
St Peter Port

8th June 2020

Dear Sir,

Preferred date for consideration by the States of Deliberation

In accordance with Rule 4(2) of the Rules of Procedure of the States of Deliberation and their Committees, the Committee *for* Economic Development (the “**Committee**”) requests that the Policy Letter entitled ‘Proposed Amendment to the Financial Services Ombudsman (Bailiwick of Guernsey) law, 2014’ (the “**Policy Letter**”), be considered at the States of Deliberation meeting to be held on 19th August 2020.

It is important that the Policy Letter is placed before this meeting to enable, subject to approval by the States of Deliberation, draft legislation to be prepared and presented to the States for approval prior to the end of 2020. The change of date of the general election has contracted these timescales.

Yours faithfully,



C N K Parkinson
President

A C Dudley-Owen
Vice-President

D de G de Lisle
N R Inder
J I Mooney