



Wider Implications Framework Annual Report 2024/25





Contents

Executive Foreword	Page 3
Framework members	Page 3
Strengthening cooperation and engagement with stakeholders	Page 4
Review of the year	Page 4
1. Sharing data, insight and expertise to inform decision making	Page 5
2. Joint engagement activities	Page 7
3. Helping consumers navigate the redress landscape	Page 8
4. Working with all stakeholders to deliver fair outcomes	Page 10



Executive Foreword

This is the third Wider Implications Framework Annual Report, covering the period 1 April 2024 to 31 March 2025.

The report sets out how the framework's members worked together during the year:

- the Financial Conduct Authority (FCA)
- the Financial Ombudsman Service (the Financial Ombudsman)
- Financial Services Compensation Scheme (FSCS)
- the Money and Pensions Service (MaPS)
- the Pensions Regulator (TPR).

The framework continues to provide a transparent and robust process for its members to consider issues with significant implications in a timely, consistent and complementary way, whilst preserving members' independent roles and statutory functions. It supplements the existing collaboration that takes place already between our organisations to share information and insights on specific issues.

This year, we worked together on significant issues including the Call for Input on modernising the redress system, motor finance commission, embedding the Consumer Duty, Self-invested Personal Pensions (SIPPs), and implementation of the Payment System Regulator's (PSR's) APP fraud reimbursement requirement.

This report offers further insight into how collaboration has produced better outcomes for consumers, firms and the financial services industry. It also outlines some changes we have made to enhance cooperation and engagement between members and stakeholders by updating the framework's Terms of Reference.

Framework members

Each member organisation has distinct and independent roles and responsibilities.

The framework helps ensure consistent and complementary approaches to similar or related issues as they arise. For example, subject to any legal restrictions on disclosure of information: the Financial Ombudsman and FSCS share data and insight from complaints and claims; the FCA and TPR as regulators can share certain information to facilitate the exercise of their functions; and MaPS plays a key role issuing consumer communications and can share information with the FCA to enable or facilitate its functions.

In addition, and outside of the framework, members meet regularly with other key stakeholders on a variety of important issues. This has included:

- the Financial Ombudsman and the FCA working with the Solicitors Regulation Authority on charging professional representatives
- the FCA and the Financial Ombudsman working with HMT on legislation to bring buy now pay later agreements (or deferred payment credit) within the FCA's remit and the Financial Ombudsman's jurisdiction

- 
- the TPR, FCA and MaPS working together on pension scams.

Strengthening cooperation and engagement with stakeholders

In November 2024 we announced three major initiatives to improve how we engage with stakeholders and work together.

1. We updated the framework's Terms of Reference (ToR) to enable more direct channels of communication with industry and consumer representatives. We will attend relevant independent statutory industry and consumer panel meetings twice a year so that stakeholder representatives can:
 - highlight issues with potentially significant or wider implications; and
 - receive significant updates on and participate in discussions about ongoing issues being managed under the framework.

Framework members attended the first panel meetings in May and June 2025. [Any representations received at these meetings, together with framework executives' responses, will be published in the 2025-26 Annual Report].

2. The FCA and the Financial Ombudsman signed a refreshed Memorandum of Understanding (MoU) to facilitate mutual cooperation and consultation, sharing insights on issues which may result in a broader market impact.
3. The FCA and the Financial Ombudsman jointly launched a Call for Input (Cfi) seeking stakeholder views on how to modernise the redress system to deliver better outcomes for consumers and provide greater stability for firms. There were specific questions about how to enhance cooperation and collaboration, and how the framework could be improved to facilitate early identification and management of significant issues. The FCA and the Financial Ombudsman published a Consultation Paper on Modernising the redress system in response to the Cfi on 15 July 2025.

Review of the year

In this section, we take a closer look at some of the significant issues we worked on between 1 April 2024 and 31 March 2025.

