

CIFO PUBLIC COMPLAINT STATISTICS - Q2 2017

These statistics cover the work of the Channel Islands Financial Ombudsman (CIFO) for the three months ended 30 June 2017 (Q2 2017).

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 (Q2 2017)	
Complaints on hand at start of the period	293
Complaints opened during the period	121
Complaints closed during the period	197
Net change in number of complaints on hand	-76
Complaints on hand at the end of the period	217

Cumulative Analysis (2017 year to date)	
Complaints on hand at start of 2017	246
Total Complaints Received	434
Total Complaints Closed	463
Complaints on hand at the end of the period	217

Q2 COMPLAINT HIGHLIGHTS

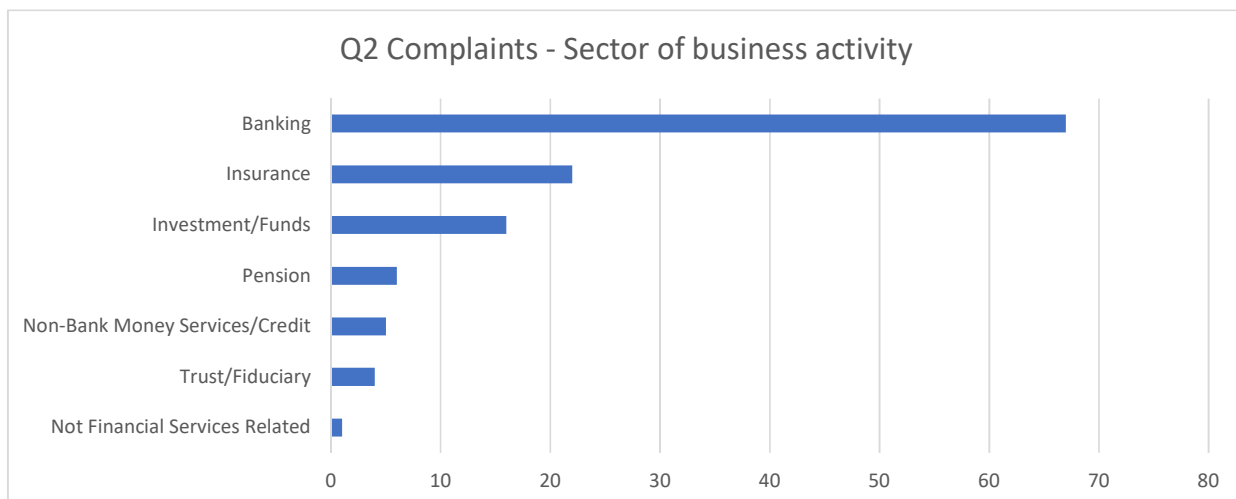
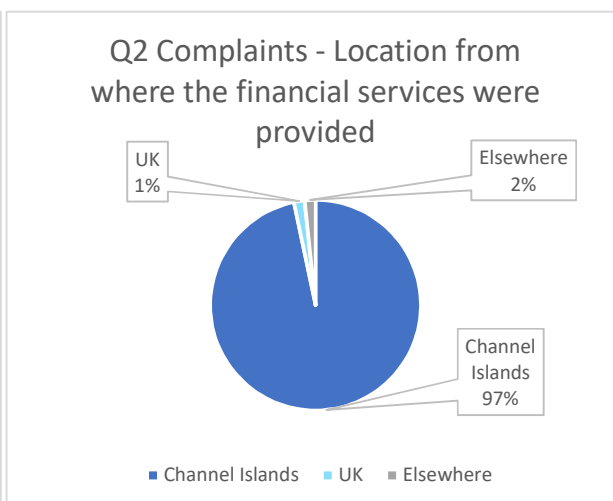
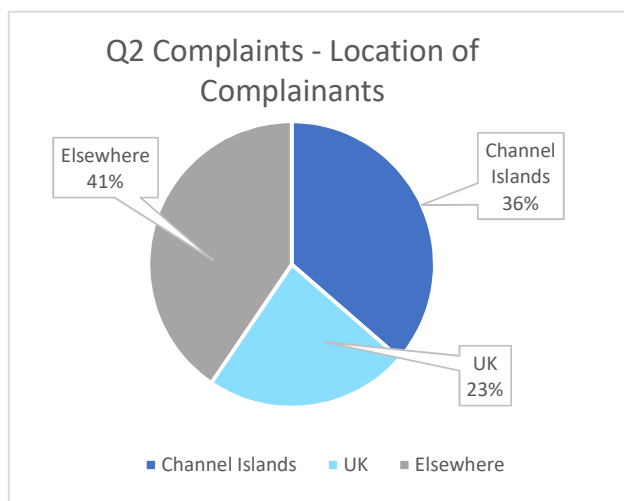
Of the 197 closed in Q2 2017:

- 42% (83) could not be dealt with as they were outside the scope of CIFO's mandate as set by law¹;
- 40% (78) were determined by the Ombudsman;
- 11% (22) were successfully mediated by case handlers;
- 7% (14) were withdrawn by the complainant after coming to CIFO.

