



An tOmbudsman Seirbhísí
Airgeadais agus Pinsean
Financial Services and
Pensions Ombudsman

Statement 23 June 2022

The Office of the Financial Services and Pensions Ombudsman (FSPO) notes the Enforcement Actions published today, 23 June 2022, by the Central Bank of Ireland, in relation to two financial service providers.

The FSPO's predecessor organisation, the Financial Services Ombudsman's Bureau (FSOB), received the first tracker mortgage interest rate complaints in 2009. In 2022, thirteen years from the first complaints, tracker mortgage interest rate complaints continue to be received by the FSPO. In January 2018, the FSPO inherited over 600 tracker related complaints from the FSOB and in the years 2018 – 2021, received over 2,000 new tracker mortgage interest rates complaints.

The FSPO has invested considerable time and resources in the investigation of complaints against financial service providers relating to tracker interest rates on mortgage loans. The FSPO has worked in close cooperation with the Central Bank of Ireland to ensure that consumers wrongly denied tracker interest rates on mortgage loans, have them returned in the most efficient and effective way possible. The FSPO has repeatedly stated that the most effective and efficient way to provide redress and compensation to borrowers who have been wrongly denied tracker interest rates on their mortgage loans, was for the banks to cooperate fully with the Central Bank directed Tracker Mortgage Examination (TME).

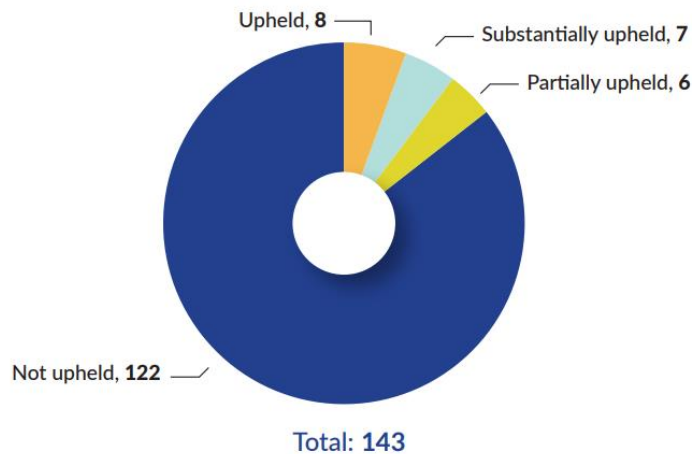
An important aspect of the TME was that where complainants were not offered redress or compensation by their lender, or where complainants were not satisfied with an offer of redress or compensation from their financial service provider, then the informal mediation and formal investigation processes of the FSPO remained available to those complainants.

There are many consumers who never make a complaint to the FSPO, who nevertheless benefit from our interventions and our work. This was particularly evident in 2020 when more than 7,000 consumers received rectification or compensation on foot of a small number of the Ombudsman's decisions. This was because some financial service providers applied the directions from a number of the Ombudsman's decisions, in relation to tracker mortgage complaints, to other customers in similar circumstances. Such an approach is always welcomed by the FSPO and it has been publicly recorded that the value of the redress applied to such other customers, arising from those decisions in 2020, is likely to have exceeded €300 million.

As at 23 June 2022, there are 282 legally binding decisions available on the [FSPO's website](#) on complaints concerning the application of a tracker interest rate. The Financial Services and Pensions Ombudsman Act, 2017, gives the FSPO the power to publish legally binding decisions in relation to complaints concerning financial service providers. This is an important measure, which increases the visibility of the decisions of the Ombudsman and enables consumers and providers to understand the outcome of decisions and the factors considered in arriving at a decision.

In 2020, the FSPO published a [Digest of Decisions](#) issued in relation to tracker mortgage interest rate complaints. This publication contains summaries of 16 tracker mortgage decisions and outlines the work of the FSPO in relation to tracker mortgage interest rate complaints.

In 2021, as highlighted in the Ombudsman's [Overview of Complaints](#), the FSPO closed 370 tracker mortgage interest rate complaints. Of the 370 complaints closed, 143 were closed following a formal investigation and the issuing of a legally binding decision. A copy of each of those 143 decisions was shared by the FSPO with the Central Bank of Ireland. The outcomes of those 143 decisions are shown below:



While the volume of tracker mortgage interest rate complaints received by the FSPO in 2022 shows a welcome reduction on previous years, as providers conclude their actions to remediate their customers, it is anticipated that tracker mortgage interest related complaints will nevertheless continue to comprise a considerable portion of the work of the FSPO.