

Alternative Dispute Resolution (ADR) – annual activity report 2021/22

In this report, we focus on data we are required to publish under The Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015 (the Regulations). This is our annual activity report and all figures relate to the period 9 July 2021 – 8 July 2022.

The report covers the requirements listed in Schedule 5 of the Regulations. These figures do not include complaints brought by businesses¹ but may include complaints brought by charities and trusts due to the way we record complaints.

a) The number of domestic disputes the ADR entity has received

Number of complaints received from consumers living within the UK	118,661
Number of complaints received from consumers living outside the UK	6,416

Number of complaints received about businesses trading within the UK	119,834
Number of complaints received about businesses trading outside the UK	5,243

Total number of complaints	125,077
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The totals above include those cases which were dismissed or discontinued (see tables e) and f) below).

¹ The Financial Ombudsman Service is able to consider complaints from microenterprises and SMEs as well as from consumers. Although we have sought to exclude complaints data about microenterprises and SMEs in this report, in line with the Regulations, it is possible that some complaints, particularly from sole traders, may have been included.

b) The types of complaints to which the domestic disputes relate

Types of complaints	Number of complaints from within the UK	Number of complaints from outside the UK	Total number of complaints
Banking and lending	78,661	3,816	82,477
Insurance	29,276	1,264	30,540
Investments	5,247	847	6,094
Pensions	5,115	474	5,589
Claims Management	362	15	377

c) A description of any systematic or significant problems that occur frequently and lead to disputes between consumers and traders of which the ADR entity has become aware due to its operations as an ADR entity

We share information about the complaints we see and our approach to resolving them in our [annual data](#), [our published case studies](#) and in our [insight reports](#) – all available on our website. We also share information and insight with the Financial Conduct Authority (**FCA**) to help with its operational objective to protect consumers and ensure markets work well. We also share our insights with trade bodies and businesses to help them improve industry standards and complaints handling.

d) Any recommendations the ADR entity may have as to how the problems referred to in paragraph (c) could be avoided or resolved in future, in order to raise traders' standards and to facilitate the exchange of information and best practices

As above, we share information about the complaints we see and our approach to resolving them in our [annual data](#), [our published case studies](#) and in [insight reports](#) – all available on our website. We also share information and insight with the FCA as part of our obligation under Part XVI of the Financial Services and Markets Act (**FSMA**) to provide information that would or might be of assistance to the FCA in the advancement of its operational objectives. The FCA's rules in the Dispute Resolution manual also require that financial businesses apply the learnings from our decisions in their future activities.

e) The number of disputes which the ADR entity has refused to deal with, and the percentage share of the grounds set out in paragraph 13 of Schedule 3 on which the ADR entity has declined to consider such disputes

The total number of cases dismissed was 1,589.

The table below provides details about the ground on which cases were dismissed. The percentages in the table below are based on the total number of cases dismissed.²

Reason the case was dismissed		
The complaint is frivolous and vexatious	184	11.6%
The subject matter of the complaint has been dealt with, or is being dealt with, by a comparable ADR entity	37	2.3
The subject matter of the complaint has been subject to court proceedings where there has been a decision on the merits	46	2.9%
The subject matter of the complaint is the subject of current court proceeding unless proceeding are stayed or sisted (by agreement of all parties, or order of the court) so that the matter may be considered by the Financial Ombudsman Service	27	1.7%
Dealing with such a type of complaint would seriously impair the effective operation of the Financial Ombudsman Service	1,292	81.3%
Other	0	0%
All dismissal reasons	1,589	

² Percentages may not add up to 100% due to rounding.

f) The percentage of alternative dispute resolution procedures which were discontinued for operational reasons and, if known, the reasons for the discontinuation

A consumer may choose to withdraw their complaint for one of the following reasons

1. the consumer decided to withdraw from our process
2. the consumer agreed to be referred to another ADR entity
3. the consumer didn't supply the requested information or failed to provide it in time

Of 125,077 cases, 4% were discontinued.

g) The average time taken to resolve domestic disputes

For ADR reporting purposes, we measure the period from the day we receive all of the information needed to start investigating the complaint until the day we issue an initial assessment.

This is different from the way we report about timeliness in our annual report and accounts – when we measure the period from when we accept the complaint until the date we close the complaint, either because both parties have accepted our opinion or because we have issued an ombudsman's final decision.

The average time it takes to resolve a complaint is likely to change over time due to various factors. For this reporting period, the average time taken was 74.87 days.

h) The rate of compliance, if known, with the outcomes of the alternative dispute resolution procedures

Businesses are required to comply with our decisions, if they are accepted by the customer. We do not routinely record this information for all cases.

i) The cooperation, if any, of the ADR entity within any network of the ADR entities which facilitated the resolution of cross-border disputes

Although not required by the Regulations, since 31 December 2020 we continue to engage with other ADR schemes through our membership of the Financial Dispute Resolution Network (**FIN-NET**), International Network of Financial Ombudsman Schemes (**INFO**) and the Ombudsman Association. These international networks help out-of-court schemes like ours to share good practice and innovation – including how to refer customers to each other efficiently.