

Pensionology.UK Ltd **TREATING CUSTOMERS FAIRLY (TCF) POLICY**

1. What is Treating Customers Fairly?

"A firm must pay due regard to the interest of its customers and treat them fairly."

This means that a customer is given the most appropriate advice or guidance available and that they receive the product that is most suitable for them.

2. What is the aim of TCF?

"The aim of TCF is to raise standards in the way firms carry on their business by introducing changes, where appropriate, that will benefit consumers and increase their confidence in the financial services industry." (FCA)

This means that a customer is helped to understand both the benefits and risks of financial products they are purchasing and encouraging best practices before, during and after sales are made.

Our aim at Pensionology is to raise standards within the company by introducing changes that will benefit our customers and increase their confidence in the advice, guidance and services we provide.

TCF means ensuring that:

- The marketing of products is based on the needs and capabilities of the target audience of customers.
- Any financial promotions are clear and not misleading.
- Product risks are communicated clearly to customers.
- All charges are clear and transparent.
- Causes of complaints are addressed and actions are taken to prevent recurrence of mistakes.
- Management information is used to measure the performance of the firm in relation to TCF.

TCF does not mean:

- Simply being nice and satisfying customers as customers may be satisfied with service even if they have not been treated fairly.
- Exposing customers to unsuitable risk.
- That customers are not expected to make decisions and be responsible for those decisions.
- That we should offer a free of charge service.
- The FCA are responsible for the products customers choose to purchase.

3. Consumer outcomes

The aim of the TCF initiative was to bring about a step change in the behaviour of the financial services sector and deliver improved outcomes for retail consumers.

Our TCF aim is achieved by meeting the following 6 customer outcomes. If you at any point do not feel that this is happening, you must speak to your department manager straight away. A customer does not have to complain to be treated unfairly.

The six outcomes which firms are expected to meet are:

- **Outcome 1:** Consumers can be confident they are dealing with firms where the fair treatment of customers is central to the corporate culture.
- **Outcome 2:** Products and services marketed and sold in the retail market are designed to meet the needs of identified consumer groups and are targeted accordingly.
- **Outcome 3:** Consumers are provided with clear information and are kept appropriately informed before, during and after the point of sale.
- **Outcome 4:** Where consumers receive advice, the advice is suitable and takes account of their circumstances.
- **Outcome 5:** Consumers are provided with products that perform as firms have led them to expect, and the associated service is of an acceptable standard and as they have been led to expect.
- **Outcome 6:** Consumers do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a complaint.

4. Action Plan

Pensionology have implemented an action plan to cover any areas that were not in line with TCF. This action plan is an ongoing project and is updated on a regular basis

Using this action plan ensures that appropriate action is taken by senior management so Pensionology achieve the principles of TCF consistently.

Using the FCA guidelines, Pensionology set out the six areas in which they will ensure that TCF is being correctly implemented. These areas are Leadership, Strategy, Decision Making and Challenge, Controls, Performance Management and Rewards.

Leadership:

TCF is being led by John Mamelok and members of senior management who regularly meet and review the TCF process including the customer journey.

Management Information (MI) is also reviewed and assessed at an employee, team, department and company level.

The other five areas - Strategy, Decision Making and Challenge, Controls, Performance Management and Rewards - are also discussed and direction is given from the senior management level.

Strategy:

Pensionology has in place a strategy to ensure that all their customers are treated in a fair way.

This strategy revolves around the customer journey and the use of customer contact scripts where required. The contact scripts have been written and approved by senior management and are continually monitored and amended if necessary to ensure maximum efficiency and customer fairness.

To ensure that the scripts are working for the business as well as maintaining TCF levels, customer feedback is recorded and assessed by team leaders when listening to calls.

Customers are contacted after a product sale is completed to gather feedback. If any issues are highlighted, these are reported to management and action taken.

Work items are recorded as soon as they are identified and is then allocated to the relevant member of staff on a daily basis. Work is monitored by team leaders to ensure that the correct actions have been taken, appropriate notes have been made and all parties have been updated where necessary.

Decision Making and Challenge:

The challenges within Pensionology are that daily targets need to be achieved. In achieving these targets the treatment of customers is paramount which is evidenced in the customer feedback and TCF MI.

These targets are set by senior management, department and team managers and are reviewed on a weekly or monthly basis.

Controls:

The MI compiled by the department managers is analysed, reviewed and challenged.

