

# Money matters: practical finance tips

As a cash-strapped student, chances are you've probably not been able to put much aside by way of savings, let alone started thinking about your pension. But you'll almost certainly have a bank account – and probably insurance for your possessions or travel. The good news is that things usually run smoothly. But it's reassuring to know that if something does go wrong, there's somewhere you can turn.

Student Times talks to John Quinlan – student outreach officer at the Financial Ombudsman Service – to find out more about the free service that was set up by law to settle financial complaints between consumers and financial firms.

**John explains:** 'Mistakes and misunderstanding can happen with any kind of business. But money-related problems can be of real concern when you

are managing a tight budget. Making a formal complaint might seem a bit daunting. But usually the earlier you contact your bank, insurance company or finance firm to let them know there's a problem, the quicker they are able to put things right.'

'If you've already made a complaint to a financial firm, but remain unhappy – the ombudsman may be able to step in and help. Last year we dealt

with over half a million enquiries from consumers about a wide-range of complaints – from credit cards to motor insurance. The Financial Ombudsman Service is a completely independent organisation – we look carefully at what's happened and consider both sides of the story. If we find that you've lost out, because of something a firm has done (or failed to do), we have official powers to get things put right.'

## Some complaints recently investigated by the ombudsman

### Mobile phone insurance

A second-year student accidentally left his mobile phone in a shop. When he returned to collect it, it was missing. The phone was insured, but his insurer rejected the claim, saying the phone had been left unattended and that the claim would not be paid.

The ombudsman agreed there was an exclusion in the policy for items left 'unattended'. But because this severely restricted the cover, we said this should have been brought to the customer's attention when

he took out the policy. As the insurer could not prove they had done this – or that the consumer had acted carelessly – the ombudsman told the insurer to pay the student's claim.

### Personal loan

A recent college-leaver responded to a marketing letter she received from a loan company. She was offered a loan of £5000 which she used to buy a car. But she later fell seriously behind with the payments. She complained that she shouldn't have been given

the loan, as she had no income and was reliant on benefits when she took it out.

Investigating the facts, the ombudsman decided that the company hadn't made an error when they offered the loan. The application was in joint names – with her former partner – and was affordable on their joint income. However, though the complaint was not upheld, the company agreed with the ombudsman that the customer was in financial difficulty, and it offered to help her by re-scheduling her repayments.

John Quinlan,  
student outreach

## John's 'top tips' on how to get your complaint taken seriously

- 1. What's the problem?** Get what you are unhappy about clear in your own mind.
- 2. Try to stay calm!** Even if you are upset, try to stay calm – this will help you to get across your points clearly.
- 3. Write or phone?** Decide whether you want to write or phone and have any relevant policy or account numbers to hand. Make a note of the date, time and full name of anyone you speak to.
- 4. Keep it brief!** Tell the firm what you are unhappy about and how you would like them to put things right.
- 5. Taking it higher!** If you aren't making progress, say you want to register it as a formal complaint.



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