

Aggregate complaints data 2015 H2

We collect complaints data from firms to enable us to monitor the number of complaints that firms receive, how this changes over time, and what products or services people have complained about the most. We use the data to help assess how well they are treating their customers and how firms' performance changes over time.

We publish complaints data every six months and this publication includes data for the second half (H2) of 2015 (1 July to 31 December 2015). We collect and publish data at both an aggregate (market level) and firm level, although we only publish firm specific data for firms reporting 500 or more complaints. Firms with 500 or more complaints in a half-year period are also required to publish complaints data on their website.

This publication analyses the aggregate complaints data and will specifically cover the following topics:

Total number of complaints opened:

- [by product type](#)
- [by type of firm](#)
- [by cause of complaint](#)

Complaints handling and the amount of redress paid to customers:

- [complaints closed](#)
- [complaints upheld](#)
- [redress paid to customers](#)

Full aggregated complaints data for the latest six-month period and the previous six-month periods are available using the following links:

- [Complaints data 1 July to 31 December 2015](#) (XLSX)
- [Complaints data 1 July to 31 December 2015](#) (PDF)
- [Aggregate complaints data charts](#) (PDF)

Highlights for 2015 H2



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The total number of complaints opened

The total number of complaints received by firms reduced by 1.4% to 2.11 million in the second half (H2) of 2015, compared with the first half (H1) of 2015. This is a decrease of more than a third (38%) since the peak in 2012.