Of the 83 out-of-mandate complaints: ^[1]

- 35% (30) were brought to CIFO prematurely;
- 17% (15) were in relation to complaints that were too old;
- 15% (13) were about events before the start date set by law (1 January 2010 for Jersey and 2 July 2013 for Guernsey, Alderney and Sark);
- 12% (10) related to financial services that are excluded by law from CIFO's mandate;
- 11% (9) related to financial services that were not provided in or from the Channel Islands;
- 5% (4) were brought to CIFO by ineligible complainants;
- 5% (4) were out-of-mandate for other reasons.

^[1] Please note some complaints may have been out of mandate for more than one reason.



Reasons for the 83 complaints that were out of mandate (OOM)		
(Please note more than one may apply to each complaint)	Number	% of Total
Complaint about event before CIFO mandate effective date	13	15%
Complaint too old	15	17%
Delay in referral to CIFO	0	0%
Brought to CIFO prematurely	30	35%
Exempt financial services	10	12%
Financial Services not provided in or from Channel Islands	9	11%
Ineligible complainant	4	5%
Other *	4	5%
Total reasons	85	100%

* Other reasons for rejection include where the complaint relates solely to investment performance or the legitimate exercise of the FSP's commercial judgement or where the details of the complaint are such that it would be better dealt with in court.

Closed Complaints by Outcome		
Complaint out of CIFO's mandate	83	42%
Complaint withdrawn by complainant after coming to CIFO	14	7%
Case Files Mediated in Favour of Complainant	14	7%
- Compensation less than FSP offer	0	
- Compensation the same as FSP offer	3	
- Compensation more than FSP offer	11	
Case Files Mediated in Favour of FSP	8	4%
Case Files Determined in Favour of Complainant	74	38%
- Compensation less than FSP offer	1	
- Compensation the same as FSP offer	1	
- Compensation more than FSP offer	72	
Case Files Determined in Favour of FSP	4	2%
Total Closed Complaints	197	100%

Type of Complainant - Complaints Opened in Period		
Type	Number	Percentage
Individual (Consumer)	115	95%
Individual (Trustee)	0	0%
Other	1	1%
Microenterprise	5	4%
Charity	0	0%
Total	121	100%

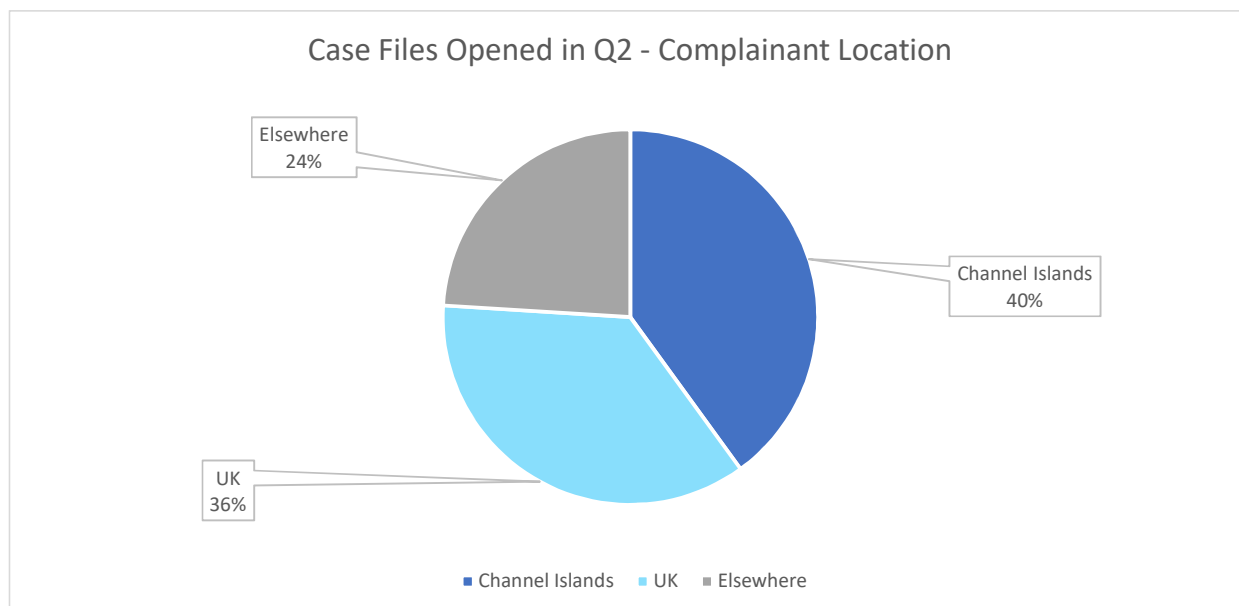
II: ANALYSIS OF CASE FILES

Period Analysis (Q2 2017)	
Opening Case File Inventory as at 1 April 2017	112
Case Files Opened in Q2 2017	50
Case Files Closed in Q2 2017	103
Net Period Change in Case File Inventory	-53
End of Period Case File Inventory as at 30 June 2017	59

