

CIFO PUBLIC COMPLAINT STATISTICS – Q4 2016

These statistics cover the work of the Channel Islands Financial Ombudsman (CIFO) for the three months ended 31st December 2016 (Q4 2016).

CIFO is the joint operation of two statutory ombudsman roles, established in law by the Financial Services Ombudsman (Jersey) Law 2014 and the Financial Services Ombudsman (Bailiwick of Guernsey) Law 2014. The primary role of CIFO is to resolve complaints about financial services provided in or from Jersey, Guernsey, Alderney and Sark (collectively the Channel Islands)

The legislation sets out CIFO's 'mandate' – in particular, the types of financial services that can be complained about, the type of complainant that may use the service and the time limits that apply. Complaints may also be outside of CIFO's mandate for reasons that include if the matter has already or is being considered in another forum such as a court or if the complainant has not suffered any compensatable loss.

I: ANALYSIS OF COMPLAINTS

This section provides information concerning complaints, which are all complaints which have been received whether they are ultimately deemed within CIFO's mandate or not.

Period Analysis (Q4 2016)	
Complaints on hand at the beginning of the period	148
Complaints opened during the period	223
Complaints closed during the period	129
Net change in number of cases on hand	+94
Complaints on hand at the end of the period	242
Cumulative Analysis (Since opening 16 November 2015)	
Total complaints received	1375
Total complaints closed	1133
Complaints on hand at the end of the period	242