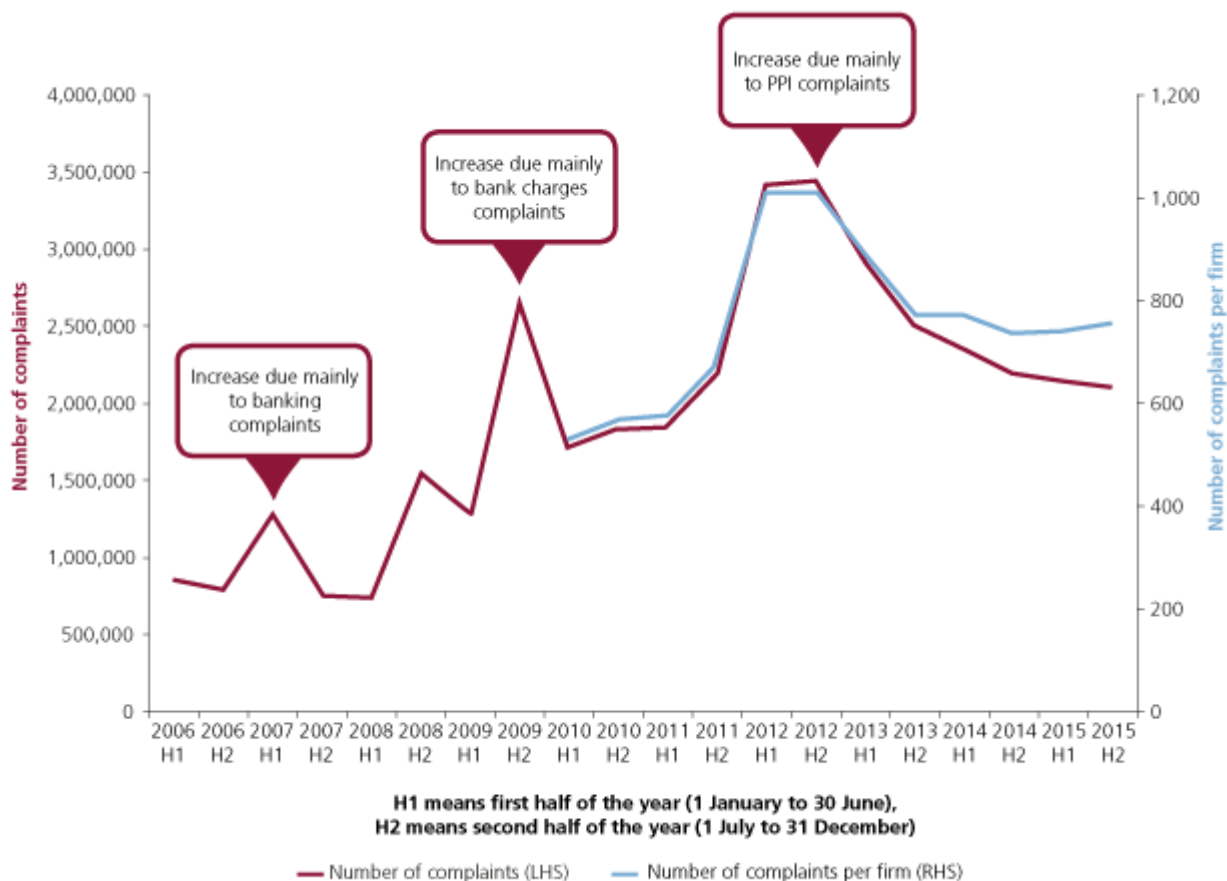


Figure 1: Total number of complaints opened and the average number of complaints per firm

Figure 1 shows the total number of complaints opened from 2006 to 2015 H2. The red line represents the total number of complaints opened, while the blue line represents the average number of complaints opened per firm. Until recently, the average number of complaints per firm tracked the overall number of complaints opened. However, it begins to flatten out from 2014 H1 onwards, while the total number of complaints continues to fall. In the latest three periods, the average number of complaints per firm has risen, but the number of firms reporting complaints has decreased. The average number of complaints per firm is currently 753.

Complaints by product type (Table 2.1 and 2a)

Payment protection insurance (PPI) remains the most complained about product, with 932,298 complaints reported between July and December 2015, accounting for 44% of all complaints. This is more than double the next most complained about product, current accounts, with 454,276 complaints over the same period. Current accounts have seen one of the largest reductions in complaints numbers between the first and second halves of 2015.

We classify complaints into five product categories. Figure 2 shows the proportion of complaints in each category and the top products complained about.

