

Policy Statement

PS23/12

PS10/23

Complaints against the Regulators
(The Financial Conduct Authority,
the Prudential Regulation Authority,
and the Bank of England)

July 2023

This relates to

Consultation Paper FCA- CP20/11 and PRA CP8/20 which is available on our websites at www.fca.org.uk/publications and www.bankofengland.co.uk/news/publications

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Chapter 1

Summary

- 1.1** The Financial Conduct Authority (FCA), the Prudential Regulation Authority (PRA), and the Bank of England (the Bank) (the Regulators) have a joint Complaints Scheme (the Scheme) under the Financial Services Act 2012 (FS Act). The Scheme covers the complaints procedures of the Regulators, and also describes the role of the independent Financial Regulators Complaints Commissioner (the Complaints Commissioner). This is a Scheme for handling complaints against the Regulators, rather than complaints against the firms that we regulate.¹ A Scheme for investigating complaints about the Regulators was first established under the Financial Services and Markets Act 2000 (FSMA) and has been in place since September 2001. The current Scheme dates in substance from 2013 (revised in 2016).
- 1.2** Complaints are a valuable source of feedback that help the Regulators improve and learn. The Regulators take all complaints about them seriously and welcome the transparency and accountability the Scheme provides.
- 1.3** We launched the consultation (CP) in July 2020 with the aim of proposing a revised Scheme that was more user-friendly, using plain language to make it more understandable. We sought to improve the transparency of the Regulators' approach to what we described as 'ex-gratia' compensatory payments, to help complainants understand what they can and cannot expect from the Scheme. This was in part a response to recommendations made by the former Complaints Commissioner to consult on improving the Scheme and, in particular, to clarify the Regulators' approach to compensatory payments.
- 1.4** This is a joint Policy Statement (PS) by the FCA, the PRA and the Bank. It sets out our response to the feedback we received to the CP and details the final changes to the Scheme we are introducing.
- 1.5** The statutory framework for the Scheme is set out in Part 6 of the FS Act, which requires us to maintain a Scheme for the investigation of complaints arising in connection with the exercise of, or failure to exercise, any of our 'relevant functions' as defined in section 85 of the FS Act. For the FCA and PRA, broadly speaking, relevant functions include our authorisation, supervision and enforcement functions and our operation of the Scheme and, in the case of the FCA only, maintaining the Financial Services Register. For the Bank, the complaint must relate to relevant functions in relation to recognised clearing houses, central securities depositaries, inter-bank payment systems or wholesale cash distribution. Complaints about the exercise of the Regulators' legislative functions, such as rule-making, the issuing of guidance/statements and the processes for these, cannot be investigated under the Scheme as they are excluded from investigation by the FS Act. So far as reasonably practicable, the Scheme must be designed to investigate complaints quickly.

¹ The use of 'we', 'our' or 'us' in this document is a reference to the relevant Regulator or the Regulators collectively, but not the Complaints Commissioner.

Who this affects

- 1.6** This PS will affect anyone who is a potential complainant under the Scheme i.e. someone who makes a complaint on or after the new Scheme comes into effect on 1 November 2023. This includes regulated businesses and consumers of financial services. Complaints made before 1 November 2023 will be considered in line with the current Scheme.
- 1.7** It may also interest consumer advocates and action groups, trade associations, and parliamentarians, among others.

The background to this Policy Statement

- 1.8** The CP originally asked for responses by Monday 14 September 2020. Following initial feedback and correspondence between the Treasury Select Committee and the Regulators, the closing date for responses was extended until Monday 12 October 2020.
- 1.9** Some respondents were concerned about the timings of the amendments to the Scheme. So we announced that we had delayed publishing our PS to allow time for 3 Independent Reviews to be published and for any associated complaints to be lodged for consideration under the current Scheme. These reviews were:
- Dame Elizabeth Gloster's Independent Investigation into the FCA's Regulation of London Capital and Finance plc (LCF), published on 17 December 2020.
 - Raj Parker's Independent Review into the Financial Services Authority (FSA) and FCA's Handling of the Connaught Income Fund Series 1 and Connected Companies, published on 17 December 2020.
 - John Swift KC's Lessons Learned Review into the FSA and FCA's supervisory intervention on Interest Rate Hedging Products (IRHP), published on 14 December 2021.
- 1.10** We also awaited the publication of the Complaints Commissioner's Final Report on the FCA's Regulation of LCF, published on 15 February 2022 and the enactment of the Financial Services and Markets Act 2023 before finalising this PS and changes to the Scheme. The Financial Services and Markets Bill, which became the Financial Services and Markets Act 2023, contained provisions relating to the accountability of the Regulators including in relation to the Scheme (in particular changes to how the Complaints Commissioner is appointed and the annual reporting requirements), so we considered that it would be more appropriate to finalise changes to the Scheme after the Bill had been debated, and received Royal Assent. We have detailed these amendments in this document and where relevant made the consequential amendments to the Scheme to reflect the changes to the law.

The wider context of this Policy Statement regarding compensatory payments

- 1.11** The FCA and PRA, in discharging their functions, and the Bank, in its capacity as a monetary authority, are exempt from liability to pay damages under legislation (except where the relevant regulator has acted in bad faith or in contravention of the Human Rights Act 1998). The purpose of this exemption is so that we can carry out our regulatory functions robustly and effectively, and without distraction from the administrative and financial consequences that might arise from damages claims, which might otherwise influence how we pursue our objectives.
- 1.12** The Scheme acts as a counterbalance to this statutory immunity but is not intended to undermine it. When FSMA was being discussed in Parliament in 2000², the Economic Secretary to the Treasury explained 'It is important that the complaints scheme is not seen as a means of circumventing the FSA's statutory immunity. We do not want to encourage people to take pot shots at the FSA and distract it from its proper business of regulating'.
- 1.13** Therefore, where a financial remedy is sought by a complainant, the threshold for achieving a compensatory payment is necessarily high (particularly concerning compensation for financial loss). We must also be mindful that the cost of the Scheme is borne by the firms that fund the Regulators and, indirectly through them, consumers.
- 1.14** As stated above, despite the Regulators' statutory immunity, the FS Act does envisage that compensatory payments by the Regulators will be an appropriate outcome for complainants in some circumstances. So we have set out what we consider is an appropriate balance in determining when we should make compensatory payments. However, it is important to confirm that by doing so we are not limiting the Complaints Commissioner's ability to make recommendations to the Regulators.
- 1.15** The Scheme should be viewed in the broader context. The Scheme can only consider complaints about the actions of the Regulators and not complaints about regulated firms. There are separate processes for dealing with complaints about firms. We require the firms we regulate to have in place processes for resolving disputes with their customers. The Financial Ombudsman Service can also consider complaints against firms and, where appropriate, tell firms to pay compensation to eligible complainants. Additionally, the Financial Services Compensation Scheme (FSCS) can consider claims for compensation in respect of firms where certain eligibility conditions are met. Broadly speaking, the Financial Ombudsman Service deals with complaints about regulated firms from consumers, micro-enterprises, small businesses, and some charities and trusts. The FSCS covers claims from consumers and some eligible small businesses, limited companies, and charities in connection with most regulated activities by regulated firms which have gone out of business.

