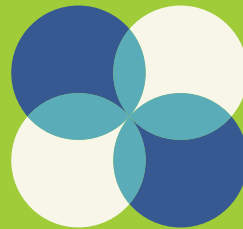




An tOmbudsman Seirbhísí  
Airgeadais agus Pinsean

Financial Services and  
Pensions Ombudsman

# Annual Report 2022



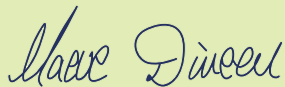
Published by  
Financial Services and Pensions Ombudsman  
Lincoln House, Lincoln Place, Dublin 2, D02 VH29.  
[www.fspo.ie](http://www.fspo.ie)

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## Report to the Ministers

I hereby submit the Annual Report of the Financial Services and Pensions Ombudsman to the Minister for Finance and the Minister for Social Protection pursuant to Section 24(2) of the Financial Services and Pensions Ombudsman Act 2017. This is the fifth annual report submitted in relation to the work of the Financial Services and Pensions Ombudsman since its establishment in 2018 and covers the period from 1 January to 31 December 2022.



**Maeve Dineen**  
Council Chairperson  
20 July 2023

## Chairperson's Report



Our financial services landscape is undergoing a remarkable transformation, driven by rapid advancements in technology, evolving consumer expectations, and regulatory changes.

The office of the Financial Services and Pensions Ombudsman (FSPO) continues to play a vital role in safeguarding consumer interests, promoting trust and confidence in the financial services industry, resolving complex disputes, driving industry accountability, and informing policy and regulatory development.

With that in mind, I along with my fellow Council members, are delighted to welcome Mr. Liam Sloyan as our new Ombudsman, appointed by the Minister for Finance in 2022.

Liam will lead the FSPO at a pivotal moment of transformation for the Office, and we look forward to working with him and his wider senior management team as they guide the FSPO into the next phase of growth and development.

Our mission is to deliver an impartial, accessible, and responsive complaint resolution service that ensures fair, transparent, and timely outcomes for all our valued customers. We are dedicated to enhancing the financial services and pension environment by providing a platform that addresses grievances, fosters trust, and promotes a culture of accountability and excellence.

2022 proved to be another eventful year in this respect with an extensive volume of over 4,600 complaints resolved, further demonstrating our commitment to serving those who seek our services.

As mentioned earlier, the financial landscape has become increasingly complex, with a wide array of products and services available to individuals and businesses alike. While this offers tremendous opportunities for growth and prosperity, it also presents potential risks and challenges for consumers. Digital platforms and mobile applications have revolutionised the way financial services are accessed and delivered, offering seamless experiences, personalised solutions, and greater convenience. This shift has enabled individuals to have greater control over their finances, enhanced financial literacy, and increased financial inclusion, particularly for our underserved populations. Our financial service providers have numerous opportunities to evolve and thrive in this digital era. But the changing landscape also demands heightened focus on cybersecurity and data privacy, and the reliance on technology introduces new vulnerabilities and regulatory requirements.

The FSPO will continue to create an environment where consumers and financial service providers can confidently participate in this ever-evolving financial marketplace.

The role of the Council of reviewing the efficiency and effectiveness of the FSPO continued throughout the year. This included the approval of the budget for 2023, the management of the financial services levy, and the reviewing of the Code of Conduct and the Conflict of Interest policy for Council members.

The FSPO is funded through two distinct sources; the financial services complaints are funded by a levy on the financial services industry and the pensions complaints are funded by the Exchequer, through the Department of Finance.

Per the Code of Practice for the Governance of State Bodies, the Council undertook an external evaluation of our own performance and our activities in 2022. This is an important practice for the Council in fulfilling its responsibilities and adequately responding to any recommendations.

The Council and the Office of the FSPO are committed to enabling and continuing good governance practices. To this end, I am pleased to confirm that fees and expenses paid to Council members in 2022 were fully compliant with the provisions of the Code of Practice for the Governance of State Bodies, including the One Person One Salary (OPOS) principle.

As of 31 December 2022, I am delighted to confirm that the Council maintained gender balance with three (50%) female and three (50%) male members, meeting the government's target of a minimum of 40% representation of each gender on State Boards.

With one open Council vacancy at the end of 2022, we recently welcomed Peter Rossiter as a new Council member, bringing extensive expertise in the dynamic field of fintech. Peter's knowledge of financial technology will be invaluable as we navigate the ever-evolving landscape of financial services.

Indeed, I would like to thank all my fellow Council members for their valuable contributions during Council meetings, Committee engagements and beyond, throughout the year. Beyond your roles as council members, I deeply appreciate your commitment to our organisation's values and your dedication to fostering a culture of collaboration, transparency, and accountability.

Lastly, on behalf of the Council and myself, I want to express my heartfelt appreciation to the FSPO staff. Your dedication, hard work, and commitment have been instrumental in our success. It is because of your collective efforts and outstanding contributions that we continue to thrive and make a positive impact on the financial services environment.

Yours sincerely,



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**Maeve Dineen**  
Chairperson  
FSPO Council

## Role of the Council

In 2022, the Financial Services and Pensions Ombudsman Council consisted of the Chairperson and five members, all of whom were appointed by the Minister for Finance following a recruitment process undertaken by the Public Appointments Service.

Part 4 of the Financial Services and Pensions Ombudsman Act 2017 sets out the role of the FSPO Council, which has two main areas of responsibility: firstly, it is responsible under the legislation for setting the levy to be paid by financial service providers; secondly, it has certain oversight responsibilities in relation to the work of the FSPO, including its responsibilities in relation to:

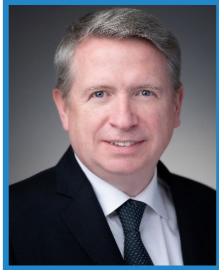
- Approval of the FSPO's annual budget
- Approval of the FSPO's strategic plan
- Keeping under review the efficiency and effectiveness of the FSPO

Biographies of each Council member, along with details of their attendance at meetings, and fees and expenses received are outlined on page 57-60 of the Financial Statements.



(Left to Right) **Don Gallagher**, Council member, **Valerie Bowens**, Council member, **Mick McAteer**, Council member, **Maeve Dineen**, Chairperson of the Financial Services and Pensions Ombudsman Council, **Ann Duffy**, Council member, **Ken Murnaghan**, Council member

## Ombudsman's Message



I am pleased to publish my first Annual Report as Financial Services and Pensions Ombudsman, for the year 2022. It was another busy year, with our Office receiving 4,781 complaints, slightly more than the previous year. The FSPO closed 4,647 complaints in the same period and delivered impactful outcomes for our customers, including financial outcomes totalling over €5 million for individual complainants. These outcomes do not include the very significant but unquantifiable benefits of redress by rectification, secured by complainants, through a legally binding direction of the FSPO.

In line with our second strategic priority, 'Connecting and Engaging', I published these results in March of this year in our Overview of Complaints. The Overview of Complaints includes a summary of all complaints made to the FSPO, a review of trends and patterns in the making of complaints; a breakdown of the method by which all complaints made were dealt with; and a summary of the outcome of all complaints concluded or terminated.

Publication of this information is critical in highlighting not only the important work carried out by our staff, but it also serves as a resource for consumers and providers alike to reflect on the nature of complaints to this Office and their outcomes.

One notable ongoing trend in relation to the complaints received is the proportion of complaints identified as relating to customer service. It is disappointing that customer service remains the conduct most complained of in 2022, accounting for 28% of complaints; a significant increase from what was already a sizable volume of 23% of complaints in 2021. Complaints relating to customer service issues can include a provider's failure to provide information, complaint handling issues, and accessibility and communication issues.

It is clear that many of the consumers making complaints to this Office could have had their complaints addressed by their provider, at an earlier point in time.

I encourage all providers of financial services and pension products, to adopt an approach of seeking, where possible, to resolve complaints quickly with their customers. In many cases, complaints are resolved promptly when the provider receives an initial contact from the FSPO, requesting a final response letter or simply advising of the receipt of the complaint.

Similarly, I would like to remind all consumers that you must give your provider the opportunity to resolve your complaint first, before bringing your complaint to this Office. If you remain dissatisfied with the outcome of your complaint, you can submit a complaint to the FSPO. Some customers who bring complaints to the FSPO have not yet made a complaint to their provider, and once they have done so, the provider is able to resolve their complaint without the intervention of the FSPO.

## Referrals to the regulatory authorities

We are proactive in our commitment to engage with and keep informed, Government, regulators and policy makers, highlighting trends and systemic issues arising from complaint outcomes.

During 2022, 10 decisions were referred to the Central Bank of Ireland (CBI). This is an important part of our role, and these referrals, in addition to the ongoing sharing of information with the regulatory authorities on areas of mutual interest, help to ensure that issues and conducts evident in complaints made to this Office, can be considered from a regulatory perspective.

Areas of mutual interest include tracker mortgage interest rate related decisions and business interruption related decisions. In 2022, we also shared 134 tracker mortgage related decisions and 19 business interruption related decisions with the CBI.

## Commitment to our customers

As part of the delivery of our ambitious Strategic Plan launched in 2021, and in particular, with regard to our commitment to continue to adapt and evolve our service to both anticipate and respond to the changing needs and expectations of all our customers, we published our revised Customer Charter and Action plan in 2022.

The Charter updates and strengthens our existing service standards and incorporates new ones to ensure all FSPO staff across all processes deliver high quality service and deliver against specific commitments. These include the areas of equality and diversity, physical accessibility, choice, including language choice, and customer consultation and engagement.

I recognise that the customer experience of our own service users is a continuation of a consumer's journey in seeking to resolve their financial service complaint or pension complaint, and that the provision of good customer service is not something that we can only hold financial service providers and pension providers accountable for.

This Office continues to work to place consumers and their providers at the heart of our processes and to contribute to making their complaint journey a fair, efficient and effective one, regardless of the eventual outcome.

## Digests of Decisions

Last year the FSPO published two Digests of Decisions, with a view to making the decisions and outcomes of this Office more accessible to consumers, providers and policymakers. Publishing these, in addition to publishing the full text of legally binding decisions on our website, increases awareness of the role of this Office and promotes a greater understanding of the types of complaints we receive, how we deal with complaints, and how such complaints might have been prevented.

The [Ombudsman's Digest of Decisions volume 7](#) features 20 summaries of legally binding decisions resulting from investigations into travel insurance complaints. These decisions were chosen to highlight situations that led to a claim being made on a travel insurance policy and complaints arising from those claims.

[Volume 8 of my Digest of Decisions](#) featured summaries of decisions in complaints concerning private health insurance. The decisions in this Digest highlight the difficult circumstances experienced by customers which lead to a complaint to this Office and critically, can also demonstrate how some complaints might have been prevented.

The full decisions in respect of these complaints are also available in our [decisions database](#) on our website, along with over 2,000 other legally binding decisions issued since 2018.

## Connecting and Engaging

We carried out an awareness survey of our customers in early 2022. Whilst awareness of the FSPO has increased since 2021, awareness levels remain low amongst young people and those in certain socio economic groups. The results of these surveys inform our communications activities.

A number of initiatives were launched to continue raising awareness of the FSPO and its role and provide a better understanding of what we do.

To assist customers in understanding our processes, we updated the content of our website and added two information videos.

The FSPO also launched its first [social media page](#) in 2022 and commenced a very successful digital marketing campaign across several platforms. Following an evaluation period, the FSPO has maintained a continuous digital marketing presence with regular measurement and review. This has proved to be an effective and economical way of raising awareness of our services, across a wide demographic.

The FSPO attended its first large-scale event with the aim of increasing our visibility and connecting and engaging with potential customers of our service. Our attendance was a success, enabling us to engage directly with more than 600 people. We will be building on this success at further events in 2023.

## People Strategy

The FSPO's People Strategy 2022-2025 was the culmination of workshops held with our staff and stakeholders, which were reported on in the 2021 Annual Report. The People Strategy underpins the fourth pillar in our Strategic Plan, 'Developing our People, Building our Capability'. It states that, "We are committed to fostering a truly inclusive culture, where every one of our employees believes that they belong and that they have equal opportunity to thrive as part of a diverse workforce that is reflective of the customers we proudly serve".

I am grateful to all our staff and stakeholders who contributed positively and constructively to the development of this important strategy.

## Stakeholder Engagement

As part of a European Commission initiative, FIN-NET, we cooperated with other financial services ombudsman schemes in the European Economic Area (EEA) to provide consumers with access to a cross-border complaints resolution service across the EEA. We also continued our participation in the International Network of Financial Services Ombudsman Schemes (INFO Network).

We continued to work in close collaboration with the Central Bank of Ireland (CBI), the Pensions Authority and other stakeholders during 2022. Our collaboration with the CBI covers a range of matters, including complaint trends in relation to specific issues, sectors or providers, and the current CBI review of the Consumer Protection Code.

The Office of the Financial Services and Pensions Ombudsman plays a vital role in Ireland's consumer protection framework. We are guided by our values of fairness, integrity, independence, accessibility, and effectiveness. These values are at the very heart of how we approach our daily work and interactions with our customers. We are committed to improving our services, focusing on engaging with, and influencing, our external environment.

I want to thank and commend the staff of the FSPO for their continued commitment, hard work and dedication throughout 2022. Thanks also to my colleagues on the Senior Management Team, Diarmuid Byrne, Director of Dispute Resolution Services, Tara McDermott, Director of Customer Operations and Information Management, Áine Carroll, Director of Corporate and Communication Services and Úna Gately, Director of Investigation Services for the commitment shown by them throughout 2022.

I particularly wish to thank MaryRose McGovern, who led the Office for the majority of 2022 in her capacity as Financial Services and Pensions Ombudsman (Acting). Her dedication to the organisation, our customers and staff is admirable and greatly appreciated.

I also wish to express my appreciation to the Chairperson, Maeve Dineen, and members of the Financial Services and Pensions Ombudsman Council for their support and guidance throughout 2022 and to thank the Minister for Finance and his officials for their ongoing support and cooperation.



**Liam Sloyan**  
Financial Services and Pensions Ombudsman



# The Financial Services and Pensions Ombudsman (FSPO)

The FSPO was established in January 2018 by the Financial Services and Pensions Ombudsman Act 2017. The role of the FSPO is to resolve complaints from consumers, including small businesses and other organisations, against financial service providers and pension providers.

We provide an independent, fair, impartial, confidential and free service to resolve complaints through either informal mediation, leading to a potential settlement agreed between the parties, or formal investigation and adjudication, leading to a legally binding decision.

When any consumer, whether an individual, a small business or an organisation, is unable to resolve a complaint or dispute with a financial service provider or a pension provider, they can refer their complaint to the FSPO.

We deal with complaints informally at first, by listening to both parties and engaging with them to facilitate a resolution that is acceptable to both parties. Much of this informal engagement takes place by telephone.

Where these early interventions do not resolve the dispute, the FSPO formally investigates the complaint and issues a decision that is legally binding on both parties, subject only to a statutory appeal to the High Court.

The Ombudsman has wide-ranging powers to deal with complaints against financial service providers. The Ombudsman can direct a provider to rectify the conduct that is the subject of the complaint. There is no limit to the value of the rectification that can be directed. The Ombudsman can also direct a provider to pay compensation to a complainant of up to €500,000. In addition, the Ombudsman can publish anonymised decisions and can also publish the names of any financial service provider that has had at least three complaints against it upheld, substantially upheld, or partially upheld in a year.

In terms of dealing with complaints against pension providers the Ombudsman's powers are more limited. While the Ombudsman can direct rectification, the legislation governing the FSPO sets out that such rectification shall not exceed any actual loss of benefit under the pension scheme concerned.



