

FSA takes action to improve complaint handling in banks

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A review of complaint handling in banks by the Financial Services Authority (FSA) has found key weaknesses in the way five major banks handle complaints. In fact, 70% of all complaints reported to the FSA concern these five banks.

Poor standards were found in several areas, including inadequate accountability and involvement of senior management, a lack of incentive for staff to give compensation to customers and, finally, a failure to learn from previous complaints made.

The FSA is taking decisive action to improve complaint handling. Two of the five banks concerned are being further investigated, whilst all five are making significant changes to their complaints processes. The FSA have also published a complaints handling file review template to assist firms in achieving fair outcomes for customers.

Martin Price, Methodware's VP of EMEA says, "*To be seen to be treating customers fairly has become a major issue in any financial institute and is closely monitored by the regulators. It is vital that customers know that their complaint will be dealt with in a reasonable way and that they will get a fair outcome.*"

The FSA review in full can be found [here](#).