

SME Advisory Group

Terms of Reference



1. background

- 1.1. The SME Advisory group is established as part of a package of measures the Financial Ombudsman Service has introduced in order to support the extension of its jurisdiction, by the FCA, to around 210,000 more small and medium-sized enterprises (SMEs) – from April 2019.

2. purpose

- 2.1. The purpose of the group is to bring together stakeholders with an interest and expertise in the SME market who will help provide the ombudsman service with additional insight and support, providing context for the SME market, as well as flagging concerns held and challenges faced by SMEs in relation to financial services. The ombudsman service will also share key trends in the cases it sees.
- 2.2. The group will not consider or discuss individual disputes, or seek to influence the ombudsman service's decision making on individual cases. That will remain the role of the ombudsman's independent case-handling staff.
- 2.3. Whilst the strategic purpose of the group has been brought about by the FCA's extension of the ombudsman service's jurisdiction over complaints from larger SMEs, it will welcome perspective and insight on issues affecting all SMEs in its jurisdiction.

3. membership

- 3.1. The group will be made up of individuals drawn from a range of stakeholders, including business representative bodies and others with experience, expertise, insight and an interest in the SME market, as well as some relevant financial services trade bodies.
- 3.2. To ensure the group provides the appropriate level of strategic insight and relevant experience of the SME market, membership will be by invitation to specific individuals based on the knowledge and insight they personally bring but having regard to the organisation or group they represent.
- 3.3. Membership of the group will not be transferable and substitutes will not be accepted without a specific invitation from the chair of the SME advisory group.
- 3.4. The individuals invited to join the SME Advisory Group will be published on the ombudsman service's website.

4. meetings

- 4.1. The meetings will be chaired by the chief ombudsman and chief executive, or where necessary an appropriate senior representative from the ombudsman service nominated by the chief ombudsman and chief executive.
- 4.2. The meetings will be held at the ombudsman service's offices in London, unless otherwise stated.
- 4.3. The group will meet at least twice a year. Meetings will be scheduled as far in advance as possible.
- 4.4. The minutes will be taken by the ombudsman service – and made publically available on its website.
- 4.5. The agenda for the meetings will be set by the chair of the SME advisory group – with input from the group's membership where possible – and shared with the attendees in advance of the meeting.
- 4.6. A quorum of no fewer than five members will be required for the meeting to take place, excluding the chair.

5. review

- 5.1. The frequency and effectiveness of the meetings – and its membership – will be kept under regular informal review with a more formal review taking place no later than two years after the first meeting of the group.