

On 31 January 2005 the Complaints Commissioner issued a final report on complaint GE-L0352 to the complainant and the Financial Services Authority. The introduction and summary to that report is published below.

CONFIDENTIAL

FINAL REPORT ON COMPLAINT GE-L0352

1 Introduction and Summary

- 1.1 This is the report of an investigation by the Complaints Commissioner of complaint reference GE-L0352 against the Financial Services Authority (FSA). The complaint falls to be considered under the Main Scheme.
- 1.2 The Complainant is an individual who had queried with the FSA the basis for calculating endowment policy reprojection letters and subsequently, the source of the appropriate rules.
- 1.3 On 23 December 2002, the Complainant had received a reprojection letter from Company X concerning his endowment policy with them. He was concerned that the company had applied a "surrender value reduction" to the current value despite the fact that the reprojection was to the normal maturity date, at which time the "surrender value reduction" would not apply. He had already queried the basis of the calculation with the Technical Department at Company X, who it appeared had agreed that the calculation was indeed inaccurate.
- 1.4 The Complainant wrote to the FSA on 27 January 2003 to complain that the calculation was incorrect because the "surrender value reduction" had effectively reduced the value of his policy artificially by some 10%. He mentioned that since then, he understood that Company X had increased the penalty on early surrender to 20%, resulting in "even further misleading presentation of policyholder information". He concluded by suggesting that the FSA should immediately write to the Chief Executive of Company X, requiring them to "*address ... the inaccurate presentation of information*".
- 1.5 Having received no response from the FSA the Complainant had again written on 3 March 2003. Unfortunately when the second letter was received by the FSA it had not been linked to the first on the FSA's computer system as it should have been. The Complainant again set out the action that he required the FSA to take to stop Company X sending out misleading reprojection letters.
- 1.6 On 11 March 2003, Officer A wrote to the Complainant. He apologised for the delay and explained that "*many companies are having to cope with unprecedented falls in asset values*" and as such, were applying penalties to their surrender values. He went on to say that the "*FSA rules provide a basis within which firms have to operate to produce a projection. The requirements are that the 'full policy value' and future premiums, less expenses and the cost of life cover, are rolled up at the specified growth rate*". Officer A further explained that "*more commonly, the firm will have a surrender value basis*".

that is applied to the benefit of the policy. This may give a figure that may need adjusting to give a full policy value. Company X have applied a reduction of 20% to endowment policies. This full policy value is then rolled up, with no further adjustment being needed". No reference was made by Officer A to the Complainant's second letter but, on the same day, the FSA sent a separate acknowledgement to the Complainant in respect of his letter dated 3 March 2003.

- 1.7 Having received the acknowledgement but not the response from Officer A, the Complainant sent an email to the FSA on 12 March 2003 with a copy to Company X. He indicated that any response *"will now have come too late ... since ... I received my annual statement from Company X"* which *"confirms the same figures which I have reported to you as materially understating the projected maturity value of my policy"*. He also indicated that his policy had now been 'signed red', whereas he believed it to actually be 'amber' if Company X *"was to correctly re-project on the basis that any Surrender Value Reduction ... should not appear in the reprojection"* calculation. He went on to suggest that he could *"see no alternative course of action"* for the FSA to take other than to contact Company X *"today and inform them that they must issue an immediate correction"* or that the FSA would *"make a public statement"*.
- 1.8 The Complainant telephoned Officer A on 13 March 2003 to say that he had now received the letter dated 11 March but that it did not answer his questions. He asked Officer A what the FSA *"were going to do about the 'misleading' reprojection letters... stating that [the FSA] had totally failed to protect consumers from this scandal"*. It was agreed that someone would call the Complainant later in the day. Subsequently, having re-read Officer A's letter of 11 March 2003, the Complainant sent an email to the FSA on 15 March 2003. He took issue with the statement in Officer A's letter that *"accordingly, it appears that Company X is using the full policy value"*. The Complainant set out a number of alternative ways that he felt were available to Company X to affect the maturity value and the surrender value of a policy. He made the point that the introduction of a MVA (Market Value Adjustment) *"breaks the linkage between maturing and non-maturing policies"* and that the key issue is whether it *"represents the 'full policy value' as Officer A states it does"*. He further made the point that if it was logical for the MVA to be applied to the value of the policy at the point of calculating the reprojection, then a similar adjustment would need to be applied to the treatment of future premiums, which it was not. He concluded by requiring the FSA *"to take active steps to see that insurers issue any necessary corrections so as to prevent policyholders of endowment products unnecessarily surrendering their policies based on knowingly inaccurate information"*.
- 1.9 On 18 March 2003, Officer B, who was Officer A's manager, telephoned the Complainant to apologise for the confusion caused by not linking the two original letters and for the fact that no response had been sent to the letter dated 3 March 2003. The Complainant reiterated his complaint concerning the way Company X had calculated their reprojection letters. He also stated that he would not accept a further letter from Officer A but expected a letter from a *"higher authority"*. Officer B terminated the call after some 25 minutes, having indicated that the Complainant could make an official complaint if he remained dissatisfied with the response from Officer A. Following the telephone conversation, Officer A again wrote to the Complainant on 28 March 2003, providing a response to the Complainant's letter dated 3 March

