



Treasury Committee

Lucy Rigby KC MP
Economic Secretary to the Treasury
HM Treasury

By e-mail

18 March 2026

Dear Economic Secretary

Proposed changes to the process for appointing the Chair of the Financial Ombudsman Service (FOS)

The Treasury has recently published its consultation response on its *FS Sector Strategy: Review of the Financial Ombudsman Service*. That document notes:

In order to help ensure that the FOS Board provides strong leadership in delivering against the objectives set for the FOS, including the effective oversight it will need to provide for the enhanced Chief Ombudsman function, the government will legislate to make the Chair of the FOS a government appointment. This will align the appointment of the FOS Chair with other significant appointments in financial services, such as the Chair and CEO of the FCA, and help to ensure appropriate oversight and accountability.¹

Making the Chair of the FOS a Government appointment was not one of the options consulted on by the Government. I would welcome, as soon as possible, the answers to the following questions:

1. What prompted the Government to make the Chair of the FOS a government appointment?
2. Why was making the Chair of the FOS a government appointment not part of the original consultation?
3. When does the Government plan to legislate to make the Chair of the FOS a government appointment?
4. The current senior postholders of the FOS are all currently operating as interim appointments. Is the intention that the new arrangement will apply to the next permanent appointees to those posts?

¹

https://assets.publishing.service.gov.uk/media/69b4301efdbfc4d58fc8cf64/Consultation_Response_FOS_Reform_March_2026.pdf



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It is the Committee's view that the FOS must be and must be seen to be an independent mechanism to resolve consumers' complaints against financial firms. The Government's desire to appoint the Chair of the FOS provides an opportunity to ensure that independence is fully protected by Parliament, as the public would expect. The Committee therefore recommends that the Government, when bringing forward its Bill to provide for the appointment of the Chair of the FOS, includes a statutory lock for the Treasury Select Committee on the appointment and dismissal of the Chair of the FOS. A useful precedent for such a statutory lock exists in Schedule 1 to the Budget Responsibility and National Audit Act 2011 in relation to the appointment of Members of the Budget Responsibility Committee, including the Chair of the Office for Budget Responsibility.

I would welcome the Government's acceptance of our proposal, and if not, the reasoning behind its refusal. In the meantime, the Committee will consider how it will scrutinise the appointment of the Chair of the FOS in future.

In line with the Committee's usual practice, I will be placing this letter and in due course your response in the public domain. I would be grateful for a reply as soon as possible.

Yours sincerely

Dame Meg Hillier MP
Chair of the Treasury Committee