Furthermore, the Ombudsman cannot direct a pension provider to pay compensation. The Ombudsman can only publish case studies in relation to pension decisions (rather than the full decision) and cannot publish the names of any pension provider irrespective of the number of complaints it may have had upheld, substantially upheld, or partially upheld against it in a year.

Formal investigation of a complaint by the FSPO is a detailed, fair and impartial process carried out in accordance with fair procedures. For this reason, documentary and audio evidence and other material, together with submissions from the parties, is gathered by the FSPO from those involved in the dispute and exchanged between the parties.

Unless a decision is appealed to the High Court, the financial service provider or pension provider must implement any direction made by the Ombudsman in a legally binding decision. Decisions appealed to the High Court are not published while they are the subject of an appeal.

## Strategic Framework

We launched our Strategic Plan, 'Connecting and Innovating', in 2021. The Strategic Plan provides a high-level framework of strategic priorities, gives clear direction to the work of the FSPo and sets out how we will measure our success in achieving these priorities.



Covering the period 2021-2024, the Strategy sets out the following strategic priorities:

- Evolving and Innovating

We will adapt and evolve our service, using innovation to respond to the changing needs and expectations of all our customers, maintaining a relentless focus on delivering fair, impartial, timely outcomes.

- Connecting and Engaging

We will connect with consumers, providers, regulatory bodies and others to help build a better understanding of what we do, and how people can best access and make use of our service should they need us.

- Sharing and Influencing

We will play our full part in helping to raise standards in complaints handling and resolution, and to inform legislative, regulatory and policy developments so that customer complaints are prevented from arising where possible, and fair outcomes are achieved.

- Developing our People, Building our Capability

We will build on our values-led culture to truly embrace diverse perspectives at all levels of our organisation. We are committed to fostering a truly inclusive culture, where every one of our team members believes that they belong and that they have equal opportunity to thrive as part of a diverse workforce that is reflective of the customers we proudly serve. Our strategic priorities reflect our ambition to evolve and innovate our services and the organisation, with a strong focus on our customers, external stakeholders and audiences.



## Our Mission

Providing an impartial, accessible, and responsive complaint resolution service that delivers fair, transparent and timely outcomes for all our customers, and enhances the financial services and pension environment.

## Our Vision

A progressive financial services and pension environment built on trust, fairness and transparency, where complaints are the exception.

## Our Values

The FSPO is a values-driven organisation. Our values are embedded in our processes and procedures through our ongoing training and development programmes. At the heart of our values is a deep desire to consistently deliver the best possible service for our customers and stakeholders.

### Fairness

- We will adopt an impartial, independent, objective approach, dealing with each complaint based on its own merits.
- We will listen to all parties in dispute, asking questions to redress the balance between them.

### Integrity

- We will uphold the highest ethical standards.
- We will earn trust by delivering our services in an unbiased, transparent and professional manner.
- We will respect the confidentiality of those seeking our services.

### Independence

- We will be independent in how we handle complaints, yet accountable to the people and to the Oireachtas.

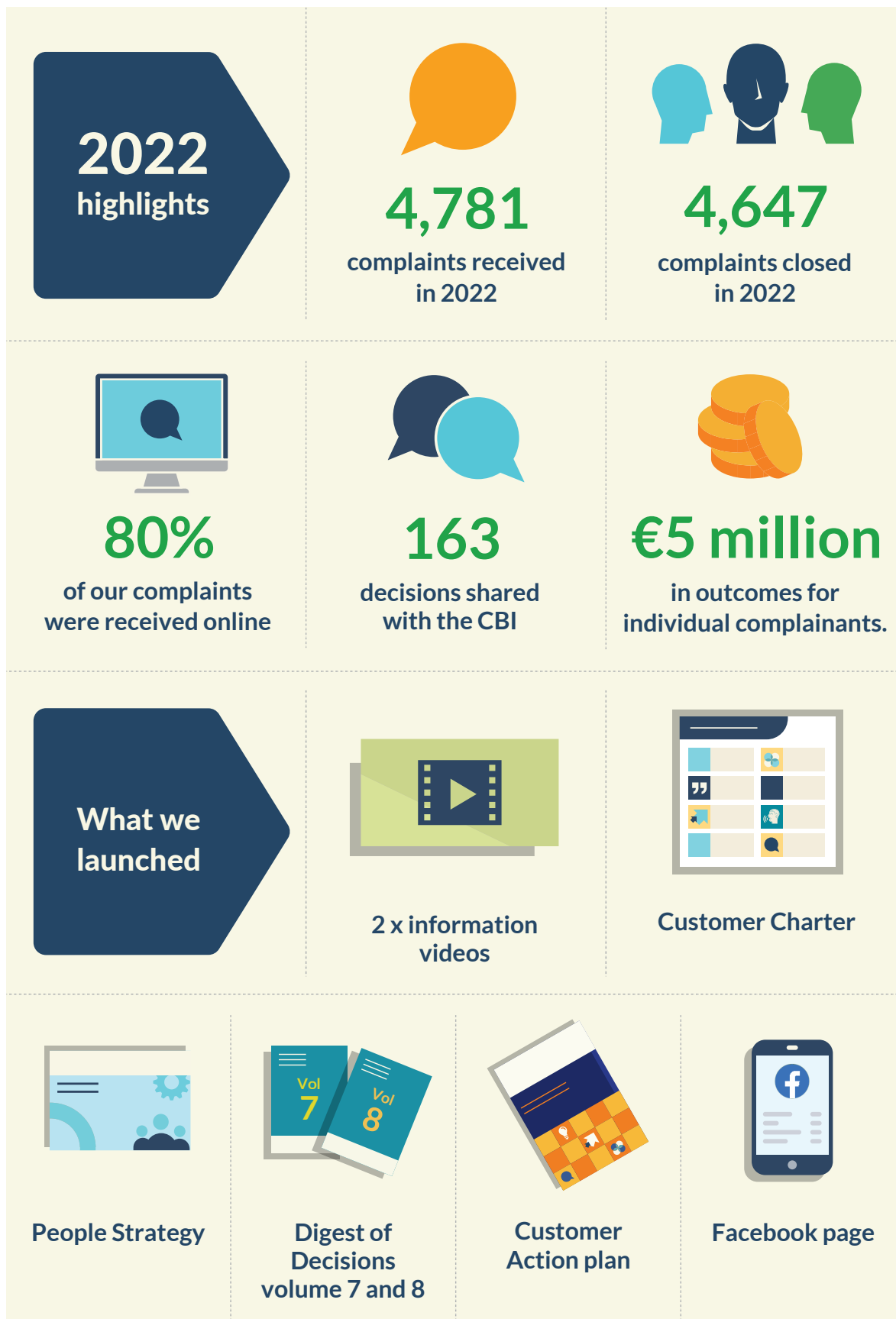
### Accessibility

- We will be responsive to the needs of our customers.
- We will communicate clearly and in a professional manner.
- We will provide guidance and support to access our services.

### Effectiveness

- We will continuously seek ways of improving how we communicate and deliver our services.
- We will seek to deal with every complaint in the most effective, efficient and timely manner.

## What we delivered in 2022



# 1. Evolving and Innovating



# 1. Evolving and Innovating

The first strategic objective of our Strategic Plan, sets out how we will adapt and evolve our service to anticipate and respond to the changing needs and expectations of all our customers, ensuring a constant focus on delivering fair, impartial and timely outcomes. During 2022, we delivered on the following projects, which were developed to enhance the customer journey.

## Customer Service

We are working to deliver a quality customer service to our customers that is delivered in an accessible, inclusive and easy to navigate manner. In doing so, we commit to being responsive to the needs of all our customers.

In May 2022, the FSPO launched its Customer Charter and accompanying 4-year Customer Action Plan (CAP). The updated Customer Charter sets out the FSPO's commitment to provide services in accordance with the Principles of Quality Customer Service for Customers and Clients of the Public Service. The Charter updates and strengthens our existing service standards and incorporates new ones to ensure all FSPO staff across all processes deliver high quality service. It commits to delivering against 52 specific commitments including in the areas of equality and diversity, physical accessibility, choice (including language choice), and customer consultation and engagement. Delivery against the CAP is monitored and reported on to enhance the service provided to meet the needs of our customers.

One of the ways we measure our impact in this area, is through customer satisfaction levels. In 2022, we received 55 customer service complaints, a 16.6% decrease on the 66 customer service complaints received in 2021.

## How we engage with customers

We are committed to offering our customers choice in how they communicate with us. Where possible, we offer digital solutions to ensure timely and efficient progress of complaints. However, we are also mindful of those customers who wish to engage with us through more traditional channels.

We have implemented improvements to our website and enhancements to the accessibility of the online complaint form, made in response to our customers who have shown a preference towards digital delivery channels over the course of the pandemic. While the ability to make complaints to this Office online may be the preference for most, we have also ensured that we continue to make other methods available, where complainants need or choose non-digital communication methods.

During 2022, the number of complaints received through our online complaint form continued to increase with 80% of complaints now received by this method.

A new SMS messaging channel was introduced for customer engagement during the registration of the complaint. This included email verification and was expanded to act as a channel to prompt complainants when information is required to progress a complaint. This option, which has been well received by our customers, was identified and implemented in response to observed customer preference at the early stage of the registration process. The technological solution has enabled increased efficiency during the complaint registration process and supported customer choice.

We also continued to provide choice with the continued use of online mediation via video and conference call facilities. This service was introduced during the pandemic but has become increasingly preferred where complainants are based outside Ireland and do not want to use phone mediation due to the associated costs.

## Accessibility Initiatives

The FSPO is committed to delivering a receptive service that is delivered in an accessible, inclusive, easy to navigate manner, and which is responsive to the needs of our customers. A number of priority initiatives have been completed in 2022 to meet this commitment.

Our website content was reviewed and plain English guidelines were applied to new and existing content. The website navigation was also adjusted to provide a better user experience and all pdfs on our site had accessibility features added.

With 80% of complaints now being received via our online complaint form, improvements were made to the form. Alternatives to the form are provided to those whose preference or requirement is to use other methods for making a complaint.

In our offices, an induction loop was added to the reception area to assist those using hearing aids. This was in addition to the existing induction loop in our main meeting room.

Our Access Officer undertook further training in 2022 and is available to coordinate the provision of assistance and guidance to persons accessing our services.

## Communications

Communications are a key focus of our Strategic Plan to increase awareness and understanding of the FSPO and our role.

During 2022, key template communications were reviewed and redrafted to improve the accessibility of the language used and to provide links to FSPO information resources as appropriate.

Template communications were also translated into other major languages enabling management of complaints in languages other than Irish or English.

The FSPO has put in place a fully digitalised process for all complaint management up to the adjudication process. Where parties correspond with the FSPO by non-digital methods, all documentation is digitalised and added to the complaint management system to ensure that the FSPO's digitalised processes continue to be implemented.

Additional digitalisation of call recordings submitted as evidence is in place, so that recordings can be exchanged with parties by email in the most effective manner.

## Innovation

Innovation is the key to a successful organisation and is reliant on the full participation of its staff. The FSPO has established various initiatives to harness the ideas and input of its staff members to ensure the processes used and customer journey experienced are as successful as possible.

Structures have been put in place to facilitate query and learning sessions, with targeted discussions on processes and procedures, where feedback and input from staff is invited. One example of an initiative that has stemmed from such structures is the roll out of the SMS project, described in the previous section, which has increased engagement with service users.

An Assistant Principal (AP) Officer Forum has been established to consider cross-functional issues and measures focused on improving the FSPO's services. The AP Forum engages with the Senior Management Team on proposed initiatives, as appropriate.

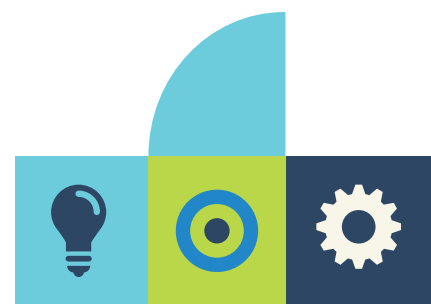
Quarterly Operational Workshops have commenced, with the first session focusing on how we gather information and how we communicate with our customers. Following the initial workshop, we added a new step to our process. Along with sending customers a letter detailing what we need from them to progress their complaint, we now also call our customers to ensure they have received our letter and understand what we are looking for. This has resulted in complaints progressing more quickly than they did before.

## Business Intelligence

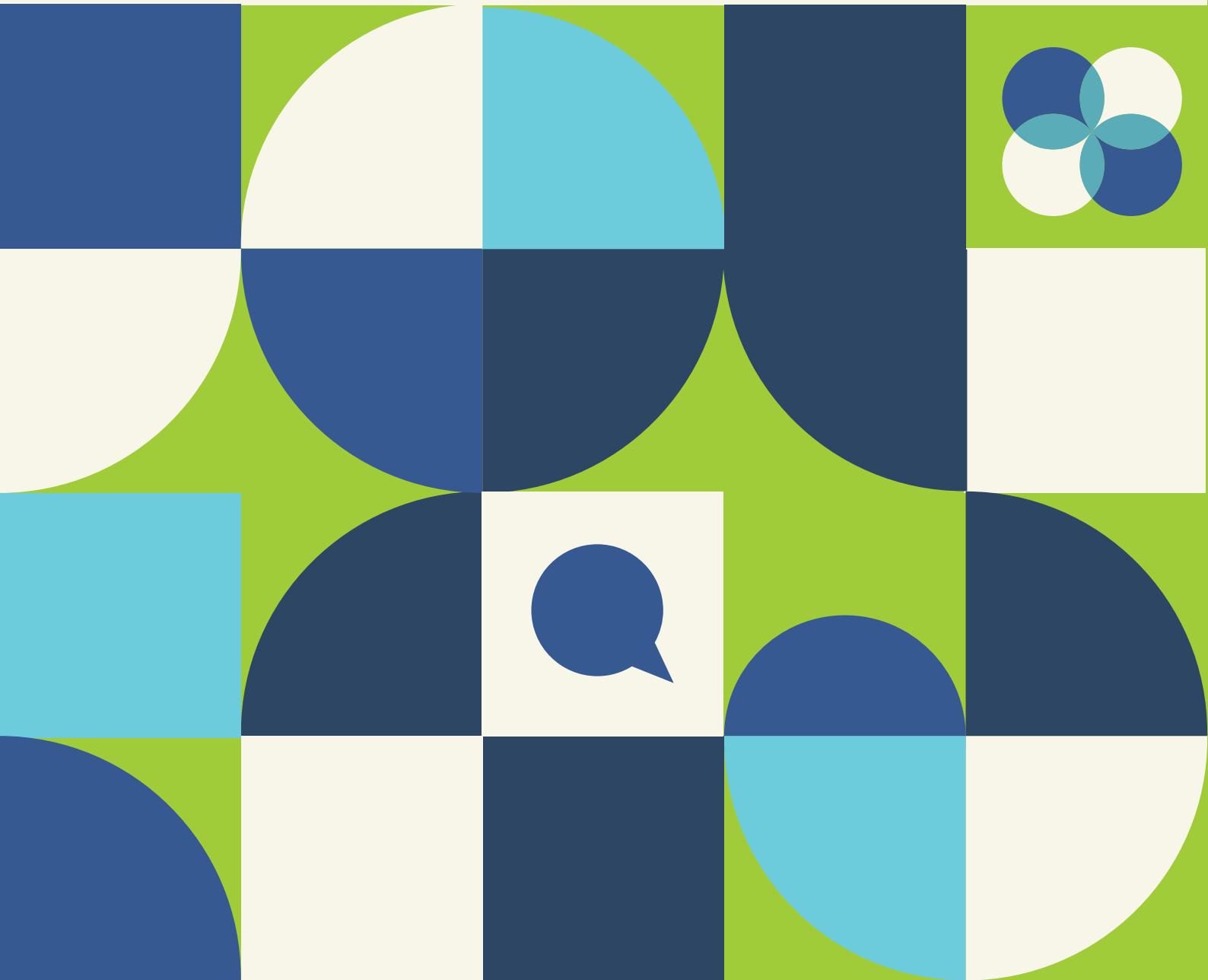
Analysis and understanding of the data we collect helps us to find ways to improve our services for our customers. During 2022, the FSPO implemented a number of initiatives to continue the ongoing evolution of our business analysis and data insights. We recognise the power of data to support operational decision making, to manage the performance of our business units and to influence and communicate complaint trend insights. Enhanced technology solutions have been introduced for more effective collaboration and allowed for the generation of more detailed insights of our processes.

