



Complaints Commissioner

Reviewing how the financial services regulators consider complaints

Annual Report
2015/16

Office of the Complaints Commissioner

Annual Report 2015-2016
(for the year ended 31 March 2016)

Presented to Parliament pursuant to section 87 of the Financial Services Act 2012
(as amended by the Small Business, Enterprise and Employment Act 2015)

ANNUAL REPORT 2015-2016

This is the Annual Report of the Office of the Complaints Commissioner.

It covers the period from 1st April 2015 to 31st March 2016.

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Introduction by the Commissioner

Foreword

In my first annual report twelve months ago, I drew attention to the importance of striking a balance between – on the one hand – allowing the regulators to exercise discretion and judgement in undertaking their difficult task and – on the other – holding the regulators to account if their behaviour falls short of what society considers to be reasonable. As I said in that report, the Complaints Scheme exists not only to put things right for an aggrieved individual, but also to shine a more general light upon any tendencies in the regulators to act carelessly, erroneously, or oppressively.

The Complaints Scheme – and my reports – can help to provide evidence by which others – Parliament, Government, the regulators' governing bodies, the public and the financial services industry – can consider whether changes in the regulators' policies and practices are required.

Almost all the cases I dealt with in the twelve months to the end of March 2016 concerned the Financial Conduct Authority (FCA): this is to be expected, given the nature of the work of the two other regulators, the Prudential Regulation Authority (PRA) and the Bank of England (BOE). The comments which follow therefore concern the FCA more than the other regulators.

Recent legislative changes to the Financial Services Act 2012 have placed an additional focus upon the effect of regulation on small businesses, and upon their ability to complain. This report makes some comment upon complaints from small businesses, but the relatively small numbers of complaints which reach my office, and the fact that my remit does not extend to the more general operation of the Complaints Scheme by the regulators, means that there is a limit to the general conclusions which I can draw. I propose to explore this issue with the regulators, and the FCA's Small Business Practitioner Panel, during the forthcoming year, with the objective of reporting more fully on this in 12 months' time.

The FCA Complaints Team faced both a significant turnover of staff, and a significantly rising workload, in the context of a year in which the organisation as a whole faced some significant criticisms and uncertainty. My observation, gleaned from studying the FCA's internal complaints papers and the interactions of my colleagues with FCA staff, is that these factors increased the FCA's tendency to defensiveness in the face of criticism. While the FCA continues to deal with the majority of complaints competently and fairly, I have seen examples of an unwillingness to face up to and admit shortcomings, and delays in dealing with "awkward" cases. There has also been a tendency to find reasons for excluding cases from the Complaints Scheme in circumstances where, in my view, they should not have been excluded. Some of these are referred to in section 5 of this report.

My advice is that the FCA needs to:

- a. Ensure that its Complaints Team has the resources it needs to investigate cases thoroughly and promptly;
- b. Ensure that the Complaints Team has the confidence, authority, and internal political backing to pursue its challenging duties rigorously;
- c. Recognise that the entire organisation has a duty to co-operate openly and promptly with complaints investigations.

I am working with the FCA on these matters. These will include paying more attention to internal and external deadlines for complaints handling. I shall report on progress in my next report.

Antony Townsend
Complaints Commissioner

Complaints against the Financial Services Regulators

About the Complaints Scheme

The financial services regulators (the Financial Conduct Authority, the Prudential Regulation Authority, and the Bank of England) are required by law to run a Complaints Scheme (the Scheme) to investigate complaints about the way in which they undertake (or fail to undertake) their regulatory functions. (The Scheme does not cover the issuing of policy or guidance, nor disciplinary decisions which may be referred to the Upper Tribunal; and in relation to the BOE it only covers complaints about the regulation of recognised clearing houses and inter-bank payment systems.)¹

The regulators are also required to appoint an independent person (the Complaints Commissioner) to be responsible for the conduct of investigations in accordance with the Scheme.

The Payments Systems Regulator (PSR) was established in December 2013 by the Financial Services (Banking Reform) Act 2013 and launched on 1 April 2015 as an independent subsidiary of the FCA. The PSR regulates the UK payments industry, and has appointed the Complaints Commissioner as an independent person to be responsible for the conduct of investigations in accordance with its own Complaints Scheme which, although modelled on the statutory Scheme, is voluntary. This report covers only the statutory Scheme.

