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MEDIA INFORMATION

**MPs believe financial service firms should do more to inform consumers about
Financial Services Compensation Scheme**

Poll lends weight to need for increasing disclosure requirements

Financial services firms should be required to inform customers of the protection the Financial Services Compensation Scheme (FSCS) provides, according to a new poll.

Almost 80% of MPs surveyed in a Com Res poll for the compensation scheme supported firms being required to tell people about FSCS protection when selling relevant products and services. The poll also reveals that 77% of MPs from across the political spectrum agreed financial services firms should have to display information about FSCS prominently in branch or at the point of sale.

The poll found that:

- Overall, a strong majority (75%) agreed that FSCS is vital to ensure public confidence in financial services firms against only 4% who disagreed or strongly disagreed with the statement;
- 78% agreed or strongly agreed that improving awareness of FSCS will increase consumer confidence and trust in financial services as well as contributing to increased financial stability; and
- 81% agreed there is a lack of awareness of the protection offered by FSCS.

Mark Neale, Chief Executive of FSCS, says: “FSCS makes an important contribution to consumer confidence and MPs recognise the important work we do to protect consumers. Interestingly, MPs also agree that the industry needs to do more to make people aware of the protection FSCS provides, particularly in branch and at the point of sale.

“We are working with the industry on the next phase of our consumer awareness programme, including providing clear sign posting of FSCS in banks, building societies and credit unions. We hope the industry will embrace this work which will benefit consumers and firms alike.”

Notes to Editors:

About the FSCS

The Financial Services Compensation Scheme (FSCS) is the UK's statutory compensation scheme for customers of authorised financial services firms. This means that the FSCS can pay compensation if a firm is unable, or likely to be unable, to pay claims against it. The FSCS is an independent body, set up under the Financial Services and Markets Act 2000 (FSMA), and funded by a levy on authorised financial services firms. The FSCS does not charge individual consumers for using its service. For more information visit www.fscs.org.uk

About the poll

FSCS commissioned ComRes to carry out omnibus research using their standing panel of MPs. ComRes surveyed 154 MPs between 14th February to 14th March 2012 by self-completion postal or online questionnaire.

Data were weighted to reflect the exact composition of the House of Commons. Respondents were asked a number of questions including familiarity with FSCS, the current limit for deposits, how strongly they agreed with statements relating to disclosure and for those who had contact with FSCS how efficient they thought it was.

Data tables are available at www.comres.co.uk.