# Complaints Handling Procedures updated June 2023

Handling complaints properly can provide a positive benefit to [Name of firm], as a complaint handled well could lead to a more satisfied client than we had before. Clients who complain provide information that may be used to improve our products and standards of service, especially where complaints indicate that these do not meet clients’ expectations.

Benefits and cost savings can be achieved by the avoidance of complaints and an appropriate complaints handling mechanism. [Name of firm] should aim to ensure that clients feel satisfied with the way their complaints have been handled and that sufficient information is obtained to enable us to learn from mistakes and prevent recurring problems. Complaints should be treated consistently even if the individual complaint may appear to be based on an unrealistic expectation of what [Name of firm] can do.

## What is a complaint?

A complaint is any expression of dissatisfaction whether oral or written, and whether justified or not, from or on behalf of an eligible complainant about the firm’s provision of or failure to provide a financial service which alleges the complainant has suffered or may suffer financial loss, material distress or material inconvenience.

## Complaints records

All complaints must be recorded and documented. [Name of firm] must keep a record of each complaint received and the measures taken to resolve the complaint for a minimum period of three years. The time limit runs from the date the firm receives the complaint.

The records are for internal use, to demonstrate our obligations under the Consumer Duty, for the purpose of monitoring by the FCA and also to ensure that the firm is able to co-operate as necessary with the FOS. As a minimum the records should include:

1. Name of complainant
2. The substance of the complaint and
3. Any correspondence between the firm and the complainant including details of any redress offered by the firm.

## Reporting complaints to the FCA

We must submit electronically to the FCA, twice a year, a report which contains information about all eligible complaints. The more comprehensive the complaints records are, the easier this submission will be.

Complaints are subject to the FCA Complaints Resolution Rules as summarised below:

## What to do upon receipt of a complaint

If you receive a complaint, whether orally or in writing, you should take the following action:

1. Advise [name of director] of the details of the complaint at the first opportunity.
2. Should [name of director] be unavailable leave a message and consult [name of alternative senior manager]

[Name of firm] will follow the procedure laid down in the document that we pass to our clients entitled “[Name of firm] Complaints Handling Procedure (Summary)”, a copy of which is available from [name of director].

Once a complaint has been received we must:

1. Investigate the complaint competently, diligently and impartially. The complaint should be investigated by an employee of sufficient competence who, where practicable, was not directly involved in the matter which is the subject of the complaint.
2. Assess fairly, consistently and promptly:
3. The subject matter of the complaint
4. Whether the complaint should be upheld
5. What remedial action or redress (or both) may be appropriate
6. Whether another firm may be solely or jointly responsible for the matter alleged in the complaint.
7. Explain to the complainant promptly and in a way that is fair clear and not misleading our assessment of the complaint, our decision and any offer of remedial action or redress. Ensure the complainant has understood our findings and provide the opportunity for the complainant to raise ask any questions.
8. Once the complainant has accepted the remedial action or redress offered, the firm must comply promptly in order to bring the matter to a conclusion. The person charged with responding to complaints should have the authority to settle complaints (including the offering of redress where appropriate) or have ready access to someone who has the necessary authority. Any unnecessary delay at this stay will be considered a breach of the Consumer Support outcome and must be recorded accordingly.

## Oral Complaints

If an oral complaint is made, ensure that the substance of the complaint is written down as soon as possible. Under FCA rules we must document all complaints. For clarity our understanding of the complaint must be confirmed back to the complainant in writing and [name of director] notified.

## Complaints resolved by close of business on the third business day

Where [Name of firm] considers a complaint to be resolved by the close of business on the third business day following receipt and the complainant has indicated acceptance of the response from the firm, we must send the complainant a Summary Resolution Communication in writing explaining why we consider the matter to be resolved. Complaints resolved by close of business on the third business day following receipt must be included in the regulatory return.

## Complaints forwarding rule

If it transpires that the alleged complaint is not our fault and may be attributed to the actions of another firm either wholly or partially then we may forward the complaint or the relevant part of the complaint, in writing, to the other firm.

[Name of firm] must:

1. forward the complaint promptly
2. inform the complainant promptly in a final response of why the complaint has been forwarded and the contact details of the firm now dealing with the complaint.
3. where jointly responsible, deal with the part of the complaint we have not forwarded in line with our obligations as laid down in these procedures. If [Name of firm] receives a forwarded complaint we must deal with it as if it was made directly against us. The time limits will apply from the date we receive the forwarded complaint. Whether the firm’s fault or not the firm should use the MI it can draw.