How the Scheme operates

There may be two distinct stages for each complaint. In the first stage the regulators will investigate any complaint that meets the requirements of the Scheme, and take whatever action they think is appropriate to resolve the matter. If the complainant remains dissatisfied, there is a second stage in which the independent Complaints Commissioner reviews and investigates complaints.

About the Complaints Commissioner

The independent Complaints Commissioner is appointed by the regulators, subject to the approval of the Treasury. The Commissioner operates independently of the regulators through the Office of the Complaints Commissioner, of which he or she is the sole Director.

Antony Townsend is the current Complaints Commissioner. His career includes extensive experience of regulation and complaints handling. Further information about the Commissioner can be found at <http://fsc.gov.uk/profile/>.

¹ For more details about what the Scheme covers go to <http://fsc.gov.uk/complaints-scheme/>

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Overall Scheme Statistics for 2015-2016

The Commissioner received 136 new complaints and enquiries during the year (up 17%). About a third of these were complaints about financial services providers or other bodies, not the regulators, and in those cases we directed the complainants to other organisations who could help them. The table below shows the breakdown of new enquiries and complaints during 2015-16 according to the organisation they were directed against.

2.1

Total enquiries and complaints received

Enquiries and complaints received	2015-16	2014-15
FCA	82	61
FSA	1	11
PRA	1	2
Bank of England	0	1
Total new enquiries and complaints against the regulators	84	75
Enquiries and complaints against other organisations, redirected	52	41
Total new complaints and enquiries received	136	116

In addition to the 136 new complaints and enquiries received during the year, the Complaints Commissioner received copies of 36 complaints related to the FCA's involvement with respect to Lloyd's Bank's decision to buy back its Enhanced Capital Notes in February 2016, which are being investigated by the FCA.

2.2

Complaints against the regulators dealt with during 2015-2016

In addition to the 84 new complaints received, the Commissioner also dealt with cases which were uncompleted at the end of the previous year, and some cases from previous years which were reopened, making 140 complaints in all. The breakdown is as follows.

Complaints dealt with during 2015-16	2015-2016
Complaints in progress at start of period	19
New complaints received	84
Re-opened complaints	37
Total number of complaints dealt with	140
Complaints in progress at end of period	27

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BOE and PRA Statistics from 1st April 2015 to 31st March 2016

This section of the report deals with complaints against the Bank of England (BOE) (in respect of its oversight of the banking clearing houses and payment settlement schemes) and against the Prudential Regulation Authority (PRA), which is a subsidiary of the BOE.

3.1 **Bank of England Statistics**

The Commissioner did not receive any complaints against the BOE between 1st April 2015 and 31st March 2016.

3.2 **Prudential Regulation Authority Statistics**

The Commissioner dealt with two complaints against the PRA during the period 1st April 2015 to 31 March 2016.

One complaint had started during the previous reporting period, and related to the losses the complainant incurred in the sale of corporate bonds issued by a major bank. The Commissioner did not uphold it, and published the outcome of this complaint.

The second complaint was not concluded during the period, and relates to the complainant's dissatisfaction with the PRA's policy not to disclose its buffer/capital requirements margin for individual firms. The Commissioner will report on this complaint in his next annual report.

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FCA and FSA Statistics from 1st April 2015 to 31st March 2016

4.1

Complaints dealt with during the year

The Commissioner dealt with 139 complaints against the FCA/FSA during the year.

Table 1 Complaints dealt with during the year

Complaints	2015-16
Complaint referred to regulator for initial investigation	8
Complaint deferred pending completion of initial investigation by regulator	18
Complaint considered by the Commissioner	113
Total	139

In eight instances, complainants approached the Commissioner for an investigation without complaining to the FCA first. The Complaints Scheme sets out that, save exceptionally, complaints which have not been through the regulator should be directed back to the regulator so that it is given the opportunity to respond to the complaint and put things right, where appropriate. Once the regulator has considered the complaint, a number of complainants remain dissatisfied and re-approach the Commissioner. As none of the eight complainants presented exceptional circumstances, they were referred to the FCA for an initial investigation.

