

meeting of the industry steering group  
(banking)

11 November 2013

present

from the banking sector:

- Antonio Simoes, head of UK Banking, HSBC
- Les Matheson, chief executive, UK retail division, RBS
- Alison Brittain, group director of retail, Lloyds Banking Group
- Chris Newkirk, UK managing director, Capital One plc
- Ashok Vaswani, CEO of UK retail and business banking, Barclays Bank

from the Financial Ombudsman Service:

- Nick Montagu, chairman
- Tony Boorman, deputy CEO and deputy chief ombudsman
- Caroline Wayman, legal director and principal ombudsman

apologies:

- Steve Pateman, Santander
- Alison Robb, group director, HR, customer experience and corporate affairs, Nationwide Building Society

### **welcome and introductions**

The chairman welcomed the group and thanked the members for attending.

### **complaints handling and the year ahead**

The ombudsman service is preparing for its plan and budget and the chairman explained the importance of forecasting future workloads. The group heard some of the changes to the ombudsman service that have taken place so far this year including increasing the number of free cases from three to twenty-five, introducing the new group case fee model for our larger businesses and recruiting around 1,000 people.

The deputy chief ombudsman explained that the ombudsman service had seen a moderate decline in complaints, excluding PPI. There are also early signs of a slowdown in PPI referrals – although this has not been as rapid as had been originally forecast. The group agreed that there was still a high level of uncertainty around PPI complaints in particular and recognised that there was still a large volume of cases which could yet take some time to resolve.



The group noted that the ombudsman is starting to consider its budget and plans for 2014/15. Initial views were that despite some wider pressures, focus on complaint handling by firms should help ensure that complaint volumes to the ombudsman outside PPI remain mostly stable. In PPI it is reasonable to assume a decline in volumes next year.

The group heard about the ombudsman service's triennial review that is recently underway. The chairman explained that this review, which will be carried out by The Future Foundation, will look to understand how consumer behaviour is changing and how changes in the sector as a whole might drive complaints handling behaviour. The group discussed the drivers of complaints and agreed that a better understanding of consumer, and business, behaviour is key to improving complaint handling.

The Financial Ombudsman Service has previously outlined some of the work it plans to do around speeding up the way cases are dealt with and improving the time it takes to resolve complaints on both sides. The group supported the opportunity to continue to work together and were keen to build on the work that has already taken place this year.

#### **next meeting**

The next meeting will be held in six months.