2 HC Deb. vol 343 col 618 (27 January 2020)
Available at: <https://publications.parliament.uk/pa/cm199900/cmhansrd/vo000127/debtext/00127-18.htm>

- 1.16** As stated by the Economic Secretary to the Treasury in the Parliamentary debates³ on FSMA, 'the post [of the Complaints Commissioner] is not being established for the purpose of financial redress; the point is for the focus to be on the process, and on the importance of transparency'.
- 1.17** Following the enactment of the Financial Services and Markets Act 2023, the FS Act has been amended to provide that the Treasury appoint an independent person to be responsible for the conduct of investigations in line with the Scheme. The FS Act also provides that:
- the terms on which the Complaints Commissioner is appointed must be such that the Complaints Commissioner will be free at all times to act independently of the Regulators and that complaints will be investigated without favouring the Regulators
 - the Scheme must provide for complaints to be referred to the Complaints Commissioner
 - the Scheme must confer on the Complaints Commissioner the power to recommend, if the Complaints Commissioner thinks it appropriate, that the Regulator makes a compensatory payment to the complainant or remedies the matter complained of
 - where the Complaints Commissioner has reported that a complaint is well-founded or has criticised a Regulator in a report, the Regulator must inform the Complaints Commissioner and the complainant of the steps which it proposes to take in response

How it links to our objectives

- 1.18** The main purposes of the Scheme are to provide a means to hold the Regulators to account and to use the complaints we receive as a tool to improve our practices, policies, or procedures to avoid the same problem occurring again. The Scheme supports the accountability of our decision-making which ultimately links to us discharging our statutory objectives. The Scheme also advances all of our objectives by enabling us to improve our performance.

What we are changing

- 1.19** After considering the responses received to the CP, we are making the following changes to the proposals:
- 1.20** We have set out our approach to compensatory payments in paragraphs 6.8-6.18 of the revised Scheme. This was consulted on in Annex A of the CP. We are removing the proposal in the CP that any compensatory payment in recognition of a complainant's

³ HC Deb. vol 343 col 618 (27 January 2020)
Available at: <https://publications.parliament.uk/pa/cm199900/cmhansrd/vo000127/debtext/00127-18.htm>

financial loss would not exceed £10,000 save in exceptional circumstances. However, in practice we would still expect payments to be modest.

- 1.21** For financial loss compensatory payments, we are maintaining the two conditions set out in the CP. These are that the Regulator is the sole or primary cause of loss and there has been a clear and significant failure by the Regulators. We are amending the order in which they are listed in the Scheme.
- 1.22** For non-financial loss compensatory payments, we have expanded our explanation of how payments will be determined by describing what would fall within each payment level. We have also amended the levels to better reflect the range of payments the Regulators could make under the Scheme. This has resulted in the levels widening, and the upper level increasing.
- 1.23** We are making a commitment to review the appropriateness of the payment levels for non-financial loss every 2 years.
- 1.24** We have clarified the timescales as to when a complainant can expect a response on their complaint by updating the language and flow diagrams in the Scheme document.
- 1.25** We have expanded the factors the Regulators are required to take into account when we consider an appropriate outcome for a complaint. These are now set out in paragraph 6.3 of the revised Scheme and are based on paragraph 7.14 in the current Scheme.
- 1.26** We have amended Annex D of the Scheme (Annex C of the Scheme as consulted on) relating to the appointment and role of the Complaints Commissioner and included the additional requirements in relation to the Complaints Commissioner's annual report. This takes into account the provisions in the Financial Services and Markets Act 2023. The appointment of the Complaints Commissioner is now the responsibility of the Treasury, and where we do not follow any recommendations by the Complaints Commissioner we need to include a summary of the reasons why in our response to the annual report.
- 1.27** We have confirmed at paragraph 3.5 of the revised Scheme our approach to fees relating to the instruction of a complaint handling or professional services firm (consulted on in Annex A of the CP).
- 1.28** Overall, we consider that these changes will help to set realistic expectations among potential and actual complainants and respond to the feedback we received.

Outcome we are seeking

- 1.29** We expect the revised Scheme will ensure that anyone who is a potential or actual complainant under the Scheme is more easily able to understand how the Scheme works and what they can expect from it. Specifically, we expect the revised Scheme will give potential or actual complainants:
- a clear understanding of when a complaint can be made
 - when we will investigate a complaint

- what may follow in terms of appropriate outcomes, including compensatory payments and the appeals process to the Complaints Commissioner

1.30 This will enable us to work more efficiently, by reducing the time we spend explaining the Scheme and increasing the time we spend investigating complaints and identifying the underlying causes and appropriate outcomes.

Measuring success

1.31 We will use quantitative and qualitative metrics to measure whether the revised Scheme achieves its objectives of being more user-friendly, transparent, and clear. Quantitative metrics include the volume of complaints received which the Regulators consider are out of scope, the volume of queries received by the Regulators and the volume of complaints referred to the Complaints Commissioner. Qualitative metrics will include complainants' understanding of the Scheme as evidenced in our correspondence and through contact with them (which includes complainants' understanding of our approach to compensation) as well as any reasons complainants tell us why they are referring their complaint to the Complaints Commissioner.

Summary of feedback and our response

- 1.32** We received 411 responses to the CP. These came from individuals, consumer groups, firms and trade bodies. We have included a list of non-confidential respondents in Annex 1.
- 1.33** A large proportion of respondents did not support all our proposals concerning compensatory payments in recognition of financial loss. In particular, our proposals to introduce a £10,000 limit on compensatory payments for financial loss save for exceptional circumstances were not welcomed. Several of the more detailed responses, mainly from organisations, also raised objections to the use of the 'sole or primary' cause condition when considering a payment in recognition of financial loss.
- 1.34** Respondents were generally supportive of our proposals for compensatory payments for non-financial loss. Some respondents said we should keep the levels under review.
- 1.35** We received supportive overall feedback about the language being more understandable than the language in the current Scheme. Respondents told us that the diagrams proposed in the CP were a useful addition.
- 1.36** We have made changes to our proposals to reflect these comments where we agreed it would improve the accessibility of the revised Scheme and help to clarify our approach to compensatory payments.

