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19 October 2023

Submitted online: appscams@psr.org.uk

Dear PSR,

Financial Services Consumer Panel feedback on proposed delay to the implementation of the APP scam reimbursement policy

The Financial Services Consumer Panel is an independent statutory body. We represent the interests of individual and small business consumers in the development of policy and regulation of financial services in the UK. Our focus is predominately on the work of the FCA, but we are responding to this consultation because payments – and the safety and security of those payments – are essential to consumers.

We write to express our disappointment and concern with the proposed delay to the implementation of the APP scam reimbursement policy, as outlined in CP 23/10. This letter should therefore be taken as a response to Question 5 in the consultation document. We do not have comments in response to the other questions.

Fraud is a significant and growing problem affecting hundreds of thousands of individual and small business consumers and resulting in hundreds of millions of pounds lost¹. It also results in unquantifiable emotional distress and loss of consumer trust in payments. The low levels of reimbursement under the current voluntary regime show that the status quo is not working to deliver the redress victims of fraud deserve, and as such, mandatory reimbursement is essential to address the consumer harm being caused.

With the PSR's proposed delay, and certainly any further delay as the PSR appears open to in CP 23/10, significant further harm will be caused to consumers. We also believe there is a material risk to the achievement of the National Fraud Strategy's objective to reduce fraud by 10% on 2019 levels by December 2024.

¹ [UK Finance data](#) shows in 2022 there were 207,372 instances of fraud resulting in £485bn of consumer losses.

We therefore urge the PSR to reconsider the delay to implementation, and stand firm against any calls for a further day.

We also wish to take this opportunity to reiterate our concerns about the proposed consumer standard of caution, excess and maximum reimbursement cap as we believe they seriously limit the consumer protection offered by mandatory reimbursement. Please see [our response to your previous consultations](#) on this.

Yours sincerely,

Helen Charlton

Chair, Financial Services Consumer Panel