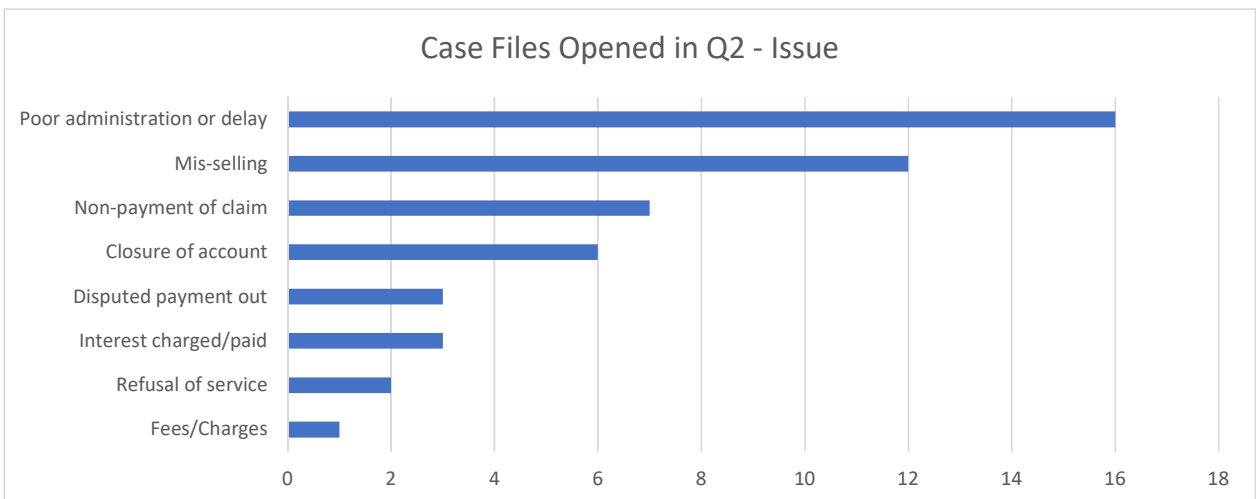
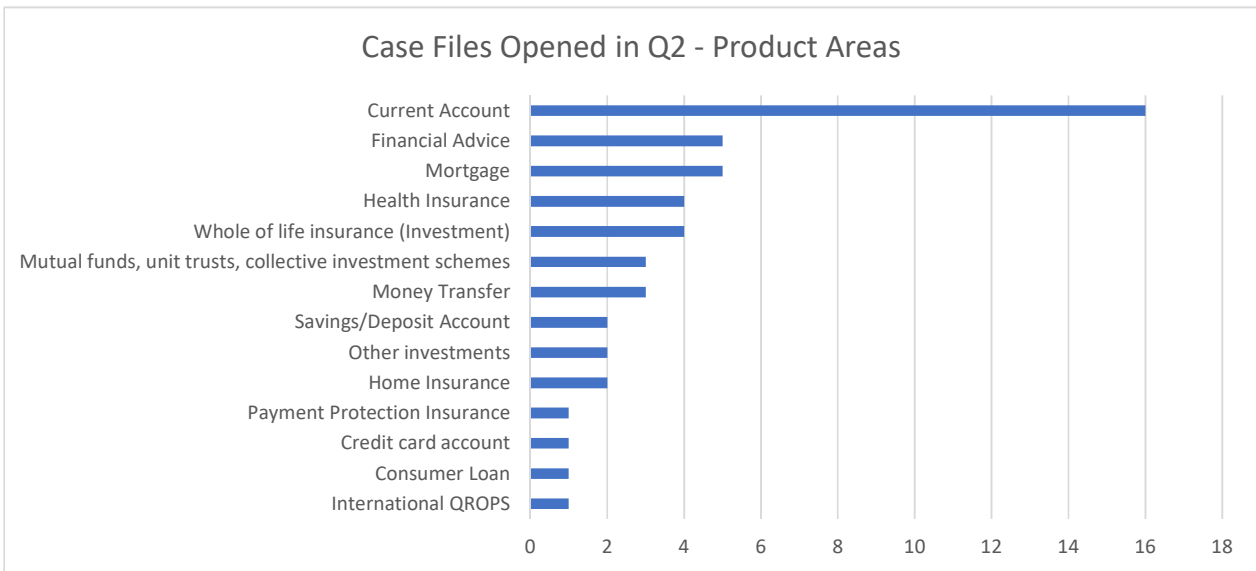
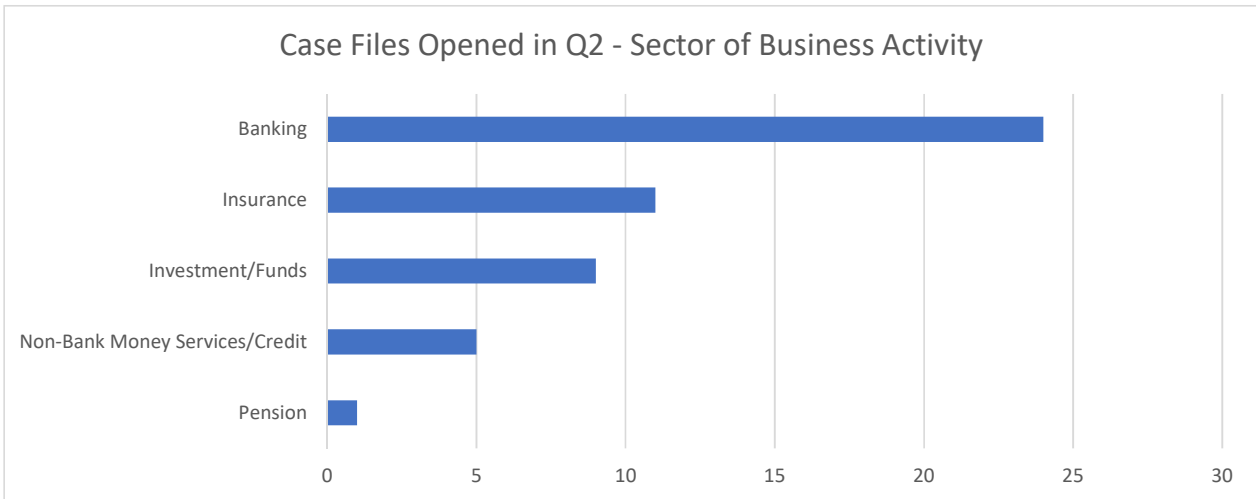
Cumulative Analysis (2017 year to date)	
Opening Case File Inventory as at 1 January 2017	117
Case Files Opened 2017 year to date	78
Case Files Closed 2017 year to date	136
End of Period Case File Inventory as at 30 June 2017	59

