

STATES OF JERSEY



STATES BUSINESS PLAN 2006 – 2010 (P.151/2005): AMENDMENT

**Lodged au Greffe on 9th August 2005
by Deputy A. Breckon of St. Saviour**

STATES GREFFE

STATES BUSINESS PLAN 2006 – 2010 (P.151/2005): AMENDMENT

At the end of paragraph (d), after the words “Table 11.3” insert the words –

“except that in the said table, for the following item –

27	LIMITED PARTNERSHIPS LAW – AMENDMENT (30 days)	ECONOMIC DEVELOPMENT COMMITTEE	Nil	Nil
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there shall be substituted the following item –

27	FINANCIAL SERVICES OMBUDSMAN (JERSEY) LAW – NEW LAW (30 days)	ECONOMIC DEVELOPMENT COMMITTEE	Not yet identified	Not yet identified
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DEPUTY A. BRECKON OF ST. SAVIOUR

REPORT

Introduction

In September 2004 I brought a similar amendment, which was narrowly defeated (for information I have attached that amendment and the States Minutes from 14th September 2004). I believed then and now, that by Jersey having a Financial Services Ombudsman it will strengthen the standing of the finance industry, by giving access, at no cost, to the individual, who may feel aggrieved by the action of a financial adviser or institution.

Balance of power

Individual consumers do not always have an easy cost-effective remedy to dispute resolution with financial institutions, whereas businesses can resource departments to deal with these matters, including legal advice, which will not come either easily or cheaply to the individual.

The presence of an Ombudsman gives some power back to the individual against the corporation. Also it gives focus to the grievance. When an Ombudsman becomes involved, quite often matters are resolved between the parties, however, the process needs to be there to facilitate remedy – often without an Ombudsman simple matters can become long, protracted and not resolved.

Isle of Man

I have attached some information about the Financial Services Ombudsman Scheme in the Isle of Man which came into operation in January 2002 but can consider complaints relating to events occurring on or after 20th April 1999.

The Isle of Man boasts that it “is the only British offshore island providing such a scheme for financial complaints”.

Jersey can and should do something about that statement.

The Isle of Man “Information Centre” has more very good news.

“The first Annual Report of the Financial Services Ombudsman Scheme is published today (14th April 2003), for the year ending 31st December 2002. The Scheme gives customers worldwide a free, independent and less formal method of resolving disputes with Isle of Man financial firms. The introduction of the Ombudsman Scheme has further enhanced the consumer protection arrangements on the Isle of Man, complementing the established regulators, compensation schemes and Pensions Ombudsman arrangements.

Ombudsman Schemes are an accessible alternative to going to court if the complainant has been unable to resolve the matter directly with the company. In the absence of such a scheme, many people do not have the resources to use the court system especially for disputes involving small sums.

In 2002 the Ombudsman Scheme received 400 initial contacts which resulted in 273 potential complaints.

In the main, issues raised in complaints tended to concern simple administrative errors by suppliers of financial services (‘suppliers’), such as delays carrying out customers’ instructions or provision of incorrect information on fund or surrender valuations, and other issues, such as transparency of charges for early surrender of an investment or early repayment of a mortgage.

Of the complaints received, 54 were outside the jurisdiction of the Scheme and a total of 57 complaints were completed in the year. The majority (35) of the complaints were resolved at the first stage of mediation and conciliation by Office of Fair Trading staff and 22 received formal determinations by an Adjudicator (or ‘ombudsman’). While most of the 22 were upheld either in full or part, most of the sums awarded were modest (usually £600 or less), and in nearly every case included an element in respect of distress and inconvenience suffered.

Sophie Watkins, Head of Research and Operations at the Isle of Man office of Fair Trading said “We have had a very successful first year. We believe the Ombudsman Scheme has proved useful both for

customers and suppliers by giving a free and independent method of resolving complaints. Ombudsman schemes are increasingly seen as an important part of a well-regulated marketplace and the Isle of Man is the only British offshore island providing such a scheme for financial complaints.”

