

FSCS Podcast – Episode 8: How to claim with FSCS in 3 steps

0:02 - Caroline Rainbird (Jingle)

Welcome to protect your money with FSCS, the podcast from the Financial Services compensation scheme. I'm Caroline Rainbird, FSCS Chief Executive, and in this series the fantastic FSCS team will help you understand how we can help to protect your money so you can feel confident your money is safe. Hope you enjoy the podcast

0:29 – Conor Richards

Welcome to Episode Eight of the FSCS podcast. My name is Conor Richards, and I'm Communications and Stakeholder Business Partner at the Financial Services Compensation Scheme. I'm your guest host for today taking over from our usual host Jess.

As you may or may not know FSCS, which is the Financial Services Compensation Scheme, exists to protect customers of authorised financial services firms that have gone bust by paying eligible people compensation. FSCS is independent and our service is free to use, so you'll keep all of the compensation you're owed if you make a claim direct. We protect lots of financial products but not all of them, so this podcast series is designed to help you understand our protection and why it's so important. Whatever your level of financial knowledge, we're here to help you feel confident your money is safe.

In today's episode, I'm going to be talking to one of our claim's specialists Paul Scott. We're going to be breaking down how to make an FSCS claim online step by step to give you an idea of what to expect should you ever need to make a claim. And we'll also be discussing some of the things you could do yourself to make the process more straightforward. Whether you're someone making a claim now, or simply interested to know how the process works, we hope this podcast will be of use to you.

So, let's start by introducing Paul. Hi, Paul. Could you tell our listeners a bit about what you do at FSCS?

1:51 – Paul Scott

Yeah, hi Conor. First of all, thanks for inviting me on to talk about how to make a claim online. I'm one of our claims specialists and my day-to-day role includes looking at individual claims and providing guidance and support to colleagues for our more complex pension claims. I've also had the opportunity to be involved in various initiatives to help improve the overall efficiency of our claims handling process, and linking quite nicely to this subject, this has included the online claims process for complex pension claims.

2:17 – Conor Richards

Brilliant, thanks Paul. So today we're going to be diving into the online claims process, breaking it down step by step. I've been really looking forward to this episode, because I think it's a really good opportunity for us to highlight the ease or the simplicity of the

claims process, which I think some people aren't sure about. So, I think this is gonna be a good one. Of course, we know that losing your money is an incredibly stressful and often emotional experience, so our aim is to make claiming, getting your money back as simple as we can. So, I think a useful bit of context to kick us off is to talk about what products we accept online claims for. So as of the time of recording, we currently accept online claims for insurance, mortgages, pensions, Payment Protection Insurance, investments, and debt management products.

3:01 – Paul Scott

That's right. So, if it's your bank, building society or credit union that's failed, you don't actually need to make a claim with us. We've got systems in place, which means we will return your money automatically within our compensation limits. And if it's an insurance company that's failed, what we'll try to do is secure seamless cover with another insurer, or we'll arrange the return of the remaining premium if that's not possible.

3:21 – Conor Richards

Yeah, exactly. So, for all other claims, so that's mortgages, pensions, PPI, investments, and debt management, you'll need to use our online claim service, which is what we're going to chat through next. So, as I said earlier, we aim to make claiming online as simple and as straightforward as possible. So now let's talk through the three steps to initially making a claim. So, Paul how does the customer get started?

3:44 – Paul Scott

The basic details needed are the type of product or policy you're claiming for, when your policy started, and the date you received advice. We'll also need to know the name of the firm or its FCA registration number, which can be found on the FCA register on its website. If you're entering the name, you don't need to enter it exactly as the tool filters based on what you type. For example, you wouldn't need to enter "The Pensions Office Limited" in full, if you thought you had a claim against that firm, "pensions office" would bring up this firm's details. Once you've done that, press the continue button and you'll see if we can help.

4:18 - Conor Richards

Okay, thanks, Paul. So, if I'm feeling a bit intimidated by the process, because obviously naturally, there's quite a lot to think about there, is there any help that I can get?

4:27 – Paul Scott

So, before we go into details, probably worth mentioning here that we know that technology can be confusing or intimidating for some people. So, if you're hearing this and saying that's me, I'd recommend asking a family member or trusted friend to either help you or act on your behalf. If you do feel you need assistance, we also have a free phone helpline number, 0800 678 1100, or a web chat facility. So, there's a couple of facilities we do provide if you do get stuck.