In 18 instances, complainants whose complaints were already being considered by the regulators under the Scheme approached the Commissioner to intervene and conduct his own investigation. The primary reason for this was the delay they were experiencing during the course of the FCA investigation. The issue of FCA delays is further commented on in the Themes section.

Of the 113 complaints the Commissioner considered, a number were cases which were reopened and closed without further investigation, and six were sent back to the FCA for further investigation. In some of these cases, the FCA had excluded the complaint initially. As a result of the Commissioner's preliminary investigation and questions posed to the FCA, the FCA accepted the Commissioner's findings and agreed to consider the complaint under the Scheme.

4.2

Complaints concluded during the year – initial decisions

The Commissioner dealt with 139 complaints under the Scheme during the year, which included some re-opened cases which were closed without further investigation. During the course of the year, 60 complaints were concluded with a substantive response. The tables below show how the complaints concluded during the year were handled.

Table 2 Concluded complaints – initial decisions

Closed cases 2015-2016	2015-16	2014-15
Initial case decisions issued by the Commissioner		
Case excluded ^{note 1}		
FCA	14	11
FSA	0	4
Case reviewed without formal investigation ^{note 2}		
FCA	27	9
FSA	0	4
Case formally investigated ^{note 3}		
FCA	15	4
FSA	4	4
Total	60	36

Notes to Table 2

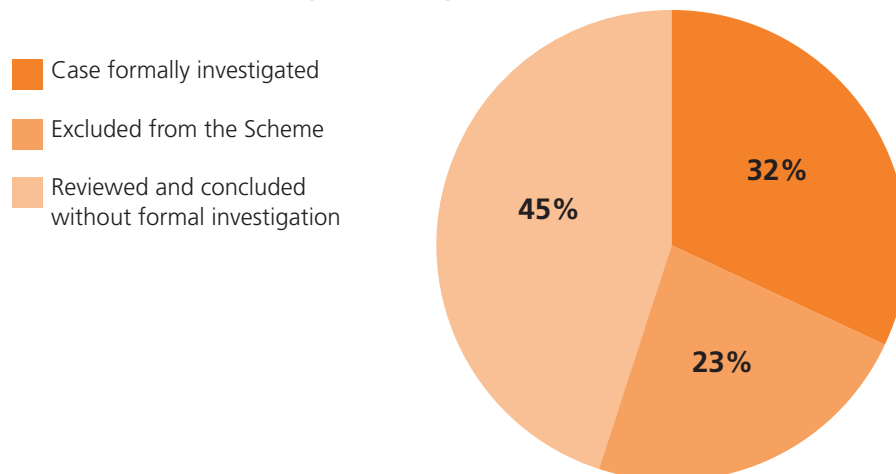
Note 1 Certain complaints cannot be considered under the Scheme because they relate to “legislative functions”. Generally this means complaints about the regulators’ rules, the guidance they have issued, and the regulators’ general policies. It also includes complaints which should be dealt with through other formal processes (such as disciplinary cases through the Upper Tribunal).

Note 2 When considering a complaint the Commissioner sometimes decides that a review of the regulator’s investigation records is sufficient, and he does not need to undertake a full investigation. (The Commissioner has access to all the regulators’ records.)

Note 3 The “Stage 2” Investigation process is where the Commissioner undertakes a full investigation into the complaint. The figures include one FCA case where the Stage 2 investigation was interrupted and the case sent back to the FCA. In this instance, as a result of the Commissioner’s questions to the FCA, the FCA reviewed its investigation file and requested the opportunity to reinvestigate the complaint, to which both the complainant and the Commissioner agreed.

Chart 1 How complaints were handled by the Commissioner

Closed cases 2015-16 (total = 60)



Complaints which were excluded from the Scheme usually related to the performance of the FCA's and FSA's legislative functions (rules, guidance and policy).

Complaints which were not the subject of a formal investigation included cases where the complainant had not been directly affected by the way in which the FCA had carried out its functions as well as instances where the FCA had upheld a complaint at initial investigation, and offered a sufficient remedy (for example an apology), but the complainant had chosen to escalate the complaint to the Commissioner without clearly explaining what alternative outcome was required and where the Commissioner could see no case for augmenting the remedy. Where the regulator has addressed outstanding issues in its investigation in a satisfactory manner, there is no benefit to be gained from a secondary investigation of the same issue.