New employees to the company are given full training, including company policies and practices, TCF, specific job training, product knowledge training, customer service, data protection and compliance awareness. Each section of the training includes assessment to confirm the understanding and need for further training. Competency sign off certificates are complete once a member of staff is deemed competent in a particular area and the company skills matrix is update.

New employees can also be enrolled on an NVQ course in their job specific area.

All staff members are continually trained on TCF to ensure that they understand the importance of implementing it correctly.

Performance Management:

All staff members are assessed by target driven performance. These targets include the quality of the calls made and work produced. The department managers regularly listen to the calls made by the staff and assess whether they are treating the customers fairly by using the approved script, providing the correct information and following up the call with the required work action.

Regular 1-to-1s are completed to review the assessments and whether the team member is meeting the company's TCF requirements. Any issues that have been identified will be discussed during the 1-to-1 meeting. Any matters that are considered urgent, will be discussed immediately rather than waiting for the 1-to-1 meetings.

Rewards:

Pensionology do not operate a reward scheme in the form of bonuses.

5. Management Information

"TCF MI should seek to measure adherence to outcomes rather than the processes – so how well something works, not whether you have checked that it works. The MI should relate to all business processes – not just TCF processes."

"It should be noted that MI on customer satisfaction may indicate fairness, but does not demonstrate fairness. For example, a customer can be satisfied with unfair treatment and unsatisfied with fair treatment."

Pensionology has again followed the FCA guidelines and looks to have the following two points in order to demonstrate success:

The standard – the level of performance that the firm decides is sufficient to demonstrate it is meeting its TCF outcomes.

The result – how they performed against that standard.

All MI is analysed and monitored by senior management, paying particular attention to the consumer outcomes that are being achieved.

Complaints

Certain areas are monitored and reported on including:

- how many complaints are received
- percentage of complaints received
- percentage of complaints resolved and in what time scales

- number of complaints upheld

All MI includes % ratios so they can be compared with previous months.

All calls are recorded and a sample are listened to by department managers or a member of the monitoring team. Each call review assesses:

- that the telephone script is followed (where required)
- that the customer is offered the correct product for their requirements/demands and needs
- that customer questions are correctly answered and the customer fully understands
- the overall quality of the call in terms of Treating Customers Fairly
- that accurate notes are made on the customer's file to reflect the content of the call
- that actions are taken and work is allocated as required as a result of the call

Action points are reviewed on a one to one basis with the member of staff and any training needs are identified for the individual and department. Required training is then implemented, recorded and assessed.

Underwriting and Administration

Certain areas are monitored and reported on including:

- amount of applications received by product
- service levels and customer expectations are managed and met
- product providers receive all required documentation promptly
- all application details are correct and verified with the customer
- clear audit trails are maintained
- all regulatory procedures are adhered to and customers are kept updated and informed throughout their journey

6. Review

The MI is reviewed regularly to ensure the customer journey is still working as it should to the customer's best possible outcome and to see how it can be improved.

Members of staff are asked to assess their TCF interpretation by questioning:

- Would I advise differently if my best friend or closest relative was in the same circumstances as the client?
- Would I advise differently if I was not paid a reward for doing so?
- Would I advise differently if I was not told or made to do so?
- Would I follow a different course of action in the same circumstances as the client?
- Have I satisfied the customer's needs and demands in every respect (whether that be consolidating their debts or adequately protecting them with insurance)?
- Have you fully checked the customer has chosen whether to take the same course of action you would do, if you were them, or have you recorded the fact that they do not want to follow your advice?

7. Complaints Procedure

Pensionology has a complaints procedure in place which all members of staff follow. It includes a step by step guide which tells staff how to deal with complaints.

The procedure has been put in place by senior management and an integral part of it is ensuring not only a satisfactory outcome for all parties but also making sure that the customer receives fair treatment.

After a full investigation of a complaint, the member(s) of staff, processes and systems are reviewed to ensure any changes, training and action is implemented. Action is also taken to minimise the risk of a reoccurrence.

Where applicable, information is given to the client regarding the Financial Ombudsman Service.

8. Data Protection

To ensure that customers are treated fairly we have a Data Protection policy in place. Again this is accessible to all members of staff and training is in place to ensure that all staff are aware of their responsibilities and to ensure the customer is aware of how their information will be used.

9. The Customer Journey

Pensionology aims to make sure that the customer's journey is as smooth and efficient as possible and we make sure that the customer is treated fairly, given the correct information and that they have a full understanding of the process of product.