



Financial Services  
Compensation Scheme



Appointment brief

Appointment of Chair

April/May 2024

Reference: QFVG

Saxton Bampfylde

# Introduction

The Financial Services Compensation Scheme (FSCS) is the UK's compensation scheme for financial services, helping people get back on track by protecting them when authorised financial services firms fail. FSCS is an independent free service which covers all regulated financial services in the UK. The Scheme protects: deposits in banks, building societies and credit unions; insurance policies; some investments and investment advice; insurance broking; mortgage advice; self-invested personal pensions (SIPPs); pensions advice; payment protection insurance (PPI); debt management plans; and pre-paid funeral plans.

FSCS's mission is to provide customers with a trusted compensation service which helps raise public confidence in the UK financial services industry.

FSCS has grown from modest beginnings in 2001 to help customers during historic events such as the 2008 banking crisis and the 2020 global pandemic. Its experience mirrors that of the industry, government, and regulators in adapting to change, learning, improving, and overcoming difficulties and its work has been recognised in many national awards.

FSCS has paid out billions in compensation and come to the aid of millions of customers. FSCS is funded by levies on the financial services industry, and its service is free to the individuals and businesses who need its help. By providing this service, FSCS contributes to market confidence and supports financial stability.

Once a claim has been paid, FSCS also tries to recover the monies from the failed firm or other third parties who contributed to customers' losses, where reasonably possible and cost effective to do so. These recoveries help to offset the levies financial services firms have to pay and can provide additional compensation for customers whose claims are above FSCS's limits.

FSCS has completed a four-year strategy, achieving its mission through the pillars of *Prepare and Protect* and *Promote to Prevent*:

- Prepare and Protect: focused on building future capabilities and driving value for money
- Promote to Prevent: focused on supporting consumers and industry; helping consumers avoid harm and assisting FSCS's regulatory partners in improving consumer protection through the use of customer data and insights

FSCS is now going through a significant period of transformation as it ensures that it is able to deal efficiently and effectively with the changing demands on its service. In recent years, it has also become better able to share its insight about bad actors and so play an influential part in a regulatory framework that seeks increasingly to be about prevention rather than cure.





## KEY FACTS

- FSCS was set up in 2001 under the Financial Services and Markets Act 2000.
- In 2022/23, FSCS paid £403m in compensation, compensated nearly 68,000 customers and received £15m in recoveries from failed firms.
- FSCS recovered £20 billion from the 2008 bank failures and repaid all £20.5 billion borrowed from HM Treasury that year.

## GOVERNANCE

FSCS is constituted as an independent company, accountable to the Financial Conduct Authority (FCA), the Prudential Regulation Authority (PRA), and to HM Treasury, but with independence from the regulators in the operation of the compensation scheme.

The FSCS board consists of a non-executive Chair, Marshall Bailey OBE, who took up his role on 1 April 2018, six other non-executive directors and two executive directors.

Full information on the governance of FSCS can be found in the most recent Annual Report and Accounts for 2022/23 – see <https://www.fscs.org.uk/industry-resources/other-publications/annual-report/>

# The role

## CONTEXT

The current Chair, Marshall Bailey steps down from his role in September 2024 upon the completion of his term. FSCS is seeking a new Chair to succeed him.

## ROLE PRIORITIES

The role of the Chair is to provide strategic leadership to FSCS: chairing and overseeing the performance of the Board; leading the organisation in dealing with complex demands efficiently and effectively; establishing and maintaining a positive, high-performing culture in the Board and, by overseeing the performance of the Chief Executive, across the organisation; promoting the highest standards of corporate governance; and playing a high-profile role in managing relationships with industry, regulatory and government stakeholders.