Equality and diversity considerations

- 1.37** We have considered the equality and diversity issues that may arise from the proposals in this PS.
- 1.38** Question 5 of the CP sought views from respondents on the potential effect of the proposals on those with protected characteristics. We set out the feedback and our response further below.

Feedback received

- 1.39** Some respondents told us they thought there would be a greater impact on older people as there is a positive correlation between net financial worth and age. Others highlighted that they thought our proposals would disproportionately affect other vulnerable groups, such as those who suffer from mental stress and physical disabilities as they were more likely to be victims of firms that the Regulators have failed to regulate.
- 1.40** Other respondents said that if the proposals achieve their aim of making the Scheme more accessible, this should be beneficial. Respondents also explained that they felt the additional clarity will remove barriers for potential complainants and some respondents highlighted the use of accessible language was a positive step to help reduce barriers for complainants with protected characteristics.
- 1.41** One respondent explained that they felt the Regulator(s) should do more to communicate the availability of the Scheme through channels other than the internet, bearing in mind the difficulties that people with certain protected characteristics may have accessing online, digital services. The respondent also explained that it should be made more prominent that the Regulator(s) will make 'reasonable adjustments to allow people to access the Scheme'.

Our response

We have a Public Sector Equality Duty to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between people who share protected characteristics and those who do not. Having considered the feedback we have received we do not consider that the proposals give rise to any detrimental effects on diversity or equality.

In the CP, we explained that we were making improvements to the language and presentation of the Scheme document. We believe this will provide greater clarity for Scheme users and help to remove any potential barriers to accessibility. This is supported by the feedback we received in response to the question we asked in the CP 'do you agree the language in Annex 2 is more accessible than the language of the current Scheme? Will the Scheme as proposed achieve the objectives set out in paragraph 3.3?' We also specifically commit that we will continue to make reasonable adjustments as appropriate to enable people to access the Scheme.

Our proposals relating to compensatory payments also stated that the individual circumstances of a complainant will be taken into account by a Regulator in determining our response to a complaint. This includes the amount of any such payment.

We are aiming to improve understanding of the Scheme and clarify our approach to compensatory payments. We are not amending the complainant eligibility criteria, or the purpose of the Scheme as set out in the FS Act. So we do not believe there will be any additional equality and diversity considerations as a result of the changes. Although we appreciate there may be a stronger correlation between age and net financial worth, the purpose of the Scheme (i.e. as an accountability mechanism for the Regulators) is not changing. The Scheme is not intended to insure against losses caused by firms that are not covered (or not covered in full) by the Financial Ombudsman Service or FSCS. This PS will not affect the protections available to consumers under the regulatory regime. It will also not affect our rules and guidance about how we expect regulated firms to treat vulnerable customers.

In terms of accessibility, there are several ways in which complaints can be made. These include via our websites, email, telephone, and post, and, if required, complainants can give permission for a third party to act on their behalf. This information is already on our websites ([FCA](#), [PRA](#)/[Bank of England](#)).

Next steps

- 1.42** The revised Scheme will come into force on 1 November 2023 and only new complaints made from this date will be considered under the revised Scheme. Complaints made before this date will be considered under the current Scheme.

Chapter 2

The Complaints Scheme

- 2.1** This chapter provides a summary of the feedback we received and sets out our response to the issues raised. It includes areas where we are changing the Scheme in response to feedback.

Simplifying the Scheme

- 2.2** We proposed a revised Scheme which is more user-friendly, using plain language to make it more accessible.
- 2.3** One of the outcomes we sought to achieve from the revised Scheme was to ensure users and potential users of the Scheme are more easily able to understand how it works. We asked:

Q1: *Do you agree the language in the revised Scheme is more accessible than the language of the current Scheme? Will the Scheme as proposed achieve the objectives set out in paragraph 3.3 of the CP?*

Feedback received:

- 2.4** Respondents generally welcomed the changes and agreed that it made the proposed Scheme more user-friendly and accessible for potential complainants. The use of diagrams to explain the complaints process and to show how a typical complaint which is referred to the Complaints Commissioner is handled were highlighted in several responses as a welcome addition to the Scheme.
- 2.5** A few responses stated that more could be done to improve the accessibility of the Scheme, for example, improving the complaints form and web pages. Another respondent noted that the Scheme still included some language that was overly legalistic, such as the use of the word 'remedy' and the term 'ex gratia compensatory payment'.

Our response:

We are pleased that many respondents found the revised Scheme more user-friendly and welcomed the plain language changes. In response to some of the feedback received we are changing 'ex gratia compensatory payment' to 'discretionary compensatory payment' and 'remedy' to 'outcome' to increase understanding among complainants.

In the CP, we set out that even if a complaint was eligible, we would not investigate a complaint under the Scheme if we reasonably considered

this to be vexatious. A small number of respondents asked us to clarify what we meant by vexatious. We have added a definition in the revised Scheme to address this feedback.

We have clarified our service levels within the Scheme by re-stating the complaints process in a more understandable way. This is so complainants have clearer expectations about when they will receive a response from us on their complaint. In summary, we will aim to acknowledge receipt of a complaint within 5 working days. We will then aim to confirm our understanding of a complaint and if it can be investigated under the Scheme within 4 weeks of receipt. If we investigate the complaint under the Scheme, we will aim to complete our investigation within 8 weeks of receipt. In some cases, we may not be able to resolve a complaint within 8 weeks, for example, because the complaint is complex in nature, or the complaint is part of a group of complaints surrounding the same issue. In these cases, we will aim to keep complainants updated on our progress every 4 weeks. If we have deferred a complaint under the Scheme, we will review the appropriateness of our deferral and update complainants every 6 months, unless the circumstances giving rise to the deferral change.

Although not included in the CP, the FCA has amended its [complaint webform](#) which complainants can use to submit complaints. The Regulators' external web pages will be updated in time for when the new Scheme comes into force. The Regulators will also consider if further changes to its web pages are required following an embedding period based on complainant feedback and complaints data.

We will also be adding one point into the Scheme as follows. The current Scheme under section 7.14 explained we would take into account 4 factors when we respond to the Complaints Commissioner. We also took these factors into account when considering an appropriate outcome, not just when responding to the Complaints Commissioner. We wanted to clarify the Scheme to make clear reference to the factors we take into account when considering an appropriate outcome. Three of these factors were included in paragraph 4.12 the draft Scheme in the CP, as factors that we would take into account when considering an appropriate outcome. However, factor c) of paragraph 7.14 in the current Scheme ('whether what has gone wrong is at the operational or administrative level') was not included. On reflection, we believe that this factor should remain as a consideration but should be reworded to give further clarity about our decision-making framework. We have added at 6.3 of the revised Scheme the additional wording as follows: 'whether what happened was the result of an operational or administrative failure by us or a policy decision made by us where we had to balance conflicting interests and complex issues'. This is because we have a risk-based approach to regulation and we are required to make decisions about how we prioritise the use of our limited resources to focus on the risks to our objectives.

