

Alternative Dispute Resolution (ADR) – annual activity report 2023/2024

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. This is our annual activity report and all figures relate to the period 9 July 2023 – 8 July 2024.

The report covers the requirements listed in schedule five of the Regulations. These figures don't 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	175,163
Number of complaints received from consumers living outside the UK	6,828

Number of complaints received about businesses trading within the UK	175,030
Number of complaints received about businesses trading outside the UK	6,961

Total number of complaints	181,991
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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 in this report, in line with the Regulations, it is possible that some complaints – particularly from sole traders – 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 including consumer credit	124,821	4,269	129,090
Insurance	41,196	1,632	42,828
Investments	3,635	458	4,093
Pensions	5,213	403	5,616
Funeral Plans	226	63	289
Claims Management	72	3	75

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 794

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 dismissed².

Reason the case was dismissed	Number of dismissed cases	% of total dismissed cases
The complaint is frivolous and vexatious	32	4%
The subject matter of the complaint has been dealt with, or is being dealt with, by a comparable ADR entity	93	11.7%
The subject matter of the complaint has been subject to court proceedings where there has been a decision on the merits	219	27.6%
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	46	5.8%
Dealing with such a type of complaint would seriously impair the effective operation of the Financial Ombudsman Service ³	404	50.9%
All dismissed reasons	794	

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

A complaint can be treated as withdrawn 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 181,991 cases, 2.88% were discontinued.

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

³ This includes 163 cases already dealt with by us and cases where firms have entered insolvency arrangement.

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 42.69 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 consumer. We don’t 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.