

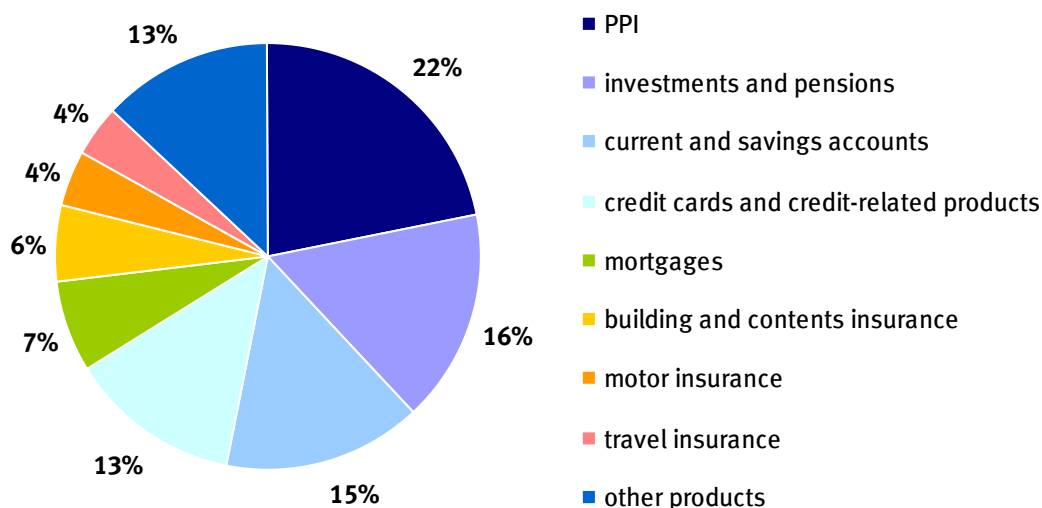
the ombudsman and older consumers



during 2012/13:

- we received more than 700,000 new enquiries to our helpline from consumers aged 65 and over – an increase of 65%.
- 24% of all complaints which required investigation were brought to us from consumers aged 65 and over – compared to 12% in 2009/10.
- the proportion of retired people who brought complaints to the ombudsman service during the year increased from 25% to 31%.
- 70% of older consumers have some awareness of the ombudsman – but this is lower than the 85% of people aged 45 to 64.

what are older consumers complaining about?



- Over the last five years the proportion of complaints about investments and pensions brought by consumers aged 65 and over has dropped from 27% to 16%.
- However – and perhaps unsurprisingly – consumers aged 65 and over are more likely to bring a complaint about investments and pensions than any other age group.

54% of consumers aged 65 and over told us that they did not have internet access.

Consumers aged 65 and over are more likely to say they have a disability.

Older consumers are less likely to use a claims management company to make a complaint – than those aged between 26 and 64. 77% of consumers aged 65+ complained to us directly – compared to an overall average of 55%.

case study 1

Miss Hughes made a claim on her home insurance after a leak in her roof caused considerable damage to her property. The insurer agreed to cover the claim and sent Miss Hughes a cheque to cover the cost of the repairs.

Miss Hughes called the insurer and explained that she didn't feel able to arrange the repairs herself as she was 80 years old and not very mobile. She didn't think she could keep on top of all the builders and what would need to be done – and didn't have anyone who could help her.

The insurer pointed Miss Hughes to the policy wording which explained that they could pay the claim in cash instead of arranging repairs if they choose to do so. Miss Hughes was unhappy with this so referred the matter to the ombudsman.

While we agreed the business were entitled to pay a claim in cash we felt that this was not fair and reasonable, given the circumstances. The consumer was elderly and found many day-to-day activities challenging, we didn't feel it was appropriate for the business to expect her to project manage the repairs.

case study 2

When Mr McKenna turned 85 he arranged for his daughter, Mrs Lock, to have power of attorney over his financial affairs. Mrs Lock went to Mr McKenna's bank to register the power of attorney and was told that everything had been 'sorted'.

A few weeks later Mrs Lock went to the branch to withdraw some money for her father – but the bank said they would need Mr McKenna to come in and authorise this. Mrs Lock explained about the power of attorney but the bank said it had no record of it – and that they'd still need to check with Mr McKenna. Mrs Lock returned the next day with the power of attorney and her father (who was recovering from an operation) – and withdrew the money. They complained to the bank manager on this visit – who apologised and assured them that the power of attorney had now been correctly set up.

However, a few weeks later the exact same thing happened again. Unhappy Mrs Lock made a complaint but the bank said it hadn't done anything wrong and it had to be sure that Mr McKenna was happy for the transfer to be made. Mrs Lock referred the complaint to us.

It was clear that the bank had not understood the power of attorney and had made the situation very difficult for both Mrs Lock and Mr McKenna – and made Mr McKenna come down to the branch when very ill. We told the business it should pay compensation to both Mr McKenna and Mrs Lock for the distress and inconvenience it caused.