Discretionary compensatory payments

- 2.6** We proposed a more detailed description of our approach to compensatory payments to help complainants understand what they can and cannot expect from the Scheme. In summary, we outlined that compensatory payments will either be in recognition of financial loss subject to two conditions being met or to otherwise recognise the impact of the Regulator's actions or inactions on the complainant.
- 2.7** Section 84 of the FS Act says that 'the complaints scheme must be designed so that, as far as reasonably practicable, complaints are investigated quickly.' So the Scheme uses a common-sense approach to analysing the facts of the complaint in line with the relevant factors set out in the Scheme and deciding the appropriate outcome.
- 2.8** One of the outcomes we sought was to set realistic expectations of what the Scheme can and cannot deliver in terms of outcomes, by clearly stating our approach to compensatory payments.
- 2.9** For many complaints this will be a non-financial outcome such as an apology. Where appropriate, we will take action to improve our practices, policies or procedures to avoid the same problem reoccurring.
- 2.10** Alongside a non-financial outcome, we proposed that we may also make a compensatory payment where our actions or inactions have had an impact on the complainant and the complainant experienced a level of distress or inconvenience.
- 2.11** Where appropriate, and subject to certain conditions, we proposed we may also make a payment to recognise a financial loss.
- 2.12** We set out in the CP that we considered that the payments should be modest as:
- By law, we are immune from liability in damages unless it is found that we have acted in bad faith or have breached human rights.
 - The Scheme is not designed to consider complex issues of causation, and our determination of any compensatory payment cannot be made in the same way in which a Court or Tribunal might calculate an award of compensatory damages.
 - We are funded by the fees paid by the firms we regulate, so the costs will ultimately fall on the firms and, through them, consumers.
- 2.13** We stated that, in determining the level of compensatory payment, we would consider how the cumulative impact of payments to multiple complainants, such as group complaints may affect the fees we levy on the financial services industry and, indirectly through them, consumers. In some cases, we may decide that the level of compensatory payments as determined under our revised Scheme needs to be reduced in light of that impact.

Feedback received

- 2.14** A small number of respondents supported the changes to provide clarity and transparency in how we decide which outcome is appropriate under the Scheme.

- 2.15** One respondent felt that the CP 'was right to make it clear that the Scheme cannot be used as an alternative means of 'insurance' for products not covered by the Financial Ombudsman Service or the FSCS'. They stated that 'the fact that a regulator 'might have done better' in supervising a firm should not translate into an entitlement to compensation – that seems to me to have been the danger against which statutory immunity was intended to guard. Complainants need to understand this at the outset'.
- 2.16** However, several respondents disagreed with this position. A few felt the language of the consultation was aimed at narrowing the scope of when the Regulators will pay compensation and others commented that the effect on firms regulated by us and indirectly on consumers was not a justification for imposing any limits on compensatory payments under the Scheme. One respondent said: 'the legitimate way to reduce fees is for the regulator to improve its own performance and fines imposed on failing firms or firms involved in scandalous behaviour should be ringfenced for Scheme payments; not go to the Treasury.'
- 2.17** One respondent believed the Scheme should provide a brief and clear explanation about how consumers can bring complaints against firms and access redress, along with signposting to the Financial Ombudsman Service and the FSCS.

Our response

The purpose of consulting on the Scheme was to give complainants clearer expectations of what they can expect from it. We recognise that there are concerns that the proposed changes to the Scheme may limit the amount and frequency of compensatory payments made by us. We maintain the view that we do not expect this clarification of our approach to compensatory payments to substantially change the proportion of cases in which we make such payments, nor the amounts paid.

Although we levy fines on financial services firms as a result of enforcement action, the fines are paid to the Treasury rather than us (subject to deductions for enforcement costs). This is set out in [section 109](#) of the FS Act.

The Regulators are funded by fees paid by regulated firms, including financial market infrastructure firms. Any payments made under the Scheme will fall on the firms we regulate and ultimately consumers. So, it is appropriate that payments are modest. Also, regulated firms fund the statutory redress schemes for consumers (the Financial Ombudsman Service and the FSCS). This is to ensure that consumers can refer individual disputes about regulated firms to an independent alternative dispute resolution service free of charge and are protected in case of firm failure (in connection with most regulated activities).

As we highlighted in the CP, we reviewed all complaints concluded by the Complaints Commissioner between 1 January 2017 and 31 December 2019, and all complaints concluded by the FCA during the same period where an allegation was upheld or partially upheld. From that sample, most of the payments were for amounts of £250 or less, with the most

common amount being £50. There were 9 payments in total for amounts greater than £1,000, with only 3 payments being for amounts greater than £10,000. Neither the PRA nor the Bank had made any compensatory payments under the Scheme when the CP was issued. Given the PRA and the Bank regulate fewer firms than the FCA, the PRA and the Bank generally receive fewer complaints under the Scheme than the FCA.

We have updated this data to include payments made by the FCA between 1 January 2020 and 31 December 2022. We have also broken down the payments the FCA made between standard and group complaints. A standard complaint is where we receive a singular complaint under the Scheme that the Complaints Team investigates and provides a response to. A group complaint is where we receive multiple complaints about the same issue from different complainants.

Based on this updated data, the FCA made a payment on 1,598 occasions between January 2017 and December 2022. Most payments were still for amounts of £250 or less, with £75 the most common amount and £182 the mean (average) amount. There were 35 payments in total for amounts of £1,000 or more, with only 5 payments of £10,000 or more. Payments over £10,000 equate to 0.35% of the payments the FCA made in this sample period.

For standard complaints, the FCA made a payment on 335 occasions between January 2017 and December 2022. The most common amount was £50 and the average amount was £351. Out of the 335 payments the FCA made on standard complaints, 16 were for amounts greater than £1,000 (4.8%) with 3 of the 16 payments being for amounts greater than £10,000 (0.9%).

For group complaints, the FCA made a payment on 1,263 occasions between January 2017 and December 2022. The most common amount was £75 and the average amount was £137. Out of the 1,263 payments the FCA made on group complaints, 19 were for amounts greater than £1,000 (1.5%) with 2 of the 19 payments being for amounts greater than £10,000 (0.16%).

The PRA has made 2 payments since the CP was published. In both instances, payments of £75 each were made for delays in handling the complaint.