We also know that some customers choose to pay a representative, like a claims management company or a solicitor to handle their claim for them, these representatives will charge a fee for this. But if you bring the claim direct to us, we are a free service. Whether you use a representative or not, the decision about the amount of compensation we pay is based on the facts of the individual claim. And the process we follow is not any different for whether an individual has somebody acting on their behalf or not.

5:20 – Conor Richards

Yeah, exactly. So, I think it's great that we offer that kind of support. And I think it's really good that you also get an instant response as to whether you're eligible for FSCS protection when you complete that first step. I think it's worth mentioning here that there are specific eligibility criteria to determine whether you are eligible to claim compensation with us, which we'll pick up on at the end after we've chatted through the three steps. So back to the claims process, you've completed step one, you've entered your details on the check if you can claim page, and you've been told that you're eligible to make a claim with FSCS. What happens next?

5:54 - Paul Scott

Yep, so the next page it takes you to is step two, which is creating an online account. Basically, here you enter your personal details, your name, your date of birth, National Insurance number, contact details, an email address, and a password. Once you've got your account set up, you'll be able to use the online service and start the claim process. It's really quick and easy to register. And you'll also be able to check your claims progress in future.

6:19 – Conor Richards

Great. And then that takes us swiftly into the third step of the process, right?

6:22 - Paul Scott

Yes, it does. And that's to complete your full application. Here, you'll answer questions about why you're claiming, upload your supporting documentation and sign your claim electronically before submitting it. We'll also ask you how you want us to pay you if we decide compensation is payable, either by cheque or paying it directly into your bank account.

6:41 – Conor Richards

Great. And I think a good tip to mention is that we really recommend getting your supporting documents ready upfront before starting to complete your claim. So, we need quite a bit of information to investigate your claim. So, you'll find it a lot easier to submit if you gather these bits on first.

6:55 – Paul Scott

Exactly. Each different claim requires different types of documents to help us assess the claim. Our website has details of the kind of supporting documents you'll need for your claim. So, it's worth giving that read before. If we need any documents, we'll need you to

take a picture or scan them in for us. I mentioned earlier that I'd been involved in the online claims process for pension claims. As part of this product, we've removed the need for documents for people submitting claims direct to us, i.e., those without representatives. We also know that pensions can be confusing. And it's often the case that we get lots of documents that we don't need, wasting a customer's time during the application stage. As we often need to go out to other parties in these cases, we can ask for evidence from customers at this point.

7:36 – Conor Richards

Right, yeah. Okay. So, once you've got your documents ready, how long should someone expect it to take to complete their application?

7:44 – Paul Scott

On average we'd say it takes between one and two hours to complete and submit a full online application. But as we said, getting all your supporting documents prepared upfront can really help to speed this up. So, if you have documents that you need to upload, save them with useful file names, and then they're ready, rather than you having to do that work at the same time as doing the application. The good thing, though, is that you can save progress at any point whilst making your claim and return when you like. So, you can break your application up into stages, if that's useful to you, or if you need to top up your cup of tea. We do, however, only keep incomplete applications for a few months. So, I'd recommend that you complete it as soon as you can.

8:22 – Conor Richards

That's really handy that you can save your application. Obviously, as you say we want people to get them in, you know, make sure that they don't expire after a few months. But it's good to know that you can pause if you need to. So, to recap the three steps of initially making your claim we've got step one, which is to check if you can claim against the firm. So, this just requires you to select the type of product or policy you had, enter the name of the firm that provided it and when the policy started.

If you're told you're eligible to make a claim, you'll then go to step two, which is to register for an online account. So, this just needs you to enter an email address and a password and get your account set up. This then takes us to the final step, step three, which is to complete your full claim application where you will answer questions about your claim, upload your supporting documents and sign your claim electronically before submitting. Okay, so before we move on, let's pick up on eligibility criteria which we mentioned earlier. So, do you want to talk through the main points, Paul?

9:20 – Paul Scott

So, to be able to claim compensation, you'll need to be eligible under the FSCS compensation rules. These are set out by the UK financial services regulators, who are the Financial Conduct Authority, FCA, and the Prudential Regulation Authority, PRA. The most important points under these rules are that the firm has to be authorised by the FCA or PRA, the claim you're making needs to be in connection with a regulated activity,

and we can only pay compensation when an authorised firm is unable to pay claims made against it. If we haven't already, we will carry out an investigation to establish the financial position of the firm before making any claims decisions. Once we've done this and decided we can consider claims against the firm, it will be declared in default, that's the technical term we use, once a valid claim against that firm is paid out.

