

**Meeting of the industry steering group
(trade associations)**

30 May 2018

present from the trade associations:

- Hugh Savill, Association of British Insurers
- Martin Shaw, Association of Financial Mutuals
- Robert Sinclair, Association of Mortgage Intermediaries
- Steve White, British Insurance Brokers Association
- Robin Fieth, Building Societies Association
- Jason Wassell, Consumer Finance Association
- Greg Stevens, Consumer Credit Trade Association
- Peter Wallwork, Credit Services Association
- Fiona Hoyle, Finance and Leasing Association
- Pat Bennett, Investment and Life Assurance Group
- Ian Cornwall, Personal Investment Management & Financial Advice Association
- Eric Leenders, UK Finance
- Stephen Pegge, UK Finance

present from the Financial Ombudsman Service:

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

apologies:

- Emma McWilliam, Investment and Life Assurance Group (replaced by Pat Bennett)
- Stephen Sklaroff, Finance and Leasing Association (replaced by Fiona Hoyle)
- Richard Koch, UK Finance

welcome and introductions

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

The session began by acknowledging Richard Lloyd's Independent Review of the ombudsman service, which was roundly welcomed by those in attendance, including Caroline Wayman on behalf of the ombudsman service.

A number of trade body representatives present explained that they had already given feedback to Richard Lloyd for the review, while others expressed their intention to do so.

annual review 2017/2018

The chief ombudsman and chief executive talked the group through some of the themes from the ombudsman service's *annual review*, which had been published on the day of the meeting. The group reflected on the significant increase in complaints about consumer credit, in particular in relation to payday loans.

The group discussed the ongoing problem of fraud – its complexity and its evolving nature – along with the work that is currently being done with the industry and regulators to address issues relating to 'authorised push payment' scams. The group also discussed the fair treatment of longstanding customers, particularly in respect of the pricing practices among some insurers which the ombudsman service had recently focussed on in April's edition of *ombudsman news*.

The group also discussed the future of PPI – which continues to dominate the ombudsman service's workload. The group spoke about how claims management companies might act in response to an imposed cap on the amount they can charge to customers, as well as the impending time bar for PPI complaints next year.

future funding model

The group had a conversation about the future funding of the ombudsman service in a world beyond PPI. It was agreed that the ombudsman service will need to adapt considerably to a significantly different workload, in terms of its volume and make up.

There was also the suggestion that the funding model should continue to enable the ombudsman service to invest in its own expertise. It was also suggested that the model should place a focus on enabling the ombudsman service to resolve disputes swiftly – but that it should be flexible to allow the ombudsman to take due time for consideration in those select cases where it is required.

AOB and closing remarks

It was agreed that the group would meet again in six months.