Jersey Financial Services Commission

I have in my possession a number of documents relating to the background work that has been done by the Financial Services Commission over the last 5 years. I have attached a number of these for information.

- * A Working Party was set up in 2000/2002 to look at a Financial Services Commission Ombudsman.
 - Membership attached.
- * September/October 2002 – sent to Finance and Economics “advised that the Committee will not look at the document until after the forthcoming election”.
- * 5th September 2002 – Alan Breckon received copy of Working Party recommendations for Law Drafting Instructions.
 - Extracts enclosed:
 - Memorandum – with some options;
 - Draft Memorandum – introduction and background;
 - Table of Appendices;
 - Funding options.

Furthermore, as a Financial Services Commission Ombudsman seemed to be stuck (or neglected) in the system, I wrote to States Members and 50 or so others, in general terms the responses were positive and supportive, including the Chairman of the Jersey Financial Services Commission, Mr. Colin Powell, and Director General (then), Mr. Richard Pratt.

Financing and manpower

There are a number of possibilities for funding, exciting trade associations like estate agents and funeral directors are “trade funded”.

The Isle of Man boasts –

“The Scheme is set up under sections 21A, 21B and 21C of the Financial Supervision Act 1988 and operates out of the Isle of Man Office of Fair Trading. It is funded by the Isle of Man Government.”.

In general terms, “trade funding” and meaningful participation is the ‘norm’.

There are a number of ways this can be achieved – with a very small cost to existing businesses but with a substantial benefit.

Conclusion

I believe having a Financial Services Commission Ombudsman in Jersey is a win-win situation.

- Confidence for consumers.
- Confidence in the Finance Industry.
- A positive advert for Jersey.
- Government reacting for reality!

I do not think the world will stop turning if we put back for another day the LIMITED PARTNERSHIPS LAW.

STATES OF JERSEY



STATES RESOURCE PLAN 2005 TO 2009 (P.135/2004): SECOND AMENDMENT

Presented to the States on 14th September 2004
by Deputy A. Breckon of St. Saviour

STATES GREFFE

STATES RESOURCE PLAN 2005 TO 2009 (P.135/2004): SECOND AMENDMENT

In Appendix 11 referred to in paragraph (c) of the proposition insert the following item into the Legislation Programme for 2005 –

“

FINANCIAL SERVICES COMMISSIONER (SHEPHERD) LAW – LAW (15 days)	ECONOMIC DEVELOPMENT COMMITTEE	None identified	None identified
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DEPUTY A. BRECKON OF ST. SAVIOUR

REPORT

Ombudsman services were first established in Sweden in 1809 to “investigate citizens complaints against public officials”.

Since then many basic systems have developed to enable ordinary people to air their complaint or grievance, (at no (or low) cost), about a specific area of public administration or trade/industry, e.g. financial services etc.

Balance of power

Areas of public administration or large, and to some extent small businesses, maybe seen to have a considerable advantage over the individual consumer, however, the Ombudsman can balance that power by being able to seek information and remedy for the “underdog” in an efficient, transparent and user friendly manner.

The Jersey Financial Services Commission is responsible for the regulation, supervision and development of the financial services industry in the Island; key features of this are:

- (a) reducing risk to the public of financial loss,
- (b) protecting and enhancing the Island’s reputation and integrity in commercial and financial matters, and
- (c) safeguarding the Island’s best economic interests.

I believe this should include an Ombudsman Scheme, giving access to local and overseas individuals who may wish to seek cost effective remedy without a costly legal process. Examples of this would be mis-sold endowment policies, hidden charges and costs, linked insurance of other products. Jersey Financial Services Commission licences many businesses, however individuals cannot easily challenge their business practices.