4.3

Complaints considered under the Scheme according to subject matter

The Commissioner concluded 60 complaints during the year. The table below shows the main themes emerging from the spectrum of complaints.

Table 3 Concluded complaints according to subject matter

Concluded complaints	2015-16
Rule making	11
Failure to regulate properly	18
Failure to disclose regulator action against a firm	6
Fees/FSCS levy	4
Deferral due to continuing regulatory action	3
Other	18
Total	60

In 11 instances, complainants felt that rules issued by the FCA disadvantaged them in some way. These were related to the Retail Distribution Review, the Interest Rate Hedging Product Review and the Mortgage Market Review. These complaints were excluded under the Scheme.

In 18 instances complainants alleged that the FCA were failing to regulate the financial services industry properly, and in many cases this hinged on a specific firm as an example. In these cases, the complainants were usually pursuing a dual course of action in that they had complained to the Financial Ombudsman Service.

It is understandable that having made a complaint to the FCA against a firm, complainants are interested to know what course of regulatory action, if any, the FCA has taken against the firm. However, s348 of the Financial Services and Markets Act (FSMA) 2000 severely restricts the FCA in disclosing such information. A number of complainants have sought to challenge this. However, the Commissioner is also bound by FSMA and cannot disclose such information; although he does review the confidential papers to ensure the FCA has acted properly on any information received.

Recent increases in the FSCS levy for pension advisers have affected some Individual Financial Advisers which has resulted in complaints to the FCA, and subsequently to the Commissioner, about the level of annual fees charged. The Commissioner recognises the impact the levy increase may have on small businesses, but this type of complaint is excluded from the Scheme. In such cases, complainants are advised to pursue the matter through the FCA's practitioner panels, and through their MPs.

18 further complaints had disparate subject matters which do not form part of any discernible trends.

4.4 Complaints considered under the Scheme according to the Commissioner's decision

The table below shows the complaints concluded according to the Commissioner's decision.

Table 4 Concluded complaints according to the Commissioner's decision

Concluded complaints	2015-16
Regulator's decision fully upheld	37
Regulator's decision upheld, but suggestions for improvement and/or criticisms made	15
Regulator's decision partly upheld and partly overturned	5
Regulator's decision overturned	3
Total	60

4.5

Complaints considered under the Scheme according to remedy recommended by the Commissioner

The table below shows the complaints concluded according to remedy recommended.

Table 5 Concluded complaints according to remedy

Remedies recommended for concluded complaints	2015-16
No (further) remedy	40
Apology	3
Put things right	5
Compensation for distress	2
Suggestions for further improvements	15
Total	65

Although the total number of complaints concluded during the year amounted to 60, a number of complaints contained two or more elements of complaint, which the Commissioner considered separately in terms of remedy.

4.6

Type of complainant

The information below shows that enquiries and complaints have predominantly come from individual members of the public during the year, and explains how such complaints were handled by type of complainant.

Table 6 Type of complainant

Type of complainant	Excluded	Reviewed without formal investigation	Formally investigated	Total 2015-16	Percentage of complaints excluded	Percentage of complaints formally investigated
Individual Financial Adviser	1	2	2	5	20%	40%
Firms	2	4	2	8	25%	25%
Consumer	11	21	14	46	24%	30%
Third Party	0	0	1	1	0%	100%
Total	14	27	19	60	23%	32%

Of the 60 concluded complaints, 46 were submitted by members of the public. The Commissioner also concluded eight complaints submitted by firms and five by IFAs, all of which were small businesses. It can therefore be seen that the Scheme is used almost exclusively by individual consumers and by small businesses. It can also be seen that, across all types of complainant, around a quarter to a third of complaints merit a formal investigation by the Commissioner. Complaints from consumers tended to be about alleged failures to regulate effectively; complaints from small businesses and individual advisers tended to be about administrative and fees issues, and about the way in which the regulator was interacting with the firm.

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Themes and Issues

Over four fifths of the complaints which the regulators deal with under the Complaints Scheme never reach the Commissioner. While it is not possible to say with certainty why that is, it would be fair to assume that in most of the cases the complainant is sufficiently satisfied with the outcome that they do not wish to pursue a further investigation.

In the large majority of those cases which the Commissioner considers, the regulators have dealt with complaints thoroughly and fairly, and the Commissioner upholds the regulators' decisions.

