



Advice to suppliers on complaints handling and the Financial Services Ombudsman Scheme

This advice is issued jointly by the Financial Supervision Commission, the Insurance and Pensions Authority and the Office of Fair Trading.

1. A supplier¹ of financial services should co-operate fully with the Financial Services Ombudsman Scheme² in the handling of complaints against it and should comply promptly with:-

- (a) any money award or direction made by the adjudicator;
- (b) any settlement which the supplier agrees at an earlier stage of the procedure.

2 Internal complaints procedures

2.1 Suppliers should have appropriate, accessible, effective procedures which are written down, for handling all complaints.

2.2 These should cover receiving, responding to and investigating complaints.

2.3 These should include:-

- (a) time limits for acknowledgement and holding responses and payments of any accepted offers of redress
- (b) an overall time limit of eight weeks from the receipt of the complaint for either:
 - (i) a final response, informing the complainant of their right to refer their complaint to the Financial Services Ombudsman Scheme, with details of the Scheme; or
 - (ii) a response explaining the reasons why the supplier is still not in a position to issue a final response, when a final response could be

¹ Defined by Financial Services Disputes (Definition) Order 2008.

² As provided for under Schedule 4 of the Financial Services Act 2008.

expected and informing the complainant of their right to refer their complaint to the Financial Services Ombudsman Scheme, with details of the Scheme.

2.4 The procedure should include:-

- (a) investigation or review by a sufficiently competent staff member who, where appropriate, was not previously involved in the subject matter;
- (b) appropriate management controls to ensure complaints are handled fairly, consistently and promptly and to identify and remedy systemic or recurring problems; and
- (c) appropriate management controls to ensure the details and outcome of complaints are recorded and these records are maintained appropriately.

3 Promotion of internal complaints procedures and of the Scheme

3.1 Suppliers should publicise the Scheme generally, such as by displaying notices in branches, sales offices or on websites indicating that their business is covered by the Scheme.

3.2 Suppliers should:-

- (a) publish details of their internal complaints handling procedures including details of the Financial Services Ombudsman Scheme;
- (b) make copies available to customers on request;
- (c) supply a copy to the complainant when it receives a complaint (unless the complaint is resolved by close of business on the next business day); and
- (d) give the complainant details of the Scheme in any final response.

3.3 Suppliers should promote awareness on a continuing basis among staff of the Scheme and of the supplier's own internal complaints procedures.

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