Conclusion

A recommendation was contained in the “Edwards Report” (Published on 19th November 1998, “Review of Financial Regulation in the Crown Dependencies”) which said that Jersey’s Financial Services businesses should have a statutory Ombudsman scheme, “which will provide an efficient and cost-effective mechanism for the resolution of disputes between financial services businesses and their customers”. The “Task Force” that was established in Jersey to respond to “Edwards” agreed with that recommendation and the Financial Services Commission was asked to consult with interested parties and to prepare law drafting instructions for which law drafting time was allocated to enable a scheme to be introduced as soon as possible.

An Ombudsman Working Party was set up by the Financial Services Commission with a brief to prepare law drafting instructions for a Financial Services Ombudsman Scheme. The Working Party included a good cross-section of the various strands of the finance industry and concluded its work in September 2002 and passed information to the Finance and Economics Committee for approval - nothing happened.

This amendment seeks to generate some positive activity for the benefit of the individual and the finance industry.

There are no financial or manpower implications for the States arising from this amendment.

States Minutes of 14th September 2004 show –

THE STATES, following further consideration, rejected an amendment of Deputy Alan Breckon of St. Saviour that in Appendix 11 referred to in paragraph (c) of the proposition there be inserted the following item into the Legislative Programme for 2005 –

“

<i>FINANCIAL SERVICES OMBUDSMAN (JERSEY) LAW – NEW LAW (15 days)</i>	<i>ECONOMIC DEVELOPMENT COMMITTEE</i>	<i>None identified</i>	<i>None identified</i>
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”

Members present voted as follows –

POUR: 21		CONTRE: 26		ABSTAIN: 0
Senator S. Syvret		Senator L. Norman		
Senator W. Kinnard		Senator F.H. Walker		
Senator P.V.F. Le Claire		Senator T.A. Le Sueur		
Senator P.F. Routier		Senator M.E. Vibert		
Senator E.P. Vibert		Senator P.F.C. Ozouf		
Senator R.J. Shenton		Connétable of St. Martin		
Connétable of St. Ouen		Connétable of St. Saviour		
Connétable of St. Mary		Connétable of St. Brelade		
Deputy R.C. Duhamel (S)		Connétable of St. Clement		
Deputy A. Breckon (S)		Connétable of St. Helier		
Deputy J.J. Huet (H)		Connétable of St. Lawrence		
Deputy of St. John		Connétable of Grouville		
Deputy G.C.L. Baudains (C)		Connétable of St. John		
Deputy P.N. Troy (B)		Deputy of Trinity		
Deputy R.G. Le Hérisier (S)		Deputy of St. Martin		
Deputy J.B. Fox (H)		Deputy T.J. Le Main (H)		
Deputy J.A. Martin (H)		Deputy M.F. Dubras (L)		
Deputy G.P. Southern (H)		Deputy J.L. Dorey (H)		
Deputy J.A. Bernstein (B)		Deputy F.G. Voisin (L)		
Deputy of Grouville		Deputy S.C. Ferguson (B)		
Deputy of St. Peter		Deputy of St. Mary		
		Deputy of St. Ouen		
		Deputy P.J.D. Ryan (H)		
		Deputy M.A. Taylor (C)		
		Deputy J.A. Hilton (H)		
		Deputy G.W.J de Faye (H)		



Information Centre

Office of Fair Trading

Oik Dellal Cair Eilan Vannin

Office of Fair Trading
Government Buildings
Lord Street
Douglas
IM1 1LL

Telephone: (01624) 886500

Fax: (01624) 886504

Email: ombudsman@omofl.gov.im

Website: <http://www.gov.im/of/ombudsman>

1st April 2003

FIRST ANNUAL REPORT OF THE ISLE OF MAN FINANCIAL SERVICES OMBUDSMAN SCHEME- Office of Fair Trading News Release



For immediate release

The first Annual Report of the Financial Services Ombudsman Scheme is published today (14th April 2003), for the year ending 31st December 2002. The Scheme gives customers worldwide a free, independent and less formal method of resolving disputes with Isle of Man financial services firms. The introduction of the Ombudsman Scheme has further enhanced the consumer protection arrangements on the Isle of Man, complementing the established regulators, compensation schemes and Pensions Ombudsman arrangements.

