

# Treating Customers Fairly (TCF) Factsheet

The FCA/PRA requires financial services firms which are directly involved with retail clients to be able to demonstrate that they treat their customers fairly. This programme supports firms in demonstrating their commitment to Treating Customers Fairly (TCF). It is also an opportunity to demonstrate customer focus and to raise the profile of customers internally.

## Knowledge Check

**PART 1:** On the next two pages, there are 6 examples of the consumer outcomes in practice in the workplace.

Read each scenario and then using the drop down box underneath, indicate which of the consumer outcomes it most closely matches.

### SCENARIO 1

ACME Assurance's Income Annuity product was launched to pay an annuitant a regular income for life, with the added freedom of being able to select a starting income from within a range that the company gives them. Income is linked to ACME's With-Profits Fund. Which consumer outcome applies to the launch of the product?

2 Product Design

Well done! 2 Product Design is the correct answer. They need to ensure that it meets the needs of the identified consumer group and that it is targeted accordingly.

### SCENARIO 2

A decision is taken not to provide customers approaching retirement with details of their Open Market Options (the ability to take their pension fund and purchase an annuity with another firm) because of problems with the IT systems. Which consumer outcome is relevant here?

2 Product Design

Actually, it's outcome 3 Communication. This has a TCF impact; this is important information and a regulatory requirement too. They must be provided with this information as it is important that they make the right decision about their retirement and what type and where they purchase their annuity.

### SCENARIO 3

Due to an increase in the numbers of complaints a decision was taken to automatically reject complaints and provide customers with the Financial Ombudsman Service referral details, who would then decide on the outcome of the complaint.

1 Culture

Sorry, the answer is outcome 6 Post-Sale Barriers. There are TCF implications and it could be argued that it is a barrier. This is totally unacceptable.

Click **Next** to continue.

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## Course outline

Three lessons cover:

- Introduction to TCF
- Six consumer outcomes
  - Culture
  - Product design
  - Communication
  - Advice
  - Product and service expectations and standards
  - Post sales barriers
- What TCF is and what TCF is not.

Topics include:

- Why TCF is necessary
- How the FCA/PRA monitors TCF
- How TCF affects different aspects of the business such as leadership, strategy, decision making, controls, recruitment, training, competency and reward.

Course length: 20 minutes

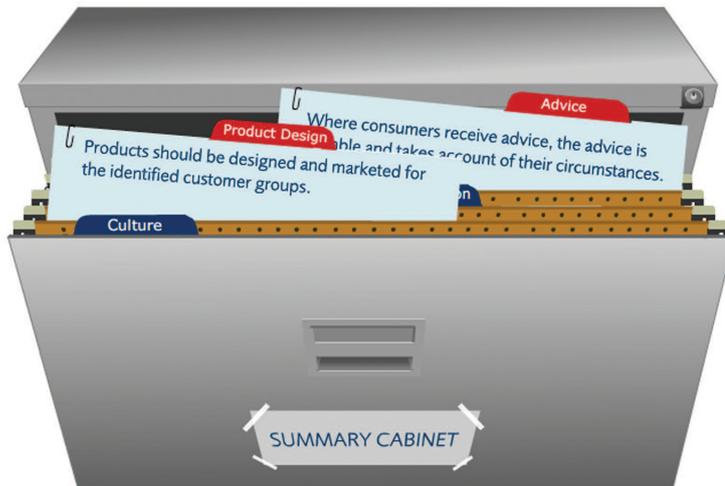
An assessment at the end of the programme tests the learner in all areas of the programme and it is necessary to achieve at least 70% to pass.

customer  
focus

## 2 The Six Consumer Outcomes

### Outcomes summary

Click the summary cabinet to open, and view the summary files by clicking on the relevant tab. Click them again to replace. This summary is covered again in the Learning Aid at the end of the course.



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scenario  
based

support

### Unique features

- Scenario based – the six consumer outcomes are illustrated by six characters and the learner needs to decide which of the outcomes applies the most to each character. This refreshing and lively approach enables learners to gain knowledge from learning materials based on real life situations.
- Different learning techniques are used to suit all types of learners including video, question and answer and recaps of knowledge
- Short questions test the learner's understanding of the information provided
- A separate, downloadable learning aid (notes) provides a short summary of the key elements of the programme, enabling the learner to recapture essential information.

### Benefits for employers

- Improved customer focus leads to greater customer satisfaction which will be reflected in the bottom line
- Certificates are produced to evidence completion of the programme
- Demonstrates commitment to FCA/PRA principles to establish an appropriate culture in order to deliver the relevant consumer outcomes for a business
- As it is an online programme, employees are able to access learning around their work commitments
- Demonstrates an employer's commitment to quality and fairness and provides an opportunity for a firm to emphasise the role of ethics in the workplace
- A thorough final assessment tests and reinforces the learning undertaken during the programme and allows employers to be confident that staff have increased their understanding of TCF
- It is developed by the industry for the industry

### Benefits for employees

- Employees will enhance their understanding of the issues involved in working in a customer focused environment
- Enables employees to gain the confidence which will help them to perform their role more effectively and give them a firm base on which to build their skills and knowledge

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