

# **moving towards resolution**

## **working with the ombudsman service to resolve complaints**

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**ombudsman – head of banking and credit**



## menu for our session today

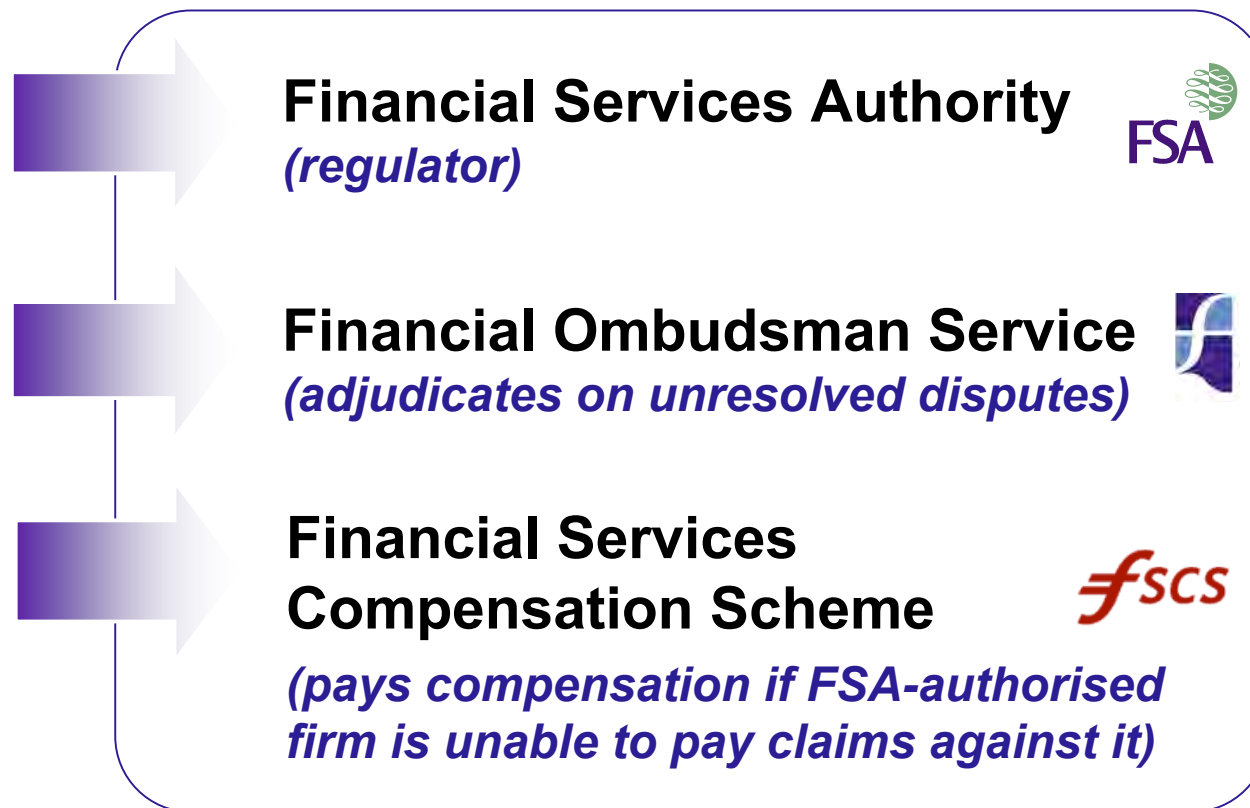
- **some context around our work**
- **headline numbers**
- **rules reminder**
- **learning from bad practice (a light-hearted approach – but a serious message)**
- **learning from good practice**

## our purpose

- an *independent* service for resolving disputes between consumers and financial businesses providing financial services
- to resolve complaints on the basis of what is *fair and reasonable* and at the earliest possible date
- to promote dispute avoidance

## how we came into being ... 2001

**Financial  
Services  
and  
Markets  
Act 2000**



## **original coverage ... 2001**

- **banks and building societies**
- **insurance companies**
- **investment and pension product providers**
- **investment and pension advisers**
- **investment portfolio managers**