Based on the historical data of the compensatory payments we have made under the Scheme and as we are not changing the factors we consider when deciding on an appropriate outcome, it is right to highlight that payments made under the Scheme are likely to be modest.

We recognise that some complainants who use the Scheme to seek redress may be better served by complaining directly to a firm and potentially to the Financial Ombudsman Service or the FSCS. The Scheme is not intended to insure against losses caused by unregulated firms or as a result of regulated activities that are not covered by the Financial Ombudsman Service or the FSCS. Information has been

included within the Scheme to signpost complainants to organisations that may be able to review their complaint. This is in addition to the FCA website which already includes details of when a complaint or claim should be directed to the Financial Ombudsman Service or the FSCS.

When we investigate a complaint where we believe the complainant may need to make a complaint to a regulated firm and potentially the Financial Ombudsman Service or the FSCS, we will highlight this to the complainant. We will include links to the Financial Ombudsman Service and the FSCS on the Complaints web page, and where relevant, other organisations such as Action Fraud, MoneyHelper, and the Citizens Advice Bureau.

Compensatory payments for non-financial loss

- 2.18** We stated in the consultation that we would generally only make a compensatory payment when our actions or inactions have affected the complainant and caused distress and inconvenience. We stated that if your distress or inconvenience is relatively minor, an apology, together with action to address your complaint and/or make improvements, will usually be the appropriate remedy.
- 2.19** We said payments would usually fall within the following levels, consistent with the current Scheme:
- Up to £250 where the complainant has experienced a moderate level of distress or inconvenience.
 - £250-£500 where the complainant has experienced a high level of distress or inconvenience.
 - £500-£1,000 where the complainant has experienced a very high level of distress or inconvenience.
 - A higher level of compensatory payment would only be appropriate in exceptional circumstances.
- 2.20** In light of this, we asked the following question:

Q2: *Do you have any comments on our approach to ex-gratia compensatory payments for distress or inconvenience?*

Feedback received

General feedback

- 2.21** Some respondents welcomed the increased clarity around our approach to compensatory payments for financial or non-financial loss. They felt the increased clarity was helpful as it created a clear set of principles, provided a benchmark, ensured a transparent service, and helped to manage expectations.

- 2.22** One respondent noted the use of examples by other organisations to clarify the Scheme's intention and thought these could be included either in the Scheme or on the FCA's website. Another believed there may be merit in using the terminology and 4 levels currently in use at the Financial Ombudsman Service for consistency.
- 2.23** However, several responded that the levels set out were too low and some felt the levels of payments may result in fewer complaints being brought to us.
- 2.24** Some respondents asked for clarity on the effect on the financial services industry if a high level of payments were made under the Scheme, and clarity on whether previous payments had been paid for distress and inconvenience or for financial loss. One respondent felt it was unclear if payment for distress and inconvenience could be paid in addition to a payment for financial loss.
- 2.25** One respondent said the Scheme should explicitly state a complainant can refer their case to the Complaints Commissioner if they are unhappy with the amount offered.

Review of payment levels

- 2.26** Some respondents asked whether the payment levels would be reviewed in the future. One respondent felt an annual review and increase would be appropriate.
- 2.27** One respondent said it would be helpful to understand how the awards are benchmarked against comparable compensatory payments for distress or inconvenience.

Terminology

- 2.28** One respondent believed the terminology to describe the nature of payments not linked to financial loss should be aligned with the terminology used by the Financial Ombudsman Service.

Our response

We believe the proposals provide clarity on the types of outcome available to complainants under the Scheme. The Scheme is for the investigation of complaints about the Regulators, and not a consumer redress scheme such as the service provided by the Financial Ombudsman Service.

We will go ahead with the inclusion and use of payment levels where a compensatory payment for non-financial loss is appropriate. However, we have adjusted the levels from the CP to reflect the typical level of payment made at the current time.

We have added a new starting level, Level 1, for payments up to £100. This level represents the scenario when we are most likely to make a payment (based on historical data). Level 1 is typically where our actions or inactions have had a relatively low impact on a complainant and typically arise from a one-off incident or occurrence such as a small administrative error. It will also include cases where there was a delay

in the handling of a complaint for up to 10 months that was avoidable. Between January 2017 and December 2022, 81% of payments made by the FCA fell into this level, as were the two payments made by the PRA under the Scheme.

Following this, we have adjusted the subsequent levels in the table published in the CP. Level 2 is for payments between £101 and £500 to reflect a moderate level of distress and inconvenience as a result of our actions or inactions. This might typically arise from multiple small incidents or a single relatively significant incident and where the impact is moderate in duration. The level will also cover cases where there was a delay in handling complaints for over 10 months, which were avoidable. Based on the FCA's payment data between January 2017 and December 2022, 16% of historical payments would fall into this level.

Level 3 is for payments between £501 and £1,000. The level reflects scenarios where the complainant has experienced a high level of distress or inconvenience caused by a series of relatively significant failures in the Regulators' processes or an unreasonable and prolonged delay on the Regulators' part and the impact was of a lengthy duration. Based on the FCA's payment data between January 2017 and December 2022, these types of payments were small in number, with 2% of historical payments falling into this level.

Level 4 is for payments between £1,001 and £2,500. This level reflects scenarios where the complainant has experienced a very high level of distress or inconvenience caused by a major failure in Regulators' processes or an unreasonable, prolonged and continuing delay, where the impact on the complainant is lengthy in duration and has lasting effects. The number of historical payments in the FCA's data between January 2017 and December 2022 was low with only 1% of payments falling into this level.

Level 5 is for payments of £2,501 and over and represents a new level compared to the table published in the CP. In the CP, we explained that 'there may be exceptional circumstances, such as where our failings or the consequences for you are unusually severe, where we may conclude that a higher level of compensatory payment for distress or inconvenience in excess of the limits above would be appropriate.' The FCA made 7 payments between January 2017 and December 2022, or 0.4% of the total payments made, that would fall into this category.

The table has been updated as below:

Level	Range	Impact
1	Up to £100	Your complaint may fall into this category if we consider that you have experienced a relatively low level of distress or inconvenience as a result of our actions or inactions. This might typically arise from a one-off incident or occurrence such as a small administrative error, or where the impact on you is of short duration. Avoidable complaint handling delays of up to 10 months will fall into this category.