Staff are trained to assist in identifying complaint trends in both complaint submissions and general call queries. This allows the organisation to keep abreast of topical issues, which can be discussed in detail at organisational learning forums.

A new function, the Registrar of Providers, was also created in response to the increasing complexity of provider identification and relationships. This function handled a significant increase in provider queries and developed new approaches to manage provider structures which involve outsourcing and delegated authority arrangements. This demonstrated our agility and effectiveness in dealing with the constantly changing financial services environment.



# 2. Connecting and Engaging



## 2. Connecting and Engaging

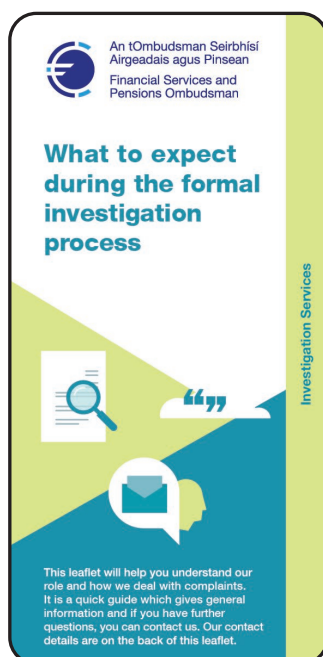
Our second strategic priority “Connecting and Engaging” commits the FSPO to effectively communicate with all our stakeholders, to create awareness of our role and to build a better understanding of what we do. To assist in achieving this aim, a number of communications initiatives were concluded in 2022, aimed at a broad spectrum of customers, through a range of media.

### Customer Information

Our Strategic Plan commits us to delivering information on our services that is clear and accessible and gives our customers a better understanding of our processes. Building on the success of the suite of information leaflets and videos released in 2021, we issued a third leaflet, [‘What to expect during the formal investigation process’](#); and a fourth video, [‘What happens when we receive your complaint’](#) to assist our customers in understanding our processes.

The suite of four videos were developed to be accessible to all users. They use clear, plain English content and voiceover. They have subtitles that can be turned off or on, and the provision of a video transcript on our website.

These resources are available on our website and at appropriate points in our processes to help us effectively communicate and explain our services in plain English. The leaflets are also available in hard copy on request and have been distributed to our stakeholders.



## Consumer Survey

Following on from our omnibus market research carried out in 2021 to determine public awareness of the FSPO, and awareness and understanding of its functions, a second survey was carried out in 2022. This provided the opportunity to compare and contrast results.

Key learnings from this survey show that awareness of the FSPO as the body to contact with an unresolved financial services complaint has increased to 20% (up 5%) since 2021. There was a similar increase in the number of people who referred a complaint to the FSPO following a complaint to their financial service provider. However, awareness levels remain low amongst younger people and those in certain socio economic groups. This research informed our communications activities for 2022 and assisted us in making targeted decisions.

## Website

The FSPO website forms a critical part of the FSPO's digital communications strategy, allowing us to provide detailed information to our customers in a manner that is clear and easily understood. We are committed to supporting our customers through strong content and a positive website experience.

During 2022, we reviewed and updated the content of our section on [Making a Complaint](#) to make it clearer and more informative, improving the navigation and adding new content.

Two new areas of content were also added, referring visitors to information on [other organisations](#) that might more appropriately deal with the reason for their visit, and [other Ombudsman offices](#).

## Digital marketing

The FSPO launched its first social media page on [Facebook](#) in January 2022, accompanied by supporting governance policies. Facebook is used to communicate a wide breadth of messages, including promotion of new publications, ongoing and regular promotion of videos explaining the FSPO's roles and services, and announcement of recruitment competitions.

During the same period, we commenced a 6-month digital marketing campaign across several platforms to grow awareness of the FSPO and our role. The campaign focused on promoting our video, 'How to make a complaint to the FSPO'. It was very successful and there were over 160,000 views of the video on Facebook alone, during the first 6 months of 2022. YouTube ads returned an even greater number of views at 258,000 views.

Following an evaluation period of the success of the initial digital marketing campaign, the FSPO has commenced a continuous digital marketing campaign, with regular measurement and review.

Paid digital communications have the most impact when supported by strong content, a positive website user experience and ongoing measurement, which we achieve through regular review of our digital channels.

## Media relations

During 2022, we also enhanced our "[Press Kit](#)" information on [www.fspo.ie](http://www.fspo.ie), to include commonly asked queries and links to key publications and resources. This ensures that media personnel can access important information concerning the FSPO quickly, at any time.

During 2022, the FSPO identified a software solution to improve our engagement with the media on FSPO publications. The software database allows the FSPO to target specific media outlets and journalists, enabling us to create targeted press releases for each province or county, where localised content has been developed. It has significantly increased the FSPO's media reach and allows for an assessment of the levels of interest in a particular press release.

During December 2022, to supplement the media coverage of the [Ombudsman's Digest of Legally Binding Decisions on Health Insurance](#), advertorials were placed in magazines, to target specific consumer groups and increase visibility of the FSPO's role and the outcomes of its decisions.

As part of our commitment to improve public understanding of the role of the FSPO and the outcomes of our investigations, the FSPO keeps open relations with the media through the issuing of press releases relating to our publications and events. During 2022, we issued the following press releases:

- [15/11/2022 FSPO publishes Ombudsman's Digest of Decisions on private health insurance.](#)
- [28/03/2022 Financial Services and Pensions Ombudsman publishes Overview of Complaints 2021.](#)
- [28/02/2022 FSPO publishes Digest of Decisions on travel insurance.](#)

## Growing awareness

The FSPO is a proud sponsor for the Graduate.ie program, a government, local government and EU-funded Citizenship & Democracy programme for second level students in Ireland.

The free, online competition encourages second level students to learn about important local and national topics, such as entrepreneurship, the environment, sustainability, health & fitness and financial literacy.

Sponsorship of this programme grows awareness of the FSPO and its service and empowers young people to learn about their rights. Students who complete the competition can be entered to win one of many educational trips to Brussels, Luxembourg and the European Parliament in Strasbourg each year.

During 2022, almost 28,000 students registered for the programme, with 5,200 taking part in the weekly quiz. The FSPO would like to congratulate all the winners of the 2022/2023 program, pictured below outside the European Parliament in Strasbourg in May 2023.



Winners of the graduate.ie competition visiting the EU Parliament in Strasbourg in 2023.



## Events

The FSPO attended its first large-scale public event at the Tullamore Show in 2022, which attracts over 60,000 visitors each year. We are committed to growing awareness of the FSPO and its functions across a wide demographic. This event attracts large-scale numbers of visitors of a range of ages and social groups, providing an excellent base for informing people about our services.

The event was very successful and allowed the FSPO to engage with approximately 600 people on the day, with a targeted message.

The FSPO looks forward to building on the success of this event at future outreach events.



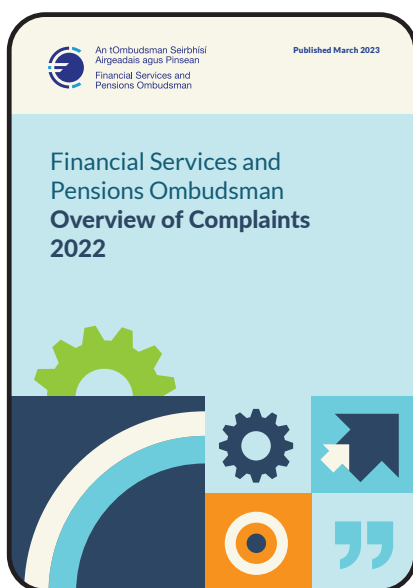
# 3. Sharing and Influencing



## 3. Sharing and Influencing

Our third strategic priority commits to helping to raise standards in complaints handling and resolution, and inform legislative, regulatory and policy developments so that customer complaints are prevented from arising where possible, and fairer outcomes are achieved. The following initiatives sought to meet these aims through information sharing and awareness initiatives.

### Overview of Complaints 2022



The Overview of Complaints for any given year, is published before the end of the first three months of the following year, in accordance with Section 25(2) of the Financial Services and Pensions Ombudsman Act 2017. [The Overview of Complaints for 2022](#) was published in March 2023 and sets out how we delivered our services and our statutory mandate in 2022.

The Overview of Complaints includes a summary of all complaints made to the FSPO, a review of trends and patterns in the making of complaints; a breakdown of the method used to deal with complaints; and a summary of the outcome of all complaints concluded or terminated. The report also includes case studies from our four departments, Customer Operations and

Information Management, Dispute Resolution Services, Investigation Services and Legal Services.

The Overview also includes a [report on named financial service providers](#) which had at least three complaints against them upheld, substantially upheld, or partially upheld in 2022 and a list of complaints referred to the regulatory authorities in 2022.

Referrals take place for a variety of reasons including in circumstances where a complaint raises the possibility of a potentially systemic issue, which may warrant consideration by the regulatory authorities.

In 2022, the FSPO referred [10 complaints](#) to the Central Bank of Ireland (CBI) for further consideration, to ensure issues and conducts evident in complaints are considered from a regulatory perspective. The FSPO also shared a copy of every legally binding decision issued concerning a complaint about a tracker mortgage rate of interest (134 in total) and a copy of every legally binding decision issued concerning declined insurance claims for business interruption losses (19 in total).

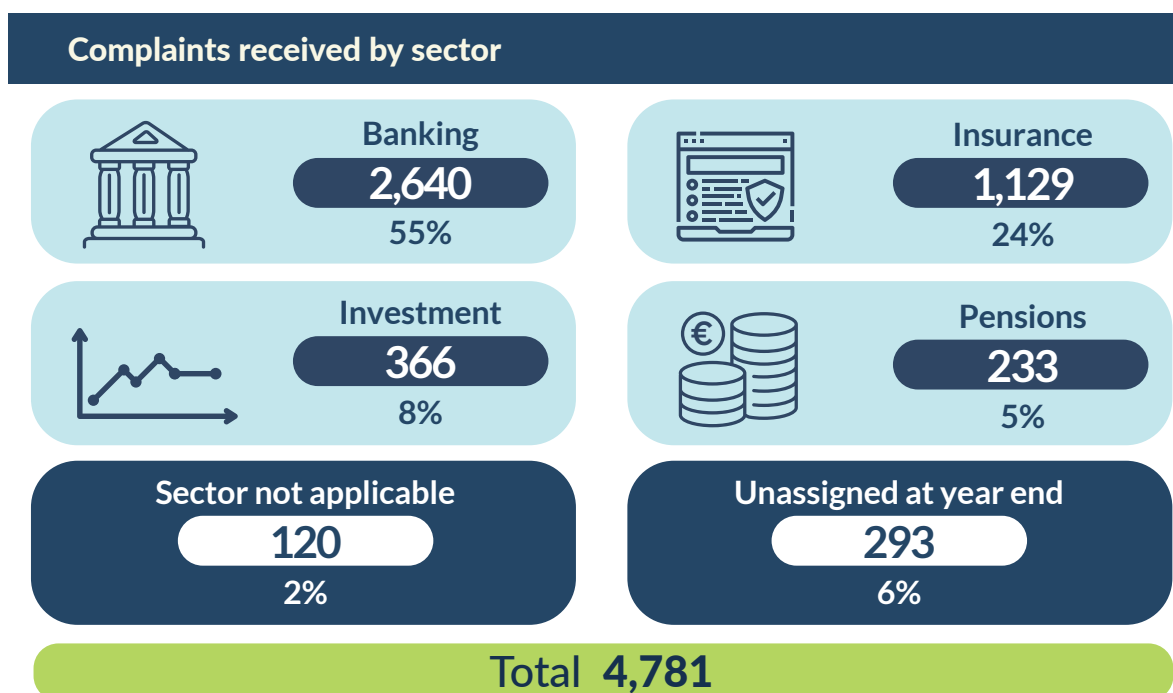
A total of 4,781 complaints were received by the FSP0 in 2022, in comparison to 4,658 in 2021. Of the 4,781 complaints received in 2022, 55% related to banking products, 24% related to insurance and 8% related to investment products. 5% concerned complaints about pension schemes.

The number of complaints received relating to the insurance sector decreased from 1,257 complaints in 2021 to 1,129 complaints in 2022, a decrease of 10%. Banking complaints also decreased marginally from 2,660 complaints in 2021 to 2,640 complaints in 2022.

The number of complaints received in relation to investment and pension schemes rose:

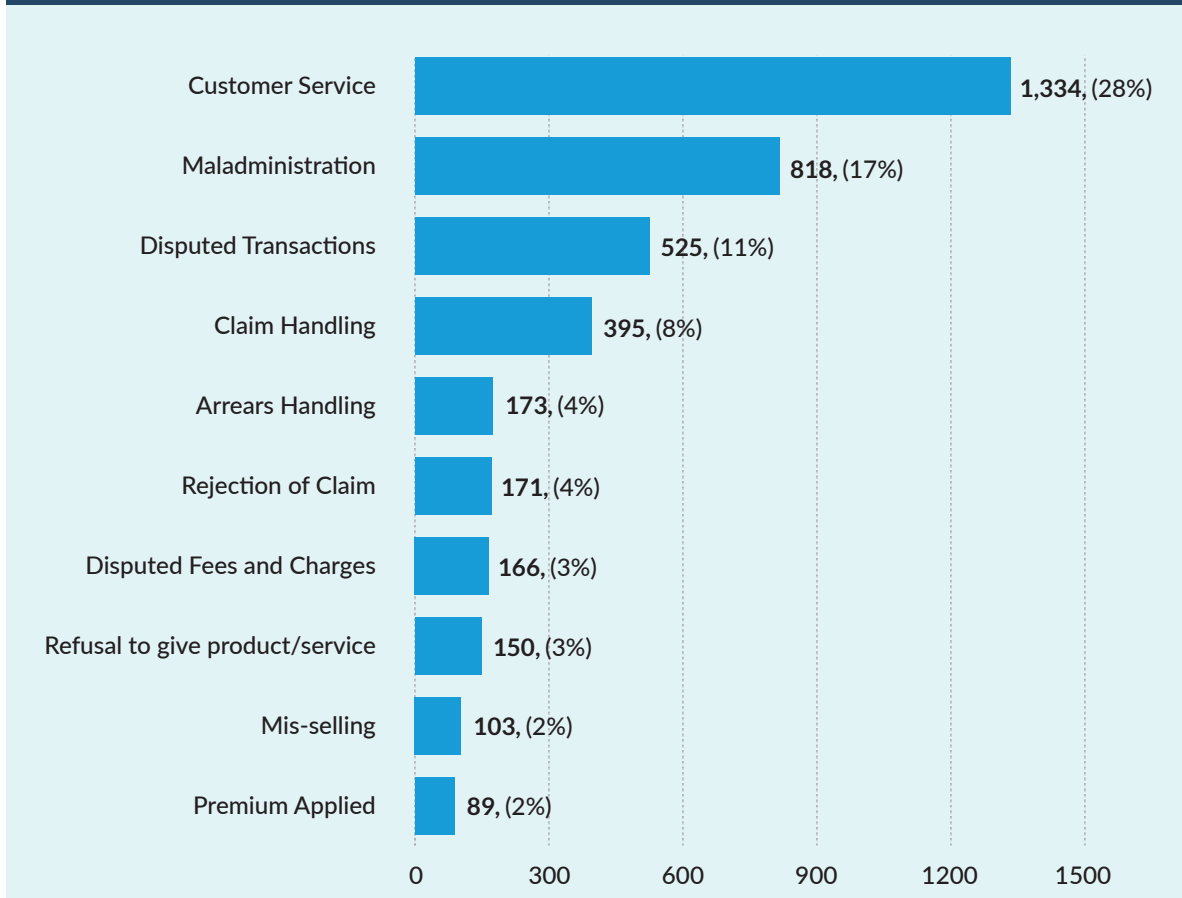
- 366 investment complaints were received in 2022, in comparison to 352 in 2021, an increase of 5%.
- Pension scheme complaints rose from 186 in 2021, to 233 in 2023, an increase of 25%.