Ombudsman Schemes are an accessible alternative to going to court if the complainant has been unable to resolve the matter directly with the company. In the absence of such a scheme, many people do not have the resources to use the court system especially for disputes involving small sums.

In 2002, the Ombudsman Scheme received 400 initial contacts which resulted in 273 potential complaints.

In the main, issues raised in complaints tended to concern simple administrative errors by suppliers of financial services ('suppliers'), such as delays carrying out customers' instructions or provision of incorrect information on fund or surrender valuations, and other issues, such as transparency of charges for early surrender of an investment or early repayment of a mortgage.

Of the complaints received 54 were outside the jurisdiction of the Scheme and a total of 57 complaints were completed in the year. The majority (35) of the complaints were resolved at the first stage of mediation and conciliation by Office of Fair Trading staff and 22 received formal determinations by an Adjudicator (or 'ombudsman'). While most of the 22 were upheld either in full or part, most of the sums awarded were modest (usually £000 or less) and in nearly every case included an element in respect of distress and inconvenience suffered.

Sophie Watkins, Head of Research and Operations at the Isle of Man Office of Fair Trading said "We have had a very successful first year. We believe the Ombudsman Scheme has proved useful both for customers and suppliers by giving a free and independent method of resolving complaints. Ombudsman schemes are increasingly seen as an important part of a well-regulated marketplace and the Isle of Man is the only British offshore island providing such a scheme for financial complaints."



Information Centre

Office of Fair Trading

Oik Dellal Cair Ellan Vannin

Office of Fair Trading
Government Buildings
Lord Street
Douglas
IM1 1LL
Telephone: (01624) 686500
Fax: (01624) 686504
Email: iomfairtrading@gov.im
Website: www.gov.im/oft

31st January 2002

News Release

Financial Services Ombudsman Scheme Receives Seal of Approval

The Isle of Man Financial Services Ombudsman Scheme has been accepted as a member of the British and Irish Ombudsman Association.

For an Ombudsman Scheme to be recognised by the Association it must meet four key conditions. Those conditions are independence of the Ombudsman from the organisations the Ombudsman has the power to investigate; effectiveness; fairness and public accountability.

The Isle of Man Scheme is a free, independent dispute resolution service for individuals with an unresolved complaint against an Isle of Man financial firm such as a bank, insurance company or financial adviser. Although coming into operation on the 1st January 2002, the Scheme can consider complaints relating to events occurring on or after 20th April 1999.

The Scheme operates out of the Isle of Man Office of Fair Trading from where Sophie Watkins commented "Membership of the Association is important for the Scheme as it recognises that it has met all of the criteria to ensure an independent, effective, fair service which is open to public scrutiny. The recognition of the Association will reinforce the Island's reputation as a well regulated and successful offshore finance centre".

A copy of the Financial Services Ombudsman Scheme information leaflet can be obtained from the Isle of Man Office of Fair Trading website at www.gov.im/oft

[back to previous location](#)

Appendix No. 8

Membership of Ombudsman Working Party

1. Nicholas Crocker Olsens
2. Richard Musty LloydsTSB Offshore
3. Keith Moss Lloyds TSB
4. John Heaps Coutts
5. Ian Strang Law Society
6. Gary Envis Abacus
7. Elaine Millar Royal Bank of Scotland International
8. Lindsay Bracegirdle Royal Bank of Canada Trust
9. Peter Sullivan Jersey Bankers Association
10. Francis Le Gresley Citizens Advice Bureau

Other people attended on an ad hoc basis including Hans Baerlocher, the current President of the Jersey Bankers Association who attended the last working party meeting to review the previous draft of the Financial Services Ombudsman Scheme.



