

Chapter 2

Arch cru Consumer Redress Scheme

2.6 Consumer redress scheme: paying redress

2.6.1

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A *firm* must pay the redress determined to be payable to a *consumer*, calculated in accordance with the requirement in section 10 of the instructions at ■ CONRED 2 Annex 13 :

- (1) within 28 *days* of receiving a claim from the *consumer* for the redress determined to be payable, following the issue of the *redress determination*; and
- (2) in accordance with the instructions set out by the *consumer* in his response to the *redress determination* in which he makes the claim

but a *firm* need not pay redress where the *consumer* did not send a claim for it within six months of the date of the *redress determination*, unless the *consumer's* failure to comply with that time limit was as a result of exceptional circumstances, except where the *consumer* refers a *complaint* in respect of the *redress determination* to the *Financial Ombudsman Service* within the time limits provided in ■ DISP 2.8.2 R (or ■ DISP 2.8.2R (3) applies).

2.6.2

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- (1) Simple interest is payable on the redress determined to be payable from the end of the 28-day period referred to in ■ CONRED 2.6.1R (1) until the date of payment, at a rate of 8% per annum.
- (2) After the expiry of 28 *days* following the *consumer's* claim for the redress, the redress, including interest, may be recovered as a debt due to the *consumer* and, in particular, may:
 - (a) if a county court so orders in England and Wales, be recovered by execution issued from the county court (or otherwise) as if it were payable under an order of that court; or
 - (b) be enforced in Northern Ireland as a money judgment under the Judgments Enforcement (Northern Ireland) Order 1981; or
 - (c) be enforced in Scotland by the sheriff, as if it were a judgment or order of the sheriff and whether or not the sheriff could himself have granted such judgment or order.

[**Note:** This *rule* is imposed by the *FCA* using the powers granted to it under section 404A(1)(m) of the *Act* to make *rules* providing for the enforcement of any redress under a consumer redress scheme.]

2.6.3

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- (1) An example of exceptional circumstances in ■ CONRED 2.6.1 R might be where the *consumer* has been or is incapacitated.

- (2) In considering whether circumstances are exceptional, *firms* may wish to have regard to the guidance on exceptional circumstances justifying the extension of the time limits, in the online technical resource titled "the six-month time limit" on the website of the *Financial Ombudsman Service*.