## RESPONSIBILITIES

- *Chair and manage the business of the Board:* maintain a cohesive and effective Board culture to enable FSCS to fulfil its statutory duties and functions. Ensure its membership remains aligned with the challenges facing FSCS and that the diversity of skills of its members is used effectively, both individually and as a team. Review Board and individual director performance regularly and ensure FSCS gets the best from the non-executives on the Board. Review non-executive appointments and board succession planning, ensuring that there is forward planning to update any gaps in skills or experience on the Board.
- *Support and challenge the Executive:* maintain a positive and effective relationship with the Chief Executive and senior members of the executive, offering challenge and support as appropriate. Support the Chief Executive in their personal development, and work with them to ensure that they develop a senior team with the right capability and approach to lead the organisation, and to maintain a positive and high-performing culture.
- *Strategy:* oversee and make a strong contribution to the development of FSCS strategies, acting as a sounding board for the Chief Executive. Oversee the Board's development of FSCS's capability and operating model so that it remains ready to respond efficiently and effectively to firm failures across the financial services industry.
- *Governance:* ensure that FSCS has robust governance structures and processes, with the principal risks to the business identified and properly managed. Ensure that the Board has accurate and clear financial and other management information, is aware of and can demonstrate achievements, and is advised of all likely future developments and trends.
- *Culture and performance:* ensure that the organisation develops and maintains a positive culture that is aligned with its purpose. Ensure that priorities and targets remain relevant and appropriate to the delivery of FSCS's strategic aims and its statutory function and challenge the Executive's efficiency and effectiveness in delivering these.

- *Stakeholder engagement:* demonstrate excellent communication and relationship management skills with a commitment to openness and transparency. Represent FSCS capably to a wide range of stakeholder groups, including industry, regulators, and government.

All non-executive directors are expected to contribute to discussion and to provide both support and challenge to the executive directors in taking forward FSCS's strategy.

There are four Board Committees: Audit Committee; Risk Committee; Remuneration and People Committee; and Nomination and Governance Committee. The Chair also chairs the Nomination and Governance Committee and is a member of the Remuneration and People Committee.

**In addition to leading the Board, the Chair also undertakes several representational responsibilities, including:**

- Working in partnership with HM Treasury, the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA) and bringing FSCS insights to bear on matters of mutual interest, recognising FSCS's operational independence and its accountability to the regulators.
- Engaging with senior leaders across the financial services industry; and
- Representing FSCS at industry functions.





# Person specification

## What you will bring:

### **KNOWLEDGE AND EXPERIENCE**

- Proven strategic leader, with experience as a Chair.
- Strong background and proven track record in the financial services industry.
- Likely to have had experience as Chief Executive or other senior executive, with a track record of delivering results and driving organisational transformation and change in a complex private or public sector environment.
- Experience of working effectively in this way with regulators and government will be a distinct advantage.

### **SKILLS AND PERSONAL QUALITIES**

- Ability to demonstrate a commercial mindset and independent judgement, but also the ability to support and challenge the executives to ensure delivery of services and efficient use of resources.
- Experience of successfully managing and influencing multiple diverse stakeholders at the most senior level.



# Terms of appointment

## TIME COMMITMENT

Approximately two days a week. This includes:

- Meetings of the Board, which generally convenes seven times a year, additional ad hoc Board meetings as required, and an annual strategy offsite day.
- Meetings of the Remuneration and Human Resources Committee and Nomination and Governance Committee, each of which takes place 3-4 times a year; and
- Regular liaison and informal meetings and discussions with the Chief Executive, other executive directors, and non-executive directors.

There can, in addition, be periods of greater commitment in the event of a major financial failure or other significant event, when the Board may be convened for special additional meetings. Ordinary meetings are generally held at FSCS's offices in St Botolph Street in the City of London or by teleconference.

## LOCATION

Board and Committee meetings are held in FSCS's offices in Aldgate, London. Teleconference or hybrid meetings may be arranged from time to time, particularly for Committee meetings.

## REMUNERATION

Remuneration for FSCS's non-executive directors, including the Chair, is set by the FCA and PRA. The FSCS Chair is currently paid a fee of £75,000 per annum.

## CONFLICTS

Applicants will need to disclose any potential conflicts of interest.

## DIVERSITY

FSCS, the FCA and the PRA are committed to embracing diversity and to promoting equality of opportunity for all and support the principle of appointment on merit with independent assessments, openness, and transparency of process.

# How to apply

Saxton Bampfylde Ltd is acting as an employment agency advisor to Financial Services Compensation Scheme on this appointment.