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JERSEY FINANCIAL SERVICES
COMMISSION

Deputy A Breckon
Falcon House
17a York Street
St Helier
JE2 3RQ

Our Ref: MH/P&L

4 September 2002

Dear Deputy Breckon

Ombudsman Scheme for Jersey

Further to our recent telephone conversations regarding the work we have been doing on an Ombudsman Scheme for Jersey please find enclosed a copy of the Ombudsman document I have just sent out to members of the Ombudsman Working Party.

This document itself is self explanatory. It has already been given unofficially to John Harris at Finance and Economics and will be handed over formally to the Committee once I have received back the comments from the working party and collated them into a new Appendix No.9. We have also been advised that the Committee will not look at the document until after the forthcoming election.

I shall forward you a copy of Appendix No. 9 as soon as it is prepared.

I hope that these papers will be of use to you and that it will not be too long before we have Ombudsman schemes operating in the Island.

Yours sincerely



27 SEP 2002
Alan Bracke

JERSEY FINANCIAL SERVICES
COMMISSION

MEMORANDUM

To:	Name:	Members of the Ombudsman Working Party	From:	Name:	
	File Ref:	[type ref]		Date:	3 September 2002

Law drafting instructions for Ombudsman Schemes

1. This document sets out the Jersey Financial Services Commission's proposed law drafting instructions for a Financial Services Ombudsman Scheme and represents the draft that will be presented to the Finance and Economics Committee for approval.
2. The draft is substantially the same in content as the last draft considered by the working party but differs markedly in terms of presentation. It now gives the Finance and Economics Committee two options as to the way forward:
 - 2.1 Option 1
Introduce a Financial Services Ombudsman (Jersey) Law 200*; or
 - 2.2 Option 2
Introduce a Ombudsman (Jersey) Law 200* and a Financial Services Ombudsman (Jersey) Order 200* under this proposed law.
3. The law drafting instructions cover both options so that we hope there will be no further delays in bringing in the scheme for the financial services industry.
4. The second option enables the Finance and Economics Committee/industries Committee to take advantage of the work we have done in the working party and use the proposed corporate sole model and the law drafting time we have available to bring in a general Ombudsman law that would enable nominated States Committees to introduce Ombudsman schemes by Order rather than by primary legislation, thus speeding up the process of introducing such schemes. The first of which could be the Financial Services Ombudsman (Jersey) Order 200* if the Finance and Economics Committee decide to choose this route forward.

5. The enclosed draft memorandum to the Finance and Economics Committee also asks the Committee for guidance on:
 - 5.1 whether to include non-regulated financial service providers under the scheme, and if so, when? (para. 3.1.1);
 - 5.2 how the scheme should be funded? (para. 3.1.2);
 - 5.3 how to handle complaints against the Ombudsman? (para. 3.1.3);
 - 5.4 whether the Committee wants to takeover this project following the creation of its own executive or whether it wants the Financial Services Commission to continue with it (para. 3.2.1); and,
 - 5.5 how future consultation should be handled.
6. Although this document sets out the Financial Services Commission's proposals I promised you all at the last working party meeting to give you the opportunity to comment on what is being submitted to the Committee. It is my intention, therefore, to add a ninth appendix to this document. It shall contain a summary of all your comments on the proposed drafts and scheme. Could you please forward any comments you may have on the document to me, in writing, by the 16 September 2002. I will provide each of you with a summary of the comments received once I have collated them.
6. Depending upon the Finance and Economics Committee's decision to para. 3.2.1 in my memorandum to them the role of the working party and the Financial Services Commission may be at an end. If this is the case I would like to thank you all for your help with this project. I have found the meetings not only very constructive but also good humoured. I have valued your input and guidance and I hope I have the pleasure of working with you again in the future on some other project.

Legal and Policy Division.