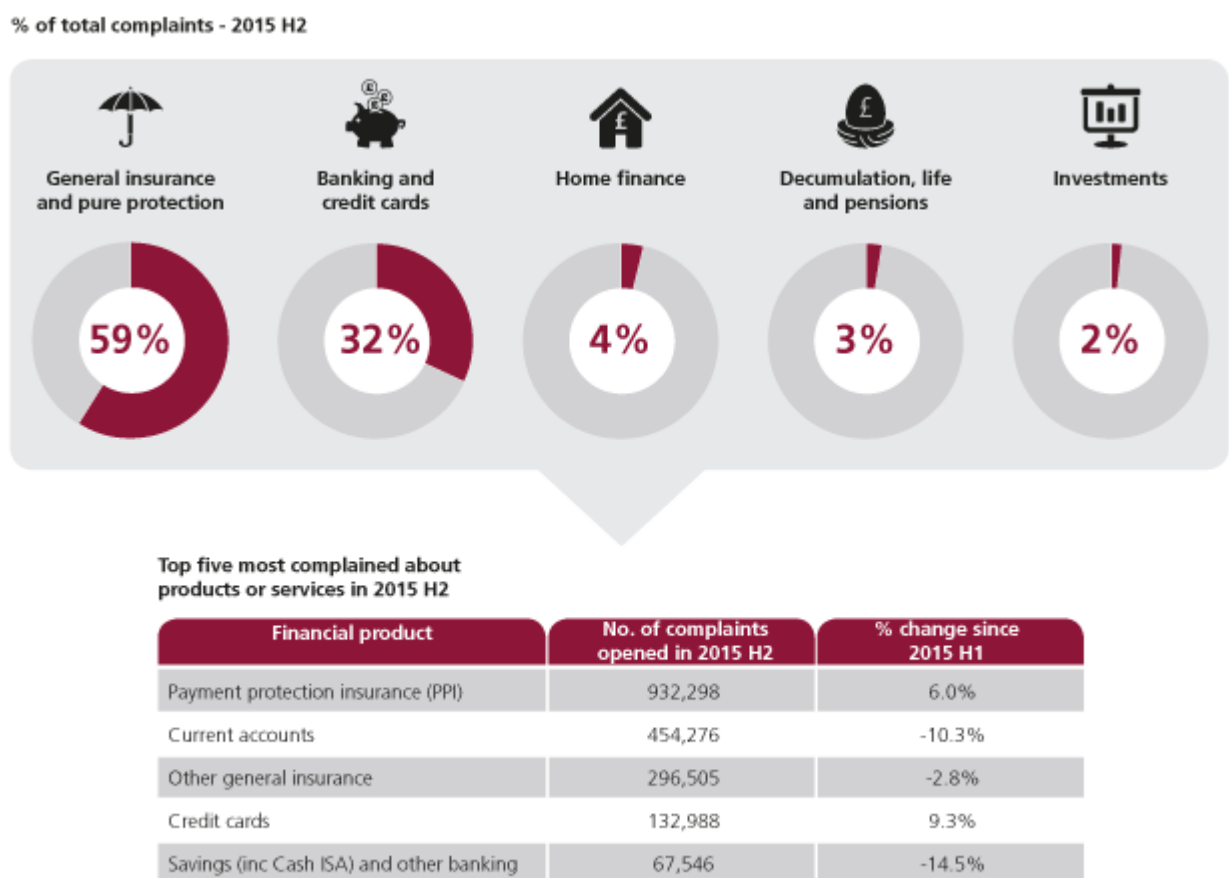


Figure 2: Complaints broken down by product type and the top five most complained about products or services in 2015 H2

Banking and credit cards complaints

The number of banking and credit card product group complaints opened is generally reducing since 2010, except for a slight increase in 2015 H1. The total number of complaints opened in 2015 H2 was 685,942, 7% less than what was reported 2015 H1.

- Despite a 9% increase in complaints opened between 2015 H1 and 2015 H2, there has otherwise been a large reduction in the number of credit card complaints since 2012 H1, having reduced by 60% to 132,988 in 2015 H2.
- Current account complaints have reduced by 10% between 2015 H1 and 2015 H2 to 454,276. Longer term, this represents a 28% reduction from its high in 2010 H1, although the number of complaints opened in 2015 H2 is still 58% higher than the lowest point in 2013 H1.
- Savings (including Cash ISAs) and other banking complaints continue to fall in 2015 H2 to 67,546 – this is a reduction of 15% since 2015 H1 and of 57% since 2010 H1.

Home Finance complaints

The number of home finance product group complaints opened is increasing over time, with a peak in 2014 H1 of 93,379. This has reduced by 0.2% between 2015 H1 and 2015 H2 to 76,047.

- There has been an increase in the number of equity release complaints since 2010 H1 - having risen again in 2015 H1 from 836 to 991 in 2015 H2 - representing a 19% increase.
- There has also been a 4% increase in the number of complaints regarding credit-impaired mortgages between 2015 H1 and 2015 H2, despite a generally reducing trend in the sale of credit impaired mortgages since 2008.

Decumulation, life and pensions complaints

The number of complaints related to decumulation, life and pension products has been variable over time. But there have been some specific movements in the product sub-categories:

- The number of complaints related to endowment products peaked in the first half of 2011 and again in the first half of 2013. Since then there has been a significant reduction in complaints; this has declined again since 2015 H1 to 14,906 in 2015 H2. This trend is consistent with the declining popularity of endowment policies, with fewer people holding these products. There has been a continuous decline in the sale of endowment policies since 2005.

- There has been a continued upward trend in the number of complaints related to personal pensions, increasing by 52% between 2010 H1 and 2015 H2. This increase in complaints is consistent with the increasing trend in personal pension sales over the same period. However, there was a 15% reduction in pensions complaints between 2015 H1 and 2015 H2.

General Insurance and Pure Protection complaints

Until 2012 H2, there had been a significant rise in the number of complaints related to general insurance and pure protection, peaking at almost 2.5 million. Since then there has been a reduction in complaints and the current total stands at 1.25 million - a reduction of 50%.

- PPI makes up the majority of complaints in general insurance and pure protection (75%) at more than 0.93 million - a 6% rise since 2015 H1.