10:10 – Conor Richards

Yeah, that's right. So, I'd say before making a claim, it's really worth reading our full eligibility criteria on the FSCS website. You can find this by clicking the "making a claim" tab at the top of the page. Okay, so we've submitted our claim application, should we talk about what happens next?

10:28 – Paul Scott

Now that your application is complete, we usually need to ask for information from third parties about the firm or product that you're making a claim about. This can take weeks, sometimes months, depending on the product that you're claiming for, and other factors to do with the firm's activities. So don't worry if you log in and see that your claim status hasn't changed for a little while. Sometimes we need to ask you for some additional documents. If we do, upload these as soon as you can. We have to be extremely thorough with every claim. And only once we have everything we need, can we start to investigate your claim.

10:59 – Conor Richards

Okay, great. So, if I want to check for updates throughout the process, how do I go about that?

11:04 – Paul Scott

You can check the status of your claim anytime by logging into your account on the online claims service. And if you claim with us directly, we will send you updates by email as your claim progresses. If you're unsure what the status means, the FSCS website has a glossary of terms under the "making a claim" section, which explains what each stage means. And if you've submitted the claim directly to us, we'll also give you a call at various stages to let you know what's happening.

11:28 – Conor Richards

Okay, and how will I know when FSCS has made a decision about my claim?

11:32 – Paul Scott

Once we've made the decision, we'll let you know the outcome by email or post. If you've submitted the claim direct, we'll also try to give you a call to let you know the decision that we've reached. If we can pay you compensation, we'll start processing your claim for payment, and either issue a cheque or pay the compensation directly into your bank account, depending upon your preference.

11:50 – Conor Richards

Thanks Paul. There's also another useful page on the website under the "making a claim" section which you just mentioned, which is called "how long will my claim take?" So, this page has a table with all of the products you can claim for online. So that's taken us through the full online claims process from beginning to end. So, before we move on, I'd be interested to know if you have any other helpful suggestions for customers that you've learned in your role as claims specialist?

12:14 – Paul Scott

I think we've covered most things. But what I would say is that if you do need additional assistance for any reason, such as a medical condition, or you're suffering financial hardship, please do let us know. We know it won't change the facts of your claim. But it means we can do our best to try and make any adaptations that you need during the time that we're looking into your claim.

In addition, I'd also say that whilst the FSCS looks at claims on a legal basis, you don't need to present your claim in a legal way. We simply need to know what firm your claim is against, and why you're seeking compensation for them. So don't worry, you don't need to speak legalese. And our claims specialists will explain the outcome in simple words, and finally, remember that we've got the free phone number, 0800 678 1100, and our web chat facility if you do need any help.

13:01 – Conor Richards

Well, I think that wraps up our step-by-step breakdown of making a claim and what you can expect once you've submitted that claim. We really do understand that trying to get money back that you've lost can be incredibly distressing. So, we hope this episode has been helpful to shed some light on how to go about making a claim and pointed you towards a few resources that you can use to help you along the way.

So, Paul, just before we wrap up, we're going to ask the question, which we always ask our guests at the end of each episode. So, we're all about keeping your money safe. But what was the toy that would have got you breaking open your piggy bank as a child?

13:44 – Paul Scott

So, I was a child in the 80s. And I think when I look back there were so many choices I could have made here, from A-Team figures, transformers, Subbuteo Star Wars, I could go on for ages. But for me the most memorable was probably my Action Man. I had Action Man wallpaper which actually is still up in my parents' home. They still live in the house that I grew up in and the wallpaper is in what is now my dad's office. My Action Man was one where the eyes moved, so it's one of the original ones. I remember going out getting the police bike, all the different uniforms. And although this doesn't involve breaking the piggy bank, my nan also used to knit outfits for the figure. So, I think Action Man is the one for me.

14:34 – Conor Richards

Yeah, that's a great choice, especially when you've got bespoke outfits being made for you. Thanks very much for joining Paul. We hope everyone really enjoyed listening to

the podcast today. You can find all of our podcasts on our website at www.FSCS.org.uk and the usual places that you find your podcasts. We'd love to hear what you think and so please do rate and review us and you can also let us know what you think on our social channels. Just search for @FSCS. Thank you for listening