1. Sharing data, insight and expertise to inform decision making



The framework enhances information and data-sharing between members. Regular engagement between members within specific sectors provides opportunities to share data and intelligence which helps members prioritise issues we might want to take forward under the framework.

The Financial Ombudsman and FCA regularly share intelligence on regulatory issues, including instances of poor conduct by FCA-regulated firms and evidence of non-compliance with complaints handling rules.

The Financial Ombudsman and FSCS also worked together by sharing information about new and emerging issues during the early investigations into firms that may be at risk of failing.

These regulatory referrals enabled all parties to effectively communicate on issues with wider implications and encouraged improved industry behaviours, whilst providing more effective and efficient outcomes for customers.

Regular sharing of data and insight was particularly important when considering motor finance commission cases. It has helped inform the decisions we have made about how to ensure these complaints are resolved in an orderly, consistent and efficient way.

Issue

In January 2024 the Financial Ombudsman issued its first published decisions upholding motor finance complaints involving the use of discretionary commission arrangements (DCA). In December 2024, the High Court ruled in favour of the Financial Ombudsman, following a judicial review brought by Clydesdale Financial Services Limited (trading as Barclays Partner Finance). Separately, in October 2024 the Court of Appeal ruled on 3 cases involving car finance. In these cases the Court decided it was against the law for dealers to receive commission (whether paid under a discretionary commission arrangement or otherwise) from the lender without first telling the customer about it and getting their informed consent to the payment. The lenders involved in the case appealed the decision to the Supreme Court. The Supreme Court hearing took place in early April 2025 and the judgment is still awaited [as at the publication date].



Action

Following the first published decisions by the Financial Ombudsman in January 2024, the FCA introduced rules to extend the time firms have to deal with complaints and also the time that consumers have, who were unhappy with the firm's decision to refer that complaint to the Financial Ombudsman. This was to enable the FCA to carry out diagnostic work in relation to the historical use of discretionary commission arrangements and understand whether firms have failed to comply with relevant requirements and whether large numbers of consumers were owed redress. The FCA said then it would set out its next steps in September 2024. The FCA subsequently extended the time limits and, taking into account the Court of Appeal judgment in October 2024, extended the time that firms had to deal with motor finance commission complaints (whether a discretionary commission arrangement was used or otherwise) until 4 December 2025.

The FCA and Financial Ombudsman are, respecting our individual roles, working to ensure a consistent and complementary approach to resolving commission complaints.

Outcome

The FCA issued a press statement in March 2025 in relation to its review of motor finance complaints. If the FCA finds customers have lost out, it is likely to consult on a consumer redress scheme (CRS). Following this announcement, the FCA held two roundtables in March 2025 with industry and consumer groups to provide an overview of how any potential CRS might operate should it look to consult on this type of intervention, and to engage in discussion on these topics. In June 2025 we published a [statement](#) setting out the key considerations in implementing a possible CRS.

2. Joint engagement activities



We continually seek opportunities to collaborate at external events to demonstrate our alignment on significant issues. This helps to reduce uncertainty for firms and leads to more consistent outcomes for consumers. This has been particularly important in relation to the Consumer Duty where we jointly discuss our expectations and proactively address potential challenges identified by firms and consumers.

Issue

Following implementation of the Consumer Duty for new and existing products in 2023, and then closed products in July 2024, the FCA and Financial Ombudsman continue to have regular working and senior level meetings. We continue to look for opportunities for joint events to support stakeholders understanding of the Duty and how it applies, and to reassure stakeholders we are aligned.

Action

Abby Thomas, former CEO of the Financial Ombudsman, gave a keynote address at the FCA's Consumer Duty event in July 2024 to mark one year of the Consumer Duty and the deadline for closed products. The Financial Ombudsman also joined the Consumer Finance breakout session at this event to update relevant trade associations on the Financial Ombudsman's approach in this sector.

In addition to trade bodies and other guests attending this event in person, over 4,000 people joined the livestream.

