

## **FSCS Podcast #44 How can I stay updated on my claim?**

### **Martyn Beauchamp 00:01**

Welcome to Protect your money with FSCS, the podcast from the Financial Services Compensation Scheme. I'm Martyn Beauchamp, interim CEO at FSCS, and in this series, the fantastic FSCS team will help you understand how we can help protect your money so you can feel confident that your money is safe. I hope you enjoy the podcast.

### **Farah Baldock 00:26**

Welcome to episode 44 of the FSCS podcast. I'm Farah Baldock, and I'm your host today. And first of all, a bit of background for any new listeners. FSCS or the Financial Services Compensation Scheme, protects people when authorised financial firms go out of business by paying eligible customers that compensation they're owed. We protect lots of financial products, but not all of them, and our podcast aims to help you understand our protection and feel confident that your money is safe.

On today's episode, we're going to look at some of the steps or statuses that your claim may go through and talk about how customers can stay updated about their claim. If you're a current FSCS customer or you're considering submitting a claim, then keep listening, as this episode may be for you. With us today is Denise Farthing, Head of Operations here at FSCS. Hi, Denise, and thanks for joining us on the podcast today.

### **Denise Farthing 01:17**

Hi, thanks for having me. It's great to be on the podcast again, and it's certainly a good opportunity for us to be able to help our customers by demystifying the FSCS claims process wherever we can.

### **Farah Baldock 01:28**

Thanks, that's right, Denise, you've actually been a guest on the podcast before.

### **Denise Farthing 01:32**

Yes, I had a good chat with Jess earlier this year about how our customers can claim with us, either by using a trusted friend or a relative to help them.

### **Farah Baldock 01:41**

Yeah, that's a great episode. If you need some help with submitting your claim. If you've not caught it yet, do have a listen to episode 33 so today, Denise and I are going to be talking a bit more about what happens after you submit a claim, so we can understand a few of the steps customers can expect their claim to go through. So let's get started. Denise, we know that no two claims are the same. Can you tell us a bit more about what that means for the steps a claim may go through and what customers can expect?

### **Denise Farthing 02:09**

Sure, that's a really good place to start, because you're absolutely right. Every claim that we receive is unique. So first of all, we get lots of claims for various different financial products. In fact, depending on the product, you may not need to submit a claim at all.

**Farah Baldock 02:24**

Yes, that's a really good point. Can you tell us a bit more about that?

**Denise Farthing 02:29**

Of course. So for example, if a UK authorised bank building society or credit union has gone out of business, customers don't actually need to make a claim with us at all, as we'd automatically pay their balance up to our compensation limits, of course, within seven days, although occasionally more complex cases can take longer.

If it's an insurance company that's failed, we'll try to provide seamless cover with another insurer, or we'll arrange the return of the remaining premium. If that's not possible for other products such as pensions, investments, mortgage advice, debt management or PPI claims and some other types of insurance, customers can claim using our online claims service.

One thing to mention is that it's completely free to claim directly with us, and if successful, customers get to keep all of the compensation that's owed to them. Some customers do, however, choose to use a representative, such as a claims management firm or a solicitor to handle their claim. If they do, it's important to remember that representatives charge a fee for their service.

**Farah Baldock 03:32**

Thanks Denise. So for the products you can claim for, does the type of product affect the steps a claim may go through?

**Denise Farthing 03:39**

Once a claim has been submitted, we typically go through the following steps, which is: firm investigation, data, gathering, assessment and then decision. The first couple of steps usually require us to ask third parties, like firms' insolvency practitioners or administrators, for more information so we can investigate the claim. This can take some time, so don't worry if your claim status doesn't change for a while.

Our specialist claims team will investigate all claims thoroughly and fairly based on the eligibility criteria and the rules that we're required to follow. And these rules are set out by the UK's financial regulators, that's the Financial Conduct Authority, the FCA, and the Prudential Regulation Authority, the PRA. These rules specify the financial activities and products that trigger FSCS protection, and they are different for each product.

So the product that you're claiming for may impact the process that your claim will go through, and this is usually due to the types of information that our claims handlers will need to gather to investigate your claim. So if I give you an example, a fairly straightforward PPI claim may be faster to process than a more complex pension claim, as the types and the amount of information that we'll need may be very different.

**Farah Baldock 04:52**

Great, thanks. And other than the type of product, are there any other factors that might affect the steps that a claim could go through?

**Denise Farthing 04:58**

Yes there are. The rules also specify other things, so for example, who can receive compensation, the firms that fall under FSCS protection, and how much compensation can be paid. So what that means in practice is that no two claims are exactly the same, and we can't always predict how long a claim might take or the likely outcome.

