

## **S 11 Going South - Financial Services**

*This leaflet is for you if you live in the North and you want to go South to live or go South to access financial services. It tells you how financial services are regulated in the south. It covers the general rules – there is not enough space to give all the details. You may get further information from the addresses and websites listed.*

*The information in this leaflet was compiled in March 06.*

### **Financial Services**

The financial services sector in the South is broadly similar to that in the North. Financial services are provided by banks, insurance companies, building societies, credit unions and post offices. The Irish Financial Services Regulatory Authority (IFSRA) is the main regulatory authority for the sector. IFSRA calls itself the Financial Regulator (see details below).

### **Opening a bank account**

You must have proof of your identity before opening a bank account. This arises from the law on money laundering which requires that financial institutions must take reasonable measures to establish the identity of any person for whom they propose to provide a service. So, each bank or financial institution is obliged to get some evidence of your identity if you are going to do business with them.

The law does not specify exactly what identification you must provide. There are guidelines agreed by the government and the financial services industry.

The favoured form of identity is a full passport. Other official documents which include a photograph and a signature are also acceptable – for example, a driving licence or an age card issued by the Gardai. If you do not have any of these, you may get an identification form with photograph signed by a member of the Gardai or you may use documentation/cards issued by a Government Department showing your name together with a letter/statement from a person of responsibility, for example, a solicitor, accountant, doctor, minister of religion, teacher, social worker, who is in a position to confirm your identity. The final decision on what is an appropriate form of identification rests with the financial institution.

Information on the guidelines is available <http://www.finance.gov.ie>.

### **Changing banks**

The major financial institutions have agreed a code of conduct to facilitate consumers who wish to change from one institution to another. This is available at [www.ibf.ie](http://www.ibf.ie)

## **Borrowing Money**

There are detailed rules about the conditions under which you may enter an agreement to borrow money. There are specific rules attached to housing loans.

In general consumer credit agreements must be in writing, must be signed by you and you must be given a copy within 10 days. There must be a cooling off period and you must be told about this. The agreement must set out the penalties which apply if you fail to repay the loan in accordance with the agreement.

The agreement must show the APR (Annual Percentage Rate) which is the interest rate which reflects the real cost of borrowing. Advertisements for credit must also prominently display the APR.

You may get further information from the Financial Regulator or the Office of the Director of Consumer Affairs (see below).

## **Financial Regulator**

The Financial Regulator is the statutory regulator of the financial services sector. This means that it is the regulatory authority for banks, building societies, insurance companies, insurance intermediaries (brokers), mortgage intermediaries, investment management firms, stockbrokers, credit unions and moneylenders. All of these institutions must have a licence from the Regulator.

The Financial regulator does not regulate the following:

- pawnbrokers and credit intermediaries (stores offering credit for goods) – they are regulated by the Office of the Director of Consumer Affairs.
- occupational pensions and Personal Retirement Savings Accounts (PRSAs) – they are regulated by the Pensions Board (see Leaflet S1 *Going South - Work*)

The Office of the Director of Consumer Affairs (ODCA) is responsible for the enforcement of a wide range of consumer protection legislation. This includes misleading advertising, misleading price indications, price display order, product pricing, food labelling, footwear and textile labelling, product safety, E-commerce, distance selling, package travel, unfair contract terms and timeshare. The role of the Office is to give information and guidance to consumers on their statutory rights. The Office does not intervene or become involved in individual issues or disputes between consumers and sellers of goods or service providers. The National Consumer Agency (see leaflet S10 *Going South - Consumer Issues*) will take over the above functions of the ODCA.

The Office of the Director of Consumer Affairs  
4 Harcourt Road, Dublin 2.

Tel: (01) 402 5500 Consumer enquiries: Tel: (01) 402 5555

Locall: 1890 220 229 (for calls outside (01) area)

[www.odca.ie](http://www.odca.ie)

### **Consumer Protection**

The Financial Regulator has specific functions in relation to consumer protection. It is obliged to promote the best interests of the users of financial services in a way which is consistent with the orderly and proper functioning of financial markets and the orderly and prudent supervision of the providers of financial services. It is also obliged to take action to increase awareness among consumers of the financial services that are available and of the costs, benefits and risks associated with these services.

The Regulator has introduced a number of Consumer Codes of Conduct and Consumer guides on various topics such as personal loans and mortgages. These codes are available on the website (see below).

You may complain to the Regulator about, among other things, bank charges, harassment of customers, failure to abide by rules in relation to cooling off periods. The regulator does not award compensation but it does have the power to impose sanctions on a financial services provider if it is in breach of the rules.

### **Bank Charges**

Bank charges are not regulated. Suppliers of financial services do not have to apply for approval for price changes (for example, bank charges, interest rates) but they do have to tell the regulator about any such changes.

### **Information for consumers**

The Financial regulator website contains information about the different financial services offered by the various institutions.

The Financial Regulator

Irish Financial Services Regulatory Authority (IFSRA)

PO Box 9138, College Green, Dublin 2

Tel: 01 410 4000

[www.ifsra.ie](http://www.ifsra.ie)

Consumer helpline: 1890 200 469

[Consumer website: www.itsyourmoney.ie](http://www.itsyourmoney.ie)

## **Financial Services Ombudsman**

The Financial Services Ombudsman deals with individual complaints against providers of financial services.

You may complain to the Ombudsman about any of the following:

- Banks
- Building Societies
- Insurance Companies
- Credit Unions
- Mortgage, Insurance and other credit intermediaries
- Stockbrokers
- Pawnbrokers
- Moneylenders
- Bureaux de Change
- Hire Purchase providers
- Health insurance companies

The Ombudsman has the power to order financial institutions to do certain things and to pay compensation to complainants.

### **FIN-NET: Out-of-court Complaints Network for Financial Services**

FIN-NET is an EU wide out-of-court complaints network for financial services. This network has been designed particularly to facilitate the out-of-court resolution of consumer disputes when the service provider is established in an EU Member State other than that where the consumer lives.

A guide to the network is available at:

[http://europa.eu.int/comm/internal\\_market](http://europa.eu.int/comm/internal_market)

### **Money Advice and Budgeting Service (MABS)**

If you are having difficulties in managing your money you may be able to get help from The Money Advice and Budgeting Service (MABS). MABS provides a free service for people with debt or money management problems. There are MABS offices around the country.

Money Advice and Budgeting Service (MABS)

c/o Department of Social Welfare

Aras Mhic Dhiarmada

Store Street

Dublin 1.