



REGULATE
COMMUNICATE
INNOVATE

Consumer Duty

Timeline

- 2018 Discussion Paper – Duty of Care
- 2019 Feedback statement and next steps
- 2021 Proposal for a new ‘Consumer Duty’
- 2022 H2 Feedback and final rules
- 2023 Manufacturers reviews complete
(April)
- 2023 Rules apply (end of July)

Consumer Duty

Principle: A firm must act to deliver good outcomes for retail customers

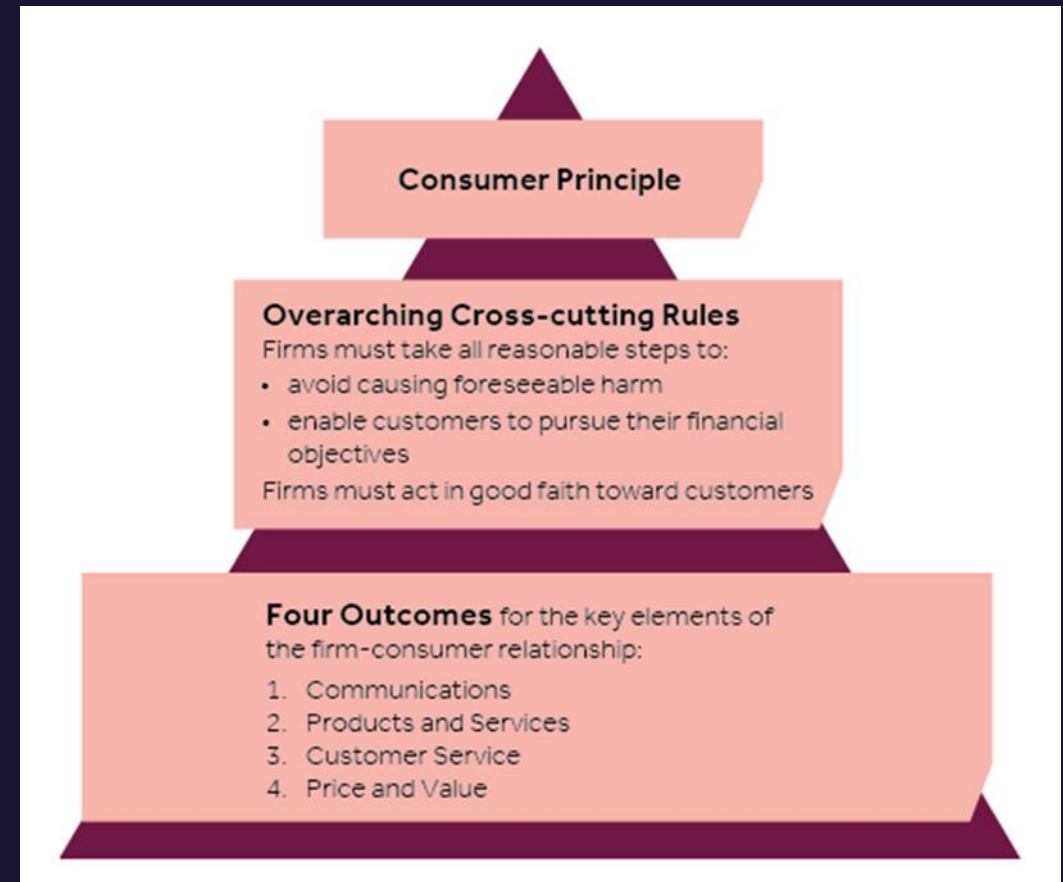
Conduct Rule:

All Staff are required to act to deliver good outcomes for retail customers, with obligations to act in good faith towards those customers; avoid causing foreseeable harm to customers; and enable & support customers to pursue their financial objectives.

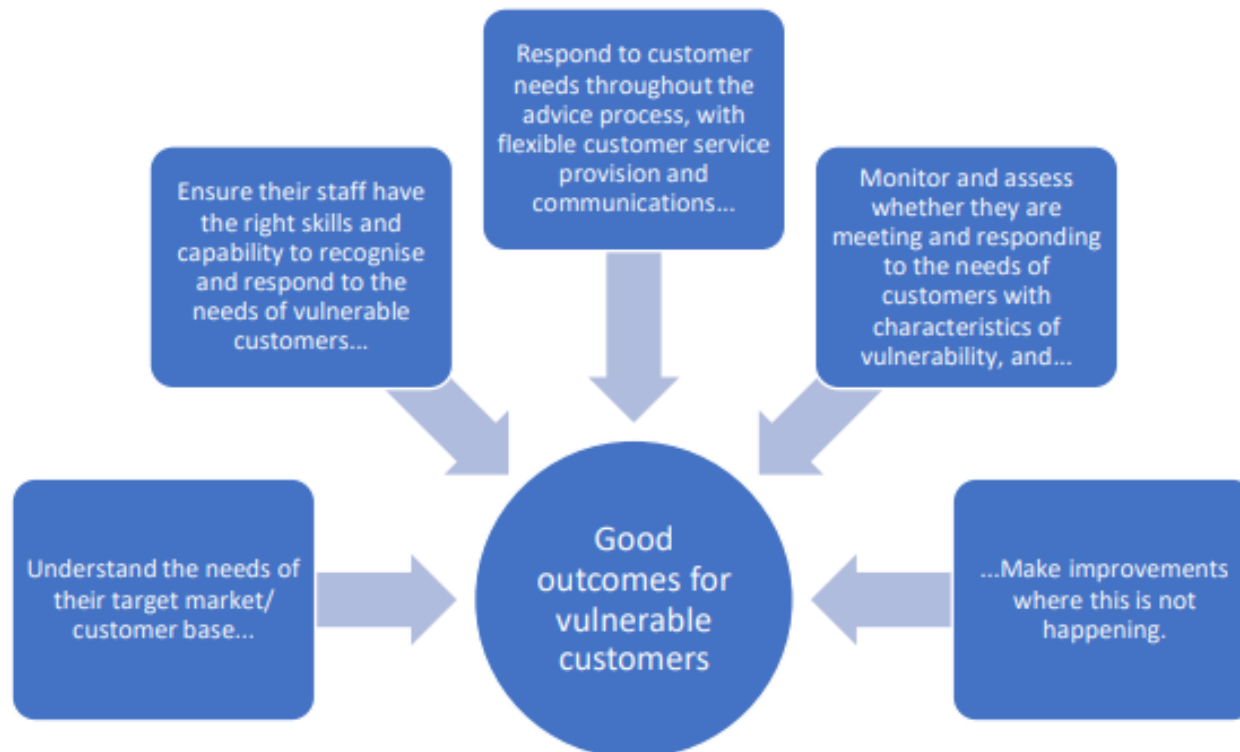
Consumer Duty

Develop expectations for behaviour through rules that apply to all areas of firm, adviser and staff conduct

- Act in good faith
- Avoid causing foreseeable harm, and
- Enable and support retail customers to pursue their financial objectives



Consumer Duty



Source for the wording in above diagram: FG21/1 FCA vulnerability guidance.

Consumer Duty

Four Outcomes

- Product and Services
- Price and Value
- Customer Understanding
- Customer Support

Products & Services

HARM:

Products and services that aren't fit for purpose, don't match consumers needs or are sold to people they weren't designed for



Partnership Panel
Commission Rates

Products & Services

We have the Theory and now evidence the Practice

- Initial Disclosure – service and costs
- File Checks
- Min volume of cases for permissions held
- Quarterly Risk Reviews
- CPD Hours – New for Non-Selling Principals and must be evidenced for every Adviser