Candidates should apply for this role through our website at [www.saxbam.com/appointments](http://www.saxbam.com/appointments) using code **QFVG**.

Click on the 'apply' button and follow the instructions to upload a CV and cover letter, and complete the online diversity monitoring \* form.

The closing date for applications is noon on **Wednesday 8<sup>th</sup> May 2024**.

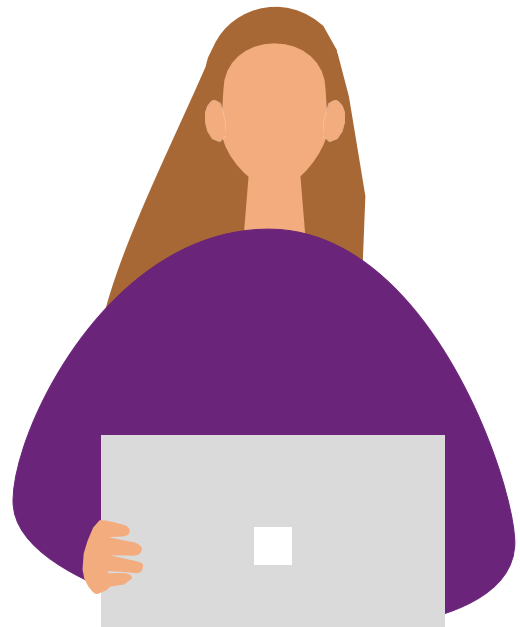
Applications will be sifted to create a longlist of candidates for further consideration. Successful candidates will then be invited to attend preliminary interviews with Saxton Bampfylde, likely to be in the first half of May 2024. Following this, a shortlist consisting of candidates who seem most closely qualified by their skills and experience judged against the required candidate profile will be invited to attend a panel interview in May-June 2024. There may also be a requirement to meet with senior leaders for an informal discussion.

Under the Financial Services and Markets Act 2000, the appointment of the FSCS Chair is made by the FCA and PRA, with approval also required from HM Treasury.

\* The diversity monitoring online form will not be shared with anyone involved in assessing your application. Please complete as part of the application process.

## GDPR personal data notice

According to GDPR guidelines, we are only able to process your Sensitive Personal Data (racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership, genetic data, biometric data, health, sex life, or sexual orientation) with your express consent. You will be asked to complete a consent form when you apply and please do not include any Sensitive Personal Data within your CV (although this can be included in your covering letter if you wish to do so), remembering also not to include contact details for referees without their prior agreement.





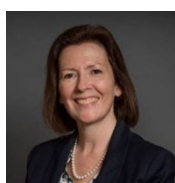
# Annex A: The FSCS Board



Marshall Bailey OBE  
Non-executive Chair  
Appointed 1 April 2018



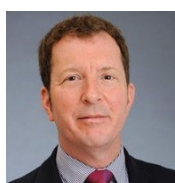
Cathryn Riley  
Non-executive director  
Appointed 1 February 2021



Helen Parker  
Non-executive director  
(Deputy Chair and Senior Independent Director)  
Appointed 1 July 2017



Alyson Levett  
Non-executive director  
Appointed 1 July 2023



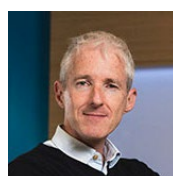
Richard Parkin  
Non-executive director  
Appointed 1 July 2019



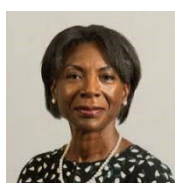
Fiona Kidy  
Executive director  
(Chief Financial & People Officer)  
Appointed 1 July 2020



Baroness Morgan of Cotes  
(Nicky Morgan)  
Non-executive director  
Appointed 1 September 2020



Martyn Beauchamp  
Executive director  
(Interim Chief Executive)  
Appointed 18 October 2023



Wendy Williams CBE  
Non-executive director  
Appointed 1 September 2020

You can read more about the current FSCS board here: <https://www.fscs.org.uk/about-us/org-info/our-gov/board-of-directors/>

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