The remaining complaints either had no applicable sector or had not yet had a sector assigned to them by year end.



The chart on the next page shows the top 10 conducts most complained of across all complaints received in 2022. As in 2021, customer service was the primary conduct complained of across all complaints received, with 28% of complaints having an element of customer service, which includes issues such as communications, complaint handling, accessibility issues and the failure to provide information.

Top 10 conduct groups complained of:



The following graphic shows the point in our processes where complaints were closed during 2022.

How we managed complaints in 2022:



## Publication of Decisions

The FSPO publishes legally binding decisions in relation to complaints concerning financial service providers under Section 62 of the Financial Services and Pensions Ombudsman Act 2017.

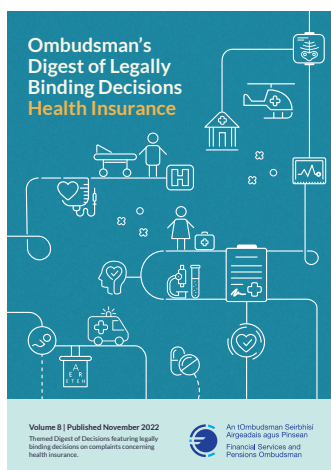
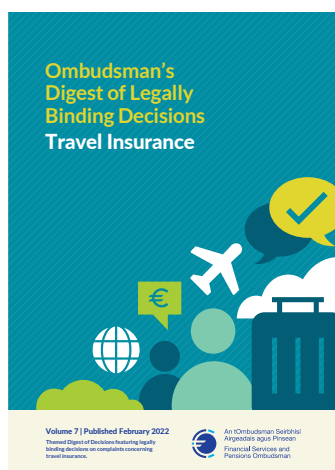
The legislation requires that decisions should be published in a manner that ensures that a complainant is not identified by name, address or otherwise and a provider is not identified by name or address. Publication must also comply with data protection legislation and regulations. The legislation also provides the FSPO with the power to publish case studies of decisions relating to pension providers, but not the full decision.

Decisions appealed to the High Court are not published while they are the subject of legal proceedings. When the Ombudsman issues a legally binding decision, that decision may be challenged by way of statutory appeal to the High Court within 35 calendar days from that date. For this reason, the FSPO does not publish decisions before the elapse of the 35-day period available to the parties to issue a statutory appeal to the High Court. In addition, decisions which have been appealed to the High Court are not published, pending the outcome of any such court proceedings.

To ensure transparency and ease of access to these decisions, the FSPO has an [online database of the Ombudsman's legally binding decisions](#). This database holds the full text of the vast majority of Ombudsman's decisions in relation to complaints against financial service providers, issued by the FSPO since January 2018. At the end of 2022, our database held over 2,000 legally binding decisions.

The regular publication of decisions means that decisions are published shortly after the timeline for a statutory appeal to the High Court has passed and the review of the decision has been conducted to ensure compliance with the provisions of the Financial Services and Pensions Ombudsman Act.

## Ombudsman's Digests of Legally Binding Decisions



During 2022, the FSPO published two themed Ombudsman's Digests of Legally Binding Decisions. The first concerned complaints relating to travel insurance and the second concerned complaints relating to private health insurance.

In publishing the [Digest of travel insurance complaints](#), the Ombudsman called on insurers to ensure that the terms and conditions of a policy are clear, comprehensible and as easy as possible for their customers to negotiate and noted that better clarity would serve policy holders well and potentially lead to fewer complaints arising from claims not being admitted, or a misunderstanding arising of the policy cover.

To accompany the [Digest of health insurance complaints](#), the FSPO commissioned market research and highlighted that 27% of participants who held health insurance felt they had a poor understanding of the cover on their plan, in contrast to 15% who felt they had a very good understanding. The research also showed that complaints were arising due to a misunderstanding of the level of cover.

The [publication of the Ombudsman's decisions](#) broadens the awareness of the role of the FSPO and the outcomes of his decisions, and in turn, influence how providers design and deliver fairer products, services and systems to help prevent complaints arising.

## Stakeholder Engagement

Critical to the delivery of our third strategic priority is effective engagement, communication and collaboration with our stakeholders. During 2022, our staff met regularly with stakeholders to discuss insights and pipeline data.

At an EU level, the FSPO recently made a submission on the European Commission's public consultation on the modernisation of EU rules on enforcement cooperation among European consumer protection authorities, and on adapting dispute resolution procedures fit for the cross-border nature of digital markets.

Currently, the FSPO seeks the consent of both parties in cross-border complaints, to the application of Irish law to the investigation of their complaint. The FSPO submits that one potential solution to handling cross-border complaints may involve a European regulatory requirement for financial service providers to offer consumers the option of resolving their complaints in what the consumer may consider to be a suitable location, such as their place of residence. This could be done by enabling the consumer to elect for the alternative governing law of their place of residence, for the purpose of the complaint investigation.

We gave a successful presentation to almost 1,000 people at the Institute of Bankers. The opportunity to engage with people in the industry helps us to positively influence how financial service providers deal with complaints from their customers and promote the adequate resourcing of complaints-handling.

The market exit of two major financial service providers posed the potential for a high volume of complaints to be made to this Office, given the number of impacted customers.

The FSPO tracks complaints relating to “market exit” and this data informed discussions with providers exiting the market, representative bodies and the Central Bank of Ireland in relation to complaint volumes, the progression of complaints and the processes that will be put in place to enable the ongoing management of complaints against these providers.

Meetings have been held with providers exiting the market to understand the planned approach, to highlight specific conducts complained of and to understand progress to date. The FSPO has also met with providers who may be receiving new business as a result of the market exit of the two main banks and provided insights into the nature of complaints noted.

It is very positive that, to date, for the vast majority of impacted consumers, the departure of two major banks has not given rise to issues leading to a complaint being made to this Office. The FSPO contributes to this outcome by continuing to collaboratively engage and share complaint categorisation information with relevant stakeholders within the Irish banking landscape, including with providers leaving the market.

Here are some of the organisations we engaged with in 2022:

- Banking and Payments Federation Ireland
- Bar Council of Ireland
- Brokers Ireland
- Business Banking Resolution Service (UK)
- Central Bank of Ireland
- Competition and Consumer Protection Commission (CCPC)
- Department of Finance
- Financial Services Ireland
- Financial Services Ombudsman (Poland)
- FIN-NET
- Financial Ombudsman Service (UK)
- FinTech Ireland
- Institute of Bankers
- Insurance Ireland
- International Network of Financial Services Ombudsman Schemes (INFO Network)
- Joint Oireachtas Committee on Public Petitions

- Law Society of Ireland
- LIA
- Ombudsman Association
- OmbudService for Life & Health Insurance (Canada)
- Pensions Authority
- Personal Injuries Assessment Board

## Sharing our insights

The FSPO commits to playing its full part in helping to raise standards in complaints handling and resolution, and to inform legislative, regulatory and policy developments. By doing so, we aim to contribute to an environment where customer complaints are prevented from arising where possible, and fairer outcomes are achieved.

During 2022, we shared our analysis and insights to assist Government, regulators and policy makers in considering relevant matters. These insights were informed by our statutory role, issues arising in complaints made to the FSPO and complaint trends.

Throughout the strategic period, engagement with the Central Bank of Ireland (CBI) has increased significantly. New liaison channels were put in place, given the importance and frequency of engagement.

The CBI requests information on a range of matters, including complaint trends in relation to specific issues, sectors, or named providers and seeks information on complaints against named financial service providers to inform the CBI's work.

In addition to these specific requests, the FSPO meets regularly with the CBI to discuss general complaint trends and complaints in relation to specific topics including complaints arising from market exits, business interruption insurance complaints and tracker mortgage interest rate complaints. This activity is in addition to the referral of complaints to the regulatory authorities, with 15 such referrals made in 2021 and 10 in 2022. Also shared with the CBI was every legally binding decision concerning a complaint about a tracker mortgage rate of interest, or concerning declined insurance claims for business interruption losses.

We also engage in periodic discussions with the Pensions Authority, concerning the respective work of each organisation. These discussions are important in helping us develop ways to influence how providers design and deliver fairer products, services and systems to help prevent complaints arising.

The FSPO shares insights and information with the regulatory authorities, to contribute to the strengthening of the consumer protection framework. These engagements have led to an enhanced process for the ending of regulatory status, implemented by the CBI in October 2022, thereby reducing the risk to customers of providers leaving the market or ceasing operations.

In 2022, the FSPO's Quarterly Governance meeting with the Department of Finance has included a focus on complaint trends in relation to market exit. This is in addition to the regular provision of information on wider complaint trends to the Department of Finance on a quarterly basis.

During 2022, the FSPO contributed to the work of the Retail Banking Review undertaken by the Department of Finance. In addition, the FSPO made a comprehensive submission to the Department's Steering Group for the Periodic Critical Review (PCR) of the FSPO. The Code of Practice for the Governance of State Bodies (2016) requires all non-commercial state bodies to be subject to Periodic Critical Review (PCR) no later than every 5 years, with a focus on performance, efficiency and effectiveness, and governance arrangements. The PCR looks to examine the way in which the FSPO currently operates, with a view to securing improvements in accountability, efficiency and effectiveness. It seeks to examine the FSPO's external environment, organisational capacity and organisational performance. The output of the review will be a detailed report with a set of conclusions/recommendations for submission to the Minister for Finance.

A proactive approach has been maintained in providing observations to Government on a range of matters including the FSPO's referral of complaints where the contract is subject to the laws of a different jurisdiction.

The FSPO has also provided observations on a range of matters, including the Banking Review, the Credit Review Service and the Credit Review Office (CRO) Bill. The FSPO attended the Retail Banking Review Dialogue.

The FSPO has engaged extensively with the Department of Finance in relation to the implications of the Supreme Court judgment in *Zalewski v an Adjudication Officer and the Workplace Relations Commission (WRC)*. The *Zalewski* judgment has implications for administrative bodies with quasi-judicial functions, operating under Article 37 of the Constitution of Ireland and this has led to ongoing engagement between the FSPO and the Department of Finance regarding proposed legislative amendments to the FSPO Act.

We provided case studies and further background information to the Competition and Consumer Protection Commission (CCPC) on complaints arising from consumers engaging with cryptocurrency to assist the CCPC in providing information on this topic as part of its financial education remit. We also engaged with the CCPC in relation to the Alternative Dispute Resolution (ADR) process where a contract is entered into subject to the laws of a jurisdiction other than Ireland. This assisted the CCPC in developing new website content on fintech products and services.

We also hosted a visit from the Polish Financial Ombudsman, Rzecznik Finansowy, who travelled to Ireland to exchange knowledge and practices.



From left to right: Ziemowit Baęajewski, Deputy Financial Ombudsman (Poland); Olga Borkowska, Director Financial Ombudsman (Poland); Paweł Zagaj, Deputy Financial Ombudsman (Poland); Dr Bohdan Pretkiel, Financial Ombudsman (Poland)

## Oireachtas engagement

The FSPO has established systems and protocols in relation to Oireachtas engagement so that all communication from Oireachtas members is dealt with in accordance with Circular 25/2016, Protocol for the Provision of Information to Members of the Oireachtas by State Bodies under the aegis of Government Departments/Offices. During 2022, there were 20 enquiries through the Oireachtas channel, all of which were answered within the 15-day time-frame.

This avenue enables consistent information to be provided to Members of the Oireachtas which in turn informs constituents of the role of the FSPO. In addition, the FSPO has given evidence to the Joint Oireachtas Committee on Public Petitions.

## Peer engagement

As part of information sharing with our stakeholders, the FSPO engaged with peer organisations on the development and implementation of complaint management systems, facilitated by the International Network of Financial Services Ombudsman Schemes, including the Ombudsman for Banking Services and Investment (Canada), Ombudsman for Financial Services Malaysia, the Office of the Ombudsman, the Data Protection Commission and the Financial Ombudsman Service (UK).

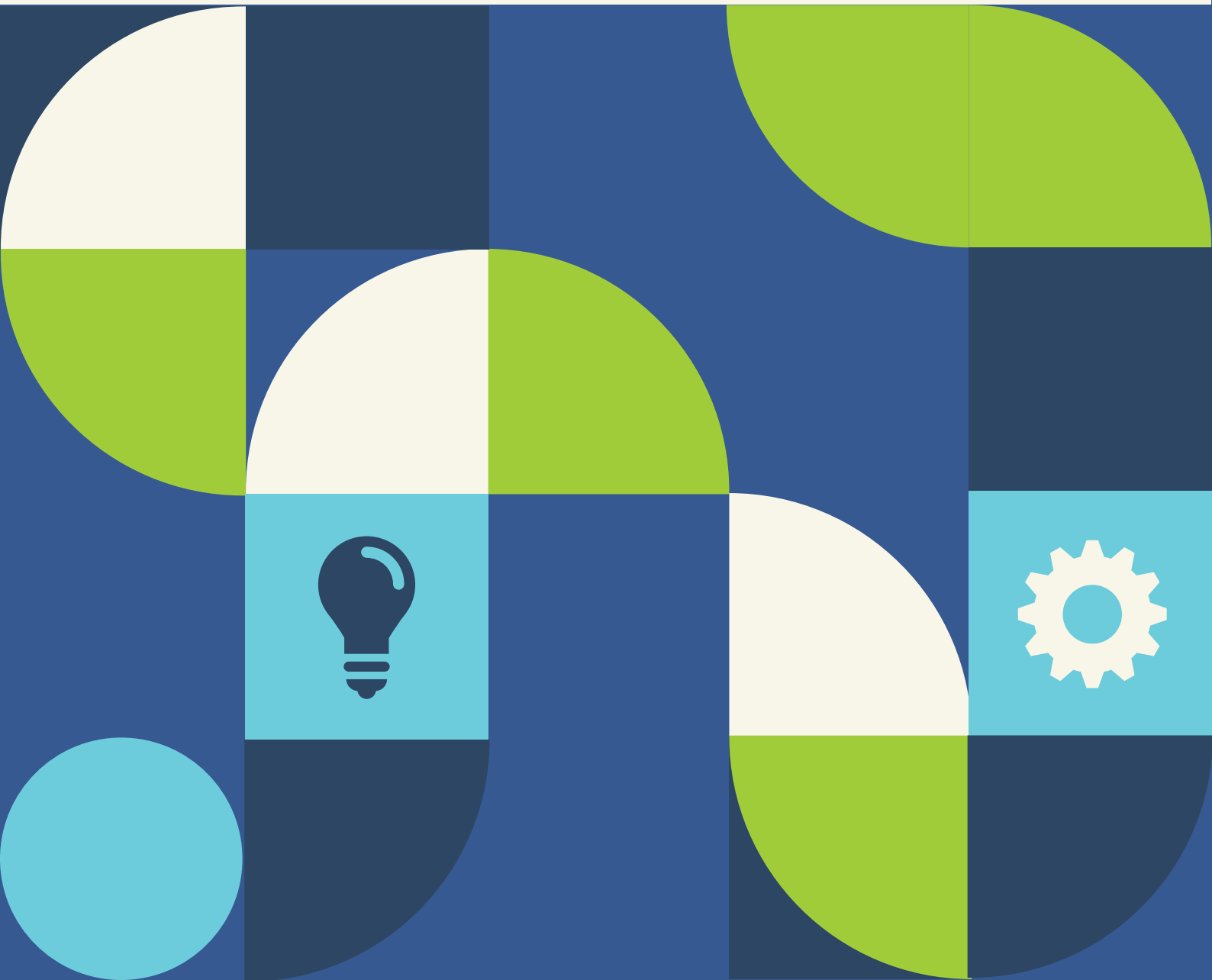
We also engaged bilaterally with the OmbudService for Life & Health Insurance (Canada) on the learnings and impact of our social media activity.