Q4 COMPLAINT HIGHLIGHTS

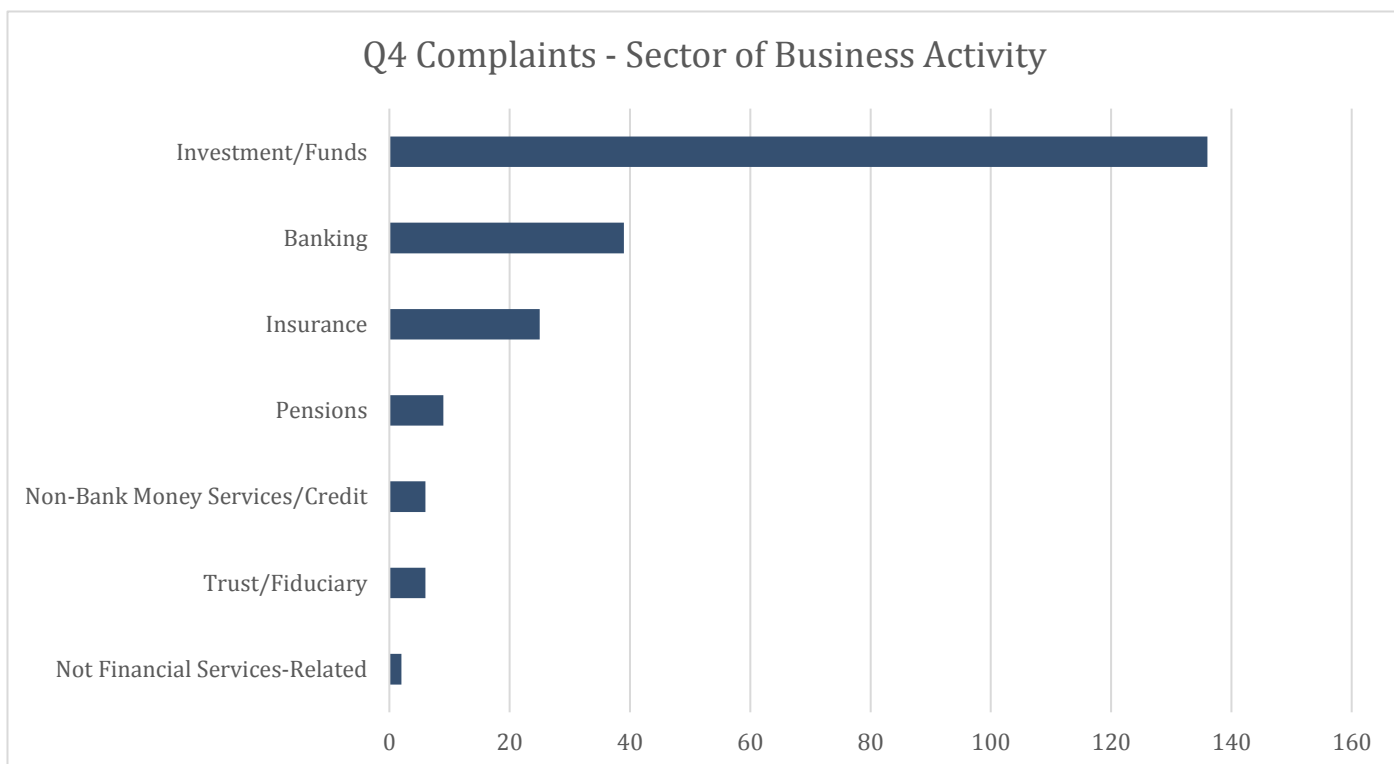
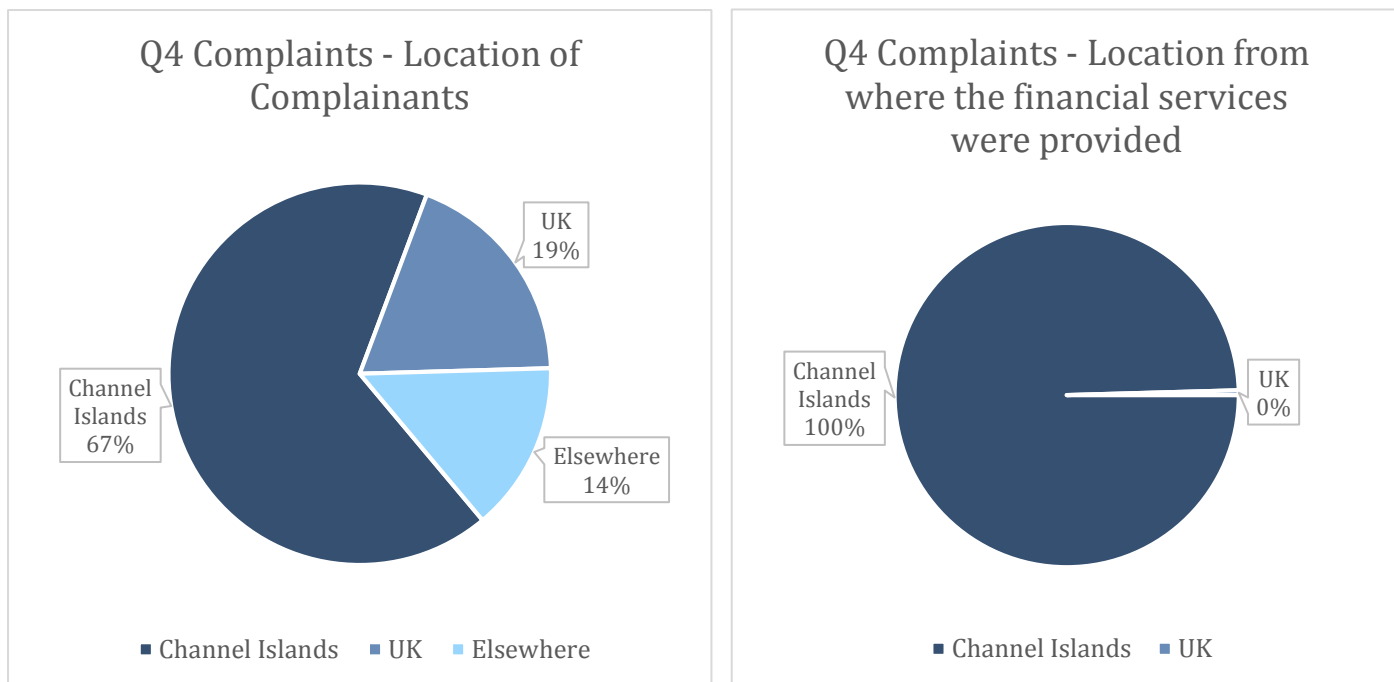
Of the 129 complaints closed in Q4 2016:

- 76% (98) could not be dealt with as they were outside the scope of CIFO's mandate as set by law;
- 5% (7) were withdrawn by the complainant after coming to CIFO;
- 2% (3) were resolved by the financial services provider (FSP) after coming to CIFO;
- 11% (14) were successfully mediated by case handlers; and
- 5% (7) were determined by the Ombudsman.

Of the 98 out-of-mandate complaints:

- 73% (71) related to financial services that are excluded by law from CIFO's mandate; and
- 22% (22) were about events before the start date set by law (1 January 2010 for Jersey and 2 July 2013 for Guernsey, Alderney and Sark);
- 2% (2) related to a complainant who was ineligible to refer a complaint to CIFO; and
- 1% (1) related to financial services that were not provided in or from the Channel Islands;
- 2% (2) related to other reasons.

The 2 complaints that were out of CIFO's mandate for other reasons were due to the complaints relating solely to investment performance.



