

What does the Financial Services Authority mean by Treating Customers Fairly?

TCF aims to raise standards in the way organisations carry out their business by introducing changes that will benefit consumers and increase their confidence in the financial services industry.

In particular the aim of TCF is to:

- help customers fully understand the features, benefits, risks and costs of the financial products they buy; and
- minimise the sale of unsuitable products by encouraging best practice before, during and after a sale.

To help the FSA measure fairness, it has set out six outcomes it wants TCF to achieve:

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 customer groups and targeted accordingly.
Outcome 3	Consumers are provided with clear information and are kept appropriately informed before, during and after 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.

The FSA will measure whether these outcomes have been achieved by visiting each organisation, carrying out mystery shopping and reviewing customer files and communications.

To simplify this, and clarify what we aim to achieve, the Society has further defined our approach to fairness and TCF:

We will provide financial products or services that suit customer needs, give information in plain language and at the right time, deliver on our promises and listen to and act appropriately on customer feedback.