The FSPO made a submission to Central Bank of Ireland (CBI) consultation papers on the Consumer Protection Code (CPC), in both 2020 and 2021. In 2022, the FSPO attended the CBI's launch of a Discussion Paper on Consumer Protection, to progress the review of the CPC.

The feedback received from the meetings with stakeholders and an online survey will inform the Central Bank's decision-making on proposed revisions to the CPC. Those proposed revisions will in turn be the subject of a formal public consultation. After attendance at the launch, we took part in a more focused discussion on the topics in the Discussion Paper. A bilateral meeting between the FSPO and the Consumer Policy and Research team of the CBI facilitated more detailed discussions of previous submissions on the CPC review, and our views and insights into the key consumer protection issues raised in the Discussion Paper.



# 4. Developing our people, building our capability



## 4. Developing Our People, Building Our Capability

The success of the FSPO is built upon a foundation of hard working and committed staff who are valued for their expertise and dedication to their roles. To support our staff, the FSPO recognises their contribution and has underpinned the strategic framework with a fourth strategic priority, 'Developing our people, building our capability'. This priority commits us to nurturing a positive and diverse working environment, where learning is supported, and staff are equipped with the right mix of skills and knowledge for their roles.

### Recruitment

As an employer, we aim to attract, retain and develop good people. We run our recruitment campaigns in compliance with the Codes of Practice for Appointment to Positions in the Civil Service and Public Service prepared by the Commission for Public Service Appointments (CPSA) which are available on [www.cpsa.ie](http://www.cpsa.ie).

We are strongly committed to a policy of equal opportunity and welcome applications under all 9 protected characteristics of the Employment Equality Acts. We are strongly committed to creating an efficient, innovative, diverse and inclusive workforce that is reflective of the public we serve.

The FSPO adheres to the CPSA Code of Practice on the Appointment of Persons with Disabilities to Positions in the Civil Service, including taking appropriate measures to facilitate employment of persons with a disability.

During 2022, we ran an internal Higher Executive Officer recruitment campaign as well as an external campaign for Investigation Officers.

As set out in the FSPO's People Strategy, internal mobility has been formalised and a formal mobility process commenced during 2022, with resulting staff reassignments effective from 1 March 2023. This mobility opportunity for staff allows the FSPO to react to the changing environment in which we operate.

### People Strategy

The FSPO launched its People Strategy 2022-2025 in early 2022. The Vision of the FSPO's People Strategy is 'to support and empower our people to deliver an excellent customer experience'. Our People Strategy allows us to support the delivery of our Strategic Plan, 'Connecting and Innovating'.

A programme for implementation will pinpoint the parallels and connect the priorities across our Strategic Plan, our People Strategy and our Customer Action Plan.

During the term of the People Strategy 2022-2025, we will be focussed on three strategic pillars to realise our People Vision and support the ongoing development of our organisation. They are 'Culture and Strategy', 'Employee Experience', 'Leadership and Learning'.

As an organisation, we are committed to continued investment in our HR operating model to build our capacity, grow our expertise and assess the quality of our delivery. Doing this will allow us to enhance our impact on the changing needs of employee and customer expectations.

We recognise that considerable emphasis is required on a fourth, underpinning foundational pillar - Human Resources (HR) Infrastructure. We are fully committed to implementing each of the pillars of the strategy and working collectively as a team to support our people to deliver the right outcomes for our customers, key stakeholders and for our growth – both personally and organisationally.

## Training and development

Our core strategic pillar, 'Developing our people, building our capability', is supported by a diverse range of training programmes which are made available to staff. The FSPO is a learning organisation, facilitating and focusing on ongoing training and upskilling of staff through in-house training, externally delivered training courses, membership of professional bodies and professional development. Over 30 training opportunities were provided to groups of staff during 2022, with a focus on core skills and knowledge including management training, mediation training, financial services knowledge, cyber-security and communications.

In line with our People Strategy, the FSPO also delivers mandatory ethics training to all new staff.

## Equality and Human Rights

As a public body, we actively consider how we can most meaningfully fulfill our 'Public Sector Duty' to eliminate discrimination, promote equality of opportunity and treatment and protect the human rights of those we provide services to and our staff.

The FSPO continues to exceed the target outlined in Part 5 of the Disability Act 2005, which places an obligation on public bodies to consider and respond to the needs of people with disabilities. A staff census was undertaken which indicated that, at 14.1%, in 2022 the FSPO exceeded the minimum threshold of 3% for employment of people with disabilities.

Additionally, to support staff needing reasonable accommodation, needs assessments have been carried out and equipment and supports provided, as required.

The FSPO is committed to ensuring that our recruitment policies are effective in reaching the targets set out in the Comprehensive Employment Strategy for Persons with Disabilities.

Through the performance of our functions, and through our recruitment strategies, we will continue to assess any gender equality issues in line with the National Strategy for Women and Girls 2017-2020.

At the end of 2022, the gender balance among our senior management team was 66% female and 33% male, and the balance between female and male employees on the overall staff was 62% female, 38% male.

**Table 1 Number of staff by grade as at 31 December 2022**

Ombudsman	1
Deputy Ombudsman	1
Principal Officer	4
Assistant Principal Officer	10
Higher Executive Officer	21
Executive Officer	38
Clerical Officer	10
<b>Total</b>	<b>85</b>

**Table 2 Senior Management Team as at 31 December 2022**

Financial Services and Pensions Ombudsman	Liam Sloyan
Deputy Financial Services and Pensions Ombudsman	MaryRose McGovern
Director of Dispute Resolution Services	Diarmuid Byrne
Director of Customer Operations and Information Management	Tara McDermott
Director of Corporate and Communication Services	Áine Carroll
Director of Investigation Services	Úna Gately





**From left to right: Áine Carroll**, Director of Corporate and Communication Services; **MaryRose McGovern**, Deputy Financial Services and Pensions Ombudsman; **Diarmuid Byrne**, Director of Dispute Resolution Services; **Liam Sloyan**, Financial Services and Pensions Ombudsman; **Úna Gately**, Director of Investigation Services; **Tara McDermott**, Customer Operations and Information Management.

## Protected Disclosures

The Financial Services and Pensions Ombudsman (FSPO) has in place a policy and procedures for the making of Protected Disclosures, which have been developed in line with the Protected Disclosures Act, 2014.

This policy and procedures sets out the process by which a ‘worker’ of the FSPO can make a protected disclosure, what will happen when a disclosure is made and what the FSPO will do to protect the discloser. Information and training for staff on Protected Disclosures is made available through an external provider. The FSPO also provides a facility for staff to make a disclosure to an independent third-party.

Section 22 of the Protected Disclosures Act 2014 as amended by the Protected Disclosures (Amendment) Act 2022, requires the publication of an Annual Report each year relating to the number of protected disclosures made in the preceding year and any actions taken in response to such disclosures. Pursuant to this requirement, the FSPO published its report on 18 January 2023 confirming that no protected disclosures were received in accordance with the provisions of the Protected Disclosures Act 2014 for the financial year from 1 January 2022 to 31 December 2022.

## Data Protection

The FSPO is committed to protecting the rights and data privacy of individuals who engage with our services and is guided by the fundamental principles of data protection in this regard. The FSPO monitors all personal data processing activities within the organisation with a view to ensuring ongoing compliance with the Data Protection Act 2018 and the EU General Data Protection Regulation (GDPR).

In addition to a suite of internal policies that we regularly review, we have published a detailed [privacy notice on our website](#). This allows those who engage with us to understand how we treat any personal data, including third-party personal data that we process, and understand how they can exercise their data protection rights.

To assist with ongoing compliance and to ensure we protect the integrity of personal data supplied to us, internal data protection training and workshops were delivered to all staff throughout 2022. In addition, data protection training was provided to all new staff as part of the induction process. FSPO staff members regularly attended data protection public service networks to keep abreast of developments in the area. The FSPO provided guidance to staff through its Data Protection team to ensure continued awareness of our data protection obligations.

## Freedom of Information

The FSPO continues to meet its obligations in relation to the Freedom of Information Act 2014, which asserts the right of members of the public to obtain access to official information to the greatest extent possible, consistent with the public interest and the right to privacy of individuals.

In 2022, 12 Freedom of Information requests were received by the FSPO, as set out in the table below.

**Table 3 Number of FOI Requests 2022**

FOI Requests	
Granted	1
Part-granted	6
Refused	4
Withdrawn	1
<b>Total</b>	<b>12</b>

**Table 4 Types of FOI Requests 2022**

Types of Request	
Personal	3
Non-Personal	9
Journalist	0

## Other Governance Matters

Throughout 2022, we continued a programme of work to ensure our ongoing compliance with the Code of Practice for the Governance of State Bodies (2016). We have a written Oversight, Performance Delivery and Service Level Agreement (OPDA) in place with our parent Department, the Department of Finance which clearly defines the terms of the relationship. In 2022, four formal governance meetings took place between the Department of Finance and the FSPO.

## Sustainability

The FSPO commits to making a positive and proactive contribution to sustainable practices in its Strategic Plan. Under the Climate Action Plan 2021, public bodies are required to reduce their energy consumption by 50% by 2030. The FSPO commenced a number of initiatives to meet its commitments, including a new month-by-month analysis of energy consumption, to ensure accurate billing in a shared premises. Office building temperature was reduced to 19 degrees Celsius as per the mandatory requirements for public bodies under the Government Reduce Your Use Campaign.

A significant element of our commitment to implement sustainable environmental practices in the workplace is the inclusion of Environmental Sustainability Goals into our procurement processes. This ensures that companies who enter the procurement process and have sustainability at the heart of their business, are recognised.

The FSPO has attended numerous events and training in relation to the SEAI monitoring and reporting framework to meet its reporting obligations to the SEAI in the context of the Climate Action Plan.

In accordance with Circular 01/2020, the Financial Services and Pensions Ombudsman made a payment of €38.02 to the Climate Action Fund relevant to greenhouse gas emissions associated with official air travel in 2021.

In accordance with Statutory Instrument 426 of the European Union (Energy Efficiency) Regulations 2014, all public sector bodies are required to report annually on their energy usage and any actions taken to reduce consumption. In 2022, the FSPO's energy usage comprised 217,128kWh.

The average energy use per staff member stands at 2,554kWh based on 85 staff at 31 December 2022. The heating temperature throughout the building was reduced to 19 degrees, in accordance with government recommendations.

**Table 5 Energy Usage**

Energy Type	Level of consumption
Electricity	93,825 kWh
Fossil fuels (natural gas)	123,303 kWh
<b>Total</b>	<b>217,128 kWh</b>

## Report from the Wellbeing Committee

2022 was another busy year for our Wellbeing Committee who continued their valuable work in developing initiatives to bring together and support the staff of the FSPO.

Prior to our return to the office following COVID-19, the committee arranged a virtual coffee morning to help employees get to know faces and names of new staff across all departments.

A bake-off was held following our return to the office. Those FSPO members brave enough to try it, competed in Hell and Back together in aid of charity. For those in need of a less challenging adventure, regular walks were arranged in a scenic location, along with the annual history walk around Lincoln Place.



Hell and Back: Clodagh Morrisey, Charles Ogan, Tomás Murray, Rosie Callan, Steven Whelan

We added to our Employee Assistance Programme through a variety of online gym classes and wellbeing seminars for all our staff to enjoy at their leisure. This was complemented by a guest speaker who was invited to the FSPO during the year to talk about a common wellness theme.

The Book Club has gone from strength to strength with greater numbers engaging in 2022 and discussing a new book every 6 weeks.

The Wellbeing newsletter continued to produce interesting features on everything from movies and recipes, to knitting and craft each month.

The Wellbeing Committee met 9 times during the year and produced 7 newsletters. The response from staff was very positive. It is the enthusiasm of our staff that drives us to continue our work each year, promoting our initiatives to create an inclusive culture, where every member of our diverse workforce feels welcome to participate.

# Financial Statements

for the year ended 31st December 2022



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## Information

### **Financial Services & Pensions Ombudsman:**

Liam Sloyan (from 01/12/2022)

Ger Deering (to 06/02/2022)

### **Financial Services & Pensions Ombudsman (Acting):**

MaryRose McGovern (from 06/02/22 to 01/12/22)

### **Deputy Financial Services & Pensions Ombudsman:**

MaryRose McGovern

### **Members of the Financial Services and Pensions Ombudsman Council (Council):**

Maeve Dineen – Chairperson

Valerie Bowens

Ann Duffy

Don Gallagher

Mick McAteer

Ken Murnaghan

### **Address:**

Lincoln House

Lincoln Place

Dublin 2

D02 VH29

### **Accountants:**

Crowley's DFK

16/17 College Green

Dublin 2

### **Auditors:**

The Comptroller and Auditor General

3A Mayor Street Upper

Dublin 1

**Website:** [www.fspo.ie](http://www.fspo.ie)

# Governance Statement and Ombudsman's Report

## Governance

The Office of the Financial Services and Pensions Ombudsman (FSPO) was established on 01 January 2018 by Section 7 of the Financial Services and Pensions Ombudsman Act 2017 (“the FSPO Act 2017”).

The role of the FSPO is to resolve complaints from consumers, including small businesses and other organisations, against financial service providers or pension providers.

The Ombudsman and the senior management team are responsible for ensuring good governance and perform this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of the FSPO is also the responsibility of the Ombudsman and the senior management team. The Ombudsman and the senior management team follow the strategic direction agreed and ensure that all Council members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The Ombudsman and Deputy Ombudsman act as a direct liaison between the Council and the management team of the FSPO.

## Statement of Responsibilities

### Council Responsibilities

The statutory functions of the Council are set out in Part 4, Section 40 of the Financial Services and Pensions Ombudsman Act 2017. These functions are:

- To determine and prescribe by regulation, in accordance with section 43, the financial services industry levy,
- To keep under review the efficiency and effectiveness of the Ombudsman and to advise the Minister, either at the Minister's request or on its own initiative, on any matter relevant to the performance of the functions of the Ombudsman,
- To advise the Ombudsman on any matter on which the Ombudsman seeks advice (including advice in relation to the development and publication of guidelines and procedures in relation to the complaints process and investigations under the Act), and
- To carry out such other functions as are conferred on it by this Act.

Section 40 states that the Council shall have no role in the manner in which the Ombudsman deals with a particular complaint.