Out of Mandate (OOM) Complaints		
OOM Reason	Number	% of Total
Complaint about event before CIFO mandate effective date	22	22%
Complaint too old	0	0%
Delay in referral to CIFO	0	0%
Brought to CIFO prematurely	0	0%
Exempt financial services	71	73%
Financial services not provided in or from Channel Islands	1	1%
Ineligible complainant	2	2%
Other	2	2%

Closed Complaints by Outcome		
Complaint out of CIFO's mandate	98	76%
Complaint resolved by FSP after coming to CIFO	3	2%
Complaint withdrawn by complainant after coming to CIFO	7	5%
Case Files Mediated in Favour of Complainant	9	7%
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Case Files Mediated in Favour of FSP	5	4%
Case Files Determined in Favour of Complainant	1	1%
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Case Files Determined in Favour of FSP	6	5%
Total Closed Complaints	129	100%

Type of Complainant – Complaints Opened in Period		
Type	Number	Percentage
Individual (Consumer)	216	97%
Individual (Trustee)	0	0%
Microenterprise	7	3%
Charity	0	0%
Total	223	100%

II: ANALYSIS OF CASE FILES

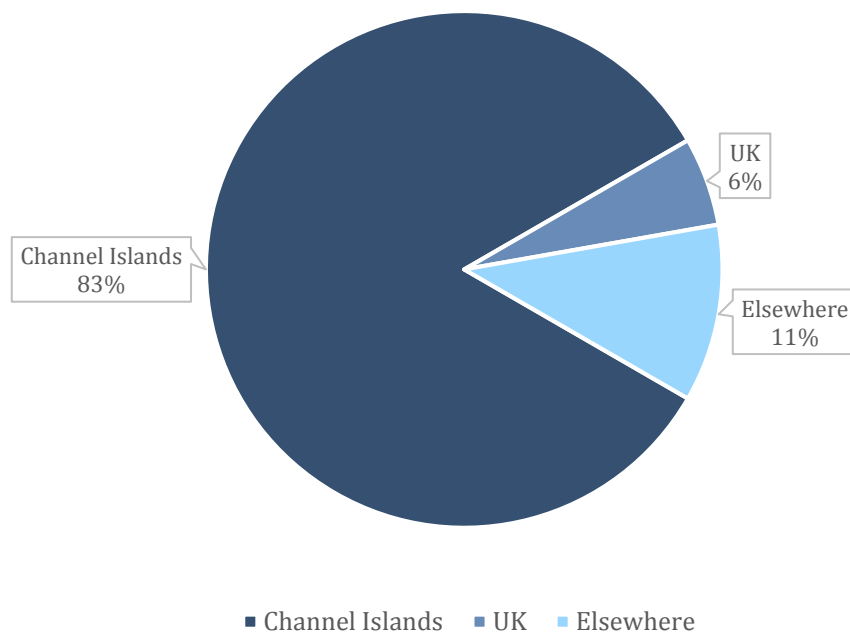
This section provides detailed information concerning case files opened in Q4 2016. A case file is any complaint which has passed the preliminary review against CIFO's mandate and an investigation has commenced.

Period Analysis (Q4 2016)	
Opening Case File Inventory	53
Case Files Opened in Period	90
Case Files Closed in Period	24
Net Period Change in Case File Inventory	+66
End of Period Case File Inventory	119
Cumulative Analysis (Since opening 16 November 2015)	
Total Case Files Opened	231
Total Case Files Closed	112
Current Case File Inventory	119

