



Sub-Committee on Financial Services Regulations

House of Commons, Committee Office, London SW1A 0AA
Tel 020 7219 5769 | Email finservsubcom@parliament.uk

Abby Thomas
Chief Executive and Chief Ombudsman
Financial Ombudsman Service

Via email

25 January 2023

Dear Abby,

Authorised Push Payment Fraud

Thank you for giving evidence to the Treasury Sub-Committee on Financial Services Regulations on 13 December 2022. Following on from that session and your letter dated 6 January 2023, I would be grateful if you could please answer these questions relating to the Payment System Regulator's '[Authorised push payment \(APP\) scams: Requiring reimbursement](#)' consultation:

1. The PSR's proposals require payment service providers (PSPs) to reimburse victims of APP fraud within two days, subject to certain exceptions. The median time taken by the FOS to resolve a case in 2021/22 was 6.4 months.¹ Is the FOS's current process appropriate for providing a swift resolution to disputes about APP fraud reimbursement?
2. What steps will you take to improve resolution times, and over what timetable?
3. Are you concerned that slow resolution of reimbursement disputes by the FOS could undermine the effectiveness of the PSR's proposals?
4. Are you concerned that PSPs could use delays in the time taken for the FOS to resolve a dispute to pressure victims into accepting only partial reimbursement?
5. Should APP fraud reimbursement cases be processed differently to other FOS disputes?

In line with the Committee's usual practice, I will be placing this letter and your response in the public domain. I would be grateful for a reply by 9 February 2023.

With best wishes,

Harriett Baldwin MP
Chair of the Treasury Sub-Committee on Financial Services Regulations

¹ Financial Ombudsman Services, [Annual Report and Accounts for the year ended March 2022](#), 21 November 2022, page 13