

Subsidiary Legislation made under ss. 55C, 620, 621 and 627.

Financial Services (Complaints) Regulations 2026

LN.2026/335

Commencement **17.10.2026**

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2019-26

Financial Services

2026/335

Financial Services (Complaints) Regulations 2026

In exercise of the powers conferred on the Minister by sections 55C, 620, 621 and 627 of the Financial Services Act 2019, the Minister has made these Regulations-

Title.

1. These Regulations may be cited as the Financial Services (Complaints) Regulations 2026.

Commencement.

2. These Regulations come into operation on the day 30 days after the day of publication.

Application.

- 3.(1) These Regulations apply to the following authorised persons (“relevant providers”)–

- (a) insurance undertakings; and
- (b) insurance intermediaries.

(2) Where a relevant provider outsources activities to a third party, for the purposes of these Regulations the relevant provider is responsible for the acts and omissions of the third party in respect of those outsourced activities.

(3) In this regulation “insurance intermediary” and “insurance undertaking” have the meaning given in paragraph 33 of Schedule 2 to the Act.

(4) These Regulations do not apply to a complaint which was received by a relevant provider before the Regulations came into operation.

Interpretation.

4. In these Regulations–

“the Act” means the Financial Services Act 2019;

“complaint” means an oral or written expression of dissatisfaction, whether justified or not, from, or on behalf of, a person about the provision of, or failure to provide, a financial service which alleges that the complainant has suffered (or may suffer) financial loss, material distress or material inconvenience;

“eligible complainant” means a person that is–

- (a) a consumer;

- (b) at the time the complainant refers the complaint to the relevant provider—
 - (i) a micro-enterprise;
 - (ii) a charity which has an annual income of less than £6.5 million;
 - (iii) a trustee of a trust which has a net asset value of less than £5 million; or
 - (iv) a small business; or
- (c) a guarantor;

“final response” has the meaning given in regulation 10(1);

“relevant provider” has the meaning given in regulation 3(1);

“scheme conditions” has the meaning given in regulation 9(2); and

“UK scheme” has the meaning given in regulation 9(3).

Complaints handling procedures.

5.(1) A relevant provider must establish and maintain effective and transparent procedures for the prompt and reasonable handling of complaints.

(2) A relevant provider must appoint a suitable individual of appropriate seniority within the relevant provider, or within the same group as the relevant provider, who is responsible for oversight of the relevant provider's compliance with these Regulations.

(3) A relevant provider must put in place appropriate management controls and take reasonable steps to ensure that it identifies and resolves any recurring or systemic problems in its handling of complaints, for example, by—

- (a) analysing the causes of individual complaints to identify root causes common to types of complaint;
 - (b) considering whether such root causes may also affect other processes or products, including those not directly complained of; and
 - (c) correcting those root causes where it is reasonable to do so.
- (4) To aid consumer awareness, a relevant provider must—

- (a) publish appropriate information about its complaints handling procedure;
- (b) inform eligible complainants of the availability of this information in writing at, or immediately after, the point of sale;
- (c) provide the information in writing and free of charge to eligible complainants—
 - (i) on request; or
 - (ii) when acknowledging a complaint; and
- (d) if the relevant provider meets the condition in regulation 9(2)(a), provide information about the UK scheme, in a clear and accessible manner, on its website.

Complaints to be free of charge.

6.(1) A relevant provider's complaints handling procedure must provide for complaints to be made free of charge.

(2) Where a relevant provider operates a telephone line for the purpose of enabling complainants to submit complaints, they must not be required to pay more than the basic rate when contacting the relevant provider by telephone.

(3) The "basic rate" means the simple cost of connection which does not provide the relevant provider with a contribution to its costs or revenues.

Keeping complainants informed.

7.(1) A relevant provider, on receipt of a complaint, must—

- (a) send the complainant a prompt written acknowledgement confirming that it—
 - (i) has received the complaint and is dealing with it; and
 - (ii) will provide a written response within eight weeks; and
- (b) ensure the complainant is kept informed of the progress of the measures being taken to resolve the complaint.

(2) This regulation does not apply where a relevant provider resolves a complaint within three working days and complies with regulation 9.

Investigating and resolving complaints.

8.(1) When a relevant provider receives a complaint, it must–

- (a) investigate the complaint competently, diligently and impartially, obtaining additional information as necessary;
- (b) assess promptly, fairly and consistently, taking into account all relevant factors–
 - (i) the subject matter of the complaint;
 - (ii) whether the complaint should be upheld;
 - (iii) what remedial action or redress (or both) may be appropriate; and
 - (iv) if appropriate, whether the relevant provider is satisfied on reasonable grounds that another relevant provider may be solely or jointly responsible for the matter alleged in the complaint;
- (c) offer redress or remedial action when it decides that it is appropriate to do so;
- (d) explain to the complainant promptly and, in a way that is fair, clear and not misleading–
 - (i) its assessment of the complaint;
 - (ii) its decision on it; and
 - (iii) any offer of remedial action or redress; and
- (e) comply promptly with any offer of remedial action or redress accepted by the complainant.