## Financial Services and Pensions Ombudsman Responsibilities

Part 2, Section 20, of the Financial Services and Pensions Ombudsman Act 2017 requires the Ombudsman to keep in such form as may be approved by the Minister, all proper and usual accounts of all monies received or expended by the Ombudsman in performing functions under the Act, including an income and expenditure account and balance sheet, and in particular, shall keep all such special accounts as the Minister may direct from time to time.

The Ombudsman is also responsible for keeping, in such form as the Minister may approve, all proper and usual accounts and records of all monies received or expended by him or her. Within four months after the end of each financial year the Ombudsman is responsible for arranging the preparation and submission, to the Comptroller and Auditor General, of a statement of accounts for the financial year.

In preparing the statement of accounts, the Ombudsman is required to:

- Select suitable accounting policies and apply them consistently,
- Make judgements and estimates that were reasonable and prudent,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that it would continue in operation, and
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Ombudsman is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enable him to ensure that the financial statements comply with Section 20 of the Financial Services and Pensions Ombudsman Act 2017.

Part 2, Section 19, of the Financial Services and Pensions Ombudsman Act 2017 requires the Ombudsman to arrange the preparation of a statement setting out estimates of the income and expenditure relating to the FSPO and the submission of the statement to the Council for approval.

Under Part 2, Section 26 of the Act, the Ombudsman is responsible for preparing a strategic plan for a three-year period and submitting it to the Council for approval. The Council is responsible for delivering the plan to the Minister for Finance, once it has approved the plan.

The Ombudsman is also responsible for safeguarding the assets of the FSPO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Ombudsman considers that the financial statements of the FSPO give a true and fair view of the financial performance and the financial position of the Financial Services and Pensions Ombudsman at 31 December 2022.

## Council Structure

In 2022, the Council comprised a Chairperson and five members, all of whom were appointed by the Minister for Finance following a recruitment process by the Public Appointments Service. The members of the Council were appointed for a period not exceeding five years and met nine times in 2022.

The table below details the appointment period of the Council’s members in 2022:

Council Member	Role	Date Appointed/ Reappointed
Maeve Dineen	Chairperson	09 January 2022 (Reappointed)
Valerie Bowens	Member	20 January 2021
Ann Duffy	Member	20 January 2021
Don Gallagher	Member	09 January 2022 (Reappointed)
Mick McAteer	Member	20 January 2021
Ken Murnaghan	Member	09 January 2021

In accordance with the Code of Practice for the Governance of State Bodies, an external independent evaluation of Council’s performance was conducted in 2022.



### Ms. Maeve Dineen – Chairperson

Ms. Dineen is a strategic communications consultant and works with a number of Ireland’s most respected publicly listed companies. She holds an Agricultural Science degree from UCD and a Masters in Communications from Queens University/DCU. She attended Harvard University, Boston to complete its prestigious ‘Women on Boards’ executive programme. A former journalist, Maeve has spent a significant part of her career in the media and was Business Editor of the Irish Independent newspaper from 2008-2014.



### Ms. Valerie Bowens

Ms. Bowens (BComm, Master of Business Studies, Diploma in Financial Services Law (all from UCD), and Institute of Directors' qualification) has extensive senior compliance, risk, governance and regulatory experience, mainly in the financial sector. Currently a member of the Board of the National Standards Authority of Ireland (NSAI), and Chairperson of its US subsidiary, NSAI Inc. She is also a Director of the Investor Compensation Company DAC, as well as being a member of Audit, Risk, Governance, Disciplinary and Complaints Committees for a range of organisations. Executive experience includes Managing Director and Country Head of Compliance at BNY Mellon, Director of Regulatory Compliance at Dillon Eustace Solicitors, Senior Manager at AIB, and Senior Regulator at the Central Bank. Current member of the Institute of Directors, the Institute of Bankers, and the Association of Compliance Officers in Ireland.



### Ms. Ann Duffy

Ms. Duffy is an Independent Non-Executive Director and currently serves on the Board of the Rehab Group. In her executive career as Director Corporate Affairs at Fyffes plc, she gained extensive experience of pensions and familiarity with the regulatory framework in Ireland and the UK. She is experienced in both the theory and practice of good corporate governance through her role as an Independent Non-Executive Director and having attained the Institute of Directors Certificate and Diploma in Company Direction. She also has significant Audit and Risk Committee experience and currently chairs the Audit & Risk Committee for Rehab and is an external member of the Audit Committee of Trinity College Dublin. Ms. Duffy is a law graduate of Trinity College Dublin and a fellow of Chartered Accountants Ireland.



### Mr. Don Gallagher

Mr. Gallagher is an experienced international Chief Executive who has managed and served on the boards of national and international insurance and wealth management companies. Until December 2020, he was Chief Executive of the Health Insurance Authority. Previous roles included Senior Vice-President and Managing Director of Canada Life Financial Corporation's operations in Canada and Ireland/Germany and was, subsequently, CEO of MetLife Europe DAC. Mr. Gallagher

holds a M.Sc. in Management from Trinity College, Dublin and a B.Sc. (Honours) Mathematics degree from the Open University. He is also a Chartered Director with the UK Institute of Directors.



### Mr. Mick McAteer

Mr. McAteer is founder and co-director of The Financial Inclusion Centre, and a founding director of Action for Financial Inclusion. He is Chair of the anti-poverty charity Z2K, and non-profit Registry Trust. He is Deputy Chair of the Consumer Council of Northern Ireland and is on the board of charity Caritas Westminster.

Previously, he was a board member of the Financial Conduct Authority (FCA)/ Financial Services Authority (FSA), chaired the FCA's External Risk and Strategy Committee (ERSC) and was also on the FCA's Oversight and Audit Committees. He was Principal Policy Adviser at Which? (formerly known as Consumers' Association) for 13 years and prior to this, he worked for two major fund management firms in London. He was a board member of the Financial Reporting Council's Professional Oversight Board, a non-executive director of The Pensions Advisory Service, and a board member of ShareAction.



### Mr. Ken Murnaghan

Mr. Murnaghan is a member of the management board of Finance Ireland, a privately owned financial services group specialising in property, motor, SME, and agri-finance. Previous roles include Head of Business Banking at Ulster Bank Group, and a number of other positions in France, Ireland, and Hong Kong with AIB, PWC, and EY. Mr. Murnaghan is a business graduate of University College Dublin, a fellow of Chartered Accountants Ireland, and a fellow of the Institute of Banking.

In 2022, the two established committees, comprised of the following:

- 1. Audit and Risk Committee** comprised three Council members [Ken Murnaghan (Chair); Valerie Bowens; Ann Duffy]. The role of the Audit and Risk Committee (ARC) is to support Council's statutory role to keep under review the efficiency and effectiveness of the FSPO, advising Council on the strategic processes in place for risk, internal control and governance. The ARC reported to the Council after each meeting and formally in writing annually.
- 2. Finance Committee** comprised two Council members [Don Gallagher (Chair); Mick McAteer]. The role of the Finance Committee is to advise the Council on the setting of the financial services industry levy and any issues in relation to its collection, and the ongoing financial position of the organisation. The Finance Committee reported to the Council after each meeting and formally in writing annually.

## Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Council and Committee meetings for 2022 is set out below, including the fees and expenses received by each member:

	Council	Audit & Risk Committee	Finance Committee	Fees 2022 €	Expenses 2022 €
Number of Meetings	9	3	4		
Maeve Dineen	9 of 9			21,600	-
Valerie Bowens	8 of 9	3 of 3		12,600	-
Ann Duffy	9 of 9	3 of 3		12,600	-
Don Gallagher	8 of 9		4 of 4	12,600	-
Mick McAteer	9 of 9		4 of 4	12,600	449
Ken Murnaghan	8 of 9	3 of 3		12,600	-

## Key Personnel Changes

Ger Deering retired as Financial Services and Pensions Ombudsman on 6th February 2022. Liam Sloyan was appointed as Financial Services and Pensions Ombudsman on 1st December 2022.

## Disclosures Required by the Code of Practice for the Governance of State Bodies (2016)

The Ombudsman is responsible for ensuring that the Office of the Financial Services and Pensions Ombudsman has complied with the requirements of the Code of Practice for the Governance of State Bodies (“the Code”), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code.

## Employee Short-Term Benefits Breakdown

Employees' short-term benefits in excess of €60,000 are categorised into the following bands:

Range			Number of employees	
From		To	2022	2021
€60,000	-	€69,999	1	2
€70,000	-	€79,999	5	4
€80,000	-	€89,999	3	2
€90,000	-	€99,999	2	1
€100,000	-	€109,999	-	2
€110,000	-	€119,999	2	1
€120,000	-	€129,999	1	1
€130,000	-	€139,999	-	-
€140,000	-	€149,999	-	-
€150,000	-	€159,999	-	-
€160,000	-	€169,999	1	1

**Note:** For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee but excluding employer's PRSI.

## Consultancy Costs

Consultancy costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions.

	2022	2021
	€	€
Legal advice	257,691	213,150
Other consultancy	41,817	19,182
<b>Total consultancy costs</b>	<b>299,508</b>	<b>232,332</b>
Consultancy costs capitalised	-	-
Consultancy costs charged to the Income and Expenditure and Retained Revenue Reserves	299,508	232,332
<b>Total</b>	<b>299,508</b>	<b>232,332</b>

## Legal Costs and Settlements

The table below provides a breakdown of amounts recognised as expenditure in the reporting period in relation to legal costs, settlements and conciliation, and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by the Financial Services and Pensions Ombudsman which is disclosed in Consultancy costs above.

	2022	2021
	€	€
Legal fees - legal proceedings	1,058,581	513,448
Settlements	-	-
<b>Total</b>	<b>1,058,581</b>	<b>513,448</b>

## Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2022	2021
	€	€
<b>Domestic</b>		-
- Council	-	-
- Employees	146	
<b>International</b>		
- Council	449	-
- Employees	4,775	-
<b>Total</b>	<b>5,370</b>	

## Hospitality Expenditure

There was €982 of Council hospitality incurred in the year 2022 (2021: €0).

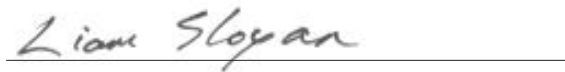
## Statement of Compliance

The Financial Services and Pensions Ombudsman has adopted the Code of Practice for the Governance of State Bodies (2016) and put procedures in place to ensure compliance with the Code.

The Code of Practice for the Governance of State Bodies provides that State bodies may be exempted to comply with requirements that conflict with the legislative provisions as set out in their establishment Act. In this instance, the power, roles and responsibilities of the Ombudsman and the Council as set out in the Financial Services and Pensions Ombudsman Act 2017 are atypical to that of a traditional board of a State Body.

The Financial Services and Pensions Ombudsman Act 2017 provides that the Ombudsman undertakes the collective role of a Board and of an Accounting Officer. The Council is responsible for setting the levy to be paid by financial service providers and for certain oversight responsibilities in relation to the work of the Office.

Other than in relation to the matters addressed above, the Financial Services and Pensions Ombudsman was in compliance with the Code of Practice for the Governance of State Bodies in 2022.



**Liam Sloyan**  
Financial Services and Pensions Ombudsman  
**Date:** 30 June 2023

# Statement on Internal Control

## Scope of Responsibility

On behalf of the Financial Services and Pensions Ombudsman (FSPO), I acknowledge my responsibility as Ombudsman for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

## Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system therefore can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accorded with guidance issued by the Department of Public Expenditure and Reform, was in place in the FSPO for the year ended 31 December 2022.

## Capacity to Handle Risk

The Council has an Audit & Risk Committee (ARC), comprising three Council members, with financial and audit experience, one of whom is the Chair. The Committee met three times in 2022.

The Financial Services and Pensions Ombudsman has also established an internal audit function which is adequately resourced and conducted a programme of work agreed with the Executive and the Council.

The Executive has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff who are expected to work within the Financial Services and Pensions Ombudsman's risk management policies, to alert management on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work.

## Risk and Control Framework

The Financial Services and Pensions Ombudsman has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing the Financial Services and Pensions Ombudsman and these are identified, evaluated and graded according to their significance. The register is reviewed and updated by the Executive regularly and is subsequently reviewed by the ARC. The outcome of these assessments is used to plan and allocate resources to ensure risks were managed to an acceptable level.

The risk register detailed the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. I confirm that a control environment containing the following elements is in place:

- Procedures for all key business processes are documented;
- Financial responsibilities are assigned at management level with corresponding accountability;
- There is an appropriate budgeting system with an annual budget which is kept under review by senior management and Council/Finance Committee;
- There are systems aimed at ensuring the security of the information and communication technology systems;
- There are systems in place to safeguard all assets.

## Ongoing Monitoring and Review

Formal procedures are established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management, and the Audit & Risk Committee and Council, where relevant, in a timely manner. I confirm that the following ongoing monitoring systems are in place:

- Key risks and related controls are identified, and processes are in place to monitor the operation of those key controls and report any identified deficiencies;
- Reporting arrangements are established at all levels where responsibility for financial management has been assigned; and,
- There are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.

## Procurement

I confirm that the Financial Services and Pensions Ombudsman has procedures in place to ensure compliance with current rules and guidelines.

## Review of Effectiveness

I confirm that the Financial Services and Pensions Ombudsman has procedures to monitor the effectiveness of its risk management and control procedures. The Financial Services and Pensions Ombudsman's monitoring and review of the system of internal financial controls is informed by the work of the internal and external auditors, the Audit & Risk Committee, and the senior management within the Financial Services and Pensions Ombudsman responsible for the development and maintenance of the internal financial control framework.

I confirm, as Ombudsman, the required annual review of the effectiveness of internal control for 2022 was completed on 31st March 2023 in accordance with the requirements of Code of Practice for the Governance of State Bodies.

## Internal Control Issues

- Non-Compliant Procurement

In 2022, there was an appropriate focus on good practice in procurement and purchasing and that procedures were in place to ensure compliance with all relevant guidelines. The FSPO recorded no non-compliant procurement in 2022.



**Liam Sloyan**  
Financial Services and Pensions Ombudsman  
**Date:** 30 June 2023



## Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

### Report for presentation to the Houses of the Oireachtas Office of the Financial Services and Pensions Ombudsman

#### Opinion on the financial statements

I have audited the financial statements of the Office of the Financial Services and Pensions Ombudsman for the year ended 31 December 2022 as required under the provisions of section 20 of the Financial Services and Pensions Ombudsman Act 2017. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of comprehensive income
- the statement of financial position
- the statement of cash flows, and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Office of the Financial Services and Pensions Ombudsman at 31 December 2022 and of its income and expenditure for 2022 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

#### *Emphasis of matter - pension liabilities*

I draw attention to note 9 to the financial statements, which deals with the superannuation arrangements for the staff of the Office of the Financial Services and Pensions Ombudsman. The Staff and Ombudsman/Deputy Ombudsman superannuation schemes relate to employees appointed prior to 2013, and were approved by statutory instrument in April 2016. Discussions between the Office and the Department of Finance have been underway since 2018 about the funding arrangements in respect of the liabilities under these schemes. Pending the resolution of these discussions, the accounting treatment adopted is to charge employer superannuation contributions to expenditure each year which, together with employee contributions, are retained by the Office, and from which pensions are paid. At 31 December 2022, the accumulated contributions retained amount to just under €5.9 million. No liability is recognised for accrued retirement benefits.

My opinion is not modified in respect of this matter.

#### *Basis of opinion*

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Office of the Financial Services and Pensions Ombudsman and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Report of the C&AG (continued)

### Report on information other than the financial statements, and on other matters

The Office of the Financial Services and Pensions Ombudsman has presented certain other information together with the financial statements. This comprises the annual report, the governance statement and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.