CASE FILE HIGHLIGHTS

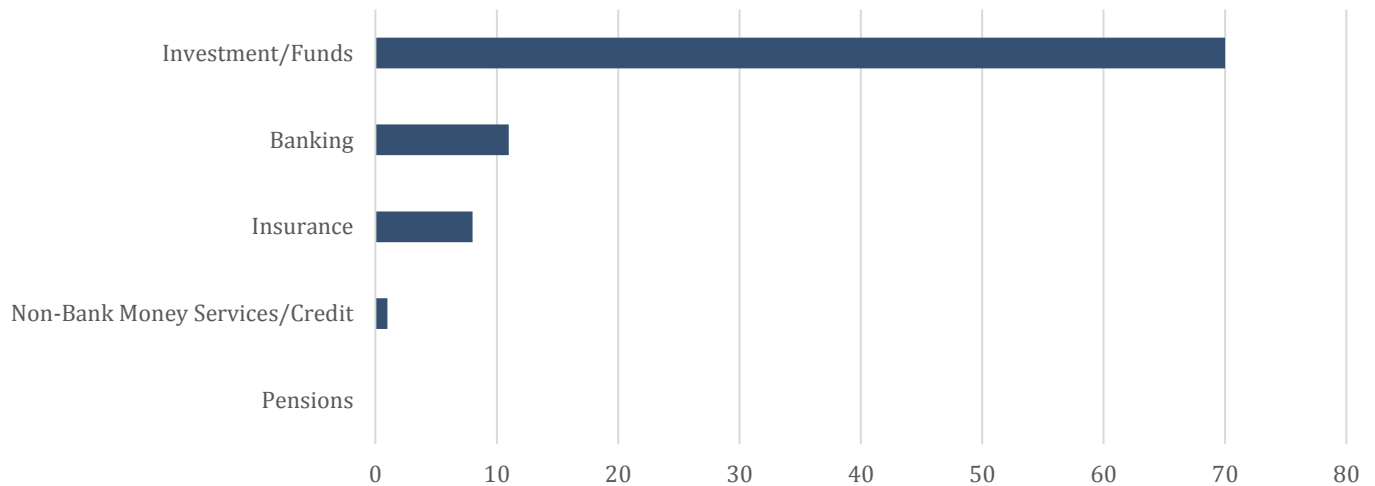
- Of the 14 case files closed by mediation in Q4 2016, 64% (9) were mediated in favour of the complainant, with 78% (7) receiving compensation higher than the FSP's original offer. 36% (5) of case files were mediated in favour of the FSP.
- Of the 7 case files closed by determination in Q4 2016, 14% (1) was in favour of the complainant and 86% (6) were in favour of the FSP.
- 83% (75) of case files opened in Q4 2016 involve a Channel Island-based complainant, 6% (5) involve a UK-based complainant, and 11% (10) involve a complainant from elsewhere.