JERSEY FINANCIAL SERVICES
COMMISSION

DRAFT MEMORANDUM

To:	Name:	The President and Members of the Finance and Economics Committee	From:	Name:	
	File Ref:	P&L/MH		Date:	

Ombudsman Scheme for Jersey

1. Introduction and background

- 1.1 In 1998 following his review of the Island's Finance Industry and Regulation Andrew Edwards recommended that the Island Authorities consider introducing an Ombudsman Scheme. This recommendation was accepted and the Financial Services Commission was asked to consult with interested parties and to prepare law drafting instructions for such a scheme. In addition, law drafting time was allocated in the law drafting schedule to enable the scheme to be introduced as soon as possible.
- 1.2 Since late 1999, the Financial Services Commission has:
- 1.2.1 issued, and considered the responses to, a consultation paper on introducing a Financial Services Ombudsman Scheme in Jersey;
 - 1.2.2 set up a working party drawn from respondents to the consultation paper who represented both the finance industry and consumers; and,
 - 1.2.3 consulted with the United Kingdom Financial Services Ombudsman, the Office of Fair Trading in the Isle of Man and the British Irish Ombudsman's Association. We have also worked closely with the Guernsey Financial Services Commission who also intend introducing an Ombudsman scheme in response to Andrew Edwards recommendation.
- 1.3 The papers contained in this document set out the Financial Service Commission's proposals for an Ombudsman Scheme for Jersey. Although its brief was to produce a Financial Services Ombudsman Scheme it became apparent that the model it is proposing and the law drafting time it has been allocated could equally be used to assist the States in introducing other Ombudsman schemes in the Island. It is for this reason that it is

submitting two separate schemes for consideration and giving the Finance and Economics Committee the option of deciding which one to introduce.

2. Options

2.1 The two options are:

- 2.1.1 to introduce a Financial Services Ombudsman (Jersey) Law 200* which will relate exclusively to regulated and possibly non-regulated financial service providers; or
- 2.1.2 to introduce a Ombudsman (Jersey) Law 200* which would provide an umbrella structure for separate Ombudsman schemes to be brought in by Order of [] Committee.

2.2 The appendices to this document contain draft scheme rules for either option:

- 2.2.1 Appendix 1 contains the law drafting instructions for a Financial Services Ombudsman (Jersey) Law 200*.
- 2.2.2 Appendix 2 contains the law drafting instructions for a Ombudsman (Jersey) Law 200*.
- 2.2.3 Appendix 3 contains the law drafting instructions for a Financial Services Ombudsman (Jersey) Order 200* which would be made under the Ombudsman (Jersey) Law 200*

3. Guidance sought

3.1 Three issues of a political nature have not been addressed in the law drafting instructions and the Financial Services Commission would welcome the Finance and Economics Committee's guidance as to how it should proceed. These are:

- 3.1.1 Whether to include non-regulated financial service providers under the Ombudsman scheme and, if so, when they should be incorporated. See the separate scheme documents and Appendix No. 4
- 3.1.2 How the Ombudsman scheme will be funded. See Appendix No. 5
- 3.1.3 How to handle complaints against the Ombudsman. See Appendix No. 7

3.2 The Financial Services Commission also seeks the Committee's guidance as to how to proceed from this point:

- 3.2.1 Following the appointment of the Finance Industry Executive does the Committee want to take over this project and see it to completion or would it like the Financial Services Commission to continue with it?
- 3.2.2 Does the Committee want to engage in a further round of consultation on these proposals with a wider audience than that represented by the working party set up by the Financial Services Commission? [See Appendix No.8 for details of working party members]. If the answer is yes, does the Committee wish to

consult on the schemes set out in the attached appendices or on the draft Laws/Orders produced by the Law Draftsman's Office?

4. Information

- 4.1 In order to assist both the Ombudsman and consumers the Financial Services Commission is proposing to incorporate complaint handling requirements in the Codes of Practice it issues to regulated financial service businesses. These are contained in Appendix No. 6.

