

## Chapter 9

# Complaints reporting rules for credit unions

## 9.2 Reporting

- 9.2.1** **R** A *credit union* must provide the FCA, once a year, with a report in the format set out in ■ CREDS 9 Annex 1 R (Credit Union complaints return) which contains (for the relevant reporting period) information about:
- (1) the total number of *complaints* received by the *credit union*;
  - (2) (for the product/service groupings within section 5) the number of *complaints* closed by the *credit union*:
    - (a) within eight weeks of receipt; and
    - (b) more than eight weeks after receipt;
  - (2A) (for other lending or credit-related activity within section 5A) the number of *complaints* closed by the *credit union*;
  - (3) the total number of *complaints*:
    - (a) upheld by the *credit union* in the reporting period;
    - (b) outstanding at the start of the reporting period; and
  - (4) the total amount of redress paid in respect of *complaints* during the reporting period.
- [**Note:** transitional provisions apply to this *rule*: see ■ CREDS TP 1.16, ■ CREDS TP 1 and ■ CONC 12.1.4 R.]
- 9.2.2** **R** A *credit union* must not include in the report a *complaint* that has been forwarded in its entirety to another *respondent* under ■ DISP 1.7 (the complaints forwarding rules).
- 9.2.3** **G** Where a *credit union* has forwarded to another *respondent* only part of a *complaint* or where two *respondents* may be jointly responsible for a *complaint*, then the *complaint* should be reported by both *firms*.
- 9.2.4** **R** ■ CREDS 9.2.1 R does not apply to a *complaint* that is resolved by close of business on the *business day* following its receipt.

- 9.2.5 **G** For the purposes of ■ CREDS 9.2.4 R:
- (1) a *complaint* received on any day other than a *business day*, or after close of business on a *business day*, may be treated as received on the next *business day*; and
  - (2) a *complaint* is resolved where the complainant has indicated acceptance of a response from the *credit union*, with neither the response nor acceptance having to be in writing.
- 9.2.6 **G** For the purpose of ■ CREDS 9.2.1 R, and upon completing the return, the *credit union* should note that:
- (1) where a *complaint* could fall into more than one category, the *complaint* should be recorded against the category that the *credit union* considers to form the main part of the *complaint*;
  - (2) where a *complaint* has been upheld under ■ CREDS 9.2.1R (3)(a), a *credit union* should report any *complaints* to which it has given a *final response* which accepts the *complaint* and, where appropriate, offers redress, even if the redress offered is disputed by the complainant. Where a *complaint* is upheld in part, or where the *credit union* does not have enough information to make a decision yet chooses to make a goodwill payment to the complainant, the *credit union* should treat the *complaint* as upheld for reporting purposes. Where a *credit union* rejects a *complaint*, yet chooses to make an ex-gratia payment to the complainant, the *complaint* should be recorded as rejected;
  - (3) where a *credit union* reports on the amount of redress paid under ■ CREDS 9.2.1R (4), redress should be interpreted to include any amount paid, or cost borne, by the *credit union*, where a cash value can be readily identified, and should include:
    - (a) amounts paid for distress and inconvenience;
    - (b) a free transfer out to another provider which transfer would normally be paid for;
    - (c) ex-gratia payments and goodwill gestures;
    - (d) interest on delayed settlements
    - (e) waiver of an excess on an insurance policy; and
    - (f) payments to put the consumer back into the position the consumer should have been in had the act or omission not occurred;
  - (4) where a *credit union* reports on the amount of redress paid under ■ CREDS 9.2.1R (4), such redress should not, however, include repayments or refunds of premiums which had been taken in error (for example where a *credit union* had been taking, by direct debit, twice the actual premium amount due under a policy). The refund of the overcharge would not count as redress.

- 9.2.7 **R** For the purposes of ■ CREDS 9.2.1 R:
- (1) the relevant reporting period is from 1 April to 31 March each year; and
  - (2) reports are to be submitted to the *FCA* within one *month* of the end of the relevant reporting period.
- [**Note:** a transitional provision applies to this *rule*: see ■ CREDS TP 1.16.]
- 9.2.8 **G** Financial penalties may be imposed for the late submission of the complaints report required by ■ CREDS 9.2.1 R.
- 9.2.9 **R** For the purposes of making reports under ■ CREDS 9.2.1 R, a closed *complaint* is a *complaint*:
- (1) where the *credit union* has sent a *final response*; or
  - (2) where the complainant has positively indicated acceptance of the *credit union's* earlier response; or
  - (3) where the complainant has failed to revert to the *credit union* within eight weeks of the *credit union's* most recent letter.
- 9.2.10 **R** A report under this section must be given or addressed, and delivered, in the way set out in ■ SUP 16.3.6 R to ■ SUP 16.3.16 G (General provisions on reporting), except that, instead of the *credit union's* usual supervisory contact, the report must be given to or addressed for the attention of the Central Reporting team at the *FCA*.
- 9.2.11 **G** ■ SUP 16.3.14 R applies to the *credit unions'* complaints returns.
- 9.2.12 **R** [deleted]
- 9.2.12A **R** ■ SUP 16.10.4R requires *credit unions* to check the accuracy of *standing data* and to report changes, including any change to the complaints contact or complaints officer, to the *FCA*.
- 9.2.13 **G** The contact point in ■ CREDS 9.2.1 R can be by name or job title and may include, for example, a telephone number.