



Financial
Ombudsman
Service

Meeting of the industry steering group (trade associations)

10 May 2017

present

from the industry:

- Robert Sinclair, Association of Mortgage Intermediaries
- Graham Peacop, UK Cards Association
- Eric Leenders, British Bankers' Association
- Ian Cornwall, Wealth Management Association
- Peter Wallwork, Credit Services Association
- Jason Wassell, BCCA
- Chris Hannant, Association of Professional Financial Advisers
- Paul Smee, Council of Mortgage Lenders
- Stephen Sklaroff, Finance and Leasing Association
- Hugh Savill, Association of British Insurers
- Martin Shaw, Association of Financial Mutuals
- Julian Graham-Rack, Consumer Finance Association

from the Financial Ombudsman Service:

- Caroline Wayman, chief ombudsman and chief executive
- Annette Lovell, director of engagement
- David Bainbridge, head of external relations

apologies:

- David Sparkes, British Insurance Brokers' Association
- Greg Stevens, Consumer Credit Trade Association
- Emma McWilliam, Investment and Life Assurance Group
- Russell Hamblin-Boone, Consumer Finance Association
- Robin Fieth, Building Societies Association

welcome and introductions

The chief ombudsman and chief executive welcomed the group and thanked those present for attending.

2016/2017 – reflecting on the past year

Ahead of the publication of the ombudsman service's annual review in June, the chief ombudsman and chief executive talked the group through the themes and trends the ombudsman service has seen over the last year.

It was noted that the ombudsman service had once again seen substantial complaint volumes throughout the year – although slightly less than the year before. The year also saw considerable uncertainty – most notably while the ombudsman service waited for the FCA's final guidance about the handling of PPI complaints affected by the Supreme Court's decision in the case of *Plevin v Paragon Personal Finance Ltd*.

The reduction in the volume of PPI cases was discussed (although they still represented a significant portion of the workload), along with the overall decrease in packaged bank account cases compared with the previous year. This was set against the increase in complaints about different forms of consumer credit (most notably “payday” loans) and insurance other than PPI.

The uncertainty over complaint volumes for the coming year – due to the as yet unknown impact of the FCA’s final guidance on *Plevin* cases and subsequent communications campaign – was also mentioned.

current trends and market developments

The group was invited to share the themes and trends that they were seeing, in terms of the volume and nature of complaints.

There was wide support amongst the group for the ombudsman service’s flexible working model that has been rolled out over the course of the last year. The ombudsman service welcomed the cooperation shown by businesses during this process.

The group raised a range of trends and developments, reflecting the broad base of businesses and industry sectors that were represented. However the most notable topics were the ongoing concerns over fraud and the complexity in dealing with fraud cases, the challenges and opportunities presented by Open Banking, and the use of data more widely. Attendees discussed the ombudsman service’s reporting of complaints data. The ombudsman service was encouraged to provide a further breakdown of some of its complaints categories, for example the proportion of hire purchase complaints which were about PCPs.

Board-commissioned independent review

The chief ombudsman and chief executive and director of engagement briefly introduced the theme and rationale for the ombudsman service’s next Board-commissioned independent review. The group was invited to discuss medium-term technological, societal and economic developments, and where financial services – and indeed the ombudsman service – sits within that landscape. The group indicated broad support for the review.

next meeting

The next meeting will be held on 9 November, with many members of the group having already confirmed their attendance.