Case Files Opened in Q4 - Complainant Location

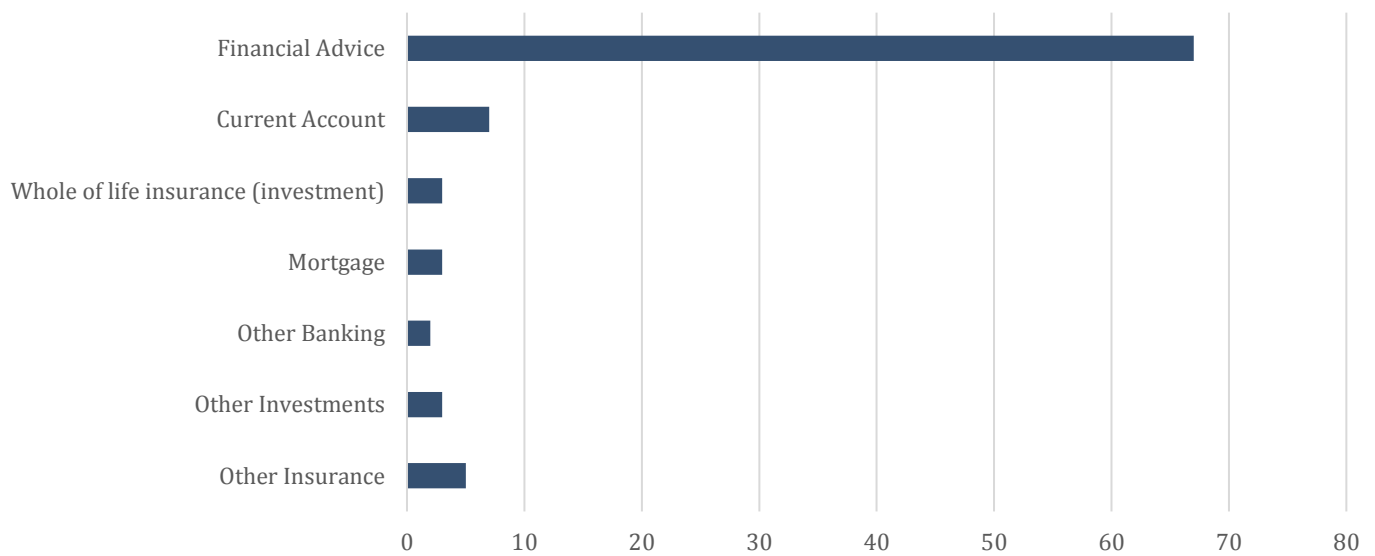


CASE FILE DATA

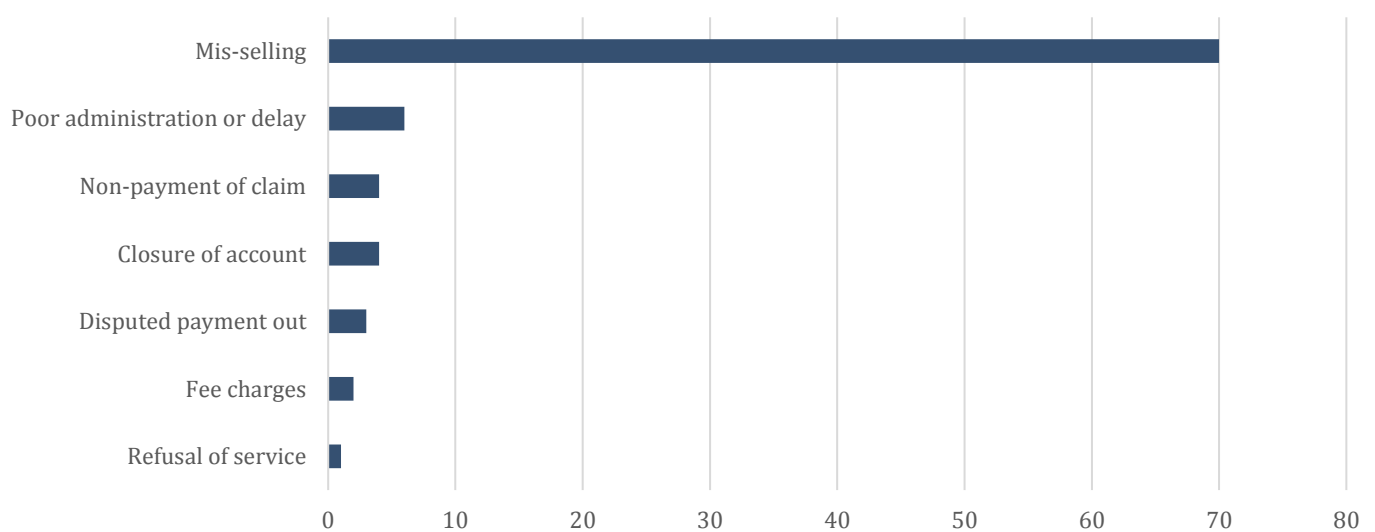
Case Files Opened in Q4 - Sector of Business Activity



Case Files Opened in Q4 - Product Areas



Case Files Opened in Q4 - Issue



CASE FILE HIGHLIGHTS (CONTINUED)

- Three quarters of case files (75%) opened by CIFO in Q4 2016 related to financial advice as the product or service.
- Over three quarters of case files (78%) opened by CIFO in Q4 2016 involved mis-selling as the issue.
- Poor administration or delays were the second most common case file issue (7%), closely followed by the non-payment of claims and account closures.

Q4 Case Files - Product Area		
Top Product Areas	Number	Percentage
Financial Advice	67	75%
Current Account	7	8%
Whole of life insurance (investment)	3	3%
Mortgage	3	3%

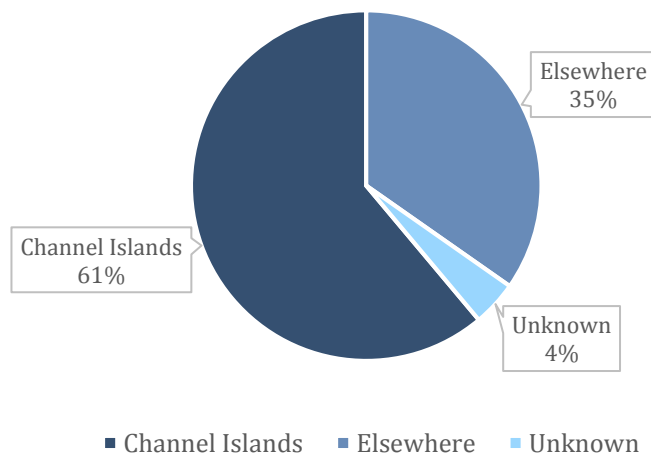
Q4 Case Files - Type of Issue		
Top Issues	Number	Percentage
Mis-selling	70	78%
Poor administration or delay	6	7%
Non-payment of claim	4	4%
Closure of account	4	4%
Disputed payment out	3	3%

III: ANALYSIS OF ENQUIRIES

This section provides information concerning complaint-related enquiries (initial client contacts which are handled by CIFO).

- CIFO received 144 enquiries in Q4 2016.
- 92% (132) of enquiries were from the general public and 8% (12) were from representatives of financial service providers.
- 61% (88) of enquirers were Channel Island residents, 35% (50) were from elsewhere, and 4% (6) did not disclose their location.

Q4 Enquiries - Location of Enquirer



Q4 Enquiries - Type of Enquirer