CASE FILE HIGHLIGHTS

- Of the 22 case files closed by mediation in Q2 2017, 64% (14) were mediated in favour of the complainant, with 79% (11) receiving compensation higher than the FSP's original offer and 21% (3) receiving the same level or less compensation than originally offered. 36% (8) of case files were mediated in favour of the FSP.
- Of the 78 case files closed by determination in Q2 2017, 95% (74) were determined in favour of the complainant, with 97% (72) receiving compensation higher than the FSP's original offer and 3% (2) receiving the same level or less compensation than originally offered. 5% (4) of case files were determined in favour of the FSP.
- 40% (20) of case files opened in Q2 2017 involve a Channel Island-based complainant, 36% (18) involve a UK-based complainant, and 24% (12) involve a complainant from elsewhere.



CASE FILE DATA



CASE FILE HIGHLIGHTS (CONTINUED)

- Of the 50 case files opened by CIFO in Q2 2017, 32% (16) related to current accounts, 10% (5) related to mortgage, 10% (5) related to financial advice. The remaining 24 cases were in relation to 11 other product types.
- Poor administration or delay was the most common issue, occurring in 32% (16) of the case files opened by CIFO this quarter.
- Mis-selling was the second most common issue, occurring in 24% (12) case files, followed by non-payment of claim (14%) and closure of account (12%).

Q2 Case Files - Top Product Areas		
Product	Number	Percentage
Current account	16	32%
Mortgage	5	10%
Financial advice	5	10%
Whole of life insurance (Investment)	4	8%
Health Insurance	4	8%

Q2 Case Files - Top Issues		
Issue	Number	Percentage
Poor administration or delay	16	32%
Mis-selling	12	24%
Non-payment of claim	7	14%
Closure of account	6	12%

III: ANALYSIS OF ENQUIRIES

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

- CIFO received 20 enquiries in Q2 2017.
- 75% (15) of enquiries were from the general public and 25% (5) were from representatives of financial service providers.
- 60% (12) of enquirers were Channel Island residents, 20% (4) did not disclose their country of residence, 0% (0) were from the UK, and 20% (4) of enquirers were from elsewhere.