So even if you know someone who has submitted a claim for the same financial product from the same firm, other factors could mean that we may need different types of information or evidence to investigate the claims. So the two claims may seem the same, but they may take different timescales before they get a decision.

**Farah Baldock 05:37**

And can customers get a rough idea of how long it might take before they get a decision on their claim based on the product they're claiming for?

**Denise Farthing 05:46**

Yes, they can. So we publish how long it currently takes us to complete most claims that we receive for different products on our website, and that will give you an idea of the amount of time it's likely to take from making an application to receiving a decision.

**Farah Baldock 05:59**

And you can find that information in the 'making a claim' section of our website. So as each claim is different, how can customers stay updated about the progress of their own claim?

**Denise Farthing 06:11**

Well, we try and keep our customers informed about the progress of their claim throughout the journey, and in particular, when their claim status changes. So we do this in a number of different ways. If you've submitted your claim through our online claims portal, the best way to stay up to date with your claim is by logging into the portal where you can find the current status of your claim at any time.

Our claims handlers will also stay in touch with customers at certain points throughout the claim process journey to inform them of any change to their claim status, and they may also need to get in touch to request any further information that we need to complete our investigations. Claims handlers may contact customers via email, via post or on the phone. So if you do have a claim with us, please make sure that the contact details we have for you are up to date.

It's really important that customers keep an eye on their claim status by checking our online claims portal or checking and responding to any communications they receive from our claims handlers, as we may need to ask for additional information that can help progress the claim.

**Farah Baldock 07:12**

So can customers get any support if they have trouble accessing the claims portal or if they don't understand an update we've shared?

**Denise Farthing 07:20**

Absolutely, customers can always contact our contact centre, and the number for that is 0800 678 1100. We also offer a web chat service that you can access by visiting the contact us page on our website, and our dedicated customer support team are available Monday to Friday, between 9am and 5pm to answer any queries that customers may have.

So if, for example, you're having trouble accessing our online claims portal, or if you have a question about an update that you've received, just get in touch with us. One thing to mention is that, if you're not sure whether a communication you've received is from FSCS and it's genuine, for example, if it looks or sounds suspicious, or you suspect it might be a scam, then please do not respond to it. Please get in touch with us directly through our contact center and our customer support team are always happy to confirm if the communication you've received is really from FSCS.

**Farah Baldock 08:17**

And sometimes it's not always possible to get on the phone. Is there any other helpful information available to customers if they need help with their claim?

**Denise Farthing 08:26**

Yes, of course, there's lots of information on our website that can help guide customers through their claim. There are a number of common queries that we get. For example, customers might wonder what the current claim status means, and we publish descriptions on the different claim statuses and what they mean on the 'making a claim' section of our website, and that's also where you can find guidance about how to send us any documents that we've requested about your claim.

**Farah Baldock 08:51**

That's great. I know we've also shared lots of useful information about our claims process on the podcast too.

**Denise Farthing 08:57**

Yeah, that's right. There was a really helpful episode on what to prepare before you make a claim. And that's definitely one to listen to if you're thinking of submitting a claim with us.

**Farah Baldock 09:08**

Yeah, that was episode 39 for anyone who'd like to have a listen. And there's also episode 18, which talks you through what you can expect after you submit a claim. So Denise, you mentioned that customers sometimes wonder about their claim status. Can you give us some examples of claim statuses customers should pay particular attention to?

**Denise Farthing 09:27**

Sure. At the start of the process, customers who are submitting a claim throughout our claims portal may notice that their claim status is noted as 'incomplete', and this means that they are still in the

process of completing their application. You don't have to complete the application all at once, but you won't be able to take the next steps in processing your claim until you do complete and submit your application.

Applications that have remained incomplete for more than 90 days will be closed, and when this happens, customers will see their claim status change to 'no application received'. And of course, if you want to reopen your application, you'll need to contact our contact centre to do so.

Sometimes, the company or financial product that a customer is claiming for may need further investigation by our claims team to examine the background of the issue and understand the full circumstances. And in that case, customers may see their claim status change to 'firm investigation underway'.

**Farah Baldock 10:23**

Is there any guide for customers on how long it might take for a firm investigation to be completed?

**Denise Farthing 10:29**

Well, it really does depend on the firm and can take many months for our investigations to be completed. If there is a firm investigation underway on your claim, it may mean that your claim is on hold until we complete these investigations. And I suggest you check out our website for more information.

Our claims handlers will, however, contact you every eight weeks with an update on our progress. We also publish updates about the firm in the 'failed firm' section of our website, and I would encourage you to subscribe to email updates on the firm you're claiming for via this page, as that will provide you with updates on the progress of our investigation.

**Farah Baldock 11:05**

That's great. And are there any status updates that customers should be aware of where they may need to do something to progress their claim?