In February 2025 the Financial Ombudsman and the FCA appeared together on a panel at the Informa Consumer Duty Conference in London. We reinforced our commitment to align on the Consumer Duty and explored how we would seek to address firm concerns about the Duty.

Outcome

We have received positive feedback from attendees at the Consumer Duty event in July 2024, who reported a greater understanding of how the Financial Ombudsman are working closely with the FCA to ensure a consistent and complementary approach to the application of the duty.

3. Helping consumers navigate the redress landscape



The framework facilitates a smoother journey for consumers to receive appropriate redress when harmed by financial services firms. Working together we can help build trust in the financial services industry by directing consumers to the right information and providing support when things go wrong.

Issue

Many consumers lost money invested through their Self Invested Personal Pensions (SIPPs) due to a failure in the due diligence undertaken by SIPP operators. There was a significant delay to consumers receiving redress due to firms failing to promptly settle SIPP complaints or firms being unable to meet redress liabilities, and claims falling to FSCS.

Action

The FCA, the Financial Ombudsman and FSCS have continued to work closely over the last year, sharing monthly data on complaints and claim volumes to ensure consumers owed redress were going to the right place, and that redress was paid promptly. Regular meetings at working level have ensured any problems have been identified and resolved quickly.

Outcome

Coordinated work between the FCA, FSCS and the Financial Ombudsman ensured consumers received redress owed because of failings by SIPP operators as quickly as possible. In 2024/25 the Financial Ombudsman resolved 996 cases. Consequently, the majority of the Financial Ombudsman's cases covered by the framework issue should be resolved by the end of 2025.

Members will continue to talk about these cases as part of their regular engagement, particularly while there are ongoing claims with FSCS, but it can now be stood down on the Framework issues log.



Issue

Many consumers struggle to make important financial decisions, and it can be difficult to understand what support is available. Consumers should be able to make informed decisions about their finances with confidence and have access to appropriate help, guidance and advice. Many consumers could be missing out on valuable support and guidance – which we have identified as ‘the advice gap’.

We want to support a healthy investment culture, to benefit consumers and help drive economic growth. This has led to members working with the Government on the Advice Guidance Boundary Review.

Action

In December 2023 the Government and the FCA jointly published a Policy Paper on the Advice Guidance Boundary Review that set out our early thinking to enable consumers to get the help they want, at a time they need it, at prices they can afford.

We heard from retail investment firms and pension providers that they would benefit from further regulatory clarity about how the TPR Code of Practice and guidance on communications requirements and the FCA’s Consumer Duty interact with direct marketing rules under data protection law and regulations.

MaPS has a statutory role to provide free and impartial advice and plays an important role in making sure consumers have the information they need to make important financial decisions. It is important to ensure any solutions are joined up with any existing support being provided so we continue to work closely.

Outcome

On 15 November 2024 the FCA, TPR and the Information Commissioner’s Office (ICO) responded by publishing a joint statement giving firms greater clarity on communications they can make to help pensions and retail investments customers.

Members continue to work together to build an advice and guidance framework consumers and firms can trust.

4. Working with all stakeholders to deliver fair outcomes



The framework encourages members to work together with stakeholders to identify and resolve issues early, to reduce harm and deliver fair and consistent outcomes. Collaboration with relevant stakeholders can help reduce uncertainty for financial firms and build trust and confidence in the financial services industry.

Issue

Prior to the implementation of the PSR's reimbursement requirement on 7 October 2024, the FCA had not yet set out its expectations of firms.

Action

On 7 October 2024, the FCA published two Dear CEO Letters to UK authorised credit institutions and payment and e-money institutions that may be captured by the PSR's APP fraud reimbursement requirement. The letters set out expectations relating to the PSR's measure, the role of the Consumer Duty and what firms can expect from the FCA and the PSR through a data-led approach to monitoring progress. They also asked firms to ensure that they have appropriate oversight, systems and controls in place to comply with the PSR's requirements.