Table of Appendices

- 1. Law Drafting Instructions for Financial Services Ombudsman (Jersey) Law 200***
- 2. Law Drafting Instructions for Ombudsman (Jersey) Law 200***
- 3. Law Drafting Instructions for Financial Services Ombudsman (Jersey) Order 200***
- 4. Non-regulated Financial Services Business**
- 5. Funding of the Ombudsman Scheme**
- 6. Complaint Handling Requirements**
- 7. Complaints against the Ombudsman/Financial Services Ombudsman.**
- 8. Membership of Ombudsman Working Party**

Appendix No: 5

Funding of the Ombudsman Scheme

1. Most Ombudsman schemes are free to complainants and are either paid for by the State (eg. Isle of Man) or are funded by levies on the different sectors of industry that the schemes cover (UK), or a combination of both. Some include case related charges on respondent firms.
2. In light of the publicity surrounding States Finances the working party considered the following funding proposals, which were tabled by the Senior Policy Manager in the Policy and Legal Division of the Financial Services Commission. These discussions were not concluded, however, as it was felt that the funding issue went beyond the remit of the Commission and should be left to the Finance and Economics Committee.

Proposed funding model

3. The proposed Financial Services Ombudsman Scheme will initially be funded by means of compulsory annual charges levied on the regulated and non regulated financial service businesses located in the Island, which are covered by the Scheme.
4. Different levies will apply to different categories of financial service business. The size of the levy will initially be set by the *Financial Services Commission / Ombudsman* (acting on behalf of the Finance and Economics Committee) after consultation with the parties covered by the Scheme. Subsequently, the levy will take into account the number of complaints received by each category of business and the cost of dealing with the complaints received from those categories. [More complex cases will take longer to resolve and cost more to adjudicate].
5. Provision will be made in the Law for the introduction of case related charges to supplement or reduce the compulsory annual levy once sufficient data on the working of the Scheme has been obtained.



JERSEY FINANCIAL SERVICES
COMMISSION

From the office of the Chairman

Telephone: + 44 (0) 1534 822114
E-mail: c.powell@jerseyfsc.org

Deputy Alan Breckon
Flat 2
Bristol Villas
Aubin Lane
St Saviour
JE2 7PP

Our Ref.: GCP/AMV P07-001

1st May 2003

Dear *Deputy*

Ombudsman Services

Thank you for your letter of the 19th April and for the supporting papers on the subject of Ombudsman Services.

As I was a member of the Clothier Panel, and as all the members of the Panel shared completely in the recommendations in the Panel's report, you should not be surprised to know that I fully support the Clothier Recommendation that an Ombudsman should be appointed to hear complaints of mal-administration by government departments.

As Chairman of the Financial Services Commission I am also supportive of the idea of a Financial Services Ombudsman. With the transfer of responsibility for the finance industry and for the Commission from the Finance and Economics Committee to the Economic Development Committee, that I understand is in immediate prospect, it will be for the Economic Development Committee to progress the matter of a Financial Services Ombudsman. As that Committee also has general responsibility for consumer affairs it might be expected that members of the Committee will be sympathetic to the idea.

I hope you are successful in rekindling the debate on the subject of an Ombudsman service.

Kind regards,

Yours sincerely,

Colin Powell
Chairman



JERSEY FINANCIAL SERVICES
COMMISSION

74 AFG 2003

From the office of the Director General

Telephone: + 44 (0) 1534 822011
E-mail: r.pratt@jerseyfsc.org

Deputy Alan Breckon
Flat 2
Bristol Villas
Aubin Lane
St Saviour
JE2 7PP

Our Ref: AF/RCP/ P7-001

23 April 2003

Ombudsman Services

Thank you for your letter of the 19th April enclosing some material relating to Ombudsman schemes.

As your letter notes, the Financial Services Commission has been working actively on the preparation of an Ombudsman scheme for financial services in Jersey. A proposal is currently with the Finance and Economics Committee awaiting their decisions on a number of key points.

The scheme we are proposing will be aimed at the private sector rather than the public sector. There are already mechanisms for seeking judicial review of decisions of the Financial Services Commission on regulatory matters.

Thank you once again for affording me these papers.

Richard Pratt
Director General

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