

QUALITY COMMITTEE
TERMS OF REFERENCE

1. Constitution & Remit

- 1.1. The Quality Assurance Committee is constituted as a Committee of the Board, with a remit to oversee the quality assurance activities and processes of the Financial Ombudsman Service.
- 1.2. The Committee's terms of reference may be amended at any time by the Board.

2. Authority

- 2.1. The Committee is authorised by the Board to review or investigate any activity within its terms of reference.
- 2.2. The Committee is authorised by the Board to require of the executive such additional quality assurance reviews and/or remedial action as it deems appropriate

3. Membership

- 3.1. The Committee shall be appointed by the Board from amongst its members and shall consist of not less than three members.
- 3.2. The Chairman of the Committee shall be appointed by the Board.
- 3.3. Appointments to the Committee shall be for a period of one year and reviewed at the Board meeting in March each year.
- 3.4. The Company Secretary will be Secretary to the Committee.

4. Attendance at Meetings

- 4.1. The quorum necessary for the transaction of the business of the Committee shall be at least two Committee members.
- 4.2. Other Board members may attend at meetings of the Committee.
- 4.3. At the request of the Committee any members of senior management shall attend meetings. Normally, the following would be expected to be invited to attend;
 - Director of Operations
 - Head of Quality
 - Service Review Manager
- 4.4. The Independent Assessor will also be invited to attend.

5. Frequency of meetings

- 5.1. Meetings shall be held at least twice a year.
- 5.2. Meetings may be called by the Board, or the Chairman of the Board acting for the Board, or by the Chairman of the Committee.

6. Responsibilities

- 6.1. To keep under review the Service's quality assurance procedures and systems, ensuring that they meet the Service's requirements and reflect best practice.
- 6.2. To receive, and consider, on a regular basis reports about:
 - internal quality assessment programmes and findings
 - consumer and firm satisfaction surveys
 - service complaints and outcomes, including settlements or other remedial actions
 - management action to maintain or improve quality
- 6.3. To receive and consider six-monthly reports from the Independent Assessor
- 6.4. In conjunction with the Audit Committee, to commission and/or review internal audit reports pertaining to quality and the management responses to the recommendations.
- 6.5. To approve the text of the section of the *annual review* dealing with quality matters and the Committee.

7. Reporting Procedures

- 7.1. The minutes of the Committee shall normally be considered at the Board meeting following the Committee meeting.
- 7.2. Where this proves to be impractical, the minutes shall be circulated to all members of the Board as soon as possible.