



Meeting of the industry steering group (insurance)

9 November 2016

present

from the insurance sector:

- Paul Geddes, Direct Line Group
- Lindsay Sinclair, NFU Mutual
- Amanda Blanc, AXA UK

from the Financial Ombudsman Service:

- Sir Nicholas Montagu, chairman
- Caroline Wayman, chief ombudsman and chief executive
- Annette Lovell, director of engagement

apologies:

- Paul Matthews, Standard Life
- Duncan Finch, Legal & General Insurance
- Mark Summerfield, Co-operative Insurance
- Julian Adams, Prudential
- Steve Lewis, RSA
- Andy Briggs, Aviva Life
- Antonio Lorenzo, Lloyds Banking Group

welcome and introductions

The chairman welcomed the group and thanked those present for attending.

events and trends so far in 2016/17

The chief ombudsman and chief executive talked the group through some of the headlines from the current business year. The group also noted the work that the service has been doing with industry to reach fair outcomes more quickly.

It was noted that the service expects to end the year having resolved 100,000 fewer PPI cases than planned due to the significant number of cases affected by the FCA's proposed Plevin guidance.

plans and projections for 2017/18

The chief ombudsman and chief executive presented the service's initial projections for the coming business year. It was noted that planning was taking place against a backdrop of considerable uncertainty. For example, the potential impact of the FCA's time-bar communication campaign and the proposed fee cap for CMCs. The group acknowledged the difficulty in projecting future complaint volumes and discussed the need for building flexible capacity. There was broad agreement with the service's projections, although the group warned that a downturn in the economy could trigger an increase in complaints.

The group welcomed the service's plan to maintain 25 free cases, with one attendee noting that this supports new entrants to the market. It was also noted that the service had no

immediate plans to differentiate case fees for complaints it has early involvement in, but attendees welcomed planned discussions on what this might look like in the future.

discussion – market developments

The director of engagement led a discussion on market developments.

AOB and closing remarks

No further business was raised by the attendees.

next meeting

It was agreed that the group would meet again in six months.