


For financial advisers only

Consumer Duty - key questions to ask

The FCA provided 39 questions firms should test themselves against. Complete the tables below to find out if any gaps exist for your firm.



Products and services
Design services to deliver good outcomes for target audiences.

FCA products and services questions	Your firm's answers
Has the firm specified the target market of its products and services to the level of granularity necessary?	
How has the firm satisfied itself that its products and services are well designed to meet the needs of consumers in the target market, and perform as expected? What testing has been conducted?	
How has the firm identified if the product or service has features that could risk harm for groups of customers with characteristics of vulnerability? What changes to the design of its products and services is it making as a result?	
Is the firm sharing all necessary information with other firms in the distribution chain, and receiving all necessary information itself?	
How is the firm monitoring that distribution strategies are being followed and that products and services are being correctly distributed to the target market?	
What data and management information is the firm using to monitor whether products and services continue to meet the needs of customers and contribute to good consumer outcomes? How regularly is it reviewing this data and what action is being taken as a result?	
Where the firm is planning to withdraw a product or service from the market, has the firm considered whether this could lead to foreseeable harm? What action is it taking to mitigate this risk?	



Price and value

Demonstrate charging approaches offer fair value, including between groups.

FCA price and value questions	Your firm's answers
<p>Is the firm satisfied that it is considering all the relevant factors and available data as part of its fair value assessments? Has it gathered relevant information from other firms in the distribution chain?</p>	
<p>What insight has the firm gained for its value assessments by benchmarking the price and value of its products and services against similar ones in the market? Have the price and value of its older products kept up with market developments?</p>	
<p>Can the firm demonstrate that its products and services are fair value for different groups of consumers, including those in vulnerable circumstances or with protected characteristics?</p>	
<p>If the firm is charging different prices to separate groups of consumers for the same product or service, is the firm satisfied that the pricing is fair for each group?</p>	
<p>What action has the firm taken as a result of its fair value assessments, and how is it ensuring this action is effective in improving consumer outcomes?</p>	
<p>What data, MI and other intelligence is the firm using to monitor the fair value of its products and services on an ongoing basis? How regularly is it reviewing this material, and what action is it taking as a result?</p>	



Consumer understanding

Truly promote understanding, helping customers avoid foreseeable harm and pursue their financial objectives.

FCA consumer understanding questions	Your firm's answers
<p>Is the firm satisfied that it is applying the same standards and testing capabilities to ensure communications are delivering good customer outcomes, as they are to ensuring they generate sales and revenue?</p>	
<p>What insights is the firm using to decide how best to keep customers engaged in their customer journey, whilst also ensuring its customers have the right information at the right time to make decisions?</p>	
<p>How is the firm testing the effectiveness of its communications? How is it acting on the results?</p>	
<p>How does the firm adapt its communications to meet the needs of customers with characteristics of vulnerability, and how does it know these adaptations are effective?</p>	
<p>How does the firm ensure that its communications are equally effective across all channels it uses? How does it test that?</p>	
<p>What data, MI and feedback does the firm use in its ongoing monitoring of the impact of its communications on customer outcomes? How often is this data reviewed, and what action is taken as a result?</p>	



Consumer support

A tailored approach to the needs of vulnerable customers.

FCA consumer support questions	Your firm's answers
<p>How has the firm satisfied itself that its customer support is effective at meeting customer needs regardless of the channel used? Does the firm test outcomes across different channels?</p>	
<p>What assessment has the firm made about whether its customer support is meeting the needs of customers with characteristics of vulnerability? What data, MI and customer feedback is being used to support this assessment?</p>	
<p>How has the firm satisfied itself that it is at least as easy to switch or leave its products and services as it is to buy them in the first place?</p>	
<p>How has the firm satisfied itself that the quality of any post-sale support is as good as the pre-sale support?</p>	
<p>What data, MI and feedback is the firm using to monitor the impact its consumer support is having on customer outcomes? How often is this data monitored, and what action is being taken as a result?</p>	
<p>How effective is the firm's monitoring and oversight of outsourced or third party service providers, and is it confident that these services meet the consumer support standards?</p>	



Culture, governance and accountability

A focus on acting to deliver good outcomes must be at the centre of a firm's strategy and culture.

FCA culture and governance questions	Your firm's answers
Does the firm's purpose (whether publicly articulated or not) align with its obligations under the Duty? How is it embedded and understood throughout the organisation?	
How does the organisation's culture support the delivery of good outcomes for customers?	
How does the organisation ensure that individuals throughout the organisation – including those in control and support functions – understand their role in delivering the Duty?	
Are staff empowered and feel safe to challenge and raise issues where they feel the firm might not be acting to deliver good outcomes for customers? Are those challenges listened to, and where necessary, acted on?	
Is the Duty being considered in all relevant discussions such as strategy and remuneration? Are customers outcomes a key lens for Risk and Internal Audit?	
How is the firm ensuring that its remuneration and incentive structures drive good outcomes for customers?	



FCA customer outcomes questions	Your firm's answers
Is the organisation prioritising acting to deliver good outcomes for customers? Are there any areas of concern?	
How is the external environment changing, and how will that impact on the organisation's ability to deliver good outcomes for customers?	
Has the firm identified the key risks to its ability to deliver good outcomes to customers and put appropriate mitigants in place?	
How does the firm define good outcomes (over the short, medium and long term) for customers using its products and services?	
What data does the firm have about its customers and how they use its products? Are there any gaps in the data? What steps is the firm taking to address them?	
What outcomes are customers getting? Are they getting good outcomes which align with their reasonable expectations?	
Are certain groups of consumers getting different outcomes, and if so why? What's driving any adverse outcomes?	
What actions is the firm taking to improve outcomes? (Who's accountable for this work, what will improvement look like and when will it happen?)	

Please use this space for your own notes:

We'll continue to work with advisers like you, as we collaborate on this major regulatory milestone, with a shared obligation to deliver good outcomes for consumers.

To keep up to date with the latest Consumer Duty news and further resources and insights visit

aegon.co.uk/consumer-duty