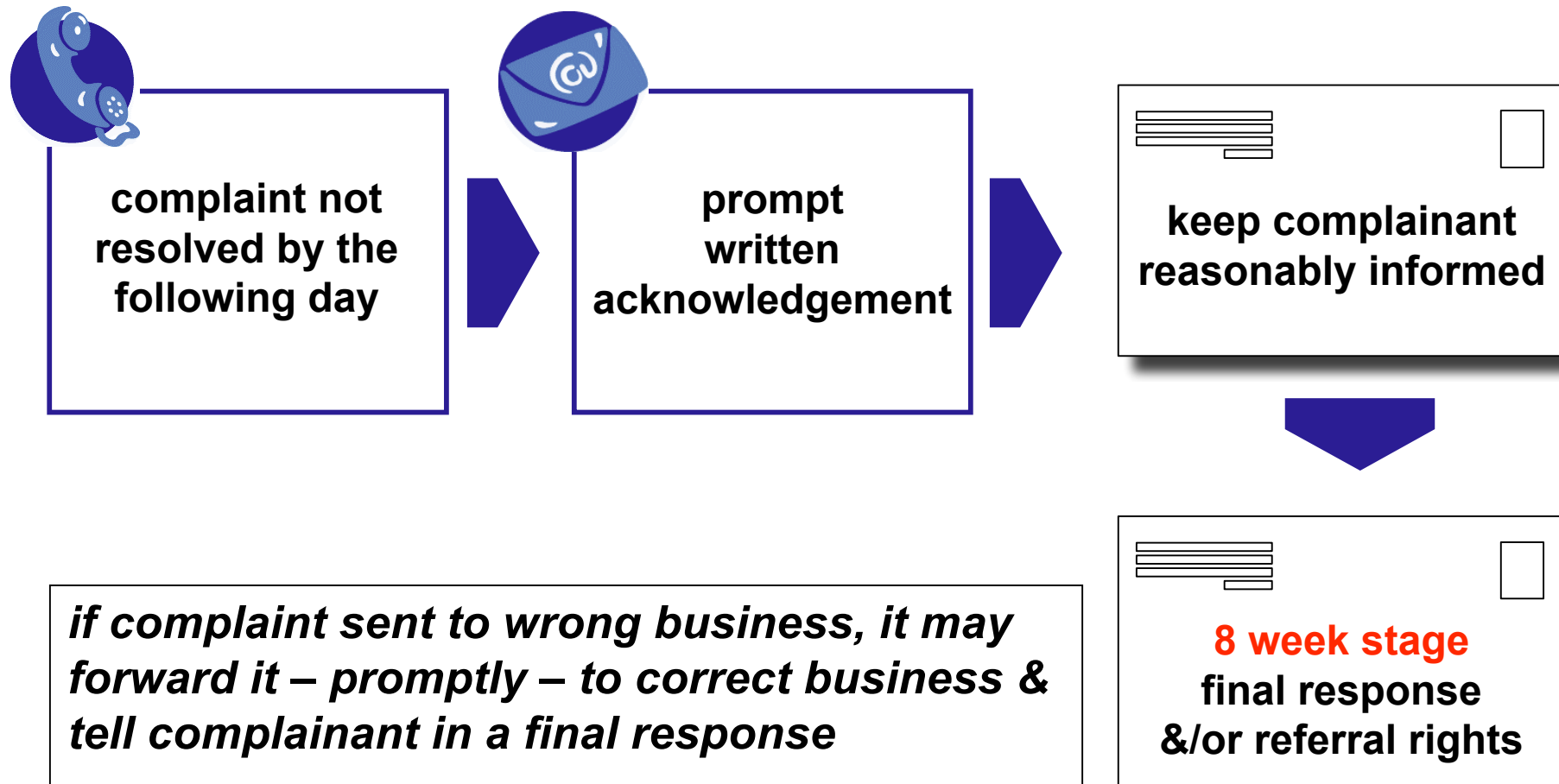
## **gradual incremental growth**

- **2002 – credit unions, electronic money institutions**
- **2004 – mortgage intermediaries, ‘other’ mortgage lenders**
- **2005 – insurance intermediaries, National Savings & Investments**
- **2007 – consumer credit licensees, home reversion plans, home purchase plans**

## headlines numbers for 2007- 8

- **794,648 front-end enquiries (up 27% on last year)**
- **123,089 cases (up 30% on last year)**
- **56.5% about banking and credit**
- **22% about insurance**
- **11% about mortgage endowments**
- **10.5% about investments and pensions**

## complaint-handling rules reminder



## **how to make a difficult situation even worse part one – responding to your customer**

- **be defensive and emotional in your response, and make sure you draw attention to plenty of irrelevant details**
- **it helps if you can get in a few recriminations, to balance things up a bit**
- **avoid directly addressing the customer's complaint – it might encourage them**
- **be sure to take your time, and build in plenty of layers to your complaint process**
- **never apologise, it might give them ideas**

## **how to make a difficult situation even worse part two – responding to the ombudsman**

- **as a routine first step, argue that the case is outside the ombudsman’s jurisdiction – always worth a try**
- **if you get an awkward question, just bluster a bit and answer the question you wish we had asked**
- **be sure to take the opportunity to get it all off your chest – don’t hold back on how you are feeling**
- **not sure what you *actually* did? – just say what you ‘would have done’**
- **if your case is a bit weak, provide loads of paperwork; it doesn’t have to be strictly relevant and don’t worry about putting it in any logical order**

**but things can be so much better in reality...**

**“ Thank you for your time the other day, I found it both useful and helpful.**

**We are now reviewing our complaints process to ensure we are doing all we can to resolve complaints without the need to refer to yourselves. Hopefully this will lead to customers feeling their issue has been addressed thoroughly and sensitively.”**

**(actual letter to us from a business, received 2008)**

## **getting it right – what the better businesses do**

- **remember that we really *are* impartial**
- **get to grips with the complaint right from the start**
- **don't waste time on unproductive argument – save it for making concise, focussed representations**
- **have a flexible, nimble complaints process**
- **understand the value of a sensitive response to the customer – even when the answer is '*no*'**
- **understand the value of an intelligent response to the ombudsman, maintaining a professional approach at all times**
- **learn from our provisional and final decisions**

**support for businesses – including smaller businesses:**

**[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)**

**technical advice desk**

***- for informal guidance on our jurisdiction,  
practice and procedures***



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