(2) A complaint is resolved where the complainant has indicated acceptance of a response from the relevant provider, with neither the response nor acceptance having to be in writing.

Summary resolution communication.

9.(1) Where a relevant provider considers a complaint to be resolved, it must promptly send the complainant a written communication (a “summary resolution communication”) which–

- (a) records the fact that the complainant has made a complaint and informs the complainant that the relevant provider now considers the complaint to have been resolved; and
 - (b) where the scheme conditions are met—
 - (i) informs the complainant that, if the complainant is dissatisfied with the resolution of the complaint, the complainant may be able to refer the complaint to the UK scheme;
 - (ii) provides the address of the UK scheme’s website and refers to the availability of further information on that website; and
 - (iii) informs the complainant of the time limits for making complaints to the UK scheme and indicates whether or not the relevant provider consents to waive those time limits.
- (2) The “scheme conditions” are that—
- (a) the relevant provider provides services or conducts business in the United Kingdom in respect of which it is—
 - (i) regulated by or under the Act; and
 - (ii) subject to the jurisdiction of the UK scheme; and
 - (b) the complaint falls within the scope of the jurisdiction of that scheme.
- (3) the “UK scheme” means the financial ombudsman scheme provided for under Part 16 of the Financial Services and Markets Act 2000 of the United Kingdom.

Final or other response.

10.(1) A relevant provider must, not more than eight weeks after it receives a complaint, send the complainant—

- (a) a written response (a “final response”) which—
 - (i) accepts the complaint and, where appropriate, offers redress or remedial action;
 - (ii) offers redress or remedial action without accepting the complaint; or

- (iii) rejects the complaint and gives reasons for doing so; and
 - (iv) where the scheme conditions are met, informs the complainant that, if the complainant is dissatisfied with the resolution of the complaint, the complainant may refer the complaint to the UK scheme; or
 - (b) a written response which—
 - (i) explains why the relevant provider is not in a position to make a final response and indicates when it expects to be able to provide one; and
 - (ii) where the scheme conditions are met, informs the complainant that the complainant may refer the complaint to the UK scheme.
- (2) In the case of a notice to which sub-regulation (1)(a)(iv) or (b)(ii) applies, the relevant provider must—
- (a) provide a copy of the UK scheme's standard explanatory leaflet;
 - (b) provide the address of the UK scheme's website; and
 - (c) informs the complainant of the time limits for making complaints to the UK scheme and indicate whether or not the relevant provider consents to waive those time limits.

Complainant's written acceptance.

11. Regulation 10 does not apply if the complainant has already indicated in writing acceptance of a response by the relevant provider which—

- (a) informed the complainant how to pursue the complaint further with the relevant provider if the complainant remains dissatisfied; and
- (b) where the conditions in regulation 9(2) are met—
 - (i) informed the complainant that, if the complainant is dissatisfied with the resolution of the complaint, the complainant may refer the complaint to the UK scheme;
 - (ii) enclosed a copy of the UK scheme's standard explanatory leaflet;
 - (iii) provided the address of the UK scheme's website; and

- (iv) informed the complainant of the time limits for making complaints to the UK scheme and indicated whether or not the relevant provider consents to waive those time limits.

Forwarded complaints.

12.(1) Where a relevant provider is satisfied on reasonable grounds that another relevant provider may be solely or jointly responsible for the matter alleged in a complaint, it may forward the complaint, or the relevant part of it, in writing to that other relevant provider if–

- (a) it does so promptly;
- (b) it informs the complainant promptly in a final response of why the complaint has been forwarded to the other relevant provider, and of the other relevant provider's contact details; and
- (c) where jointly responsible for the matter alleged in the complaint, it complies with its own obligations under these Regulations in respect of that part of the complaint it has not forwarded.

(2) When a relevant provider receives a complaint that has been forwarded to it under sub-regulation (1), the complaint must be treated as if it had been made directly to the relevant provider and received when the forwarded complaint was received.

Complaints time limit.

13.(1) A relevant provider may reject a complaint without considering its merits if it receives the complaint more than–

- (a) six years after the event which is the subject of the complaint; or
- (b) if later, three years from the date on which the complainant became aware (or ought reasonably to have become aware) that the complainant had cause for complaint.

(2) If a relevant provider rejects a complaint in accordance with sub-regulation (1) it must explain this to the complainant in a final response.

Complaints records.

14. A relevant provider must keep a record of each complaint received and the measures taken for its resolution, and retain that record for at least six years from the date the complaint was received.