



Financial Services and Markets Act 2000

2000 CHAPTER 8

PART XVI

THE OMBUDSMAN SCHEME

The scheme

225 The scheme and the scheme operator.

- (1) This Part provides for a scheme under which certain disputes may be resolved quickly and with minimum formality by an independent person.
- (2) The scheme is to be administered by a body corporate (“the scheme operator”).
- (3) The scheme is to be operated under a name chosen by the scheme operator but is referred to in this Act as “the ombudsman scheme”.
- (4) Schedule 17 makes provision in connection with the ombudsman scheme and the scheme operator.

226 Compulsory jurisdiction.

- (1) A complaint which relates to an act or omission of a person (“the respondent”) in carrying on an activity to which compulsory jurisdiction rules apply is to be dealt with under the ombudsman scheme if the conditions mentioned in subsection (2) are satisfied.
- (2) The conditions are that—
 - (a) the complainant is eligible and wishes to have the complaint dealt with under the scheme;
 - (b) the respondent was an authorised person at the time of the act or omission to which the complaint relates; and

Status: Point in time view as at 08/11/2006.

Changes to legislation: Financial Services and Markets Act 2000, Cross Heading: The scheme is up to date with all changes known to be in force on or before 15 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (c) the act or omission to which the complaint relates occurred at a time when compulsory jurisdiction rules were in force in relation to the activity in question.
- (3) “Compulsory jurisdiction rules” means rules—
 - (a) made by the Authority for the purposes of this section; and
 - (b) specifying the activities to which they apply.
- (4) Only activities which are regulated activities, or which could be made regulated activities by an order under section 22, may be specified.
- (5) Activities may be specified by reference to specified categories (however described).
- (6) A complainant is eligible, in relation to the compulsory jurisdiction of the ombudsman scheme, if he falls within a class of person specified in the rules as eligible.
- (7) The rules—
 - (a) may include provision for persons other than individuals to be eligible; but
 - (b) may not provide for authorised persons to be eligible except in specified circumstances or in relation to complaints of a specified kind.
- (8) The jurisdiction of the scheme which results from this section is referred to in this Act as the “compulsory jurisdiction”.

Modifications etc. (not altering text)

- C1** S. 226 extended (19.7.2001 for specified purposes otherwise 1.12.2001) by S.I. 2001/2326, **arts. 1(1), 3(1)**; S.I. 2001/3538, **art. 2(1)**
- C2** S. 226(2) excluded (19.7.2001 for specified purposes otherwise 1.12.2001) by S.I. 2001/2326, **arts. 1(1), 2(4)**; S.I. 2001/3538, **art. 2(1)**

Commencement Information

- II** S. 226 wholly in force at 1.12.2001; s. 226 not in force at Royal Assent see s. 431(2); s. 226 in force for specified purposes at 18.6.2001 by S.I. 2001/1820, **art. 2, Sch.**; s. 226 in force in so far as not already in force at 1.12.2001 by S.I. 2001/3538, **art. 2(1)**

^{F1} ^{F1}226A **Consumer credit jurisdiction**

- (1) A complaint which relates to an act or omission of a person (“the respondent”) is to be dealt with under the ombudsman scheme if the conditions mentioned in subsection (2) are satisfied.
- (2) The conditions are that—
 - (a) the complainant is eligible and wishes to have the complaint dealt with under the scheme;
 - (b) the complaint falls within a description specified in consumer credit rules;
 - (c) at the time of the act or omission the respondent was the licensee under a standard licence or was authorised to carry on an activity by virtue of section 34A of the Consumer Credit Act 1974;
 - (d) the act or omission occurred in the course of a business being carried on by the respondent which was of a type mentioned in subsection (3);

Status: Point in time view as at 08/11/2006.

Changes to legislation: Financial Services and Markets Act 2000, Cross Heading: The scheme is up to date with all changes known to be in force on or before 15 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (e) at the time of the act or omission that type of business was specified in an order made by the Secretary of State; and
 - (f) the complaint cannot be dealt with under the compulsory jurisdiction.
- (3) The types of business referred to in subsection (2)(d) are—
- (a) a consumer credit business;
 - (b) a consumer hire business;
 - (c) a business so far as it comprises or relates to credit brokerage;
 - (d) a business so far as it comprises or relates to debt-adjusting;
 - (e) a business so far as it comprises or relates to debt-counselling;
 - (f) a business so far as it comprises or relates to debt-collecting;
 - (g) a business so far as it comprises or relates to debt administration;
 - (h) a business so far as it comprises or relates to the provision of credit information services;
 - (i) a business so far as it comprises or relates to the operation of a credit reference agency.
- (4) A complainant is eligible if—
- (a) he is—
 - (i) an individual; or
 - (ii) a surety in relation to a security provided to the respondent in connection with the business mentioned in subsection (2)(d); and
 - (b) he falls within a class of person specified in consumer credit rules.
- (5) The approval of the Treasury is required for an order under subsection (2)(e).
- (6) The jurisdiction of the scheme which results from this section is referred to in this Act as the “consumer credit jurisdiction”.
- (7) In this Act “consumer credit rules” means rules made by the scheme operator with the approval of the Authority for the purposes of the consumer credit jurisdiction.
- (8) Consumer credit rules under this section may make different provision for different cases.
- (9) Expressions used in the Consumer Credit Act 1974 have the same meaning in this section as they have in that Act.]]