**Seamus McCarthy**  
**Comptroller and Auditor General**  
**30 June 2023**

## Appendix to the report

### Responsibilities of the Financial Services and Pensions Ombudsman

As set out in the governance statement, the Financial Services and Pensions Ombudsman is responsible for

- the preparation of annual financial statements in the form prescribed under section 20 of the Financial Services and Pensions Ombudsman Act 2017
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as he determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Responsibilities of the Comptroller and Auditor General

I am required under section 20 of the Financial Services and Pensions Ombudsman Act 2017 to audit the financial statements of the Office of the Financial Services and Pensions Ombudsman and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office of the Financial Services and Pensions Ombudsman's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Office of the Financial Services and Pensions Ombudsman to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

### Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

### Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

# Statement of Income and Expenditure and Retained Revenue Reserves

for the year ended 31 December 2022

	Note	2022 €	2021 €
<b>Income</b>			
Levy Income	2a	9,282,873	9,022,080
Exchequer Funding	2b	490,596	482,586
<b>Total Income</b>		<b>9,773,469</b>	<b>9,504,666</b>
<b>Expenditure</b>			
Administration	3	8,942,897	10,062,552
Retirement benefit costs – Staff & Ombudsman Scheme	9a(ii)	354,636	344,840
Retirement benefit costs – Single Scheme	9b(ii)	354,405	340,034
Depreciation	4	267,366	298,964
<b>Total Expenditure</b>		<b>9,919,304</b>	<b>11,046,390</b>
<b>(Deficit) / Surplus for the Year Before Appropriation</b>		<b>(145,835)</b>	<b>(1,541,724)</b>
Transfer from / (to) Capital Account	16	253,595	211,954
<b>(Deficit) / Surplus for the Year After Appropriation</b>		<b>107,760</b>	<b>(1,329,770)</b>
Balance brought forward at 1 January		266,691	689,013
Transfer (to)/from Designated Legal Reserve	16	(374,451)	907,448
<b>Balance Carried Forward at 31 December</b>		<b>-</b>	<b>266,691</b>

The Statement of Cash Flows and Notes 1 – 18 form an integral part of these Financial Statements. On behalf of the Financial Services and Pensions Ombudsman:



**Liam Sloyan**  
Financial Services and Pensions Ombudsman  
Date: 30 June 2023

# Statement of Comprehensive Income

## for the year ended 31 December 2022

	Notes	2022 €	2021 €
<b>(Deficit) / Surplus after Appropriations</b>		107,760	(1,329,770)
Experience (losses)/gains on retirement benefit obligations	<b>9b(iii)</b>	(286,000)	44,000
Changes in assumptions underlying the present value of retirement benefit obligations		1,116,000	(164,000)
<b>Total actuarial gains/(losses) in the year</b>		<b>830,000</b>	<b>(120,000)</b>
Adjustment to deferred retirement benefits funding		(830,000)	120,000
<b>Other Comprehensive (Loss)/Income for the year</b>		<b>107,760</b>	<b>(1,329,770)</b>

The Statement of Cash Flows and Notes 1 – 18 form an integral part of these Financial Statements. On behalf of the Financial Services and Pensions Ombudsman:



**Liam Sloyan**

Financial Services and Pensions Ombudsman

Date: 30 June 2023

# Statement of Financial Position

as at 31 December 2022

	Note	As at 31 December 2022 €	As at 31 December 2021 €
<b>Fixed Assets</b>			
Property, plant & equipment	4	352,242	605,837
<b>Current Assets</b>			
Cash and cash equivalents	5	7,410,044	7,769,457
Receivables	6	601,316	678,981
		<u>8,011,360</u>	<u>8,448,438</u>
<b>Current Liabilities (Amounts Falling Due Within One Year)</b>			
Payables	7	(6,641,991)	(6,563,157)
Provision for Legal Services	8	(994,918)	(1,618,590)
		<u>(7,636,909)</u>	<u>(8,181,747)</u>
<b>Net Current Assets</b>		<b>374,451</b>	<b>266,691</b>
<b>Retirement Benefits</b>			
Retirement benefit obligations	9b(iii)	(1,852,000)	(1,955,000)
Deferred retirement benefit funding asset	9b(iv)	1,852,000	1,955,000
<b>Total Net Assets / (Liabilities)</b>		<b><u>726,693</u></b>	<b><u>872,528</u></b>
<b>Representing</b>			
Capital Account	16	352,242	605,837
Retained revenue reserves	16	-	266,691
Designated reserves	16	374,451	-
		<u>726,693</u>	<u>872,528</u>

The Statement of Cash Flows and Notes 1 – 18 form an integral part of these Financial Statements. On behalf of the Financial Services and Pensions Ombudsman:



**Liam Sloyan**

Financial Services and Pensions Ombudsman

Date: 30 June 2023

# Statement of Cash Flows

## for the year ended 31 December 2022

	Note	2022 €	2021 €
<b>Net Cash Flow from Operating Activities</b>			
Excess/(Shortfall) in income over expenditure		107,760	(1,329,770)
Depreciation charge	4	267,366	298,964
Decrease/(Increase) in receivables		77,665	138,112
(Decrease)/Increase in payables		(544,838)	1,348,978
Interest received		-	-
Transfer (from)/to capital account	16	(253,595)	(211,954)
<b>Net cash (outflow)/inflow from Operating Activities</b>		<b>(345,642)</b>	<b>244,330</b>
<b>Cash flows from Investing Activities</b>			
Bank interest received		-	-
Capital disposal		-	-
Capital expenditure	4	(13,771)	(87,011)
<b>Net cash flows from Investing Activities</b>		<b>(13,771)</b>	<b>(87,011)</b>
<b>Cash flow from Financing Activities</b>			
Bank interest received		-	-
<b>Net cash flows from Financing Activities</b>		<b>-</b>	<b>-</b>
Cash and cash equivalents at the start of the year		7,769,457	7,612,138
Net Increase / (Decrease) in cash and cash equivalents		(359,413)	157,319
<b>Cash and cash equivalents at the end of the year</b>		<b>7,410,044</b>	<b>7,769,457</b>

# Notes to the Financial Statements

## For the Year Ended 31 December 2022

### 1. Accounting Policies

The basis of accounting and significant accounting policies adopted by the Financial Services and Pensions Ombudsman are set out below. They have all been applied consistently throughout the year and for the preceding year.

#### A) General Information

The Financial Services and Pensions Ombudsman (FSPO) was established on 01 January 2018 by Section 7 of the Financial Services and Pensions Ombudsman Act 2017 (“the FSPO Act 2017”). Section 27 of the FSPO Act 2017 dissolved the Financial Services Ombudsman Bureau, the Financial Services Ombudsman Council and the Office of the Pensions Ombudsman. Section 28 of the FSPO Act 2017 transferred all functions which were previously vested in the Financial Services Ombudsman Bureau or the Pensions Ombudsman to the FSPO with effect from 01 January 2018.

#### Council and Financial Services and Pensions Ombudsman Expenses

The expenses of the Council are met from Financial Services and Pensions Ombudsman Funds (see note 14).

#### B) Statement of Compliance

The financial statements of the Financial Services and Pensions Ombudsman for the year ended 31 December 2022 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), except for the treatment of the pension liability (see accounting policy H).

#### C) Basis of Preparation

The financial statements are prepared under the accruals method of accounting and under the historical cost convention in the form approved by the Minister for Finance with the concurrence of the Minister for Public Expenditure and Reform. The Financial Statements are prepared in Euro which is the functional currency of the FSPO.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Financial Services and Pensions Ombudsman financial statements.

## D) Levy Income

Council regulations made under the Financial Services and Pensions Ombudsman Act 2017, prescribe the amount to be levied for each category of financial service provider. Levy income represents the amounts receivable for each service provider calculated in accordance with the regulations and levied on providers identified by the Ombudsman and information supplied to it. Bad debts are written off where deemed irrecoverable.

## E) Expenditure recognition

Expenditure is recognised in the financial statements on an accruals basis as it is incurred.

## F) Property, plant and equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is provided on all property, plant and equipment, at rates estimated to write off the cost less the estimated residual value of each asset on a straight-line basis over their estimated useful lives, as follows:

- i. Leasehold Improvement category 1 (major refurbishment works on commencement of 20-year lease) 5% per annum
- ii. Leasehold Improvement category 2 (general improvements to office layout) 25% per annum
- iii. Computer Equipment 33% per annum
- iv. All other assets 25% per annum

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the year.

## G) Capital account

The Capital Account represents the unamortised value of income used for capital purposes.

## H) Employee benefits

### Short-term Benefits

Short-term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year-end are included in the Payables figure in the Statement of Financial Position.

### Retirement Benefits

The Ombudsman operated the following defined benefit pension schemes in respect of its employees:

For employees appointed prior to 1 January 2013:

Staff appointed prior to 1 January 2013 are members of the Office of the Financial Services and Pensions Ombudsman Staff Superannuation Scheme and the Financial Services and Pensions Ombudsman and the Deputy Financial Services and Pensions Ombudsman are members of the Office of the Financial Services and Pensions Ombudsman, Ombudsman and Deputy Ombudsman Scheme 2016. Both superannuation schemes are based on the Department of Public Expenditure and Reform (pre-single scheme) Model Public Sector Scheme (the “Model scheme”) and were approved by statutory instruments on 28 April 2016.

In respect of both schemes, the Bureau proposed to the Department of Finance that the liability for retirement benefits paid under the Schemes should be assumed by the State in return for payment annually of a percentage of the salaries of the Schemes’ members. The proposal is based on the premise that the employer and employee superannuation contributions would be at a level where the Exchequer would not be exposed to liabilities in excess of the revenues accruing over the years to the Exchequer. A legislative amendment was made in the Central Bank (Supervision and Enforcement) Act 2013 which provides for Oireachtas funding to be provided for these schemes. Discussions with the Department of Finance were continuing at the end of 2022 regarding the proposal.

Pending a decision by the Department of Finance regarding the proposed pension funding arrangements, the retirement benefit costs charge in the Statement of Income and Expenditure and Retained Revenue Reserves comprises the employer superannuation contributions in the year. The employer superannuation contributions are calculated as a percentage of relevant salaries and are being retained by the FSPO along with the employee superannuation contributions. The retirement benefits and lump sum payments of the schemes are set against the cumulative retained employer and employee superannuation contributions (see [note 9A\(iv\)](#)).

### For employees appointed on/after 1 January 2013:

Employees appointed on/after 1 January 2013 are members of the Single Public Service Pension Scheme, which provides consumer price index-linked defined benefit pensions based on career-average pay (the “Single scheme”).

The Single Scheme is an unfunded scheme with pension benefits payable by the Exchequer. The contributions for the Single Scheme comprise an employee and employer element. The employer superannuation contributions are calculated as a multiple of the employee contribution and are remitted along with the employee contributions to the Department of Public Expenditure and Reform (DPER).

Pension costs of the Single Scheme employees reflect pension benefits earned by them and are shown net of employee pension contributions remitted to DPER. This is offset by the deferred pension funding. The net charge to the statement of income and expenditure is the employer contributions that are payable to DPER for the year of account. Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income, and a corresponding adjustment is recognised in the deferred retirement funding asset in the Statement of Financial Position.

The financial statements reflect, at fair value, the assets and liabilities arising from Financial Services and Pensions Ombudsman’s pension obligations in respect of the Single Scheme staff and the related deferred Exchequer funding and recognises the costs of providing pension benefits in the accounting periods in which they are earned by these employees. Retirement benefit scheme liabilities are measured on an actuarial basis using the projected unit credit method.

### Defined contribution pension scheme

There was one staff member who was a member of a defined contribution private pension scheme. The FSPO made employer superannuation contributions in respect of this scheme. These amounts were charged to the Statement of Income and Expenditure and Retained Revenue Reserves as they fell due ([see note 9A](#)). Once employer contributions were paid over, the FSPO had no further liability in respect of this scheme. As the only remaining member of the scheme left employment with the FSPO in early 2021, the FSPO is in the process of having the scheme wound up.

## I) Receivables

Receivables are recognised at fair value, less a provision for doubtful debts. The provision for doubtful debts is a specific provision and is established when there is objective evidence that the FSPO will not be able to collect all amounts owed to it. All movements in the provision for doubtful debts are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

## J) Operating lease

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves over the life of the lease. Expenditure is recognised on a straight-line basis over the lease period, except where there are rental increases linked to the expected rate of inflation, in which case these increases are recognised when incurred. Any lease incentives received are recognised over the life of the lease.

## K) Designated reserves

The Council has determined that it may at its discretion set aside unrestricted funds for designated future purposes. Where such funds are no longer required for the intended purpose, they will be released to the General Reserve.

## L) Critical accounting judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

### i. Impairment of Property, Plant and Equipment

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

### ii. Depreciation and Residual Values

The Ombudsman has reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of fixtures and fittings, and have concluded that asset lives and residual values are appropriate.

### iii. Provisions

The Ombudsman has reviewed provisions for legal and constructive obligations, that probably require settlement by a transfer of economic benefit and a reliable estimate

can be made of the amount of the obligation. These provisions are generally made based on historical or other pertinent information, adjusted for recent trends where relevant. However, they are estimates of the financial costs of events that may not occur for some years. As a result of this and the level of uncertainty attaching to the final outcomes, the actual out-turn may differ significantly from that estimated.

#### iv. Retirement Benefits

In respect of both of the aforementioned retirement benefit schemes, the Financial Services and Pensions Ombudsman proposed to the Department of Finance that the liability for retirement benefits paid under the Schemes should be assumed by the State in return for payment annually of a percentage of the salaries of the Schemes' members. Until such time that the liability is transferred to the State, the FSPO recognised this liability in its Statement of Financial Position ([see note 9](#)).

#### v. Provision for Legal Costs

The Financial Services and Pensions Ombudsman provides for legal costs where an appeal has been lodged and FSPO has decided to defend to the appeal. FSPO also provides for legal costs where an obligation exists at year end and costs can be reliably estimated ([see note 8](#)).

## 2. Income receivable

### A) Levy income

Section 43(4) of the Financial Services and Pensions Ombudsman Act 2017 provides for the payment of an income levy by financial service providers to the Office of the Financial Services and Pensions Ombudsman on terms determined by the Financial Services and Pensions Ombudsman Council with the consent of the Minister for Finance. The actual rate for the year ending 31 December 2022 is set out in the Financial Services and Pensions Ombudsman Act 2017 [Financial Services and Pensions Ombudsman Council] Financial Services Industry Levy Regulations 2022 (Statutory Instrument 117 of 2022).

Income for the period is as follows:

	2022 €	2021 €
<b>Levy Income</b>		
Insurance Undertaking	3,084,193	3,012,753
Credit Institutions	4,805,449	4,545,242
Credit Unions	100,325	86,442
Retail Intermediaries and Debt Management Firms	841,486	865,635
Investment Firms	400,846	437,747
All other categories	50,574	74,261
<b>Total</b>	<b>9,282,873</b>	<b>9,022,080</b>

## B) Exchequer funding

Oireachtas funding of €490,596 (2021 - €482,586) was received in 2022 from Vote 7 – Office of the Minister for Finance sub-head B5.

