

# The Financial Ombudsman Service response to the HM Treasury consultation on the Appointed Representatives Regime

April 2026

## About us

The Financial Ombudsman Service (Financial Ombudsman) was set up by Parliament under the Financial Services and Markets Act 2000 to resolve individual complaints between financial businesses and their customers fairly and reasonably, quickly, and with minimal formality.

## Introduction

The Financial Ombudsman welcomes the opportunity to respond to HM Treasury's consultation on the Appointed Representatives (AR) regime. Our response focuses on the elements of the consultation relevant to our service and our ability to resolve complaints efficiently and effectively.

We welcome the opportunity to engage further on this subject and are happy to discuss this consultation and its potential impacts, as well as other areas of shared interest, at any point.

## Our response

Our response focuses on three key areas:

1. Access to the Financial Ombudsman and our role in resolving complaints
2. Our experience of complaints involving ARs
3. Key considerations for implementation

### **Access to the Financial Ombudsman and our role in resolving complaints**

We support HM Treasury's proposal to ensure consumers of AR firms have access to independent and impartial dispute resolution, provided by the Financial Ombudsman, on a consistent basis. We are supportive of the overall policy direction and agree that addressing this gap in consumer protection and clarifying responsibilities within AR arrangements has the potential to reduce consumer harm.

### **Our experience of complaints involving ARs**

The Financial Ombudsman works closely with HM Treasury and the Financial Conduct Authority (FCA) and has shared insight into the volume and types of scenarios we see in complaints involving ARs.

In recent years, we have seen only limited complaint volumes in which principals disputed responsibility for the actions of their ARs. The number of such cases has reduced year-on-year. Over the five-year period since 2020, only a very small proportion of complaints fell outside our jurisdiction because the ombudsman determined that the principal was not responsible for the acts complained about.

While we therefore expect additional complaint volumes to remain low, there is some potential for increases if principals contest responsibility more frequently, or if more complaints are brought by professional representatives in instances where consumers

currently do not have access to our service. At present, most contested-responsibility cases arise from pension and investment casework, though the AR regime applies across many areas of financial services and complaints could arise in other areas.

### **Key considerations for implementation**

If the Financial Ombudsman's jurisdiction is extended as set out in HM Treasury's consultation, the detailed scope and nature of the regulatory standards that will apply to ARs – who are currently not subject to FCA handbook rules – will be critical to how the Financial Ombudsman performs its role. The Financial Ombudsman and the FCA have already been working together [to modernise the redress system](#) and improve alignment between our two organisations. We look forward to continuing this collaboration to ensure clarity and alignment on the regulatory standards for ARs whilst establishing a robust complaints-handling process.

### **Conclusion**

We welcome HM Treasury's intention to close this gap in consumer protection. These proposals will provide clearer accountability within principal and AR relationships and encourage fairness and confidence in the AR regime.

We look forward to continued collaboration with HM Treasury and the FCA as the regulatory framework for ARs is developed.