

Adam Cochrane-Williams
Stakeholder team – consultation responses
Financial Ombudsman Service
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Email: consultations@financial-ombudsman.org.uk

28 October 2016

Dear Mr Cochrane-Williams

Re: consultation – Financial Ombudsman Service complaints data publication

The National Franchised Dealers Association (NFDA) is a federated association of the Retail Motor Industry Federation (RMI) and represents the interests of franchised vehicle dealers in the UK. NFDA represents 80% of the UK's 4800 franchised car sales outlet, representing around 40 manufacturer franchises. In 2015, UK franchised dealers sold 2.63 million new cars and approximately 3.30 million used cars. Dealers offer a number of services to consumers and business including vehicle sales, servicing, repair and maintenance of vehicles, the supply of replacement parts and the provision of finance and insurance products.

The NFDA would like to make the following response to the above consultation:

Q1: Do you agree with our conclusion that it would not be practical to distinguish between different types of change in outcome?

- 1.1 NFDA does not completely agree that it would be too difficult to distinguish between different types of change outcome. Although it would be difficult to compare data that purely looked at the monetary amount of change, it could be looked at in more relative terms. A £100.00 increase in compensation could represent a large change in outcome or a very modest one. If this figure was compared to the original claim and the percentage of change was calculated, it could be established if the change was substantial.
- 1.2 A substantial claim could thus be when an 'upheld' redress offers a figure more than 10% offered by the firm. For instance, an uplift of £100.00 on an initial compensation of £1,500.00 would be under 10% and not substantial, whilst a £100.00 on £500.00 would be substantial, equating to over 10%.
- 1.3 NFDA agrees that this would not take account of an individual's circumstances, where £100.00 could be very substantial to them personally but by using it as a percentage, to determine 'substantial', does give an objective benchmark.

Q2: If not, please suggest how different types of change in outcome could be defined in a way that would avoid subjectivity and be simple to verify.

- 2.1 See above.

Q3: Do you agree that we should continue to publish complaints data naming individual businesses every six months and product-based complaints data quarterly in ombudsman news?

3.1 Agree.

Q6: Given the above, do you consider it worthwhile to publish more granular data on individual businesses?

6.1 NFDA believes that there would need to be sufficient information available to make the data worthwhile if presented in a more granular format. As this is likely to be difficult, NFDA does not think it would currently be worthwhile to publish data in this way.

Q7: Do you agree with our assessment of the practical considerations for implementing average resolution time as a measure?

7.1 Agree.

Q8: Do you agree with our assessment of the risks attached to a category for 'informally' resolved cases?

8.1 Agree.

Q9: Do you agree with our plans to publish sector-based complaints data every six months in ombudsman news and once a year in our annual review?

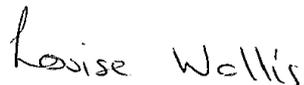
9.1 Agree.

Q10: We would welcome your views on the merits of distinguishing between cases we have upheld for a mis-sale and those we have upheld because of Plevin?

10.1 NFDA believes that it would be useful to identify cases upheld for *Plevin* separately to mis-sale complaints. As the *Plevin* complaints are derived from a very specific piece of case law, seeing the number of cases derived from it would be useful in assessing the impact of the case.

If you have any questions or would like to discuss this response in more detail, please contact Louise Wallis, telephone 01788 538336 or email louisewallis@rmif.co.uk.

Your sincerely



Louise Wallis
NFDA Head of Business Management