



Mr. Samuel Condry
Strategy and Competition Division
Financial Conduct Authority
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20 March 2015

Dear Mr. Condry,

RE: Improving Complaints Handling consultation

The BVRLA welcomes the opportunity to contribute to the Financial Conduct Authority's (FCA) consultation on improving complaints handling.

In principle we agree that the FCA's guidance on improving complaint handling will be beneficial to the consumer and credit industry whilst raising the standards, ensuring clarity and transparency when dealing with complaints.

We would, however, request that the FCA reviews areas of the guidance in light of our comments we make in our reply.

New treatment of informal complaints

We welcome the opportunity for our members to resolve informal complaints within three business days. This would, however, welcome clarification on what constitutes an informal complaint.

In addition, we would welcome clarification on how these new guidelines would interact with our members and their customer rights to refer unresolved complaints to BVRLA's conciliation service. To clarify, the BVRLA conciliation service is available free of charge to our members and their customers to help look at unresolved disputes. This vital service provides dissatisfied customers with an independent and objective investigation into the dispute as an alternative to legal proceedings. The service also investigates potential breaches of its mandatory Code of Conduct, which sets the standards the BVRLA expects from its members.



If our members are required to report all¹ complaints then this may require the implementation of new system controls to log, track and report all formal and informal complaints, at significant cost to their businesses. In addition, by sending all expressions of dissatisfaction to a complaints team, rather than allowing front line staff to deal with these complaints will cause delay, confusion, costs and duplication, which would not benefit customers.

If a complaint is resolved informally by a front line member of staff, then our members believe consumers may be confused if they were to receive a letter from a member notifying them of their right to complain to the Financial Ombudsman Service (FOS).

We would also seek clarification for resolving informal disputes and a clear definition as to what is meant by an informal dispute. We also request clarification on formal resolution and time allotted for such resolution to be secured.

We also would welcome clarification on whether unregulated customers would be caught by these new proposals, again to do so would impose further confusion, complexity and costs.

It would also be helpful to for the FCA to provide clarification on the definition of a complaint and how customer surveys and feedback should be dealt in relation to the management of informal complaints.

Telephone numbers

Under the FCA proposal, all post contractual calls which customers make to members must be at a maximum of “basic rate”, and this will also apply to calls made to a member’s number by a mobile phone.

Not all members use premium rate numbers, but members have been informed by mobile phone providers that calls to basic rate numbers may be more expensive from mobile phones. Mobile service providers set the prices for their own call tariffs – this is therefore outside the control of our members.

We would welcome guidance from the FCA as to what numbers are available which can be called at a basic rate from a mobile phone.

Changing phone numbers would have a significant impact on our members businesses. Our members would have to change all standard letters and websites (which may have only just been changed to reflect the transition to the FCA). This will involve IT system changes, which will have to be programmed in advance. Member’s telephone numbers also appear on a card in majority of member funded vehicles on the road and it would be costly and difficult to change these, as the vehicles are being driven by our customers.

We would also like clarification if the new rules would also apply to our member’s telephone payment line or if it comes under the jurisdiction of the Payment Services Regulations.

¹ Subject to clarification on guidelines applying to regulated or unregulated customers from FCA regulated firms, paragraph 5



We welcome the opportunity to contribute to this consultation, and will be happy to provide further information if requested.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Jay Parmar', with a horizontal line underneath.

Jay Parmar
Director of Policy & Membership

Bona-fides: The BVRLA, the industry and its members

- Established in 1967, the British Vehicle Rental and Leasing Association is the UK trade body for companies engaged in the rental and leasing of cars and commercial vehicles. Its members operate a combined fleet of 3.8 million cars, vans and trucks.
- BVRLA members buy nearly 50% of all new vehicles sold in the UK, supporting around 317,000 jobs and contributing more than £24.9 billion to the economy each year.
- Through its members and their customers, the BVRLA represents the interests of more than two million business car drivers and 10 million people who use a rental vehicle each year.
- As well as informing the Government and policy makers on issues affecting the sector, the BVRLA regulates the industry through a mandatory code of conduct, helping its members deliver safe, sustainable and affordable road transport to millions of consumers and businesses. For more information, visit www.bvrla.co.uk