However, in the past year there have been a small but significant number of cases – particularly the more complex ones - in which the Commissioner has noted one or more of the following features:

- a. A tendency to look for reasons to exclude cases from the Scheme;
- b. A tendency to use the existence of parallel proceedings as a reason for not investigating a complaint, without sufficiently testing whether or not an investigation would be possible;
- c. A focus on procedural and jurisdictional issues, sometimes at the expense of considering the substantive issue of the complaint;
- d. Insufficient curiosity in pursuing complaints;
- e. Insufficient acknowledgement of the impact of bureaucratic errors;
- f. Unnecessary delays in the handling of complaints, and failure to keep complainants updated on progress;
- g. Inadequate explanations of decisions.

The most substantial of these cases was one relating to the debt collection practices of HSBC and its former subsidiary HFC, which have attracted the interest of the Treasury Committee. The report (<http://fsc.gov.uk/wp-content/uploads/FCA00050-FD-final-03-12-15.pdf>) on the case, which attracted some media attention, was unusually critical of the FCA's handling of the matter. In the conclusion to the report, the Commissioner wrote:

The failures in the handling both of your original complaint against HFC and HSBC and then your complaints against the regulators were serious. Throughout, this matter has been characterised by delay and muddle. It cannot be satisfactory that the action which was eventually taken to investigate your concerns about HFC and HSBC only occurred because of your persistence; that the consideration of your complaint against the regulators was drawn out and badly handled; and that it was only following the lengthy inquiries, resulting from your complaint to me, that the FCA has now concluded that it should reconsider its original decision. For all these matters, I recommend that the FCA offers a full apology for its serial failings.

That complaint was at the extreme end of those the Commissioner has considered. However, its features were illustrative of the more general issues. This was a high-profile and complex complaint, raising a number of difficult issues to do with ownership, jurisdiction, and events which were quite old. In the Commissioner's view, these difficulties blinded the FCA to the fundamental – and potentially serious – issues raised by the complainant.

Another case which involved considerable discussions between the FCA Complaints Team and the Commissioner's office was one which had been rejected for investigation by the FCA on the grounds that the matter complained about involved the legitimate exercise of the FCA's discretion. The Commissioner overturned the decision not to investigate, since in his view the complainant was alleging unprofessional behaviour by the FCA which was a proper subject for the Complaints Scheme.

The report (which can be found at <http://fsc.gov.uk/wp-content/uploads/FCA00053-FD-publish-25-11-15.pdf>), set out in considerable detail why the FCA should have investigated the complaint. The issue – relating to the regulator's involvement in the protection of retail investors who held Enhanced Capital Notes issued by Lloyds Bank – was a complex and high-profile one, involving the exercise of some difficult regulatory judgements. However, the Commissioner's view was that the FCA had been too ready to claim that such matters were excluded from the Complaints Scheme.

There was some protracted and constructive discussion between the Commissioner and the FCA team on this matter. The FCA team had an understandable concern that the Commissioner might be drawn too far into second-guessing difficult regulatory decisions, while the Commissioner's concern was that "we were only exercising our legitimate discretion" could become an excuse for not robustly testing how discretion was being exercised. In the end, the Commissioner carried out his own investigation. With the FCA's agreement, he was able to disclose significant information to demonstrate the factors which the FCA had considered in reaching its conclusions, and the Commissioner concluded that the FCA's decisions had been reasonable.

The case illustrated the importance – not least for public confidence – in having a means to test that the regulators are exercising their discretion responsibly. While it is right that the Complaints Scheme should not be used as an appeal mechanism to substitute one possible regulatory judgement for another, it is equally important that it can be used to investigate decisions which may have been indefensible and where there is, in practice, no other route of review. It is worth emphasising that, while there is a well-established and focused legal route for regulated people to challenge positive regulatory decisions of the FCA, there is no equivalent route to examine decisions not to act (and this is further exacerbated by the provisions of s348 of FSMA 2000, which severely restrict the ability of the FCA to explain what it is doing). While there is a theoretical option of Judicial Review, in practice this is unrealistic in most cases.

