

Policy Statement | PRA PS14/16
| FCA PS16/11*

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

March 2016

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BANK OF ENGLAND
PRUDENTIAL REGULATION
AUTHORITY



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In this Policy Statement the Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA) report on the main issues arising from PRA Consultation Paper 5/16 / FCA Consultation Paper 16/6* 'Complaints against the Regulators (the Bank of England, the Financial Conduct Authority and the Prudential Regulation Authority)'.

You can download this Policy Statement from www.fca.org.uk, www.bankofengland.co.uk or order paper copies by calling 0845 608 2372 at the Bank of England, or 020 706 0790 at the FCA.

Abbreviations used in this document

the FCA	Financial Conduct Authority
the PRA	Prudential Regulation Authority
the 2012 Act	Financial Services Act 2012
the Act	Small Business, Enterprise and Employment Act 2015
the Bank	Bank of England
the Scheme	Complaints Scheme

1 Introduction

1.1 In February 2016, the Financial Conduct Authority (the FCA), the Prudential Regulation Authority (the PRA) and the Bank of England (the Bank) (together known as ‘the regulators’) published proposals for amendments to the Complaints Scheme (the Scheme). This Policy Statement provides feedback on responses received and contains the finalised amendments.

2 Background

2.1 The regulators operate the Scheme to investigate complaints against them. Section 20 of the Small Business, Enterprise and Employment Act 2015 (the Act) inserts new subsections 9A and 9B into Section 87 of the Financial Services Act 2012 (investigations of complaints). These new subsections require the investigator (the Complaints Commissioner) to produce an annual report on their investigations.

2.2 The Complaints Commissioner already publishes an annual report, the contents of which are set out in paragraph 7.16 of the Scheme, and includes information:

- concerning trends in complaints and on general lessons which the Complaints Commissioner considers the regulators should learn; and
- on the regulators’ activities during the last year including, for example, the approach they adopted to handling different types of complaint.

2.3 Section 87 of the 2012 Act, as amended, sets out more detailed requirements regarding the production of the annual report and therefore it is necessary to amend the Scheme to reflect these.

3 Summary of feedback and our response

3.1 As set out in Consultation Paper FCA 16/6 and PRA CP5/16,¹ the changes to the Scheme implement new legislative requirements.

3.2 The consultation closed on 9 March 2016. Two responses were received to the consultation, neither of which raised objections to the proposals put forward in the Consultation Paper. One respondent made wider comments on the operation of the Scheme that were not sought as part of this consultation process. However, the regulators have committed to reviewing the substance of the Scheme later this year and so we will retain these comments on file.

3.3 The final amendments to the Scheme do not differ from those consulted upon and changes made to the Scheme can be found in Appendix 2 to this Policy Statement.

¹ ‘Complaints against the Regulators (the Bank of England, the Financial Conduct Authority and the Prudential Regulation Authority)’, February 2016; www.bankofengland.co.uk/pru/Pages/publications/cp/2016/cp516.aspx.

Appendices

1 List of Non-Confidential Respondents

2 Complaints Scheme Text

Appendix 1: List of Non-Confidential Respondents

Antony Townsend (Complaints Commissioner)

Mr Mark Taber

Appendix 2: Complaints Scheme Text

Reports

7.16

- (a) The Complaints Commissioner will prepare a report on their investigations under the Scheme concluded during the 12-month period ending 31 March (the annual report), publish it and send a copy to each regulator and to HM Treasury.
- (b) Each regulator will respond to any recommendations or criticisms relating to it in the report, publish the response and send a copy of it to the Complaints Commissioner and HM Treasury.
- (c) HM Treasury will lay the annual report and any response to it before Parliament.

7.17 The annual report must in particular include:

- (a) A information concerning any general trends emerging from the investigations undertaken during the reporting period;
- (b) any recommendations which the investigator considers appropriate as to the steps a regulator should take in response to such trends;
- (c) a review of the effectiveness during the reporting period of the procedures (both formal and informal) of each regulator for handling and resolving complaints which have been investigated by the investigator during the reporting period;
- (d) an assessment of the extent to which those procedures were accessible and fair, including where appropriate an assessment for different categories of complainant; and
- (e) any recommendations about how those procedures, or the way in which they are operated, could be improved.