



An tOmbudsman Seirbhísi
Airgeadais agus Pinsean

Financial Services and
Pensions Ombudsman

Financial Services and Pensions Ombudsman publishes his inaugural Overview of Complaints

Analysis of trends and themes from the Office's first year of operation.

28 March 2019. The Financial Services and Pensions Ombudsman, Ger Deering, has today published his [Overview of Complaints 2018](#) which analyses trends and themes from his Office's first year of operation.

The Office of the Financial Services and Pensions Ombudsman (FSPO) was established on 01 January 2018 to resolve complaints from consumers, including small businesses and other organisations, against financial service or pension providers. The establishment of the FSPO resulted from the merger of the Office of the Pensions Ombudsman and the Financial Services Ombudsman's Bureau.

The FSPO provides an independent, fair, impartial, confidential and free service to resolve complaints through either informal mediation or formal investigation and adjudication. When a consumer is unable to resolve a complaint or dispute with a financial service or pension provider they can refer their complaint to the FSPO. The [Overview of Complaints](#) provides a summary of the 5,588 complaints made to the FSPO in 2018 and details the complaints record of individual financial service providers against which three or more complaints were upheld, substantially upheld or partially upheld. Key statistics included in the [Overview of Complaints 2018](#) include:

Complaints received

- 5,588 complaints were received in 2018;
- 3,104 (56%) complaints received related to banking products, with mortgage complaints accounting for 32% of all complaints received at 1,766;
- 1,843 (33%) complaints received related to insurance products;
- 363 (6%) complaints received related to pension schemes;
- 278 (5%) complaints received related to investment products.

Complaints closed

- 4,443 complaints were closed in 2018;
- 2,331 complaints were closed using mediation techniques through the Dispute Resolution Service;
- 234 legally binding decisions were issued following adjudication. Of these, 127 were fully, substantially or partially upheld while 107 were not upheld.

This report follows the publication in January of this year of 228 legally binding decisions issued in 2018. By proactively publishing his decisions and by including additional case studies of outcomes from the dispute resolution service in this [Overview of Complaints](#) 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. 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. The case studies highlighted in this report demonstrate the types of solutions and redress achieved through the FSPO's dispute resolution service which uses mediation techniques to resolve matters where appropriate standards are not met by service providers or where complaints are not resolved by the provider.

In 2018, we resolved 2,331 complaints through our informal mediation process. In 1,219 of these complaints the complainants received redress and/or compensation which included the following examples:

- Payment of €223,463 in relation to a claim under a serious illness policy which had initially been rejected;
- Payment of €122,500 to a family whose claim in relation to their father's whole of life policy had been rejected;
- Payment of €40,000 to a couple whose storm damage insurance claim had initially been rejected;
- Compensation of €1,500 to a couple from a mortgage provider in relation to a delay in providing their house deeds;
- Refund of AVCs paid, and compensation of €1,000 due to incorrect advice provided by a pension scheme administrator.

On publishing the Overview of Complaints 2018, the Financial Services and Pensions Ombudsman, Mr. Ger Deering, drew particular attention to the issue of insurance companies voiding insurance policies and said:

"I regret to say, as can be seen from some of the 2018 decisions published and from the case studies featured in this Overview of Complaints, that some insurance companies continue to void policies in a manner which I consider to be unreasonable and disproportionate.

Where a person has an insurance policy cancelled by an insurance company due to alleged non-disclosure, or for whatever reason, this can have serious implications and render it very difficult, and in some instances almost impossible, for that person to get any sort of insurance cover subsequently.

I firmly believe the voiding of an insurance policy is something that should not be done lightly. To avoid the risk of non-disclosure and the potential voiding of policies, I hold the view that insurance companies and insurance intermediaries should ask questions prior to the inception of a policy in a clear manner and ensure that customers are clear on what they are being asked and the potential consequences of answering incorrectly.

Furthermore, insurance companies should exercise caution and prudence when considering cancelling an insurance policy and should not take steps which might reasonably be considered disproportionate".

Reflecting on the volume and breadth of complaints dealt with by his Office in its inaugural year, the Financial Services and Pensions Ombudsman, Ger Deering, said:

"I am very pleased to publish the Overview of Complaints 2018. I welcome the fact that the vast majority of complaints were resolved through the informal mediation process we provide as this delivers a faster outcome that is acceptable to both parties.

As can be seen from the case studies within this report and within our earlier Digest of 2018 Decision published in January of this year, my Office dealt with a very broad range of complaints across all sectors, and the remedies achieved through mediation, or directed by way of legally binding decisions following investigation and adjudication were extremely varied”.

Deering concluded:

“While I am very proud that my office successfully closed 4,443 complaints in 2018, unfortunately, the volume of complaints received caused us to be unable to process complaints as quickly as we would wish to and our main priority for 2019 will be to improve the timeliness of our service and deliver faster resolution of complaints. I am grateful to the recent confirmation by the Minister for Finance of sanction for an additional 35 positions which will greatly assist us to keep pace with the speed of change, to eradicate waiting times to have complaints resolved, and to achieve the objectives set out in our Strategic Plan 2018 – 2021”.

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 01 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.fspoi.ie/publications.
- The FSPO is funded mainly by levies on financial services providers and by a small grant from the Exchequer.
- The **Overview of Complaints** includes case studies to assist consumers and financial service and pensions providers to gain an understanding of the types of complaints dealt with and how they are resolved. The case studies featured in this Overview of Complaints are illustrative of actual complaints handled by the FSPO in 2018 which were resolved by our Dispute Resolution Service using mediation techniques. Some details within the case studies, such as names and locations, have been altered in order to protect the identity of the complainants.
- Decisions issued by the Financial Services and Pensions Ombudsman are legally binding on both parties subject only to an appeal to the High Court.

- Case studies of some of the Ombudsman's legally binding decisions in 2018 are available in the '**Financial Services and Pensions Ombudsman's Digest of 2018 Decisions**'. The Digest and Database of legally binding decisions issued are available on the FSPO website at www.fspo.ie/decisions.