



An tOmbudsman Seirbhísí  
Airgeadais agus Pinsean

Financial Services and  
Pensions Ombudsman

## Financial Services and Pensions Ombudsman publishes Overview of 2019 Complaints

*1,399 complainants received compensation and/or redress through the services of the FSPO in 2019*

**31 March 2020** The Financial Services and Pensions Ombudsman, Ger Deering, has today published an **Overview of Complaints for 2019**, detailing the activities of the Office of the Financial Services and Pensions Ombudsman (FSPO) during its second year of operation.

The Overview of Complaints provides a summary of the activities of the FSPO during 2019 and analyses the sectors, financial products and conduct giving rise to complaints to the FSPO. It provides a summary of the 5,275 complaints made to the FSPO in 2019 and details the individual financial service providers against which three or more complaints were upheld, substantially upheld or partially upheld in 2019. Key statistics included in the Overview include:

### Complaints received

- 5,275<sup>1</sup> complaints were received in 2019
- 2,862 (58%) complaints related to banking products, with mortgage complaints accounting for 30% of all complaints received by the FSPO in 2019
- 1,660 (33%) complaints received related to insurance products
- 233 (5%) complaints received related to investment products
- 214 (4%) complaints received related to pension schemes

### Complaints closed

- 4,569 complaints were closed in 2019
- 2,154 complaints were closed through the Dispute Resolution Service
- 439 legally binding decisions were issued following adjudication, compared with 234 in 2018. Of the legally binding decisions issued in 2019, 201 were fully, substantially or partially upheld, while 238 were not upheld.
- 215 complaints were settled during the formal investigation process
- A total of 1,399 complainants received compensation and/or redress through the services of the FSPO in 2019

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<sup>1</sup> When ineligible complaints were identified and referred elsewhere or closed, 4,969 complaints fell to be dealt with by the FSPO.

The FSPO deals with a wide range of complaints relating to insurance, banking, credit facilities and investments as well as pension schemes. 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. Complaints not resolved informally are referred for formal investigation. The case studies included in the Overview of Complaints demonstrate the solutions and redress achieved through the services of the FSPO. In 2019, 1,399 complainants received redress and/or compensation through the services of the FSPO, 983 through mediation, 215 during investigation and 201 through legally binding decisions issued. Examples of settlements reached where a legally binding decision was not necessary included the following:

- Payment of €28,000 in interest rate adjustment and €18,000 in compensation to a complainant whose mortgage was incorrectly classified as an investment property and who was not afforded the protections of the Mortgage Arrears Resolution Process (MARP).
- A settlement of €36,000 to a couple who had four mortgages with their bank. One of their mortgages was impacted by the tracker mortgage examination directed by the Central Bank and there was a disagreement between the parties as to whether a tracker rate should have applied to their second mortgage. There was also disagreement as to what rate applied to their third mortgage, and issues concerning conduct around their fourth mortgage.
- 90% of a health insurance claim was paid by insurer which had not recorded a call with a complainant concerning the waiting period on the complainant's health insurance policy
- An income protection policy claim was paid to a complainant whose policy had not been set up correctly due to an error
- Payment of €20,000 to a couple whose holiday home received €57,000 worth of damage due to a burst water pipe. €14,500 of the claim had already been paid prior to mediation.
- Refund of approximately €1,500 in relation to fraudulent transactions on a complainant's account where the bank had not given satisfactory service or advice to the complainant when he reported the transactions
- An arrears write-off of €15,000, a goodwill payment of €5,000 and the recapitalisation of the remaining arrears of €25,000, which remained on the loan balance where the interest charged was in dispute
- A refund of legal fees of €802.02 together with interest of €91.98, and compensation of €10,000 to a couple who had been deemed as "not cooperating" under the Code of Conduct for Mortgage Arrears (CCMA)
- Payment of a €2,600 claim for medical benefit
- Payment of €3,000 to a complainant following damage caused to his car by rats

The publication of the Overview of Complaints 2019 follows the publication of 419 legally binding decisions in February of this year. By proactively publishing decisions and case studies of complaints concluded, the FSPO aims to enhance transparency and understanding of the powers of the Ombudsman and the services the FSPO provides.

On publishing the Overview of Complaints 2019, the Financial Services and Pensions Ombudsman, Ger Deering, said:

*"In 2019, my Office continued to receive a high volume of complaints, with 4,969 eligible complaints received. During 2019, we maintained a focus on improving our processes and increasing our staff numbers and by the end of 2019, we were closing more complaints than we received on a monthly basis. This is an important milestone for the FSPO and will result in an improved customer experience in terms of response times.*

*Notwithstanding this positive trend, it remains the case that the FSPO continues to receive a high volume of complaints, notably in relation to mortgages. While tracker mortgage interest rates accounted for over 550 complaints received in 2019, there were a total of 1,509 complaints received concerning mortgages. We made considerable progress in dealing with complaints relating to tracker mortgage interest rates during 2019, closing 516 tracker mortgage complaints during the year. This work was undertaken while at the same time managing more than 5,000 other complaints that did not relate to tracker mortgages.*

*We deal with complaints informally at first, by listening to the parties and engaging with them to facilitate a resolution that is acceptable to both parties. In 2019, we resolved 2,154 complaints through our Dispute Resolution Service using informal mediation methods. Where these early interventions did not resolve the dispute, we formally investigated the complaint. Formal investigation of a complaint is a detailed, fair and impartial process carried out in accordance with fair procedures. All of the evidence and the parties' submissions are carefully considered, before a preliminary decision and ultimately a legally binding decision is issued. We issued 439 legally binding decisions in 2019."*

Mr. Deering concluded:

*"The publication of the Overview of Complaints 2019 is taking place at a time when Ireland is responding to the huge challenges posed by COVID-19. The FSPO has implemented our Business Continuity Plan and continues to operate, while adhering to all Government and HSE guidance and regulations, providing a service to complainants and processing complaints in accordance with our procedures and standards. The FSPO will deal with any complaints arising from the current situation in the normal way. We have information on our website, [www.fspo.ie](http://www.fspo.ie) that details the steps complainants need to take if they have a complaint, including making a formal complaint to their financial service provider and giving that provider the opportunity to resolve the complaint, before making a complaint to the FSPO."*

**Ends**

**For further information, please contact:**

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#### **Notes to Editor**

- The FSPO was established by the **Financial Services and Pensions Ombudsman Act 2017** and opened for business on 1 January 2018.
- The services of the FSPO are available to consumers as well as businesses and other entities with a turnover not exceeding €3million.
- 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. 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 Ombudsman can direct a financial service provider to pay compensation of up to €500,000 to a complainant and/or to rectify the conduct that is the subject of the complaint. There is no limit on the value of the rectification that can be directed.

- Decisions issued by the Financial Services and Pensions Ombudsman are legally binding on both parties and can only be appealed to the High Court. Of the 439 decisions issued in 2019, five were appealed by the parties to the High Court.
- Decisions are available at [www.fspo.ie/decisions](http://www.fspo.ie/decisions)