2003 and also his more recent emails. Having apologised that his previous letter had not made reference to the Complainant's second letter, Officer A explained that *"before the FSA can impose any requirement on firms to change the way they report information or conduct their business, we have to be satisfied that such action is necessary and justified. Our preliminary view is that we do not yet have evidence that proves that Company X's approach is inappropriate"*. It was also suggested by Officer A that *"on the basis that the current surrender value is the current policy value, the projections do not seem unreasonable"*. He also referred to the normal FSA practice of referring matters concerning firms to the appropriate supervision department but that, because of the confidentiality requirement imposed on the FSA by the Financial Services and Markets Act 2000, it was not FSA practice to provide feedback. Details of the FSA complaints scheme were enclosed with the letter.

- 1.10 The Complainant sent a further email to the FSA on 30 March in which he indicated that he had been directed by Company X to COB 6.6.38 in the FSA Handbook as being the basis for the way they had calculated the current policy value. The Complainant pointed out that this section *"only refers to 'surrender' or 'transfer' values – not to the amount re-projected as being contractually payable on maturity"*. He went on to discuss the merits of using this basis but concluded that if this were the intention, the wording on the FSA website would not indicate that the purpose of reprojecting a policy value was to forecast any shortfall at maturity. He also pointed out that the inclusion by Company X of a promise that was only applicable to maturing policies, when an MVA would not apply, was inconsistent. He concluded that the *"FSA rules have 'mandated' the provision of erroneous figures"*.
- 1.11 In a further email dated 30 June 2003, which was copied to the Treasury Select Committee, the Complainant set out three ways of calculating reprojected figures based on:
- a) applying a MVA to future premiums as well as to the current policy value;
 - b) no application of a MVA to either part of the calculation; and
 - c) applying a MVA to the current policy value but not to future premiums.

He suggested that the FSA had presented a feeble reply to his previous complaint and asked how the FSA would seek to justify the continued use of the 'mixed' approach [option c)]. He concluded by saying that *"I want the FSA to 'clean up' this rubbishy approach to the whole reprojected value letter fiasco and I want it done soon"*.

- 1.12 Not having received a response from the FSA, the Complainant telephoned the FSA on 21 July 2003 and spoke to Officer B. He discussed at length the way Company X had calculated their reprojected values and stated that the FSA were wrong in allowing calculations to be made in this way. Asked by Officer B whether the Complainant was waiting for a response to his email dated 30 June 2003 or wished to make a complaint against the FSA, the Complainant stated that he needed a reply to his email before taking the matter further. Officer B agreed to send an immediate acknowledgement of the Complainant's email dated 30 June 2003, with a full reply to follow as

soon as possible. Far from providing the acknowledgement and subsequent full reply as promised by Officer B, the FSA sent an email to the Complainant on 31 July 2003. The FSA indicated that their position had been set out in the letter from Officer A dated 28 March 2003 and that no further response would be made unless the Complainant raised a new issue or made a formal complaint against the FSA.

