



## Financial Services and Pensions Ombudsman publishes legally binding decisions for the first time

*The FSPO makes detailed decisions available to the public*

**24 January 2019.** The Financial Services and Pensions Ombudsman (FSPO) has today published 228 legally binding decisions, reached throughout 2018. While the Office successfully resolved the vast majority of complaints through mediation, of the 234 that required formal investigation resulting in a legally binding decision, 127 were fully, substantially or partially upheld while 107 were not upheld.

The power to publish legally binding decisions in relation to complaints was granted to the FSPO under the ***Financial Services and Pensions Ombudsman Act 2017***. Following the merger of the Financial Services Ombudsman and the Pensions Ombudsman and the establishment of the FSPO on 1 January 2018, this is the first time such decisions have been published. By publishing these decisions the FSPO aims to enhance transparency and understanding of the powers and services of the office.

The FSPO deals with a wide range of complaints relating to insurance, banking, credit facilities and investments as well as pensions. Some examples of directions made by the FSPO in 2018 include:

- Compensation of €3,000 to a driver who lost his No Claims Bonus after reporting a crash caused by an uninsured driver;
- Compensation of €250 to an individual whose travel insurance policy automatically renewed and who was refused a refund when she sought to cancel the policy;
- Compensation of €90,000 to a couple whose mortgage provider adopted an obstructive approach after they fell into arrears with a buy-to-let mortgage;
- Compensation of €7,000 and the correction of an individual's Irish Credit Bureau rating after the lender failed to inform him that his loan had not been fully paid off despite it ceasing the collection of direct debit payments;
- Compensation of €3,750 to a customer whose bank opened a new account without her consent or knowledge.

Reflecting on the decisions published from the Office's inaugural year, the Financial Services and Pensions Ombudsman, Ger Deering, said:

*"I am very pleased to publish the legally binding decisions made during 2018. I welcome the fact that the majority of complaints were resolved through the informal mediation process we provide as this delivers a faster outcome that is acceptable to both parties. In 2018, we resolved approximately 2,300 complaints through this informal mediation process."*

*However, it is clear from the decisions I am publishing today that some providers do not always act in the best interest of their customers. I have found that it is still the case that some providers are not willing to listen to or engage sufficiently with their customers in order to resolve disputes. Where disputes are not resolved by agreement, I will continue to use the extensive powers available to me to investigate and adjudicate complaints in a transparent and impartial manner to ensure fairness and, where necessary, to direct providers to pay compensation or rectify their conduct”.*

The Office of the FSPO deals with complaints informally at first, by listening to both parties and engaging with them to facilitate a resolution that is acceptable to both. Informal mediation allows a faster resolution. Much of this informal engagement takes place by phone.

When these early interventions do not resolve the dispute, the FSPO investigates the complaint and subsequently issues a decision that is legally binding on both parties, subject only to an appeal to the High Court. The powers of the Ombudsman are extensive; he can direct a provider to pay compensation of up to €500,000 to a complainant and direct that a provider rectify the conduct that is the subject of the complaint. There is no limit on the value of the rectification that can be directed.

The FSPO has, today, also published a Digest of his 2018 decisions. This publication includes summaries of decisions in relation to complaints against both financial service providers and pension providers.

Noting the diversity of both the complaints and the outcomes, Ger Deering commented:

*“As can be seen from the decisions published, our adjudications dealt with a very broad range of complaints. In the 127 decisions where the complaint was upheld, substantially upheld, or partially upheld, the remedies directed were extremely varied”.*

Deering concluded:

*“I am very conscious of the impact of the work of this office on the daily lives of consumers. The importance of resolving a contentious dispute, that is negatively affecting an individual’s life, cannot be overestimated. One of the key objectives of our office is to improve communication and engagement with the public. Publication of these decisions is an important step in achieving this and will, I believe, contribute to an enhanced consumer protection framework”.*

A detailed analysis of all complaints dealt with will be provided by the FSPO in his **Annual Review of 2018**, which is due to be published in March 2019.

**Ends**

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## Notes to Editor

- The government decided to merge the offices of the Financial Services Ombudsman's Bureau and the Office of the Pensions Ombudsman to form the FSPO.
- The FSPO was established by the Financial Services and Pensions Ombudsman Act 2017 and opened for business on 1 January 2018.
- A copy of the FSPO's Strategic Plan, 'Enhancing the Customer Experience', which sets out the vision for the next three years, is available on the Publications Section of the Website: [www.fspo.ie/publications](http://www.fspo.ie/publications)
- The FSPO is funded mainly by levies on financial services providers and by a small grant from the Exchequer.
- Decisions issued by the Financial Services and Pensions Ombudsman are legally binding on both parties and can only be appealed to the High Court.
- Case studies of some of the Ombudsman's decisions in 2018 are available online in the '**Financial Services and Pensions Ombudsman's Digest of 2018 Decisions**' available on the Publications Section of the Website: [www.fspo.ie/decisions](http://www.fspo.ie/decisions)
- The FSPO issued 234 decisions in 2018. As the legislation does not provide the power to publish decisions relating to pension providers three decisions relating to pension providers that were issued in 2018 are not published. A further two of the 2018 decisions were under appeal to the High Court at the time of publication. These two decisions will not be published pending the outcome of these appeal processes. In addition, one decision where the content of the decision would risk identifying the complainant has not been published. Therefore, 228 decisions are published today.