Level	Range	Impact
2	£101-£500	Your complaint may fall into this category if we consider that you have experienced a moderate level of distress or inconvenience as a result of our actions or inactions. This might typically arise from multiple small incidents, or a single, relatively significant incident, where the impact on you was of moderate duration. Avoidable complaint handling delays over 10 months will fall into this category.
3	£501 - £1,000	Your complaint may fall into this category if we consider that you have experienced a high level of distress or inconvenience as a result of our actions or inactions. This might typically arise from a series of relatively significant failures in our processes, or an unreasonable and prolonged delay on our part, where the impact on you was of a lengthy duration.
4	£1,001 - £2,500	Your complaint may fall into this category if we consider that you have experienced a very high level of distress or inconvenience as a result of our actions or inactions. This might typically arise from a major failure in our processes or an unreasonable, prolonged, and continuing delay on our part, where the impact on you was of a very lengthy duration with lasting effects.
5	Over £2,500	Your complaint may fall into this category if there are exceptional circumstances, such as where our failings or the consequences for you are unusually severe.

These changes are intended to provide greater transparency on how such compensatory payments for non-financial loss are determined. The payment levels are intended as guidance and any actual payments will be made following consideration of the circumstances of the individual complainant.

Where appropriate, a compensatory payment for a non-financial loss could be paid in addition to a payment for financial loss.

We appreciate that not all complainants will be content with the amount of a compensatory payment offered, but we believe that by providing information on payment levels complainants will be better able to understand the amount they might receive under the Scheme for a non-financial loss.

If a complainant is dissatisfied with the outcome of their complaint, they may ask the Complaints Commissioner to review their case.

Review of payment levels

We are committing to reviewing the compensatory payment levels for non-financial loss every 2 years. This review will consider the last 2 years of payments the Regulators have made, recommendations we have received from the Complaints Commissioner, and other comparable

complaint schemes, for example, the Parliamentary and Health Service Ombudsman, to ensure the levels remain appropriate. We will publish the outcome of our review. As the revised Scheme will take effect for all new complaints received from the 1 November 2023, we will start our first review of the payment levels in November 2025.

We note some respondents raised a concern that this type of payment may be withdrawn in the future. To confirm, we have no plans to remove compensatory payments for non-financial loss.

Terminology

We confirm that we are amending certain terminology in the Scheme as set out in paragraph 2.5 of this PS. We consider the term 'discretionary compensatory payments' better reflects the intention of the Scheme. References to 'ex gratia payments' in the Scheme have been replaced accordingly.

Compensatory payments in recognition of financial loss

2.29 We set out in the consultation that we will consider making a payment in recognition of financial loss where adequate documentary evidence of the loss has been provided and the following further conditions have been met:

- we are the sole or primary cause of the loss, and
- there has been a clear and significant failure by us.

2.30 In deciding the level of any compensatory payment, we set out that we will consider the following factors to help us determine the appropriate amount, including:

- the seriousness, nature, and duration of our failing(s) and its/their consequences for the complainant, the amount of the complainant's evidenced and foreseeable financial loss
- the complainant's individual circumstances, based on information provided to us and/or that is available to us
- the extent to which the issue, which has resulted in the complaint, is within our regulatory remit

2.31 We also noted that any compensatory payment would not exceed £10,000, save in exceptional circumstances.

2.32 In light of this, we asked the following question:

Q3: *Do you have any comments on our approach to ex-gratia compensatory payments in respect of financial loss?*

Feedback received

General feedback

- 2.33** This question received a large amount of feedback. A small number of respondents welcomed the greater transparency included in the revised Scheme and no respondents disagreed that documentary evidence should be provided to demonstrate a financial loss.

'Sole or primary cause' condition

- 2.34** Several respondents were unhappy with this as they believed it would be difficult or highly unlikely for a complainant to prove we were the sole or primary cause of a loss. One respondent commented that the effect of the Scheme as consulted on is to introduce a non-compensatory Scheme. Another felt it was almost certain the Regulators will never be the sole cause of the loss and it was highly unlikely for us to ever be the primary cause of the loss, as the primary cause would inevitably be the misconduct of a third-party firm or individual. As such, the existence of the sole or primary cause made the Scheme worthless in practice. One respondent explained the 'sole or primary cause of loss' test should be replaced with the test proposed for distress and inconvenience payments. The same respondent also commented that where a complainant has suffered a financial loss and the firm who caused the loss is unable to pay or where the losses suffered exceed the Financial Ombudsman Service or FSCS compensation limits then we should make a compensatory payment.
- 2.35** Some respondents said the use of examples may be helpful in clarifying compensatory payments for financial loss where we would or wouldn't be considered to be the 'sole or primary cause'.

Compensation limits

- 2.36** Paragraph 4.13 of the CP explained that no compensatory payment relating to a financial loss will exceed £10,000, save in exceptional circumstances. Many respondents were unhappy with this, which they perceived to be an artificial limit of the amount of financial loss that would be compensated.
- 2.37** One respondent felt that full compensation for financial loss should be awarded, and some were concerned that any limit would mean complainants would carry a loss and the Scheme should not exclude the right to award or recommend sufficient compensation for the financial loss incurred.
- 2.38** Some respondents believed that the 'exceptional circumstances' should be defined, and examples given to help complainants understand the meaning of this.
- 2.39** One respondent felt that 'exceptional circumstances' should not be a barrier to fair compensation being paid, and a 'common sense' approach should be taken, and compensation should be paid in full.

Our response

We propose to retain the language in the revised Scheme about the factors we consider before making a compensatory payment in order to manage expectations. We believe this is appropriate because it provides clarity and sets a realistic expectation of the likelihood of a compensatory payment in recognition of financial loss being made.

'Sole or primary cause' condition

We recognise that some respondents raised concerns about the application of a sole or primary cause condition. This is one of two conditions a complaint must meet to be considered for a discretionary compensatory payment in recognition of financial loss, as explained in Annex A of the Scheme as consulted on in the CP. The assessment broadly reflects our past practice regarding the circumstances in which we have made compensatory payments for financial loss, although we recognise we have not always used consistent language. For example, we have referred to not being the 'principal' cause of loss, or not being the 'direct cause'.

We are proceeding with the inclusion of the sole or primary cause condition in the Scheme. Some respondents opposed the inclusion of the condition, but a few saw the purpose of it. We think that the inclusion of the condition will be beneficial as it will provide consistency and transparency in our approach to paying compensatory payments in recognition of financial loss.

Having considered the feedback we received, we have amended the order of the two conditions in the Scheme so that the clear and significant failure condition will be listed first, and the sole or primary cause condition will be listed second. This is to emphasise that we will give consideration to both conditions when deciding if a discretionary compensatory payment in recognition of financial loss is appropriate. We wish to avoid creating any implication that the focus of our assessment is the sole or primary cause condition, and that we would only consider the clear and significant failure condition if the sole or primary cause condition has been met, as may have been suggested in some of the feedback. However, this does not change the requirement, as set out in the revised Scheme, that both conditions must be met for us to consider making a payment in recognition of financial loss.