## Time-barred Complaints

If [Name of firm] receives a complaint more than six years after the event complained of or (if later) three years from the date on which the complainant became aware (or ought reasonably to have become aware) that they had cause for complaint, we may reject the complaint without further consideration.

We must explain to the complainant why we are rejecting the complaint in a written final response. However, we must advise the complainant that the FOS may waive time limits in exceptional circumstances. An example of exceptional circumstances might be where the complainant has been or is incapacitated.

## Financial Ombudsman Service

The Financial Ombudsman Service (FOS) provides a mechanism for resolving disputes between eligible complainants and firms which is a simple, informal and an accessible alternative to the civil courts. The Financial Ombudsman Service’s compulsory jurisdiction covers complaints against authorised firms concerning their regulated activities carried on from an establishment in the United Kingdom and certain specified other financial services activities. It is provided free of charge to eligible complainants.

If a complaint is referred to the FOS we must cooperate fully with the Ombudsman. Cooperation with the Ombudsman includes, but is not limited to

* producing requested documents,
* adhering to any specified time limits,
* attending hearings when requested to do so, and,
* complying promptly with any settlements or awards.

A complaint may be dealt with by the Financial Ombudsman Service only if it is bought by, or on behalf of, an eligible complainant. An Eligible Complainant must be a person that is one of the following, a:

1. consumer
2. Micro enterprise which employs fewer than 10 persons and has a turnover or annual balance sheet that does not exceed €2 million
3. Charity which has an annual income of less than £6,500,000 at the time the complainant refers the complaint to the firm
4. Trustee which has a net asset value of less than £5,000,000 at the time the complainant refers the complaint to the firm.
5. Consumer Buy-to-let consumer
6. small business at the time the complainant refers the complaint to the firm. To be a small business the firm must fall below the following turnover threshold and either the balance sheet OR headcount threshold:-
   1. annual turnover of £6,500,000

and

* 1. annual Balance sheet total of £5,000,000 or
  2. headcount of 50 people

1. A guarantor only to the extent that the complaint arises from matters relevant to the relationship with the firm

If we are in any doubt about the eligibility of a business, charity or trust, we should treat the complaint as if it were eligible. If the complaint is referred to the Financial Ombudsman Service, the Ombudsman will determine eligibility by reference to appropriate evidence such as audited accounts or VAT returns.

To be an eligible complainant a person must also have a complaint which arises from matters relevant to one or more of the following relationships with the firm:

1. A potential customer, current customer or a past customer of the firm

and

1. The complainant is a person for whose benefit a contract of insurance was taken out or intended to be taken out with or through the firm.
2. The complainant is a person on whom the legal right to benefit from a claim against the firm under a contract of insurance has been devolved by contract, assignment, subrogation or legislation.
3. The complainant is a person from whom the respondent has sought to recover payment under a credit agreement whether or not the firm is a party to the agreement or
4. The complainant is a person in relation to whom the firm has sought to perform duties or exercise or enforce rights on behalf of the creditor under a credit agreement in carrying on debt administration.

For complainants that are not eligible complainants Alternative Dispute Resolution Facilities are available and it is our duty to provide customers with full details of the appropriate body with our final response.

## Management Information

Complaints MI should be reviewed to ensure that Consumer outcomes and cross cutting rules or the requirements under the Consumer Duty are being met.

**Outcomes:**

Price and Value

Does the complaint(s) suggest that:

* the customer did not receive fair value from the product?

Products and Services

Does the complaint suggest:

* that the product/service did not perform as intended?
* that the customer could not make a claim under the policy?

Customer Understanding

Does the complaint suggest:

* that the consumer did not understand the products that they purchased?
* that the complainant did not understand our complaints process

Customer Support

Does the complaint suggest:

* that the complainant was unhappy with the customer service received?
* that the complainant was frustrated with our processes?
* that the complainant experienced unreasonable barriers/hindrance when dealing with us?

Have we identified any harm which could have been reasonably foreseeable?

Have we identified anything from this complaint that could impact other customers even though they have not complained?

Does any product, policy, process, or communication require review and/or amendment following the above review?

If yes to any of the above, the matter must be referred to [name of director] and if appropriate feedback given to the manufacture in line with the Product Governance and Product Intervention Sourcebook and our own product governance and fair value policies or mitigating action taken in line with the Consumer Duty.

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