



About the report

The Central Bank commenced collecting detailed consumer data from selected regulated firms in a number of sectors in 2013. This data is part of an overall market intelligence gathering function, with the aim being to identify potential risks to our consumer protection objectives.

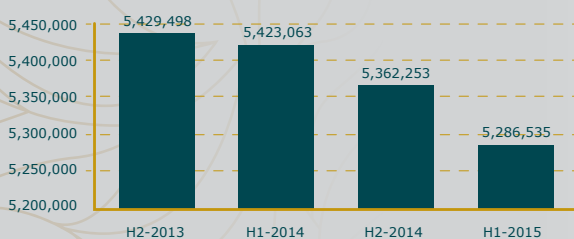
This first Bulletin concentrates on the data reported by credit institutions - representing all of the domestic consumer current account market in Ireland. It provides a high level overview of the number and value of consumer current accounts, the number of consumers using the Code of Conduct on the Switching of Current Accounts with Credit Institutions and the number of consumer complaints received by firms in relation to current accounts.

Summary Trends

- Current account numbers are decreasing but there has been an increase in account values in this reporting period.
- Overall, switching levels under the Switching Code remain low but there is evidence that switchers are opting for providers offering more competitive fees and charges.
- 99% of the number of switches completed under the Switching Code were completed within the timeframes prescribed by that Code.
- While the number of complaints on current accounts represent less than 1% of the overall current account numbers, they represent the largest number of banking complaints and the numbers of such complaints has increased over the last four reporting periods.

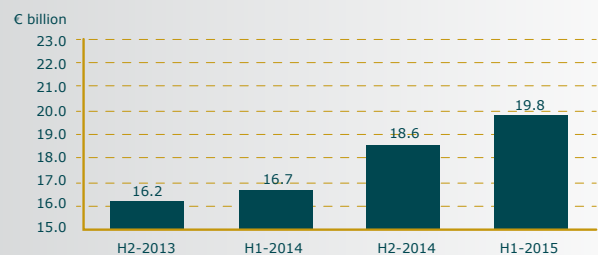
Current Account Overview

Numbers of Current Accounts (fig 1)



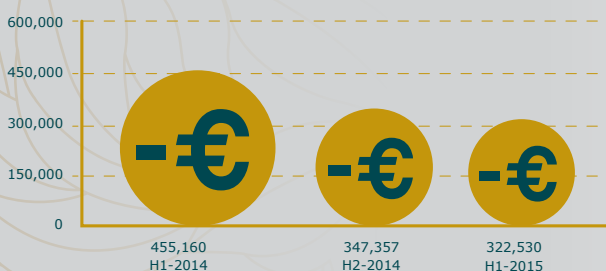
At the end of H1-2015, there are 6 main credit institutions active in the consumer current account market, down from 9 in the mid-2000s. Figure 1 shows the steady decline in account numbers over the last 4 reporting periods.

Value of Current Accounts (fig 2)



However, figure 2 shows that, while the number of current accounts has fallen, the value of these accounts has risen over that period, rising by €3.6 billion.

Number of Current Accounts in an Unauthorised Overdrawn Position (fig 3)

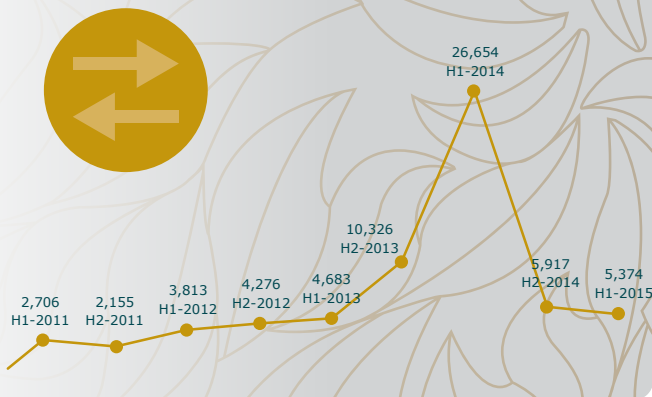


There was also a 29% reduction in the number of these accounts in an unauthorised overdrawn position in H1-2015 when compared with the same period last year, with a continued trend in numbers declining since H1-2014, highlighted in figure 3.

Current Account Switching

The latest figures reveal that the overall number of consumers switching accounts into the reporting credit institutions (under the Central Bank's Switching Code) in the first half of 2015 was 5,374. There was a spike in numbers using the switching process in H2-2013 and H1-2014 which coincided with the withdrawal of current account providers from the market.

Number of Current Accounts Switched In (under the Switching Code) (fig 4)



From the data collected across reporting credit institutions, which reflects switching market share, there is evidence that consumers are opting for providers offering more competitive fees and charges.

All credit institutions providing current accounts in Ireland are subject to the Switching Code, which was introduced by the Central Bank in October 2010. Its purpose is to make the process of switching current accounts easier and quicker for consumers. In H1-2015, 99% of all current account switches were completed within the timeframes prescribed by the Code (which includes the transfer of all direct debits and standing orders).

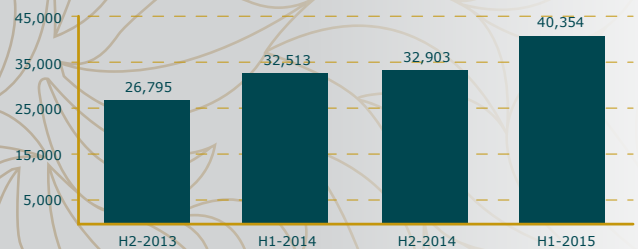
Current Account Complaints

A key component of the consumer data received from the reporting credit institutions relates to the number and type of consumer complaints received, as set out in the Consumer Protection Code.

The reported data shows that current accounts, the main type of account held by consumers, were the most complained about banking product. When complaints are analysed as a percentage of overall account numbers, for H1-2015, this represents about 0.76% of the overall current account numbers.

From figure 5 below, the number of complaints regarding current accounts has increased over the last four reporting periods. Account Administration and Processing represents 55% of all current account complaints, see figure 6.

Numbers of Complaints about Current Accounts (fig 5)



Numbers of Complaints about Current Accounts – by Complaints Type (fig 6)



22,135



4,917



880



9,245



1,128



2,049

- Admin & Processing
- Customer Service
- Bank Policy
- Fees & Charges
- Customer Comms
- Other

99% of all complaints regarding current accounts in H1-2015 were resolved within 40 business days. 40 business days is the timeframe prescribed by the Consumer Protection Code within which a complaint must be resolved or, if not resolved, the complainant must be informed of the anticipated timeframe for resolution.