

Redress Policy and Future Frameworks
Financial Conduct Authority
12 Endeavour Square
London
E20 1JN

By email



28 April 2026

Dear Sir/ Madam,

CP26/9: Modernising the redress system

The Panel is broadly supportive of the proposed changes set out in this joint consultation and welcomes the ongoing close work between the FCA and FOS to address current issues.

Our comments on specific proposals are set out below:

- **Pre-registration** – we welcome the proposed introduction of a two-stage registration process to provide for FOS complaints to go through a pre-registration triage before full investigation begins. This should ensure complaints that are poorly evidenced or premature can be dismissed early, potentially saving time for a full investigation.
- **Changes to the "fair and reasonable" test** – we support the proposal that the FOS moves from the FOS using "good industry practice" as a benchmark and instead considers the rules that were in force at the time of the original act or omission. This should, reduce the risk of of hindsight bias/ retrospective judgements against firms.
- **Expanded dismissal grounds** – widening the grounds by which the FOS can dismiss a case is a helpful development which will provide stronger protection against speculative claims, and aid in filtering out complaints that have no prospect of success or where clients have acted abusively or unreasonably.
- **Mandatory early reporting of emerging issues** – we are supportive of the intent of the proposals for firms to proactively identify and report potential systemic or recurring issues, but note this could have significant time burden on smaller firms, some of which may only offer simple regulated products, so it will be important that a proportional approach is taken.
- **Pausing complaints during investigation of a lead complaint** – this is sensible and should avoid the risk of multiple conflicting individual rulings and a more collective approach, representing cost and time savings for firms.
- **Cooperation with the FOS** – clarifying what full co-operation looks like through additional DISP guidance is a positive step. Most firms want to work in a fully co-operative way, and the changes should help identify 'bad actors' at an earlier stage.
- **Tightening Timeframes for a full response** – this is an appropriate adjustment, which should prevent clients from referring to the FOS too early.
- **Potential for lower case fees** – we would welcome the introduction of a differential fee structure including consideration of whether a lower, or no fee, may be appropriate if a case is resolved early or dismissed at the new registration stage.

We would be happy to discuss any of these points in more detail.

Yours sincerely,

[signed]

Will Self
Chair, FCA Smaller Business Practitioner Panel