- 1.13 The Complainant again sent an email to the FSA on 1 August 2003 pointing out that his original concerns had not been fully answered by Officer A's letters and neither had the fresh concerns contained in his email dated 30 June 2003. In particular he reiterated that he wanted clarification on how future premiums should be treated, a point that had not been answered by Officer A or Company X. He went on to list 4 points detailing his expectations of the FSA. Officer B again telephoned the Complainant on 6 August 2003 who stated that he did not accept that the FSA had fully answered his earlier emails and demanded that the FSA review his email dated 30 June, look at the issues raised and refer back to him if anything was not clear. Officer B stated that no further reply would be made on the issues raised as the decision had been taken to close the correspondence with the Complainant.
- 1.14 The Complainant sent a further email to the FSA on 11 August 2003, in which he referred to an earlier email dated 6 August 2003. There is no record that this email was received by the FSA. He referred to a number of points that he had made in that email, particularly in relation to his telephone conversation with Officer B on 6 August 2003. He went on to state that he would be telephoning the FSA later the same day with a question that had not been answered and which Officer B appeared to be refusing to deal with as he considered there was no question to be answered. When the Complainant telephoned the FSA later on 11 August 2003, he spoke to Officer C. In line with instructions issued to all Call Centre staff, Officer C informed the Complainant that the FSA could add nothing further to the responses already provided and the call was terminated. The Complainant then made a second call which was also terminated.
- 1.15 On 13 August 2003, the Complainant sent a further email to Officer B to formally complain that Officer C had terminated both his telephone calls on 11 August 2003 and had refused to deal with his query. The Complainant explained that his query was "*what 'requirement' - specifically - was Officer A referring to when he stated that 'the requirements are that... future premiums are rolled up at the specified growth rates'*". The complaint indicated that if the FSA answered his question, he would take his complaint no further. A decision was taken not to provide the answer to the Complainant's specific question but to proceed to investigate the matter under the Complaints Scheme. A formal acknowledgement was sent to the Complainant on 15 August 2003, referring him to the scheme booklet contained on the FSA website, in accordance with the provisions of COAF 1.5.1
- 1.16 The Complainant sent an email to the FSA on 16 August 2003, in which he suggested that they had "*not really read my 'complaint'*" as he had previously quoted extracts from the scheme booklet in earlier emails. The Complainant suggested that it would be more sensible for the FSA to provide the information that he had requested rather than to pass the matter to the Complaints Scheme for it to be investigated. He again referred to the attitude of Officer C during the two telephone conversations on 13 August 2003. He concluded by saying that his only real concern was to receive an answer to

the question he had been putting concerning the roll-up of future premiums, but that if it was necessary to complain to get that answer then that is what he would do. He suggested that if the Independent Complaints Scheme could provide the answer to his question about future premiums then he would have nothing to complain about.

1.17 Officer D responded to the Complainant's emails of 16 August 2003 and 13 August 2003 on 20 August 2003. He detailed the elements of the complaint to be investigated as being:

- a) the FSA Consumer Contact Centre and its staff had acted unreasonably towards the Complainant;
- b) he was dissatisfied with the manner in which he had been treated by the FSA; and
- c) he was also looking for the FSA to reply to questions concerning future projections.

Officer D explained that, under the Complaints Scheme, allegations of dissatisfaction against the FSA would be investigated. It was confirmed that the FSA considered that the points raised by the Complainant had already been addressed and that it did not follow that the investigation would lead to the Complainant receiving the answers that he believed were outstanding from the FSA on endowment rejections. The Complainant was asked to confirm whether he wished his emails to be treated as a complaint against the FSA.

1.18 The Complainant confirmed by email on 20 August 2003 that the point on which he required an answer related to the projection of future premiums. He reiterated that he had been given an incomplete answer by Officer A in that he had not been referred to the appropriate section in the FSA Handbook. As a result he was unable to check if Company X was applying the rules correctly. He quoted the Complaints Scheme booklet as stating that "*we will investigate complaints and take whatever action to resolve the matter we think appropriate*". He concluded by indicating that the FSA "*therefore have to 'resolve' this matter*" and suggested how he expected the complaint to be investigated.

1.19 Officer D acknowledged the Complainant's email on 21 August 2003 and again wrote on 17 September 2003 confirming that the investigation was underway. As the Complainant had heard nothing since 17 September 2003, he telephoned Officer D on 14 October 2003 to ask about the progress of his complaint. It was agreed that the telephone conversation would be in place of the next up-date letter which was due on 16 October 2003. The Complainant stated that he had now been advised by Company X of the Handbook section covering his query and that his complaint now related to why the FSA would not give him the answer to his queries. The Complainant again offered to withdraw his complaint if the FSA answered his question and confirmed the Handbook reference provided to him by Company X. He stated that all he wanted was to know the relevant section of the handbook that related to his concerns and that he could not accept why the FSA would not provide him with the information he had requested.