### 3. Administration Costs

	Note	2022 €	2021 €
Salaries and Staff Costs	3a	4,595,652	4,371,738
Contractors		548,504	502,700
Legal Fees	3c	1,952,695	3,194,041
Rent		464,435	464,435
Other Administration Costs	3d	236,103	401,827
Membership Fees & Subs & Communication		74,929	55,857
Council Remuneration		84,600	97,200
External Mediators		1,230	8,004
Accounting, Payroll, Pension and Levy Administration		348,633	307,174
Professional Fees		8,911	8,620
Staff Training		51,774	75,808
Maintenance		40,246	39,074
Repairs and Servicing		212	692
Information Activities		62,685	79,330
Stationery Costs		11,370	16,724
Insurance		54,790	36,098
Cleaning		33,322	9,420
Council Legal & Consultancy		41,817	20,707
Recruitment		12,804	14,492
Travel and Subsistence and Meeting Room Hire		6,024	713
Other Staff Related Costs	3e	19,835	17,856
External Audit		21,800	17,000
Oral Hearing		4,325	7,351
Internal Audit		21,000	22,665
Council Expenses		3,925	917
External Drafters		241,276	292,109
		<b>8,942,897</b>	<b>10,062,552</b>

## a) Salaries and Staff Costs

	2022 €	2021 €
Salary	4,172,647	3,981,989
Employer PRSI Costs	423,005	389,749
	4,595,652	4,371,738

## Staff Numbers

The number of Whole Time Equivalents (WTE) employed as at 31 December 2022 was 83 (2021: 84).

## Additional Superannuation Contribution (ASC)

€86,724 ASC has been deducted from staff members (2021: €91,569) and paid over to the Department of Finance.

## b) Salary Costs of the Ombudsman and Deputy Ombudsman

	2022 €	2021 €
<b>Ombudsman commenced 01-12-2022</b>		
Salary	14,418	-
	€	€
<b>Ombudsman retired 06-02-2022</b>		
Salary	16,272	163,313
	€	€
<b>Ombudsman (Acting) from 06-02-2022 to 01-12-2022</b>		
Higher Duties Allowance	33,197	-
	€	€
<b>Deputy Ombudsman commenced 20-04-2020</b>		
Salary	126,900	121,805

The above salary payments represent the total remuneration received by the Ombudsman and Deputy Ombudsman, no other payments were received by them. The Higher Duties allowance paid in respect of the Minister for Finance's appointment of the Ombudsman (Acting) from 06/02/2022, was sanctioned by the Department of Public Expenditure and Employment, in accordance with Circular 38/2007. The Ombudsman and Deputy Ombudsman are members of the Financial Services and Pensions Ombudsman, Ombudsman and Deputy Ombudsman Scheme 2016. See note 9.

The key management personnel comprise:

- Liam Sloyan, Financial Services and Pensions Ombudsman (from 01/12/2022)
- Ger Deering, Financial Services and Pensions Ombudsman (to 06/02/2022)
- MaryRose McGovern, Financial Services and Pensions Ombudsman (Acting) (from 06/02/2022 to 01/12/2022)
- MaryRose McGovern, Deputy Financial Services and Pensions Ombudsman (to 06/02/2022 and from 01/12/2022)
- Diarmuid Byrne, Director of Dispute Resolution Services
- Tara McDermott, Director of Customer Operations and Information Management
- Áine Carroll, Director of Corporate and Communication Services
- Úna Gately, Director of Investigation Services

The total remuneration paid to key management personnel was €635,015 (2021: €708,018).

## Termination Payments

Termination payments of €0 were made in the year.

## c) Legal Fees

	2022 €	2021 €
Legal advice	257,691	213,150
Legal proceedings	1,058,581	513,448
Tracker Complaints	1,265,704	1,535,236
Legal costs recovered	(5,609)	(93,832)
(Decrease) / Increase to provision for Legal Costs	(623,672)	1,026,039
	<u>1,952,695</u>	<u>3,194,041</u>

## d) Other Administration Costs

	2022 €	2021 €
Service Charge	120,971	122,198
Storage Charges	10,765	52,853
IT Purchases	130,589	163,460
Courier	365	929
Bank Charges and Negative Interest	(26,587)	62,387
	<b>236,103</b>	<b>401,827</b>

## e) Other Staff Related Costs

The related expense of providing canteen supplies (€7,714) and staff welfare (€12,121) are included in Other Staff Related Costs.

## 4. Property, Plant And Equipment

	Computer Equipment €	Office Fitting, Furniture & Equipment €	Leasehold Improvements €	Total €
<b>Cost</b>				
At 1 January 2022	555,241	451,022	1,832,228	2,838,491
Additions during period	4,889	7,670	1,212	13,771
Disposals during period	(52,160)	(162)	-	(52,322)
At 31 December 2022	<b>507,970</b>	<b>458,530</b>	<b>1,833,440</b>	<b>2,799,940</b>
<b>Accumulated Depreciation</b>				
At 1 January 2022	392,669	347,456	1,492,529	2,232,654
Charge for period	92,493	47,642	127,231	267,366
Disposals during period	(52,160)	(162)	-	(52,322)
At 31 December 2022	<b>433,002</b>	<b>394,936</b>	<b>1,619,760</b>	<b>2,447,698</b>
<b>Net Book Value</b>				
At 31 December 2022	<b>74,968</b>	<b>63,594</b>	<b>213,680</b>	<b>352,242</b>
At 31 December 2021	<b>162,572</b>	<b>103,566</b>	<b>339,699</b>	<b>605,837</b>

Leasehold improvements were carried out to facilitate, inter alia, the amalgamation with the Office of the Pensions Ombudsman.

## 5. Cash At Bank

	2022 €	2021 €
Current Account	1,573,668	1,774,362
No.2 Pension Account	5,834,943	5,993,580
Demand Deposit Account	1,427	1,433
Petty Cash	6	6
Credit Cards	-	76
	<b>7,410,044</b>	<b>7,769,457</b>

## 6. Prepayments and Accrued Income

	2022 €	2021 €
Debtors	598,842	572,972
Legal Costs Recoverable	-	25,368
Bad Debt Provision	(121,699)	(121,699)
Prepayments	124,173	202,340
	<b>601,316</b>	<b>678,981</b>

## 7. Current Liabilities

		2022 €	2021 €
<b>Amounts falling due within one year:</b>			
Creditors		55,353	19,779
Accrued Expenses		446,008	282,039
PAYE		134,355	124,703
Payroll Deductions		16,383	9,355
Professional Services Withholding Tax		65,928	87,298
Pension Contributions Retained	Note 9 a (iii)	5,879,932	5,999,873
DPER Single Scheme	Note 9 b (v)	44,032	40,110
		<b>6,641,991</b>	<b>6,563,157</b>

## 8. Provision for Legal Services

	2022 €	2021 €
<b>Provision</b>		
<b>Legal Costs Provision</b>		
Amount at the start of the year	1,618,590	592,552
(Reduction) / Addition to provision for Legal Costs	(623,672)	1,026,038
Amounts charged against the provision	-	-
Amount at the end of the year	<b>994,918</b>	<b>1,618,590</b>

## 9. (A) Superannuation – Staff And Ombudsman / Deputy Ombudsman Superannuation Schemes

(i) In respect of both the staff and Ombudsman/Deputy Ombudsman superannuation schemes, the Financial Services and Pension Ombudsman proposed to the Department of Finance that the liability for retirement benefits paid under the schemes should be assumed by the State in return for payment annually of a percentage of the salaries of the schemes' members. The proposal is based on the principle that the employer and employee superannuation contributions would be at a level where the Exchequer would not be exposed to liabilities in excess of the revenues accruing over the years to the Exchequer. A legislative amendment, enacted and signed into law on 11 July 2013, was made in the Central Bank (Supervision and Enforcement) Act 2013 which provides for Oireachtas funding to be provided for these two schemes. In 2018 the Financial Services and Pensions Ombudsman made a formal request to the Department of Finance to consider a transfer of liabilities for both Schemes. The Department responded with requests for further information which the FSPO provided. Discussions with the Department of Finance are continuing in regard to the aforementioned proposal.

Pending the decision of the Department of Finance the employer and employee superannuation contributions and amounts received in respect of entitlements surrendered by transferred employees for these superannuation schemes are being retained by the Financial Services and Pension Ombudsman. The retirement benefits and lump sum payments of the schemes are set against the cumulative retained employer and employee superannuation contributions. The cumulative net retention at December 2022 was €5,923,964 which is recorded as a current liability (see note 7).

**(ii) Retirement Benefit Costs**

	2022 €	2021 €
Employer Contribution Staff Superannuation Scheme	337,690	343,416
Staff Pension Costs Defined Contribution Scheme	-	1,424
Other Costs	16,946	-
	<b>354,636</b>	<b>344,840</b>

**(iii) Creditor Pension Account**

	2022 €	2021 €
Opening Balance at 1 January	5,999,873	5,726,529
Employee Contributions	95,228	99,754
Employer Contributions	337,690	343,416
less: pensions paid	(181,607)	(169,826)
less: lump sums paid	(302,691)	-
Interest paid	(68,561)	-
Closing Balance at 31 December	<b>5,879,932</b>	<b>5,999,873</b>

**(iv)** The pension liability for the staff and Ombudsman/Deputy Ombudsman superannuation schemes at 31 December 2022 is €13,781,000 (2021: €19,034,000). This liability is not reflected in these financial statements. It is based on an actuarial valuation carried out by a qualified actuary using the financial assumptions below for the purpose of FRS 102.

The main financial assumptions used were:

	2022	2021
Discount rate	3.60%	1.50%
Rate of increase in salaries	4.15%	3.70%
Rate of increase in pension	3.65%	3.20%
Inflation	2.65%	2.20%

## (B) (i) Superannuation - Single Scheme Staff

The Minister for Public Expenditure and Reform, based on actuarial considerations and pursuant to section 16 (4) of the Public Service Pension (Single Scheme and Other Provisions) Act 2012 has decided that:

- an employer contribution is to be paid in respect of certain members of the Single Public Sector Pension scheme and
- The rate of that Employer contribution is equal to three times the employee contribution paid by the single scheme member.

Employer contributions must be paid by public service bodies who are financed “wholly or mainly from sources other than directly or indirectly out of the Central Fund”. As a self-financing public body, the sum of €354,405 represents the FSPO’s liability for employer contributions to the Single Public Service Pensions scheme.

### ii. Retirement Benefit Cost

	2022 €	2021 €
Total Employer Contributions	354,405	340,034
Current Service Costs*	715,000	470,000
Interest Costs	40,000	18,000
Benefits paid	(28,000)	-
Adjustments to Deferred Exchequer Pension Funding	(727,000)	(488,000)
Total charged to Statement of Income & Expenditure & Retained Revenue Reserves	<b>354,405</b>	<b>340,034</b>

\*Employee contributions have been included in the calculation of the current service costs figure.

### (iii) Movement in net retirement benefit obligations (SPSPS) during the financial year

	2022 €	2021 €
Net Pension Liability at 1 January	1,955,000	1,347,000
Current Service Costs	715,000	470,000
Interest Costs	40,000	18,000
Experience losses/(gains) on scheme liabilities	286,000	(44,000)
Changes in assumptions	(1,116,000)	164,000
Refund of Employer Contributions	(28,000)	-
Net Pension Liability at 31 December	<b>1,852,000</b>	<b>1,955,000</b>

**(iv) Deferred funding for retirement benefits**

The Financial Services and Pension Ombudsman recognises as an asset, an amount corresponding to the above unfunded liability, as an asset on the basis of the provisions of Section 44 of the Public Sector Pensions (Single Scheme and other provisions) Act 2012.

**(v) DPER Creditor Balance**

	2022 €	2021 €
Opening Balance at 1 January	40,110	32,522
Employee Contributions	125,021	111,420
Employer Contributions	354,405	340,034
Payments to DPER	(475,504)	(443,866)
Closing Balance at 31 December	<b>44,032</b>	<b>40,110</b>

## 10. Financial commitments

There are no capital commitments for capital expenditure at 31 December 2022.

## 11. Contingent liabilities / legal actions

Decisions of the Ombudsman are legally binding upon the parties to a complaint but can be appealed to the High Court by either the complainant or the respondent financial service provider or pension provider. A decision may also be challenged in the High Court by way of Judicial Review. The FSPO has provided for its expected costs in respect of all appeals notified to it, as at 31 December 2022 (see Note 8) and for costs of other parties that can be reliably estimated, where an order of costs has been made against the FSPO or a judgment delivered that will lead to an order of costs against the FSPO. The FSPO has not provided for any further appeals or Judicial Review proceedings that may be notified to it in the future, in respect of decisions issued up to 31 December 2022. It is not possible to reliably estimate the expected level of such court proceedings or the related legal costs.

## 12. Council members – disclosure of interests

The Council adopted procedures in accordance with guidelines issued by the Department of Public Expenditure and Reform in relation to disclosure of interests by Council members and these procedures have been adhered to in the period. There were no transactions in the year in relation to the Council’s activities in which the Council members had any beneficial interest.

## 13. Lease commitment

	2022 €	2021 €
<b>Lease Commitment</b>		
Payable within one year	442,435	464,435
Payable within two to five years	1,123,812	1,291,502
Payable after five years	-	-
	<b>1,566,247</b>	<b>1,755,937</b>

## Accommodation

The Financial Services and Pension Ombudsman operated from two premises in 2022.

The first premises is located on the ground, 3rd and 4th floor of Lincoln House, Lincoln Place, Dublin 2. The office space on the 3rd floor has a 20-year lease (commenced 2006). The current office space on the 4th floor has an 11 years 1 month and 15 day lease (commenced March 2015). In July 2021, the FSPO entered into a licence agreement permitting its use of the ground floor until March 2025.

The second premises is located on the basement floor, 6 Clare Street, Dublin 2 (commenced November 2020).

The annual cost of the leases excluding service charge is €442,435 for the premises located at Lincoln House, Lincoln Place, Dublin 2.

The annual cost of the leases excluding service charge is €22,000 for the premises located at 6 Clare Street, Dublin 2.

## 14. Council Remuneration

		2022 €	2021 €
Maeve Dineen	Chairperson	21,600	21,600
Valerie Bowens	Council Member	12,600	12,600
Ann Duffy	Council Member	12,600	12,600
Don Gallagher	Council Member	12,600	12,600
Dermott Jewell (term ended Dec 2021)	Council Member	-	12,600
Mick McAteer	Council Member	12,600	12,600
Ken Murnaghan	Council Member	12,600	12,600
		<b>84,600</b>	<b>97,200</b>

## 14(a) Council travel and expenses

Travel and meeting expenses paid to the Chair and Council Members are broken down as follows:

	2022 €	2021 €
Travel Expenses	449	-
Meeting Expenses	3,476	-
	3,925	-

## 15. Related party transactions

No related party transactions were noted during the year under review.

## 16. Reserves

	Retained Revenue Reserve €	Designated Reserve €	Capital Account €	Total €
<b>Opening Reserves</b>	266,691	-	605,837	872,528
(Deficit)/ Surplus for the year	(145,835)	-	-	(145,835)
Transfer to / from Capital Account	253,595	-	(253,595)	-
Transfer to /from Designated Reserve	(374,451)	374,451	-	-
<b>Closing Reserves</b>	-	374,451	352,242	726,693

In accordance with the Office of the Financial Services and Pension Ombudsman's financial strategy, the designated reserves have been established as a contingency reserve to cover any significant costs arriving from legal challenge to any part of the Ombudsman's rulings. The reserve had been set at €1.5m and is currently represented by the €374,449 above and the value of the legal provision of €994,918. In accordance with the FSPO's accounting policy where such funds are no longer required they will be released back to the General Reserve.

## 17. Events after reporting period

There are no events between the reporting date and the date of approval of these financial statements for issue that require adjustment to the financial statements.

## 18. Approval of financial statements

The financial statements were approved by the Financial Services and Pensions Ombudsman on 30 June 2023.



An tOmbudsman Seirbhísí  
Airgeadais agus Pinsean

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