Two other cases, considered but not concluded during the year (and therefore not yet the subject of published reports) illustrate the Commissioner's concerns. In one – relating to an investor who had suffered some serious losses in very difficult personal circumstances – the FCA had been resistant to examining the totality of the complaint, and had seriously delayed its consideration. Furthermore, in investigating that complaint – and in another

complaint dealt with in the same period – there had been a failure by the Complaints Team to challenge contradictory information from other parts of the organisation.

During the year, the Commissioner dealt with a number of cases in which the issue of unregulated products offered by regulated firms was a consideration. In these cases, a difficulty arose because the complainant considered that the regulator should take action against a regulated provider, whereas the regulator's position was that the complainant had purchased an unregulated product and there was insufficient evidence of serious misconduct by the regulated firm to justify regulatory intervention.

The Commissioner's view is that this illustrates a gap in the current regime. Ordinary retail consumers may understandably infer from the fact that a firm is regulated that they will enjoy protections which do not, in fact, exist. In two recent cases, the Commissioner has urged the FCA to consider whether the current conduct of business rules are sufficient to ensure that regulated firms make it clear to consumers when they are supplying an unregulated product which is not underpinned by the protections of the Financial Ombudsman and Financial Services Compensation Schemes.

The FCA Complaints Team has a very tough task in having to provide appropriate and sometimes robust challenge within the organisation. It has had considerable staff turnover at a time of rising complaint volumes – and this has been reflected in some slow responses to queries from the Commissioner's office, and failures to keep complainants properly updated. The Commissioner has raised this matter with the FCA. The FCA have given a thorough presentation to the Commissioner on their complaints handling procedures, systems and practices. The Commissioner has discussed with the FCA improved procedures which are planned to manage the timely and effective handling of complaints. He urges the FCA to continue to address these matters and to ensure that, at a time of rising complaint volumes, the Complaints Team has the resources required to deal with complaints thoroughly, confidently, and promptly.

The Commissioner will monitor this. It is essential that the Complaints Team has the resources and internal political support which it needs to do its job effectively – a job which sometimes includes making decisions which are unpopular with and potentially damaging to colleagues.

Finally, it is worth emphasising the importance of explanations. In a number of cases dealt with by the Commissioner, he has upheld the FCA's decisions but given fuller explanations to complainants. It is not – as is sometimes supposed – the case that complainants will only be satisfied if they "get what they want". In a recent complaint in which the Commissioner upheld the regulator's decision, the complainant responded by saying:

'Thank you Mr Townsend for appropriately considering my case and giving me a reasonable and appropriate answer. It's nice not to be fobbed off and to be treated like an adult'.

The Commissioner wishes to emphasise the importance of the Complaints Scheme and of the FCA's Complaints Team for the FCA's reputation. Preserving a robust Scheme, with an independent element, even where there may be occasional uncomfortable decisions, is essential. The FCA must resist the tendency to become introspective and defensive. The

Complaints Scheme must be seen for what it is: a tool to put things right, a means to learn from mistakes, and a system to enable complainants and others to have confidence that the organisation is effective and fair. It is not a narrow and legalistic process to manage the litigious.

Accessibility of the Scheme to consumers and businesses

The Commissioner has received no complaints about the accessibility of the Complaints Scheme, although he has received complaints about the timeliness of some of the FCA's responses (see above). Details of the Scheme can be found on the regulators' websites, and on the website of the Office of the Complaints Commissioner.

The Commissioner has held discussions with the FCA's Consumer Panel on the matters referred to above, including the continuing problems caused by s348 of the Financial Services and Markets Act, which inhibits the regulators from sharing information with complainants.

He has also approached the FCA's statutory Practitioner Panels for their comments on the operation of the Scheme. He discussed with the Chair of the Smaller Business Practitioner Panel the possibly inadequate understanding of the Scheme amongst small businesses, as a result of which it was agreed that the FCA should be asked to include more information about the Scheme on the firm section of its website. The other Practitioner Panels had no comments to offer.

It is particularly important that small businesses feel confident that that they can use the Complaints Scheme. While there is no hard evidence from the complaints considered by the Commissioner, it would not be surprising if small businesses felt some reluctance to complain against the regulator which may grant or refuse them a licence to do business. It is also noticeable that large regulated firms do not use the Complaints Scheme at all. The Commissioner considers that these issues should be explored further, and will be discussing the matter with the regulators and with the FCA's practitioner panels, to establish whether further steps might be taken to help small businesses to raise legitimate concerns with the regulators.