- 1.20 On 28 and 29 December 2003, the Complainant sent three identical emails to Officer D saying that since his telephone conversation with Officer D in the middle of October he had heard nothing further. He reiterated that his complaint was that the FSA had unreasonably refused to direct him to the source of the unreferenced statement made by Officer A in his letter dated 11 March 2003. He stated that because FSA had still not co-operated with his enquiry his complaint must stand. He suggested that it was *“not acceptable to have to rely on the co-operation of an insurance company when the Regulator itself acts in this manner”*. The Complainant indicated that if the FSA did not conclude their enquiry within another 21 days he would refer the matter to his Member of Parliament on the basis that his complaint was effectively being mishandled. In his reply dated 6 January 2004, Officer D noted the deadline and indicated that he expected to be able to provide a full reply as requested. It was also indicated that if there were any further delays, the Complainant would be immediately updated.
- 1.21 Having heard nothing further, the Complainant again contacted Officer D on 3 February 2003. He stated that as Officer D had shown no inclination in dealing with the matter seriously, he now wanted to refer the matter of Officer D’s handling of his complaint as a further complaint and asked for details of Officer D’s line manager. He reiterated his query concerning *“where in the FSA rulebook does it say that an insurance company must ‘roll up future premiums with growth’ for the purposes of a reprojection of an endowment policy?”* He indicated that this was all that he had wanted to be confirmed by Officer B and Officer D because it was not spelt out in the letters that he received from Officer A in response to his initial query. The Complainant asked why his attempt to complain about the refusal to provide information had led to five plus months of silence and delay. He requested that his complaint be taken to the next level in the organisation *“so that it can be treated properly for once”*.
- 1.22 The Complainant contacted the Commissioner on 4 February 2004 to explain that he had complained to the FSA on 20 August 2003. Although he had received a holding letter on 17 September 2003, an outcome had still not been reached. He requested that the matter be investigated because of the delay. Following contact from the Commissioner’s office Officer D wrote to the Complainant on 6 February 2004 referring to his letter dated 6 January 2004. He explained that certain circumstances had led to a delay in providing a substantive reply to the matters raised and apologised for the delay. He stated that it was the FSA’s plan to conclude the complaint by 5 March 2004.
- 1.23 The Complainant again contacted the Commissioner on 9 February 2004 setting out the delays that had occurred in the investigation of his complaint and his initial query. The Complainant reiterated that he could see no evidence that any work had been undertaken in the last six months and suggested that that alone was enough for the complaint to be taken over from the FSA. The Complainant then sent an email to the Commissioner on 26 February 2004 confirming that he expected to receive notification of the outcome of the completed investigation of his complaint from the FSA by 5 March 2004. He stated that he was *“extremely dubious about vague excuses, already given, regarding staff shortages over the Christmas period, precisely because these lack specificity”*. He referred to occasions where assurances he had been given by the FSA had not been met and made a further complaint about a recent telephone call he had made to the FSA helpline. He had been promised a call back but had not received one.

1.24 The Commissioner sent an email to Officer D at 18.24 on 5 March 2004 to say that as there had been no indication that a response had been sent a Stage 2 investigation would be commenced. Subsequently, Officer D sent his substantive response to the Complainant by email at 19.37 on the same day. Although the response apologised for the delays that had taken place, it was suggested that this was, in part, due to the fact that the Complainant had continued to correspond with the FSA on the same issue during the period that the investigation was being conducted. The letter did not uphold any of the three elements of the complaint as set out in Officer D's letter dated 20 August 2003. At 22.51 the Complainant sent an email to the Commissioner in which he stated that he had looked at the FSA's response and remained dissatisfied. He set out his arguments and concluded that he already had the answer to his query, courtesy of Company X. However, he objected to the continued "obfuscation" by the FSA. The Complainant stated that "*the Commissioner ought to conclude that (process notwithstanding) ANY consumer has an automatic right to such information, and the FSA is to be gravely censured for (apparently wilfully) refusing to provide it*".

2 Findings and Recommendations

2.1 In the course of his investigation, the Commissioner obtained and has considered written representations from the Complainant, documents and correspondence provided to him by the Complainant and by the FSA. The Office of the Complaints Commissioner has also conducted interviews with appropriate personnel at the FSA. The FSA has provided all information asked for during this investigation, including computer files of the two telephone conversations between Officer C and the Complainant on 11 August 2003. No information has been withheld by the FSA for reasons of confidentiality.

2.2 The material facts are shown at Appendix A.

2.3 The Commissioner has analysed the complaint as having three elements:

- a) First that the FSA did not fully respond to the Complainant's initial correspondence and subsequently refused to respond further;
- b) Second that the FSA refused to provide the source of guidance given to regulated firms within their Handbook concerning the calculation of mortgage endowment reprojected letters; and
- c) Third that the Complainant made a formal complaint to the FSA, which was admitted to the Complaints Scheme on 20 August 2003. He is dissatisfied with the explanations provided in trying to resolve his complaint and the fact that the information required was still not provided.