The FCA and the PSR regularly meet to discuss how firms are implementing the reimbursement requirement, any operational issues, firm or consumer queries, and the monitoring and evaluation of the regime.

Ahead of the reimbursement rules coming into effect, the PSR and Financial Ombudsman participated in workshops which involved engagement with industry and consumer representatives. These workshops focused on the interventions element of the Consumer Standard of Caution and its application in accordance with PSR rules and guidance.

Outcome

Firms have received detailed information on the FCA's expectations regarding APP fraud reimbursement, as well as how the Financial Ombudsman intends to apply the relevant rules and guidance. The PSR and FCA continue to work together to monitor firms' compliance and assess the broader impact of the policy.

Issue

On 30 October 2024, HMT amended the Payment Services Regulations 2017 to extend the amount of time that a Payment Service Provider (PSP) has to process an outbound payment order. HMT asked the FCA to issue guidance on these legislative changes and related legislative provisions about delaying suspicious inbound payments.

Action

The FCA worked closely with the PSR and the Financial Ombudsman to develop appropriate guidance ('*FG24/6: Guidance for firms that enables a risk-based approach to payments*') for PSPs.

The FCA has regular meetings with the Financial Ombudsman, providing the opportunity to discuss how the delayed payments legislation is being implemented.

Outcome

With the introduction of the PSR's mandatory reimbursement requirement on 7 October 2024, the amended legislation and accompanying guidance provided firms with another tool to help detect and prevent APP fraud and in turn, reduce their reimbursement liabilities.


In addition, and outside of the framework, members meet regularly with other key stakeholders on a variety of important issues.

Issue

Pensions are complicated, and consumers don't often interact with their pension provider until retirement. This can make them vulnerable to pension scams. It is important that the industry engages more with consumers to actively warn them about pension scams.

Action

TPR leads the Pensions Scams Action Group (PSAG), a multi-agency team uniting law enforcement, government and the pensions industry. FCA and MaPS are among PSAG members.



In 2024, PSAG members collaborated to produce a short film about a pension fraud victim for consumer and industry audiences. It has also promoted the 'Stop! Think Fraud' pension-related scams initiative championed by the UK Government's National Campaign Against Fraud. MaPS led the victim support workstream of the PSAG strategic action plan. This focussed on consumer protection measures including regional awareness-raising events for consumer support practitioners such as local authorities and Citizens Advice.

Outcome

The video has now achieved over 40,000 views. This targeted effort helps PSAG continue its work to improve public awareness and support victims.

Issue


TPR, Financial Conduct Authority and Department for Work and Pensions are working in partnership to develop a framework to improve the value schemes deliver for savers by enabling the comparison of key metrics to be made across the defined contribution (DC) workplace pension landscape. The FCA is responsible for regulating contract-based DC schemes while TPR oversees trust-based schemes.

Action

Further to a high-level joint consultation in 2023, the FCA launched a technical consultation on the framework in summer 2024 ahead of the DWP introducing equivalent legislation for trust-based schemes in an upcoming Pension Schemes Bill. TPR and the FCA encouraged trustees of trust-based schemes to respond to the technical detail of the consultation, with a view to ensuring the final framework can be applied effectively across the pensions landscape.

Outcome

Representatives from both trust-based and contract-based schemes responded to the consultation. The FCA, TPR and DWP are considering the responses and will use these to inform development of the Value for Money (VFM) framework. They expect to consult further by the end of 2025 to inform consistent rules across the DC workplace pension landscape.



We are keen to hear stakeholders' views on our compliance with the cooperation duty, consistent with the requirement under the duty to put in place arrangements to allow stakeholders to provide such feedback.

Please send any feedback on members' compliance with the cooperation duty, the framework more generally, or how we could improve future Annual Reports to: widerimplications@fca.org.uk

Framework Executives will receive a summary of any feedback received during the review period and consider how best to respond.