Improvements to the Scheme

The Scheme's statutory provisions are largely satisfactory, but it is in some respects unnecessarily complex and some of its criteria could be improved to address some of the concerns set out above.

Towards the end of 2015, the Commissioner made a set of proposals for the improvement of the Scheme, which are being considered by the regulators. The Commissioner hopes that these will lead to a public consultation on improvements later in 2016.

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Resources

Under the Complaints Scheme, the Commissioner must be provided by the regulators with “sufficient financial and other resources to allow him to fulfil his role under the Scheme properly”.

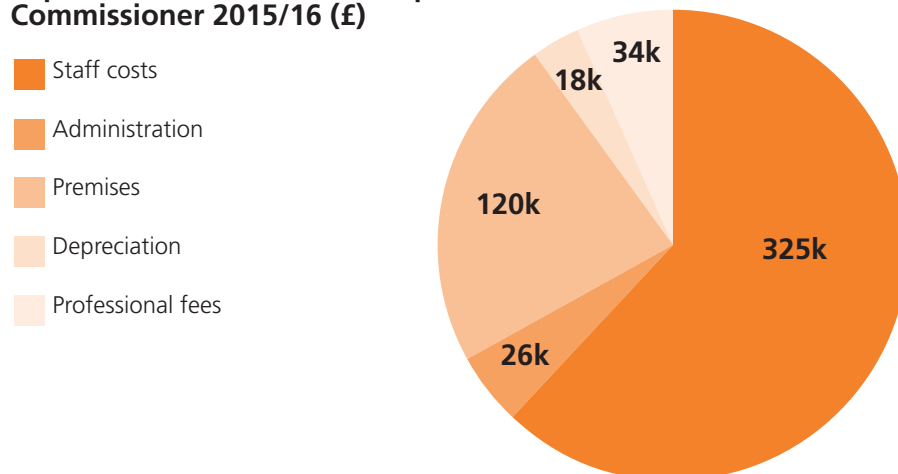
Although the caseload for the Commissioner has been rising since he took up his appointment in May 2014, steps have been taken to ensure that resources are used as efficiently as possible. In particular:

- a. The administrative support for the office has been streamlined (in addition to the Commissioner, there is one senior office manager who also undertakes some investigation work, and two part-time investigators);
- b. The investigators who support the Commissioner are now engaged on a more flexible basis to help tailor the resource to the demand;
- c. The Commissioner’s Office is relocating in autumn 2016 to smaller and more flexible premises to reduce costs.

Expenditure for the year ending 31st March 2016 was £521,991, the lowest since 2011 and 23% lower than in 2014/15. Expenditure in 2016/17 is projected to be £515,000.

The breakdown of expenditure by broad category is as follows:

Expenditure of Office of Complaints Commissioner 2015/16 (£)



Environmental initiatives

The Office recycles as much waste as possible through the City of London recycling scheme.

All the records of the Office are now held digitally, to reduce the use of paper.

Movement sensitive lighting has been installed to reduce energy use.

Remuneration

The highest paid employee of the Office was the Complaints Commissioner, whose total remuneration for 2015/16 was £156k (2014/15 £156k).

APPENDIX

Expenditure

Profit and Loss Account

For the year ended 31st March 2016

	2015/16 £	2014/15 £
Administrative expenses	(521,991)	(643,790)
Other operating income	521,991	643,790
Operating Loss	–	–
Interest receivable	–	–
Profit on ordinary activities before taxation	–	–
Tax on profit on ordinary activities	–	–
Profit on ordinary activities after taxation	–	–

All amounts relate to continuing operations.

There were no recognised gains and losses for 2016 nor 2015, other than those included in the profit and loss account.

Expenditure during the year decreased substantially (23%) compared to the previous period, mainly due to internal staff and organisational restructure. It is foreseen that the planned future office relocation will contribute over £50,000 of savings in the next two years.

The audited accounts for the period ending 31st March 2016 are available from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. The company's auditors are Bishop Fleming.

Office of the Complaints Commissioner

Telephone:
020 7562 5530

Email:
complaintscommissioner@fsc.gov.uk
www.fsc.gov.uk