

Financial Services Complaints Ltd

Susan Taylor, Chief Executive Officer

We comment generally that we find that pro-active regulation from the regulators is most helpful for us, but acknowledge that this looks to be the most expensive option.

Pro-active regulation is helpful for us in that it gives us some context in the disputes that we investigate, especially where the area of law or regulation is new. For example, we understand the FMA is going to issue some pro-active guidance about their expectations around record keeping now that we're now coming up to a year under the new financial advice regime. These types of guidance documents and the educative approach help inform the decisions we might reach on record-keeping, and in our education to participants. It's also great for the industry – they're given a steer from the regulator so they can try and make sure their processes and policies are meeting expectations – most providers are keen to do the right thing.

Conversely, a reactive regulatory approach (especially where a new regime is introduced) is likely to lag for some time (for example, if litigation was pursued).