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# STATES OF JERSEY



## OFFICE OF THE FINANCIAL SERVICES OMBUDSMAN (OFSO): RE-APPOINTMENT OF CHAIRMAN AND MEMBERS OF THE BOARD

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**Presented to the States on 18th December 2017  
by the Minister for Economic Development, Tourism, Sport and Culture**

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**STATES GREFFE**

## REPORT

### Summary

The Office of the Financial Services Ombudsman (“OFSO”) Chairman and Board were formally appointed from 15th August 2014 (Chairman) and 1st November 2014 (Board) for a period of 3 years after the date of registration of the Guernsey equivalent of the Financial Services Ombudsman (Jersey) Law 2014. That 3-year period will expire on 30th January 2018.

It was agreed by the Minister for Economic Development, Tourism, Sport and Culture (“the Minister”) that the Chairman and Board members be re-appointed for durations and terms as detailed below.

### Proposal post-January 2018

After discussions with Guernsey counterparts, as anticipated under the Memorandum of Understanding (“MOU”) between the Minister and the President of the Guernsey Committee for Economic Development, it was proposed that –

1. Mr. David Thomas is re-appointed, by the Minister, as Chairman for a further 4 years from January 2018 (ending in January 2022). Schedule 1 of the [Financial Services Ombudsman \(Jersey\) Law 2014](#) (“the Law”) allows for the re-appointment of a serving Chairman for a period of between 3 and 5 years.
2. The 3 remaining Board members are re-appointed for “staggered” terms of 3, 4 and 5 years, whereby one Board member leaves the Board each year, starting from January 2021. The outgoing Board member would then be re-appointed or replaced by a new Board member, so there is no overlap or gap, and 3 Board members (in addition to the Chairman) are in post at all times. The new position created each year would be part of a recruitment campaign at the start of each year from 2021.

Under Schedule 1 of the Law, the Minister appoints ordinary members from persons nominated by the Chairman, and they are appointed for terms of not less than 3, nor more than 5 years. Mr. David Thomas has recommended the following staggered terms for these Board re-appointments –

1. Mr. John Curran is appointed for 3 years from January 2018, and his appointment will therefore end in January 2021, when a new appointment will need to be made.
2. Mr. John F. Mills, C.B.E. is appointed for 4 years from January 2018, and his appointment will therefore end in January 2022, when a new appointment will need to be made.
3. Ms. Deborah Guillou is appointed for 5 years from January 2018, and her appointment will therefore end in January 2023, when a new appointment will need to be made.

## Remuneration and terms

It is proposed that the remuneration and terms of the Chairman and Board members<sup>1</sup> remain unchanged from the initial appointments in 2014.

## Considerations in relation to the re-appointment of Chairman and Board members

Re-appointing the Chairman is proposed after considering the following –

1. Mr. Thomas' experience and performance with the OFSO, combined with the fact that he has been Chairman since the OFSO came into force, and that some continuity would be beneficial.
2. A new funding model is to be proposed from the end of 2018, and it would be prudent to have some continuity and consistency during and immediately after what is anticipated as being a potentially challenging period.
3. The Chief Executive/Principal Ombudsman's contract runs out in mid-2020 (it may be renewed; however, this will be a decision for the OFSO Board and Mr. Melville), and there would seem to be some benefits in ensuring that the Chairman's period expires *after* 2020 to ensure some continuity in the event that Mr. Melville's contract is not renewed.
4. Although it has not been formally tested, it is unlikely that a recruitment drive would attract a more experienced or suitable candidate for Chairman, and any recruitment campaign would be costly to the OFSO in financial terms (which would be borne by the finance sector), and would be a drain on staff resources for both the OFSO and government.
5. Mr. Thomas has indicated his willingness to be re-appointed as Chairman on these proposed terms.

The staggered appointment of new Board members is being proposed after feedback from the Chairman, and supported by the fact that the staggering of the re-appointment or replacement of Board members means that there is a degree of continuity of expertise, as only one Board member will be re-appointed or replaced each year.

## Biographies

Mr. David Thomas qualified as a solicitor in England and Wales and also in Ireland. In his legal career, he was formerly – managing partner of a firm of lawyers with offices in Liverpool and London; a Council member of The Law Society of England and Wales; a Committee member of the City of London Law Society; and President of Liverpool Law Society. In his ombudsman career, he was formerly – UK Banking Ombudsman; Principal Ombudsman with the UK Financial Ombudsman Service; Chairman of the International Network of Financial Services Ombudsman; a Board member of the Legal Ombudsman; and a member of the Audit Advisory Committee of the Scottish Public Services Ombudsman. As well as being Chairman of OFSO, he is a member of the Regulatory Board of the Association of Chartered Certified Accountants. He advises internationally on financial ombudsmen for the World Bank.

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<sup>1</sup> Remuneration for the Jersey OFSO is summarised as: Chairman: £12,000 p.a.; and Board members: £3,000 p.a. – i.e. double these figures for full remuneration from both the Jersey and Guernsey OFSOs.

Mr. John Curran was formerly – a member of the private office of 3 separate Ministers in the Irish government; a regulatory adviser in the Australian telecoms market; Director-General of the Office of Utility Regulation in Guernsey; and Chief Executive of the Channel Islands Competition and Regulatory Authorities. As well as being a director of OFSO, he is now a director of Curran Consulting Limited, an independent consultant specialising in regulation and government policy, and is Chairman of Guernsey Mind, the mental health charity.

Mr. John F. Mills, C.B.E. was formerly – Principal Secretary to a UK Minister; a member of the UK Prime Minister’s Policy Unit (leading on local government policy and finance); Director of Consumer affairs at the UK Office of Fair Trading; Chief Executive of Cornwall County Council; Chief Executive of the States of Jersey; Director of Rural Policy at the UK Department of Environment, Food and Rural Affairs; a Commissioner of the Jersey Financial Services Commission; and a Board member of the Ports of London Authority. As well as being a director of OFSO, he is now Deputy Chairman of the Ports of Jersey Board and Jersey Charity Commissioner.

Ms. Deborah Guillou is a Fellow of the Chartered Institute of Management Accountants (“CIMA”). She was formerly – an accountant with Fairbairn International; Finance Director at Guernsey Electricity Limited; a senior finance manager at Investec Asset Management; Chief Financial Officer at Generali Worldwide Insurance Company Ltd; and Head of Generali International. As well as being a director of OFSO, she is now Chief Executive, and a director, of the Medical Specialist Group in Guernsey.