Investments complaints

Generally, there has been an upward trend in the number of investment related complaints between 2010 H1 and 2015 H1, but this has reduced by almost 20% (9,107) in 2015 H2 to 36,963:

- Complaints related to PEPs/ISAs (excluding cash ISAs) have reduced by 15% between 2015 H1 and 2015 H2 to 11,848 complaints opened.
- Complaints related to investment bonds have continued to decline in 2015 H2 to 6,202 from a high of 12,306 in 2011 H1. This is consistent with the continued decline in the sale of investment bonds and continued low investment bond yields over the same period.

Complaints by firm type (Table 2.2)

Banks and building societies accounted for the majority of complaints from consumers in 2015 H2, with 64% of total complaints opened.

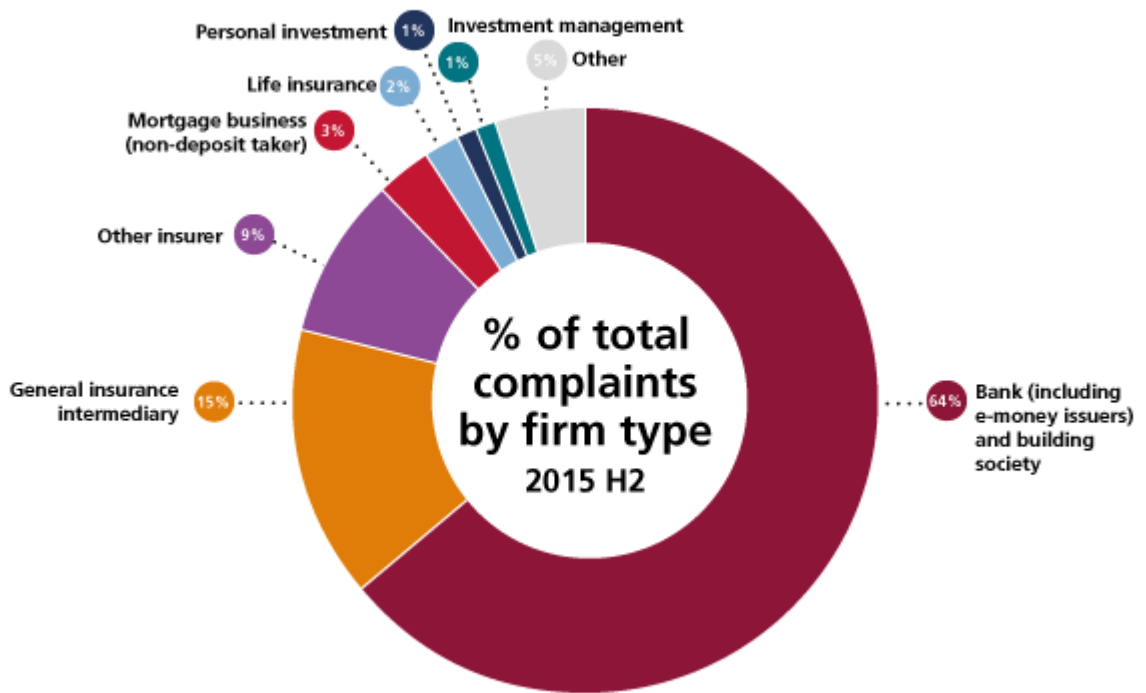


Figure 3: Percentage of total complaints opened by firm type

- Complaints against general insurance intermediaries saw the greatest increase in complaints opened in 2015 H2 – rising 19% to 313,688 since 2015 H1.
- Complaints against securities and futures firms reduced by 37% to 3,536 complaints opened in 2015 H2.
- Banks and building societies witnessed the largest absolute reduction in the total number of complaints opened in 2015 H2 - decreasing by 61,264 (4%) complaints since 2015 H1 to 1,356,991.