We have also considered the challenge that in circumstances where the Regulators should have acted differently, affected consumers should be compensated in full by the Regulators and the cost of this compensation should be borne by the financial services industry rather than the affected consumers. Some responses also said that the effect of compensatory payments on firms and consumers is not an appropriate justification for limiting payments. We do not agree with this view.

The statutory framework established by Parliament provides for specific mechanisms (in the form of the FSCS and the Financial Ombudsman Service) for providing redress for consumers where appropriate. The Scheme was intended to act as a complaints scheme, and as stated in paragraph 1.16 above it is not a redress scheme and was not intended to undermine our statutory immunity. We do not believe the intention of the legislation was for the Scheme to act as insurance against firm failures or provide top-up redress. The levy for the FSCS is already socialised across the financial services industry and it would not be appropriate to further increase levies on regulated firms (as the Regulators are funded by the financial services industry) to cover losses not covered by the existing statutory framework.

Compensation limits

The purpose of indicating in the CP that any compensatory payment for financial loss will not exceed £10,000, save in exceptional circumstances, was to set realistic expectations about the likely levels of payment. This amount took into consideration the level of payments made under the current Scheme. We explained in the CP that between 1 January 2017 and 31 December 2019 only 3 payments were for amounts greater than £10,000, with this increasing to 5 for the period between January 2017 and December 2022.

In response to the feedback received to the CP and after careful consideration we are removing the provision in the Scheme which provided that compensatory payments for financial loss would not exceed £10,000 save in exceptional circumstances. However, this does not affect our view that payments made under the Scheme are likely to be modest because to do otherwise would risk undermining our statutory immunity and the factors we consider when determining the appropriate outcome have not changed. The fact that payments for financial loss have historically been modest is shown by the updated payments data set out in this document. We appreciate that setting an amount of £10,000 may also act as a target and not achieve the intention of managing expectations, given that most payments have been below this level.

The Scheme is not designed to consider complex issues of causation, and our determination of any compensatory payment cannot be made in the same way in which a Court or Tribunal might calculate an award of compensatory damages. We do not interview witnesses or complainants. We instead carry out a common-sense analysis.

We will also still consider how the cumulative impact of payments may affect the fees we levy on the financial services industry and hence affect the costs met by consumers as referenced above. In some cases, we may decide that the levels of compensatory payments need to be reduced in light of that impact.

We recognise that the amount of compensatory payments we make will however be dependent on the specific circumstances of the case.

The Appointment of the Complaints Commissioner and Annual Reporting Requirements

- 2.40** Annex C of the Scheme as consulted on explained that under Part 6 of the FS Act, the Regulators must appoint an individual, subject to the approval of the Treasury, as Complaints Commissioner to carry out the functions conferred on them by the Scheme.
- 2.41** The Annex also explained at paragraph 11 of Annex C of the Scheme as consulted on that the Complaints Commissioner will prepare an annual report on their investigations under the Scheme and detailed what the report would include.
- 2.42** The Financial Services and Markets Act 2023 sets out that the appointment of the Complaints Commissioner is the responsibility of the Treasury, not the Regulators and also updates the annual reporting requirements.
- 2.43** As these amendments are the result of legislative change, we have updated the relevant Annex (Annex D) in the revised Scheme to reflect these changes.

Other comments

- 2.44** We also received feedback from some respondents which sits outside of the questions asked by the CP.

Feedback received

- The Complaints Commissioner would not be free at all times to act independently of the Regulators because the proposed Scheme would restrict the circumstances under which they could investigate complaints (eligibility) or recommend the payment of compensation.
- The CP was carried out without any public relations support, and the questions asked in the CP were narrowly drafted so that respondents were only asked to consider aspects of the proposed Scheme and not the Scheme as a whole.
- The proposed Scheme breaches one of the FCA's five regulatory objectives under FSMA, namely 'the protection of consumers'. It also breaches one of its own three operational objectives, 'securing an appropriate degree of protection for consumers.'
- We should not specify what evidence is required from complainants up front as it may deter legitimate complaints. We should consider revising the Scheme to allow witnesses and interviews to take place, and where a complaint is of such complexity and seriousness that it would exceed our capabilities, the complaint should trigger an investigation under Section 73 of the FS Act (investigating and reporting on regulatory failure).

Our response

We have responded to this feedback below:

- The proposed Scheme does not impact the Commissioner's ability to act independently of the Regulators and does not fetter their discretion to make recommendations, including recommending payments.

We are not amending the eligibility criteria through this PS. The criteria set out in the proposed Scheme are criteria which have been in place since the first Scheme came into existence in 2001. Some criteria regarding the complaints we will or will not investigate is set out in the FS Act, with the remaining eligibility criteria having been consulted on in November 2000 through [CP73](#), and in November 2012 through [CP12/30](#).

- The CP's aims were to improve the accessibility of the Scheme and to introduce clarity about our approach to compensatory payments, and we asked appropriate questions linked to these aims. The CP was announced on our [websites](#) on 20 July and 21 July 2020. The publication of the CP was publicised via an FCA News Story, the PRA's Regulatory Digest and social media, and following correspondence with the Treasury Select Committee, we agreed to extend the timescale for responses from 8 to 12 weeks.
- The Scheme's primary purpose is to hold the Regulators to account for their actions or inactions. The FCA achieves consumer protection through its objectives and rule making, supervision, enforcement and redress. The proposed Scheme does not breach the FCA's consumer protection objective or take away from the FCA's rules and standards for firms to treat their customers fairly, deliver appropriate products and services and put customer protection above their own profits or income. Our approach to compensatory payments has been considered against the wider statutory structure, which includes our statutory immunity.
- The CP did not specify that evidence is required up front to bring a complaint. The only reference to evidence was concerned with us receiving adequate evidence regarding a financial loss. We explained that we may ask for more information from complainants if necessary to investigate a complaint, but we would look to close the case if this was not provided. We are maintaining that proposal in the revised Scheme, whilst clarifying that we will attempt to contact the complainant at least twice before closing a complaint, and that we would explain our reasons for closing in writing.
- In terms of interviews and witnesses, the FS Act sets out that the Scheme should be designed so that complaints are investigated quickly. We are of the view that interviewing complainants and witnesses would not achieve that purpose. Desk based reviews have been explicitly part of the Scheme since March 2013, when [PS13/7](#) was published. The [FCA](#) and the [PRA](#) have established approaches in relation to the investigation and reporting on regulatory failure as required by the FS Act, which is distinct from the Scheme.

Chapter 3

Implementation

- 3.1** This chapter sets out the transitional arrangements for implementing the revised Scheme.

