

RWA

CONSUMER DUTY GAP ANALYSIS

£650
plus VAT

The FCA's new Consumer Duty sets the **standard of care that firms should give to consumers in retail financial services.**

The **three key elements** of the Consumer Duty are:

The Consumer Principle which reflects the overall standard of behaviour the FCA wants from firms:

'act to deliver good outcomes for retail customers'

The Cross-cutting rules which develop overarching expectations across all areas of firm conduct and inform and help firms interpret the 4 outcomes.

The Four outcomes which are a suite of rules and guidance that set more detailed expectations for firm conduct.

The Consumer Duty applies to the regulated activities and ancillary activities of all authorised firms in respect of both products and services for their prospective and actual retail customers.

The phase one deadline for Consumer Duty isn't until 31st July 2023, however the **FCA expects all governing bodies to have an implementation plan in place by the end of October 2022.**

RWA have carefully curated the Consumer Duty Gap Analysis to help support firms comply with new guidelines and identify areas that need development.

Our gap analysis report will enable firms to develop a formalised and documented implementation plan.

“ I now feel that we have a clear plan as to what tasks need doing and what we have achieved so far... I feel assured that we will be ahead of the curve. ”

Tim Sydenham
County Insurance

RWA

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The RWA Consumer Duty Gap Analysis concentrates on the main requirements of the four outcomes and areas that support them, such as:

- **Manufacture and distribution** of products and services
- **Price and value**, including assessing fair value
- **Consumer understanding**, including financial promotions
- **Consumer support**, including considering vulnerable customers
- **Monitoring outcomes**, including collecting and analysing Management Information (MI)
- **The interaction of Consumer Duty with other existing regulation** e.g., Treating Customers Fairly and the Customer Best Interest Rule.

The scheme has proven valuable to many brokers. Reports have highlighted similar points of improvement across firms, such as:

- Documenting distribution strategies
- Collating more in-depth MI on consumer outcomes and evidencing how it is used
- Recording fair value assessments and reviewing value on an on-going basis

Plus, many more specific to individual firms!

How does the gap analysis work?

One of RWA's compliance consultants will work closely with your firm to complete our custom-built gap analysis quiz. This will identify your current systems and procedures, under key areas of the Consumer Duty.

A report will then be provided that highlights any weaknesses in your processes and areas where action is required, as well as noting how improvements can be made.

RWA can also provide additional support to guide you in implementing any solutions.

Get in touch to find out more!