Complaints by cause (Table 2.3)

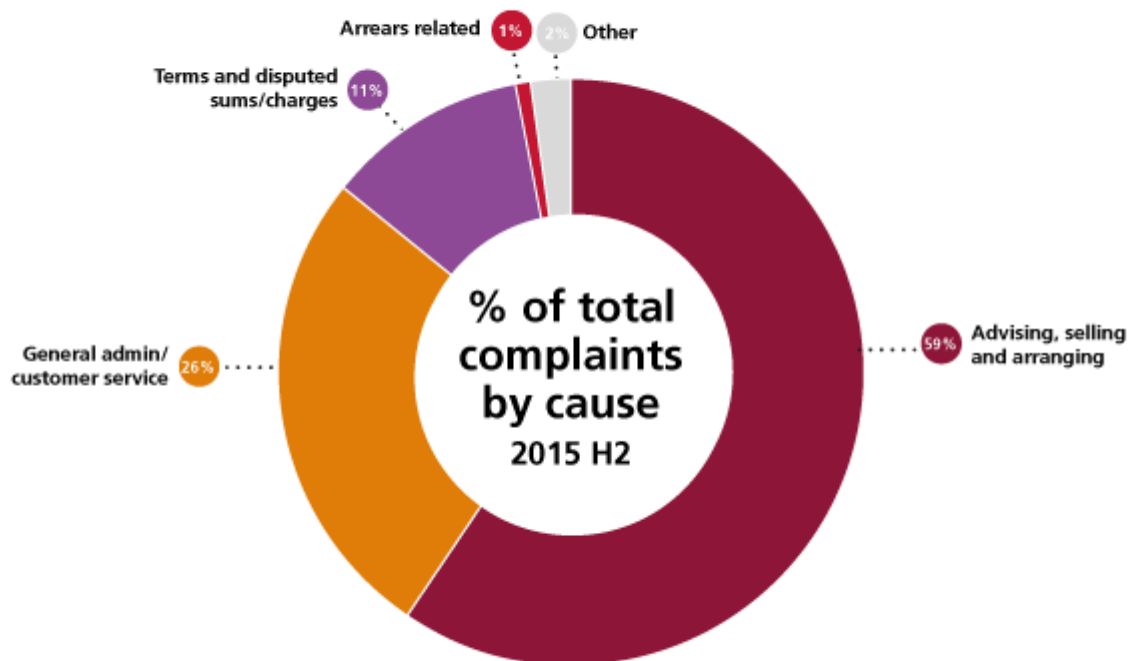


Figure 4: Percentage of total complaints opened by cause

Advising, selling and arranging issues are the main cause of complaints, accounting for 59% of the total complaints received between July and December 2015. This is mainly due to the general insurance and pure protection product group, which includes PPI.

- General administration and customer service related complaints reduced by almost 5% to 554,654 complaints opened in the second half of 2015. That is an absolute reduction of 28,814 since the first half of 2015.
- Advising, selling and arranging related complaints increased by 1% to 1,239,018 complaints opened in 2015 H2.
- Arrears related complaints decreased by 9% to 26,724 complaints opened in 2015 H2.

Complaints handling and the amount of redress paid to consumers

When consumers make complaints against firms we expect those complaints to be handled properly and resolved fairly and effectively. There have been instances where we have identified significant failings in the way certain financial products have been sold. This has led us to work with firms to ensure complaints are handled appropriately and consumers are appropriately redressed. In recent years this includes failings in the sales of PPI and interest rate hedging products (IRHPs).

Complaints closed (Table 3.1)

