

FSCS Podcast – Episode 10 Mini-pod: Should I claim direct or use a representative?

00:01 – Jess Spiers (Intro)

Welcome to Protect Your Money with FSCS, the podcast from the Financial Services Compensation Scheme. Today we've got a mini-pod for you; a special bite sized episode where we talk through a particular topic to explain it all simply. In this series, we explain how we can help to protect your money so you can feel confident your money is safe. Let's get into the conversation now.

00:29 - Nigel Yeates

Welcome to this mini episode of the FSCS podcast. I'm your host Nigel Yeates Communications and Stakeholder Business Partner at FSCS. FSCS exists to protect customers from authorised financial services firms that have gone bust. We hope you enjoy today's podcast, please do recommend to friends and family. I'm joined today by my colleague Adam Farley, Relationship Manager at FSCS and we'll be talking about your choices and claiming directly with FSCS or using a representative...Adam, could you tell our listeners a little bit about your role at FSCS.

01:08 - Adam Farley

Hi, Nigel. Thanks for having me on the podcast. For most claims, FSCS needs to work with some other businesses to get the right information to investigate a claim. My team and I ensure we're all working together as best as we can, to provide answers to customers as quickly as possible. We'll also speak to the regulators such as the Financial Conduct Authority who regulate claims management companies and the Solicitors Regulation Authority who regulates solicitors and law firms. We share the things we're seeing so the regulators can improve standards for customers.

01:34 - Nigel Yeates

Thanks. For our customers losing their money when a firm fails is a stressful and often emotional time, Adam, what are some of the key things we do at FSCS to make claiming and getting their money back as easy as possible?

01:47 - Adam Farley

So, if it's your bank, building society or credit union that's failed, you don't need to make a claim with us. Systems are in place, which means we'll return your money automatically and that will be within our compensation limits. If an insurance company has failed, we'll try and secure a seamless cover with another insurer or raise the return of the remaining premiums if that's not possible. For all other claims, that's mortgages, pensions, PPI, investments, and debt management, you'll need to use our easy-to-use online claims service.

02:17 - Nigel Yeates

Great, that's all very clear and what are the options for customers in terms of making a claim?

02:22 - Adam Farley

There are two main choices for customers. The first is to claim directly with us at www.fscs.org.uk. You can quickly and easily use our checking tool, which is just called 'check if you can claim' it takes about a minute to enter some basic details, and we can tell you if you're eligible. If you are eligible to claim, you can then make an application online. It's worth listening to our podcast episode eight for a quick rundown of how to claim with us.

02:50 - Nigel Yeates

And the 'check if you can claim' tab is very clear on our website. So that's easy to find on our homepage and also thanks for the excellent podcast series plug. We hope everyone does go back and listen to episode eight as well, which is going to be very useful in this context. So moving on, how else do we support customers?

03:09 - Adam Farley

So, our Claims Specialists will explain everything in plain language for you as they support you through the process. You can also check your claims progress on your own at any time on your online accounts.

03:20 - Nigel Yeates

Great, thank you and what was the second option that we talked about earlier.

03:23 - Adam Farley

So, some customers choose to use a representative like a solicitor or claims management company to submit their application. These companies will usually charge you a fee to handle your claim. This fee is important to note, if you claim directly with FSCS, you'll receive 100% of any compensation you're eligible for. This could mean thousands of pounds more back in your pocket.

03:44 - Nigel Yeates

That is definitely worth noting, thanks.

03:47 - Adam Farley

Yes, it's important to take time to understand your available options and the potential costs first. The fees will usually be a percentage of the total compensation you receive. So these can end up being quite high if you're not careful.

03:58 - Nigel Yeates

And is the process the same for both methods?

04:01 - Adam Farley

So, whether you use a representative or claim directly with us, you will have to provide the same information. If you are not sure or you need some help, just give us a call and we can support you through the process.

04:11 - Nigel Yeates

Talking of representative's consumers may have also heard the term personal representative mentioned where do they fit in?

04:15 - Adam Farley

Again, this is a great way to claim directly with FSCS. But there's some additional support. If for example, you struggle with forms or computers, you can ask a friend or family member to help, by nominating them as your personal representative. We will use them as your contact and ask them to send us your documents.

04:33 - Nigel Yeates

Excellent. I can definitely think of some people who would use that support. What else do customers need to do?

04:39 - Adam Farley

You would just need to send us a letter confirming who you would like us to speak to on your behalf. Then they can support you through the process and you'll just need to sign the documentation while using a personal representative rather than a professional one, such as a claims management company or solicitor, you'll get 100% of any compensation you're due.

04:56 - Nigel Yeates

And what are the main reasons customers use a solicitor or CMC?

05:00 - Adam Farley

We recently got some feedback from our customers, and they highlighted three main reasons. One was a lack of confidence, two was a lack of financial knowledge, and three was they believe they would have a better chance of a successful claim by using a CMC.

05:13 - Nigel Yeates

Okay, let's go through those one by one... confidence?

05:17 - Adam Farley

I can understand why people find financial products and the associated paperwork complicated or daunting. But as mentioned before, our online claims process is easy to use, and that team will support you as well. And if you're not a fan of computers, a friend or family member can help you as your personal representative, as I just mentioned.

05:35 - Nigel Yeates

Great thanks. And the second reason lack of financial knowledge?

05:38 - Adam Farley

You don't need to be a financial expert to make a claim. Once underway, our team send updates by email with your claim progresses. You can also call our contact centre during the process if you have any questions, and you can check the progress of your claim at any time on our online claim service.

05:53 - Nigel Yeates

And finally, people thought we had a better chance of a successful claim by using a professional representative?

05:59 - Adam Farley

We decide each claim based on its own individual merits. So, we just assess the facts in front of us.

06:04 - Nigel Yeates

Thanks. Do you have any feedback from our customers you can share?

06:08 - Adam Farley

We had a recent example of a customer who was claiming with us direct against investment advice firm that had failed. And the case was quite complicated. But we received this feedback. The service was very professional. The process was fairly easy to follow, and I received help when needed. I was put at ease by sympathetic style, who could relate to my situation.

06:28 - Nigel Yeates

Fantastic. That's a really nice piece of feedback to finish on. For our listeners. If you have made a claim and have any feedback or suggestions, please do contact us, email these in. Thanks so much

for a lot useful information, Adam. We also have more information of background on our website www.fscs.org.uk.

And to summarise, I would reiterate whilst this can be a difficult time for customers when they need us. Our friendly customer service team is here to support you at every stage. It's also very straightforward to complete the claim application direct in your own time. And if you can't finish it in one go, you can always save it and come back to it.

Episode eight of this podcast series as mentioned, has a great three step guide to claiming with us. We hope everyone enjoyed listening to this mini-podcast. You can find all of our podcasts on our website and the usual places you find your podcasts. We'd love to hear what you think so please do rate and review us and you can also let us know our social channels just search for @FSCS. Thanks for listening.