

Minutes – Consumer Liaison Group meeting

15 January 2025, 10am-11am, Microsoft Teams

Internal attendees	External attendees
<p>Abby Thomas Marc Harris Sonia Payne (note-taker) Maya Eyre (note-taker)</p>	<p>Chris Brookes, Head of Policy, Age UK Chloe Maughan, Senior Policy Researcher, Citizens Advice Natasha Robinson, Policy Advisor (inclusion), RNID Sean Breen, Director of Financial and Postal Services, CCNI Fionn Sharpe, Senior Policy and Public Affairs Manager at fair4all finance Emma Kosmin, Policy and Public Affairs Manager, fair4all finance Michael Royce, Senior Money & Pensions Proposition Manager, MaPS Meg Van Rooyen, Policy Manager, Money Advice Trust Adam Butler, Public Policy Manager, StepChange Katie Watts, Campaigns and Policy Lead, Money Saving Expert Lauren Garrett, Financial Services Manager, Surviving Economic Abuse Tony Herbert, Senior Policy Adviser, Which? Justina Mickute, Economic Abuse Lead, Refuge Charlotte Clark, Director, Cross - Cutting Policy and Strategy, FCA</p>
<p>Apologies</p>	<p>Rosie Brosnan, HMT</p>

Item	Agenda
1.	Welcome and introductions
2.	Key updates from the Financial Ombudsman Service
3.	Financial inclusion with presentations from attendees
4.	Plan and Budget Consultation
5.	AOB and closing remarks

1. Welcome

1.1 The Chair welcomed attendees to the meeting.

2. Key updates from the Financial Ombudsman Service

2.1 The Chair explained that demand for our service is high. Due to media coverage around motor finance cases, we've received an increase in these cases. We're also seeing an increase in consumer credit cases particularly in relation to unaffordable lending. Cost of living pressures are now affecting casework. CMCs are active in this area and that creates spikes in our workload.

2.2 The Chair explained there has been an increase in activity in other casework areas – particularly in relation to fraud and scams. We're seeing less activity in relation to pensions investments and insurance. But overall, the Financial Ombudsman Service is experiencing an increase in case volumes.

2.3 The Chair explained that despite the increase in demand for our service, we've maintained our performance at a high rate. The Financial Ombudsman is also rolling out extensive vulnerability training to frontline staff, run by Money Advice Trust.

2.4 We've made raising awareness of our service a priority and have delivered several presentations about how/when we can help, to frontline staff at consumer bodies. We've also been working with consumer advocates and firms to better signpost to our service where appropriate.

3. Call for Input (Cfi)

3.1 The Chair gave an overview of the Call for Input and its wider ambitions to modernise the redress framework. The Chair emphasised the importance of consumer groups sharing their views and opened the floor for attendees' thoughts.

3.2 One attendee raised the point that it's difficult for organisations in the group to respond to the Cfi – it's very wide reaching and high level and they don't all have direct experience of complaint handling like the businesses do. However, they appreciate that consumer group responses are needed to ensure a balanced range of submissions from stakeholders. The group also discussed different opportunities and methods for consumer groups to respond to the consultation.

- 3.3 The group discussed asking businesses to lay out the benefits of the proposals to consumers and risks associated with this.
- 3.4 The group discussed the lens that the Consumer Duty provides in respect of obligations for businesses, and expectations from consumers.

4. Financial inclusion

- 4.1 The Chair opened the discussion on financial inclusion and explained the Financial Ombudsman Service has seen an increase of complaints around unaffordable lending. There are also impacts on consumers who do not have access to lending because they may be considered 'high-risk'. The Financial Ombudsman is aware the government is interested in this area and has set up a Financial Inclusion Committee.
- 4.2 Fair4AllFinance presented on increasing access to affordable credit. Whilst usage of outstanding loans and home credit has reduced, demand for credit remains high. They have piloted a no interest loan scheme which was found to have a positive impact on access to financial services for vulnerable borrowers and there seemed to be few issues in repaying the loan. They're looking to raise awareness of credit union and community finance providers as part of the Financial Inclusion Committee.
- 4.3 Citizens Advice presented on their research which shows car insurance increasing financial exclusion from an essential market with certain groups being more likely to be impacted. Citizens Advice are keen for stakeholders to consider the interplay and impacts of insurance on different groups.
- 4.4 RNID presented about the financial exclusion faced by deaf people. Although they have seen an increase in BSL interpretation and services, RNID pointed out there's still more to do and it has seen an increase in requests for support from banks which is promising. They're interested in learning about how the Consumer Duty demands better treatment across vulnerable user journeys.
- 4.5 Surviving Economic Abuse (SEA) presented about access to finance for survivors of domestic and economic abuse. SEA gave evidence to the Treasury Select Committee at the end of 2024 on access to cash. ATMs and branch closures affect access to cash which is detrimental to victim-survivors. SEA explained how abusers can misuse online banking in different ways to prevent a survivor from leaving or to continue abusing them. Using cash can help survivors flee. SEA have requested the government always make acceptance of cash a payment option and have made recommendations to tackle the root problem.

5. Plans and Budget

- 5.1 the Chair informed the group that we're consulting on our Plans and Budget and explained views are welcomed. The deadline is 29 January 2025.

6. AOB and closing remarks

The Financial Ombudsman Service expressed that this was a very thought provoking and interesting discussion.

- 6.2 The Chair thanked all attendees for their input and closed the meeting.