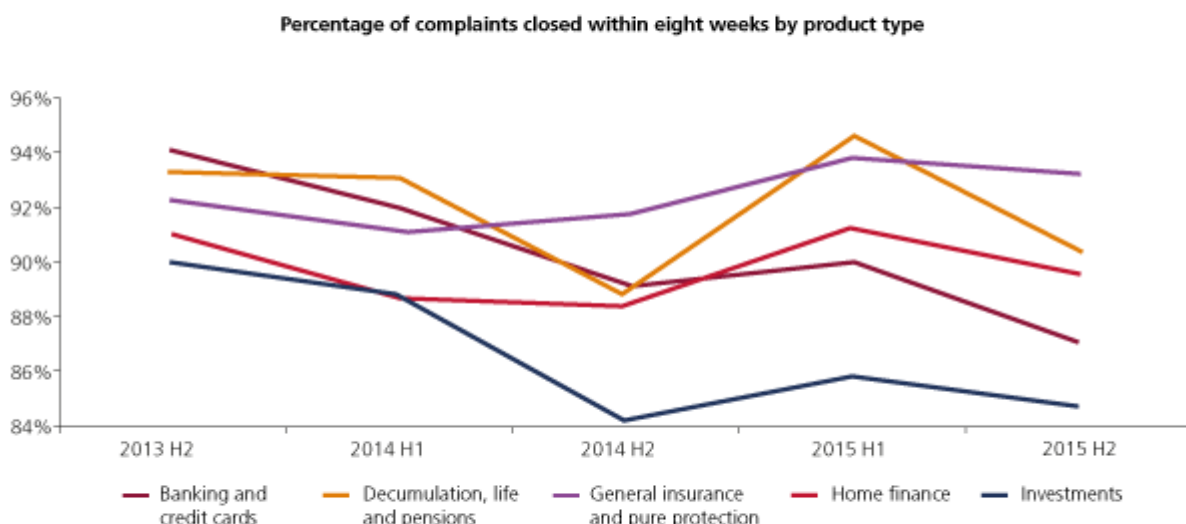


Figure 5: Percentage of complaints closed within eight weeks by type of product

Figure 5 shows the number of complaints closed within eight weeks split by product category. There is a downward trend across most product categories since 2013, except for general insurance and pure protection.

- In 2015 H2, almost 91% of all complaints were closed (1.99 million) within a period of eight weeks, which is a small reduction from the 92% reported in the first half of 2015.
- The most significant reduction in complaints closed within eight weeks since the first half of 2015 occurs in the decumulation, life and pensions category (from 95% to 90%).
- 97% of complaints made against non-deposit taking mortgage firms were closed within eight weeks in 2015 H2. This has increased by 1% since the first half of 2015 and represents the highest proportion of complaints closed within eight weeks among all firm types.

Complaints upheld (Table 4.1)

The average uphold rate for all financial products between July and December 2015 is 54%, which is a small reduction from the 55% of complaints that were upheld in the first half of 2015.

- The proportion of complaints upheld varies across all product and firm type categories with non-deposit taking mortgage businesses increasing their uphold rate by 5% from 2015 H1 to 2015 H2 to 40%.
- The uphold rate for general insurance and pure protection (which includes PPI) products was the highest across all product groups at nearly 61% in 2015 H2 - compared to 60% in 2015 H1.
- However, the uphold rate for banking and credit card product group was only 44% for 2015 H2, which is down from 47% in 2015 H1.

Redress paid to consumers (Table 5.1)

The amount of redress paid to consumers who have been mis-sold financial products was £1.97 billion between July and December 2015, which is slightly lower than the redress paid to consumers in the first half of 2015. That equates to an average of £1.4 million per firm between July and December 2015.

- This fall in redress payments was mainly due to a 2% fall in payments related to general insurance and pure protection group of products, which accounted for almost 82% (£1.61bn) of all redress payments in 2015 H2. The large increase in the average redress paid per firm since 2011 H2 is mainly due to an increase in the general insurance and pure protection category. This product group contains redress paid for PPI products.
- All other product categories saw a reduction in redress payments in 2015 H2, except for 'Banking and credit cards' which increased by almost 27% and 'Home finance' which increased by 17% from 2015 H1.

- The median redress paid out per firm was just £2,565, although 700 firms paid out more than this.
- The top ten firms accounted for 83% of the total redress paid to consumers in 2015 H2, which is broadly consistent with the previous period where the top ten firms accounted for 84% of total redress paid to consumers.