Textual Amendments

- F1** S. 226A inserted (16.6.2006) by [Consumer Credit Act 2006 \(c. 14\)](#), **ss. 59(1), 71(2)** (with [Sch. 3 para. 29](#)); [S.I. 2006/1508](#), **art. 3(1)**, [Sch. 1](#)

227 Voluntary jurisdiction.

- (1) A complaint which relates to an act or omission of a person (“the respondent”) in carrying on an activity to which voluntary jurisdiction rules apply is to be dealt with under the ombudsman scheme if the conditions mentioned in subsection (2) are satisfied.
- (2) The conditions are that—

Status: Point in time view as at 08/11/2006.

Changes to legislation: Financial Services and Markets Act 2000, Cross Heading: The scheme is up to date with all changes known to be in force on or before 15 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (a) the complainant is eligible and wishes to have the complaint dealt with under the scheme;
 - (b) at the time of the act or omission to which the complaint relates, the respondent was participating in the scheme;
 - (c) at the time when the complaint is referred under the scheme, the respondent has not withdrawn from the scheme in accordance with its provisions;
 - (d) the act or omission to which the complaint relates occurred at a time when voluntary jurisdiction rules were in force in relation to the activity in question; and
 - (e) the complaint cannot be dealt with under the compulsory jurisdiction [^{F2}or the consumer credit jurisdiction].
- (3) “Voluntary jurisdiction rules” means rules—
- (a) made by the scheme operator for the purposes of this section; and
 - (b) specifying the activities to which they apply.
- (4) The only activities which may be specified in the rules are activities which are, or could be, specified in compulsory jurisdiction rules.
- (5) Activities may be specified by reference to specified categories (however described).
- (6) The rules require the Authority’s approval.
- (7) A complainant is eligible, in relation to the voluntary jurisdiction of the ombudsman scheme, if he falls within a class of person specified in the rules as eligible.
- (8) The rules may include provision for persons other than individuals to be eligible.
- (9) A person qualifies for participation in the ombudsman scheme if he falls within a class of person specified in the rules in relation to the activity in question.
- (10) Provision may be made in the rules for persons other than authorised persons to participate in the ombudsman scheme.
- (11) The rules may make different provision in relation to complaints arising from different activities.
- (12) The jurisdiction of the scheme which results from this section is referred to in this Act as the “voluntary jurisdiction”.
- (13) In such circumstances as may be specified in voluntary jurisdiction rules, a complaint—
- (a) which relates to an act or omission occurring at a time before the rules came into force, and
 - (b) which could have been dealt with under a scheme which has to any extent been replaced by the voluntary jurisdiction,
- is to be dealt with under the ombudsman scheme even though paragraph (b) or (d) of subsection (2) would otherwise prevent that.
- (14) In such circumstances as may be specified in voluntary jurisdiction rules, a complaint is to be dealt with under the ombudsman scheme even though—
- (a) paragraph (b) or (d) of subsection (2) would otherwise prevent that, and
 - (b) the complaint is not brought within the scheme as a result of subsection (13),

Status: Point in time view as at 08/11/2006.

Changes to legislation: Financial Services and Markets Act 2000, Cross Heading: The scheme is up to date with all changes known to be in force on or before 15 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

but only if the respondent has agreed that complaints of that kind were to be dealt with under the scheme.

Textual Amendments

- F2** Words in s. 227(2)(e) inserted (16.6.2006) by Consumer Credit Act 2006 (c. 14), **ss. 61(2), 71(2)**; S.I. 2006/1508, **art. 3(1)**, Sch. 1

Modifications etc. (not altering text)

- C3** S. 227(2) modified (7.10.2008 at 9.30 a.m.) by The Heritable Bank plc Transfer of Certain Rights and Liabilities Order 2008 (S.I. 2008/2644), **art. 25**

Commencement Information

- I2** S. 227 wholly in force at 1.12.2001; s. 227 not in force at Royal Assent see s. 431(2); s. 227 in force for specified purposes at 18.6.2001 by S.I. 2001/1820, **art. 2, Sch.**; s. 227 in force in so far as not already in force at 1.12.2001 by S.I. 2001/3538, **art. 2(1)**

Status:

Point in time view as at 08/11/2006.

Changes to legislation:

Financial Services and Markets Act 2000, Cross Heading: The scheme is up to date with all changes known to be in force on or before 15 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.