2.4 In relation to the first element, ***that the FSA did not fully respond to the Complainant's initial correspondence and subsequently refused to respond further***, in summary, the Commissioner finds as follows:

- a) The FSA has accepted that the two initial letters were not linked on their computer system, as they should have been. As a result the letter from Officer A dated 11 March 2003 purely dealt with the Complainant's letter

dated 27 January 2003 but did not take account of that of 3 March 2003. It was unfortunate that the Complainant received the acknowledgement to his letter dated 3 March (his second letter) before he received Officer A's response and that it then took until 28 March 2003 for a response to be sent to the Complainant, again by Officer A, in relation to his second letter. The corresponding confusion led to frustration on the part of the Complainant and did not engender initial confidence in the FSA.

- b) The Complainant's correspondence style is not one that is likely to have a positive affect on recipients. The early correspondence contains many demands for action expressed in forceful terms and dictates responses that go far beyond what could reasonably be expected. The FSA operates on a risk based approach assessed against the four statutory objectives set down for it in the Financial Services and Markets Act 2000. It will not normally react to the concerns of an isolated consumer unless the issue presents a high risk to one of those statutory objectives. The matter raised by the Complainant did not fall within this category.
- c) The Complainant had a single minded approach which reflected the seriousness with which he viewed what he considered to be misleading information provided by Company X. Having provided what they considered to be a reasonable response the FSA decided that they would "close down" correspondence with the Complainant and informed him of their decision by email on 31 July 2003.
- d) Whilst the Commissioner accepts that there are occasions where this course of action may be appropriate, it is noted that during his telephone conversation with the Complainant on 21 July 2003, Officer B had given a commitment that he would send an acknowledgement the same day with a full response being sent as soon as possible. Having re-read the Complainant's email dated 30 June 2003, following his conversation with the Complainant, Officer B concluded that neither the email nor the telephone conversation had raised new issues and that the FSA should close the correspondence down. The Commissioner is of the opinion that as a commitment had been given to the Complainant, the stated course of action should have been followed, even if the response had itself included an indication that no further correspondence would be entered into unless new issues were raised or a complaint made.
- e) Turning to whether the correspondence from the FSA fully answered the issues raised by the Complainant, the Commissioner is of the opinion that the points raised by the Complainant developed over time. The Complainant's initial letter to the FSA purely demanded that the FSA should contact Company X to require them to address the inaccurate presentation of information provided to policyholders. It was not until the Complainant's email dated 13 August 2003 that he specifically asked which FSA rule covered the treatment of future premiums in reprojection calculations. The question then arises as to whether this was a new issue or a differently worded version of the original query. At the time of the FSA letters to the Complainant dated 11 and 28 March 2003 the particular question had not been raised as to which specific rules the FSA were relying on. Whilst this obviously relates to the same subject area, it was a direct question which should be capable of being answered by a simple reference to the appropriate rule. The Commissioner is of the opinion that it would have been expedient for the FSA to have provided the answer, in

order to satisfy the Complainant and to work within what is normally considered to be good consumer relation practice.

- f) It is accepted that the FSA is not a “consumer facing organisation” and, indeed, it is not their prime role so to be. However, on the basis that they have established a Consumer Contact Centre (CCC), it would seem sensible for an enhanced consumer orientated approach to be adopted for those consumers who do contact them. It is the Commissioner’s view that more effort could have been made to deal with the specific questions when they were raised, although it is accepted that the attitude of the Complainant was quite likely to have had a bearing on the approach adopted by the FSA. It is equally accepted that the Complainant found the FSA process frustrating. On balance, and this is a matter of a balancing exercise in judgement terms, the Commissioner finds, that the first element of the complaint is made out.