**Denise Farthing 11:13**

Well, every stage is important. One to pay particular attention to is if your claim status changes to 'evidence required', and that means that we need more information to continue to investigate your claim. The information may need to come from other third parties, such as an insolvency practitioner or administrator for the failed firm. And in this case, you won't need to do anything, but if we need you to provide information, we'll inform you as soon as we can of what this is, and you can also view what evidence we've asked for and from whom in the online claims portal.

So we will be in touch with the customer or a third party for evidence required every eight weeks. And of course, the faster we receive all of the information we need, the faster we'll be able to make a decision on the claim. So I would just encourage you to keep an eye on any correspondence from our claims handlers or any change in your claim status on the claims portal, in case you do need to provide any additional evidence, as that can hold up the processing of your claim.

**Farah Baldock 12:12**

And what happens if we don't receive the evidence that we need to continue our investigations into the claim?

**Denise Farthing 12:18**

If our claims handlers have chased for the evidence multiple times but still haven't received what we need, then the claim may become 'inactive'. If your claim status becomes 'inactive', it's important to check the evidence that is needed and to try and get this to us as soon as possible, and then we'll be able to continue to process your claim.

**Farah Baldock 12:36**

Thanks Denise. Unfortunately, we know that not all claims will be successful. If a claim has been unsuccessful, what status update can customers expect to see?

**Denise Farthing 12:46**

Well, there are two claim statuses that customers may see if their claim has been rejected, and that's either 'application rejected' or 'claim rejected'.

**Farah Baldock 12:56**

They sound very similar. What's the difference between the two?

**Denise Farthing 13:00**

Yes, you're right. They do sound similar. 'Application rejected' means that we've closed the application because the claim does not meet our criteria, and this usually happens at the start of the claims process.

But 'claim rejected' means that we've reviewed all of the evidence relating to your claim, and we've come to the decision that it cannot be upheld. So a decision letter will be sent to the customer, which will outline the reasons for this, and you can access the letter via the claims portal, but you'll also receive a call from one of the team to explain the decision outcome in a little more detail.

**Farah Baldock 13:35**

Thanks. So there are lots of different ways that customers can stay updated about their claim. So they can get in touch with our customer contact team. Our claims handlers may get in touch with customers directly via email, letter or on the phone, and information is published about failed firms that customers may be claiming against on our website, but it sounds like one of the best ways to keep up to date on your claim is to log into the online claims portal.

There's also a lot of guidance available on our website about how to claim and information to help you understand the claims process and your particular claims status. So visit the 'making a claim' section of our website for all of that info. And as we've said before, the podcast also provides some handy tips.

**Denise Farthing 14:15**

Yeah, that's right, it's really important to us to make sure that our customers are kept up to date throughout the process of their claim, and that we get a decision to them quickly. Customers can make sure that their claim progresses smoothly by providing any information and evidence that we need as soon as possible. Whatever stage your claim is at, it's always a good idea to regularly check in on your claim via the claims portal and make sure that you keep an eye on your emails and any postal correspondence from us. And finally, if you're unsure about any correspondence you've received from us, always get in touch with us directly via the phone or via web chat.

**Farah Baldock 14:51**

I know our customers really appreciate being kept informed every step of the way, whatever the outcome of their claim, as we regularly ask customers for feedback on their experience of claiming with FSCS, and here's what a few of our recent customers have said just to bring the whole process to life a little bit more, one of which was:

“The claim handlers responded to my claim promptly and kept me informed. I was uncomfortable starting a claim, as I was unsure whether my claim was justified, but they explained things clearly and were very helpful and supportive. As it turned out, I was not entitled to any compensation, but this was explained clearly, and it was reassuring to know that my pension fund is currently healthy and seems to be in the right hands.”

Another customer also said to us that:

“FSCS took my situation very seriously, showing empathy and full understanding of my circumstances. I'm very grateful for all they've done for me, as this has been a very stressful situation, which has been rectified in part by the FSCS thorough investigation. Thank you very much.”

So it's really great to hear that customers are getting the information that they need throughout the claims process. Thanks Denise, for joining us today. It's been a really interesting chat, and I hope it's provided lots of handy tips for customers who are currently claiming with us and for those who are thinking about submitting a claim.

**Denise Farthing 16:11**

Thank you very much for having me. Hopefully it has been a really useful and informative session with lots of beneficial information on how to make a claim with us.

**Farah Baldock 16:19**

And a final thanks to our listeners. Of course, we hope that you've enjoyed our podcast today and that this episode has helped you discover a bit more about the FSCS claims process. You can find all our podcasts on the FSCS website at [www.fscs.org.uk](http://www.fscs.org.uk), as well as the usual places that you'd find your podcasts. Thanks for listening.