

STATES OF JERSEY



DRAFT FINANCIAL SERVICES OMBUDSMAN (CASE-FEE AND LEVY) (AMENDMENT) (JERSEY) REGULATIONS 201-

**Lodged au Greffe on 27th September 2016
by the Minister for Economic Development, Tourism, Sport and Culture**

STATES GREFFE



Jersey

DRAFT FINANCIAL SERVICES OMBUDSMAN (CASE-FEE AND LEVY) (AMENDMENT) (JERSEY) REGULATIONS 201-

REPORT

The Financial Services Ombudsman (Case-Fee and Levy) (Jersey) Regulations 2015 provide for the Office of the Financial Services Ombudsman (OFSO) to prescribe schemes for case-fees and levies to be paid by certain financial service providers in respect of the expenses of the OFSO.

Following consultation with OFSO, the Minister for Economic Development, Tourism, Sport and Culture has agreed with the States of Guernsey to postpone, from the end of 2016 to the end of 2018, the ending of the equal splitting of the costs of the OFSO between Jersey and Guernsey. This meets the requirements in Article 6(1) of the Financial Services Ombudsman (Jersey) Law 2014.

The reason for the suggested extension of the equal sharing of the overall cost is to enable the collection of sufficient historic complaint data. In addition, there are potential benefits for financial service providers because –

- It minimises complexity and the resulting OFSO administrative costs borne by relevant providers.
- It enables a smoothing of the initial distortions in complaint volumes due to the differential mandate cut-off dates (Guernsey – 2nd July 2013 and Jersey – 1st January 2010) over a couple of years, to then be replaced by a more comparable steady state of case volumes.
- It minimises year-over-year swings in levies payable by individual relevant providers.

These amending Regulations also ensure that the levy scheme can provide for levy notices to be served on representatives of financial service providers in appropriate circumstances.

Financial and manpower implications

There are no financial or manpower implications for the States arising from the adoption of these draft Regulations.

Explanatory Note

These Regulations amend the Financial Services Ombudsman (Case-Fee and Levy) (Jersey) Regulations 2015 and Schedule 2 to the Financial Services Ombudsman (Jersey) Law 2014 (under an arrangement with Guernsey for the purpose of Article 6(1)(a) and (2)(b) of that Law).

The amendments postpone, from the end of 2016 to the end of 2018, the ending of the equal splitting of the costs of the Office of the Financial Services Ombudsman between Jersey and Guernsey. They also ensure the levy scheme can provide for levy notices to be served on representatives of financial service providers in appropriate circumstances.



Jersey

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Made

[date to be inserted]

Coming into force

[date to be inserted]

THE STATES, in pursuance of Articles 6 and 26 of, and paragraph 4 of Schedule 2 to, the Financial Services Ombudsman (Jersey) Law 2014¹, have made the following Regulations –

1 Amendment of Regulation 6 of Financial Services Ombudsman (Case-Fee and Levy) (Jersey) Regulations 2015

In Regulation 6(7) of the Financial Services Ombudsman (Case-Fee and Levy) (Jersey) Regulations 2015² for the words “financial year after 2016” there are substituted the words “financial year after 2018”.

2 Amendment of Regulation 8 of Financial Services Ombudsman (Case-Fee and Levy) (Jersey) Regulations 2015

At the end of Regulation 8 of the Financial Services Ombudsman (Case-Fee and Levy) (Jersey) Regulations 2015³ there is added the following paragraph –

“(8) Without prejudice to the generality of paragraph (3)(b) and of Regulation 4(1)(c), the levy scheme may make provision for service of a levy notice on a person, or at an address, to be treated as service on a financial service provider –

- (a) if that financial service provider has nominated that person or that address for that purpose;
- (b) if that person or address is otherwise authorized, in a manner that appears appropriate to the OFSO and is specified in the levy scheme, for the acceptance of service of notices; or
- (c) in such circumstances, specified in the levy scheme, as otherwise appear reasonable to the OFSO.”

3 Amendment of Financial Services Ombudsman (Jersey) Law 2014

In paragraph 2(7) of Schedule 2 to the Financial Services Ombudsman (Jersey) Law 2014⁴ –

- (a) for the words “financial years 2014, 2015 and 2016,” there are substituted the words “financial years 2014, 2015, 2016, 2017 and 2018,”;
- (b) for the words “terms under any law of Guernsey that establishes an Ombudsman scheme in relation to financial services” there are substituted the words “terms in any enactment in or under the Financial Services Ombudsman (Bailiwick of Guernsey) Law, 2014 of the Bailiwick of Guernsey, as amended from time to time during those financial years”.

4 Citation and commencement

These Regulations may be cited as the Financial Services Ombudsman (Case-Fee and Levy) (Amendment) (Jersey) Regulations 201- and come into force 14 days after they are made.

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- ¹ *chapter 13.255*
 - ² *chapter 13.255.20*
 - ³ *chapter 13.255.20*
 - ⁴ *chapter 13.255*