2.5 In relation to the second element, ***that the FSA refused to provide the source of guidance given to regulated firms within their Handbook concerning the calculation of mortgage endowment reprojected letters***, in summary, the Commissioner finds as follows:

- a) As stated in 2.4.e) above it was not until his email dated 13 August 2003 that the Complainant raised the particular question asking which specific FSA rule covered the treatment of future premiums in relation to endowment reprojected letters. Prior to this question being asked, Company X had already indicated that they were following rule COB 6.6.38 as far as the calculation of the current full value of the policy was concerned.
- b) Where a consumer asks which FSA rule applies to a particular situation, the Commissioner takes the view that it should be possible for FSA staff to provide this level of basic information. In this case the Complainant specifically asked for this information on a number of separate occasions. On at least three occasions, once to officer B, once to Independent Complaints Scheme and once to Officer D, the Complainant suggested that if the information were to be provided, he would withdraw his complaint completely. The Commissioner fails to understand why the FSA have adopted such an attitude, when to have provided the information would have avoided two lengthy investigations, one by the FSA, which then led to a further complaint and the second by the Commissioner.
- c) Having reviewed the FSA file, it appears to the Commissioner that the decision of the FSA not to provide a reference to the rule concerned was due in part to the fact that an appropriate one, covering all aspects of endowment reprojected letters, did not exist.

Accordingly, the point originally made by the Complainant appears to have been accepted in that it is not logical to work the policy value on a surrender value basis, which takes account of market value adjustments that would not apply if the policy were to remain in force until maturity; a fact that the Commissioner believes to be the basis on which a reprojected letter should reasonably be worked. After all such workings should be realistic in the context of what an investor needs to know to plan for the future. However, by including an MVA, it can be argued that the resultant

reprojection encompasses a more prudent approach, which reflects the financial state of the company at the time of the calculation. It is accepted that this could itself have a bearing on the amount of terminal bonus applicable at maturity and hence the eventual maturity value. On this basis, the Commissioner does not consider that consumers have necessarily been disadvantaged. The nature of projections is that they make a number of assumptions, the majority of which are variable and can, therefore, not be relied upon to produce an accurate assessment of future value.

- d) The Commissioner finds, on balance, that the second element of the complaint is made out.

2.6 In relation to the third element, ***that the Complainant made a formal complaint to the FSA, which was admitted to the Complaints Scheme on 20 August 2003. He is dissatisfied with the explanations provided in trying to resolve his complaint and the fact that the information required was still not provided***, in summary, the Commissioner finds as follows:

- a) It has been established during previous investigations that the FSA had administrative deficiencies within the Company Secretariat during the period in question.
- b) However, the situation was unsatisfactory and the Commissioner considers that this is an area that should be more closely monitored on an ongoing basis in future. The FSA would take an adverse view of a regulated firm who dealt with a customer in a similar manner. The Commissioner believes that the regulator should take a lead in matters of complaint handling. It is understood that a number of changes have now been implemented within Company Secretariat with a view to avoiding a similar situation occurring in future and that the new system is now more closely monitored.
- c) The Commissioner has already considered and commented upon the question of the provision of information to consumers in 2.5 above and remains of the opinion that the answer to specific questions should be provided, subject to any matter of confidentiality.
- d) The Commissioner finds, therefore, that the third element of the complaint is made out

2.7 In the light of these findings, the Commissioner recommends as follows:

- a) At the time that the Complainant first contacted the FSA Consumer Contact Centre (CCC) in January 2003 there were acknowledged departmental problems caused by a backlog of letters. It is understood that work has since been carried out to minimise the risk of a similar situation occurring and that the CCC is subject to monitoring on an ongoing basis. Such lapses are capable of being interpreted as inefficiency on the part of the regulator which, in turn, can lead to a lack of confidence in the ability of the FSA to regulate markets and firms efficiently.
- b) Consumer queries need to be dealt with more in line with the treatment that would be expected from other consumer orientated organisations.

Good consumer relations is a matter of managing expectations and producing what you say you will produce at the time that you have promised it will be available. Where a consumer asks for specific information, every effort should be made to provide that information, within the stated timescale, unless to do so would breach the FSA requirements for confidentiality. Where initial timescales become unrealistic, consumers should be informed of the reason and provided with a revised estimate of when an answer can be expected.

- c) The Complainant was, over a period of 7 months, subjected to delays on the part of the FSA Company Secretariat in dealing with his complaint. This was in addition to the 8 months since the Complainant had originally contacted the FSA concerning Company X and the manner in which they were calculating endowment reprojected figures. This caused him inconvenience, including the inconvenience of writing various letters that were, in turn, not acknowledged or responded to in a timely fashion. The Commissioner recommends that the FSA should apologise to the complainant for the various deficiencies in dealing with his correspondence detailed above in this report and, should make an ex gratia payment to the Complainant of £100.

2.8 The Commissioner has decided to publish the Introduction, Summary, Findings and Recommendations to this complaint but not the Appendix.