Implementation arrangements

- 3.2** We set out in the CP that we would handle all complaints made after the revised Scheme comes into force under the revised Scheme.
- 3.3** Existing complaints would continue to be handled under the current Scheme. Where the Complaints Commissioner provides a report to us about a complaint concluded before the revised Scheme comes into force on 1 November 2023 we would decide how to respond to the Complaints Commissioner's report and any recommendations in line with Section 7 of the current Scheme.
- 3.4** We asked the following question:

Q4: *Do you agree with our proposals for implementing the [revised] Scheme?*

Feedback

- 3.5** Many of respondents were concerned that the revised Scheme would be applied retrospectively (particularly where the compensation amounts set out in the CP 'would apply to events occurring before the revised Scheme is published'.) One respondent suggested that the revised Scheme should only apply to the Regulators' actions or inactions which occur after the revised Scheme becomes effective. Others considered that the proposals did not go far enough to achieve greater clarity and accessibility.

Our response

We do not propose to make any changes to the proposals as set out in the revised Scheme.

While the Scheme will apply to complaints that concern acts or omissions by the Regulator that have already happened, to operate the Scheme there needs to be an element of certainty both for the Regulators and complainants as to which Scheme version is applicable.

Investigating complaints in line with the Scheme that was applicable at the time the events occurred is likely to lead to uncertainty and confusion. It is likely we would need to have multiple versions of the Scheme operating at the same time for a longer period. It may even result in having two versions of the Scheme operating for a single complaint

which relates to events which occurred both before and after the revised Scheme comes into force. We propose to investigate complaints in line with the Scheme that applies at the time the complaint was made to the Regulator(s).

This means that there will be a limited period where both Scheme documents are in use. If complaints have been made to the Regulator(s) under the current Scheme and then deferred, or are still under investigation at the time any revised Scheme comes into force, or if the Regulator(s) are responding to a report by the Complaints Commissioner which relates to complaints made before the revised Scheme comes into force on 1 November 2023, then the current Scheme will apply to those matters.

Annex 1

List of non-confidential respondents

Individuals

Adam Samuel

Alastair Hull

Aldo Nicoll

Alex Stacey

Alexander Allan

Alison Moffat

Amanda Cunningham

Ann Cardinal

Anthony Conry

Antonia Summer

Antony Molyneux

Ashokkumar Patel

Barrie Smith

Brian Lander

Brian Michael Wilton-Cox

Carol Jelbert

Carolyn Francis

Catherine Hendry

Catherine Tompkins

D F Webster

Dan Lott

Daniel Cloake

David Harwood-Turnbull

Derek Cowan

Derek Sydney Upton

Diane Hubbard

Donald Firminger

Dorothy La Barre

E Howey

Eileen Pearson

Elaine Hall

Eric Karas

Eugen Stanciu

F Girardotti

Fiona Gordon

Fred Hotchen

Gary Martin

Gary Smith

George Gray

Gordon Neave

Grant Walker

Gwen Davies

Hazel O'Byrne

Helen Smith

Hilary Bryan

Ian Davis

Isa King

Isabel Lennox

J Hunt

James Crowe

James Ewing

James Reddy

James Volland

Jan Hickman

Jeanette Robertson

Jeffery William Brown

Jenny Meara

Joan Finch

Joanna Bowman

John Cole

John Curran

John Hodgson

John Rogula

Jonathan Robert Grant

Jos Haynes

Judith Clark

Julie Chestney

K Neilson

Karen Baker

Kashmiro Hawker

Keith Elliott

Keith Gorst

Keith Lanvaster

Keith Rich

Kevin Clarke

Kim McIntosh

Kings Krawiec

Lauren Pye

Lesley Naylor

Liam Gwynne

Linda Hotchen

Lindsey Ferguson

Lisa King

Lorraine Styles

Malcolm Clark

Margaret Ryan

Mark Goble

Mark Hornby

Mark Joyce

Martin Anthony Hounsell

Mary Young

Melvin Lester Frankland

Michael Renshaw

Michael Smith

Michelle Tuohy

Mike Legg

Mohammed Amin

Nick Taylor

Nigel Harper

Pamela Warner

Panos Simou

Paul Grech

Paul Lenton

Paul Pascoe

Paul Warren

Penny Bainbridge

Penny Clarke

Peter Cornell

Peter Tompkins

Peter Turner

Philip Whalley

Richard Larcombe

Robert Capewell

Roj (No Surname given)

Russell McDermid

Samantha Hadden

Sarah Harvey

Sharon Melville

Simon Hartridge

Smarajit Roy

Stephanie Wills

Stephen Edwards

Stephen Hayes

Stephen Mountney

Stephen Raven

Stephen Robinson

Sue Weston

Sunil Sood

Susan Elwood

Susan Warren

Susan Wilkinson

Susanne Kerss

T A Jones

Terry Cooke

Tim Porter

Timothy Kerss

Tina Carson

Trevor Slattery

Trudy Austin

Ursula Riniker

Valerie Cacchi

Valerie Chambers

Wendy Firminger

William Buckland

William May

Organisations

Antony Townsend (Complaints Commissioner 2014-2020)

Association of Mortgage Intermediaries

The Transparency Taskforce

Annex 2

Glossary

Abbreviation	Description
Complaint	Any expression of dissatisfaction about the way one or more of the Regulators or the FSA has carried out, or failed to carry out, its relevant functions
Complaints Commissioner	The independent person appointed by the Treasury to be responsible for the conduct of investigations in line with the Scheme
Complainant	The person making a complaint
CP	FCA - Consultation Paper 20/11 PRA – Consultation Paper 8/20
current Scheme	The Scheme in force from 1 April 2013 to 31 October 2023
FCA	Financial Conduct Authority
FS Act	Financial Services Act 2012
FSA	Financial Services Authority
FSCS	Financial Services Compensation Scheme
FSMA	Financial Services and Markets Act 2000
IRHP	Interest Rate Hedging Products
LCF	London Capital and Finance plc
Legislative functions	The functions of the Regulators, including rule-making and guidance/ statement-issuing, which are set out at Section 85(4) to (7) of the Financial Services Act 2012
PRA	Prudential Regulation Authority
PS	Joint Policy Statement by the FCA, the PRA and the Bank which sets out our response to the CP feedback
Relevant functions	The functions of the Regulators which are set out at Section 85 of the Financial Services Act 2012, which do not include the Regulators' legislative functions
revised Scheme	The Complaints Scheme in force from 1 November 2023

Abbreviation	Description
The Bank	Bank of England
The Regulators	The Financial Conduct Authority, the Prudential Regulation Authority and the Bank of England
The Scheme	The Complaints Scheme
The Treasury	His Majesty's Treasury

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