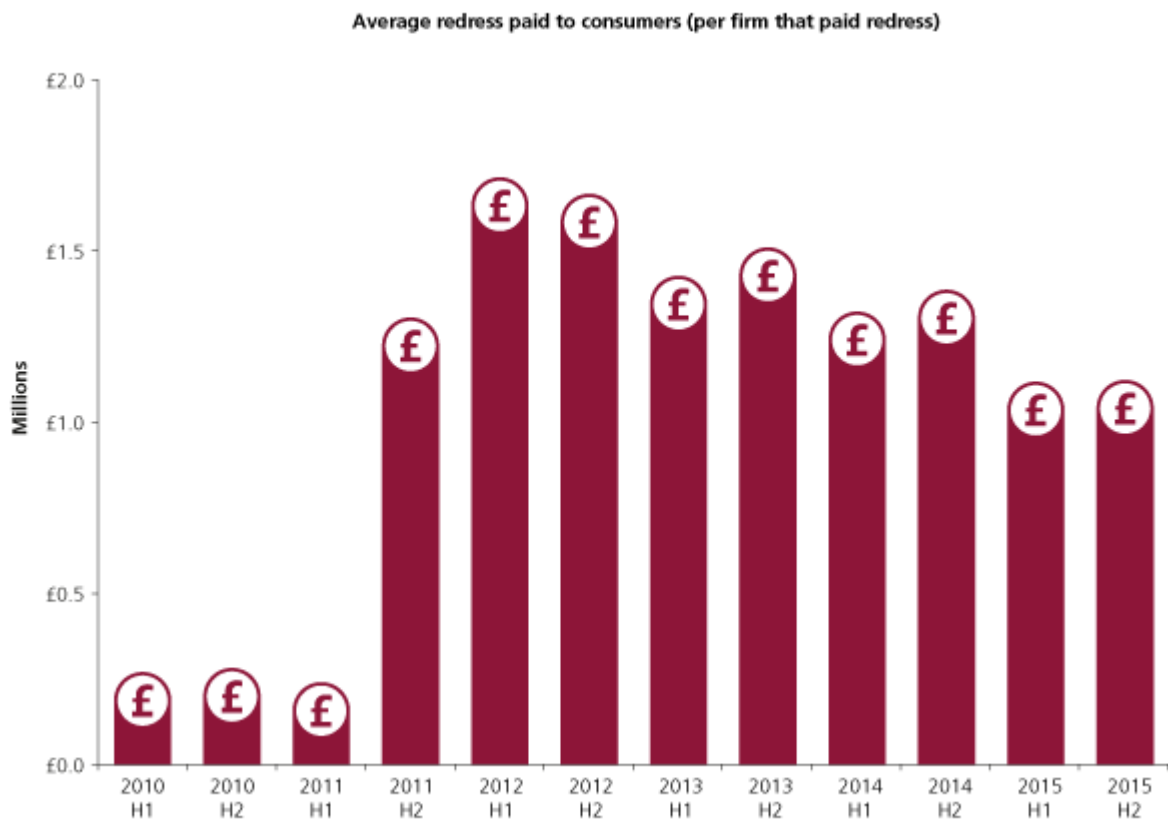


Figure 6: Average redress paid to consumers per firm for firms reporting one or more complaint

About this data

A firm is not required to submit complaints data for complaints that are resolved by the end of the next business day from when it was received. Please see our complaints handbook rule [DISP 1.5](#).

We recently published new rules on improving complaints handling, including improvements to the reporting and publication of complaints. As a result of these changes, from March 2017 the FCA's biannual complaints publication will change. This new, fuller data set will not be comparable to historic data published by the

FCA. However, we believe that the new biannual complaints data publication will be more informative for consumers and industry (including figures to put the number of complaints into context in relation to the size of each business), and will provide better intelligence to the FCA.

This data does not include complaints against firms authorised only to carry out consumer credit-related activities. We will not be publishing data for these firms until all firms carrying out these activities are authorised and are reporting their complaints data to us after March 2016. Please see the consumer credit pages on our website for more information.

Figures reported for the previous two periods (2014 H2 and 2015 H1) have been restated since the previous publication due in part to resubmissions by firms and a recalculation of the data.

H1 means first half of the year (1 January to 30 June), H2 means second half of the year (1 July to 31 December)

'Decumulation' means the conversion of pension assets accumulated during working life into pension income to be spent during retirement.