

CASE STUDY

Redress calculations

The challenge

Our client had come under fire from the FCA as it was concerned about suitability failures following the firm's introduction of an alternative private pension arrangement. Under direction from the FCA, our client needed to conduct an initial review of 50 files to determine if this was the case. They knew only an independent review would give them the unbiased clarity they needed to satisfy the regulator, so they asked us at TCC.

The solution

We undertook the initial review seeking out instances where customers had been given poor advice. We immediately noticed cases where the customer had suffered financial detriment, so we offered up our expert redress team for support. Skilled in dealing with complex and nuanced cases, our actuarial experts calculated an appropriate amount of compensation.

Inevitably, the scope of the review was expanded to a population of

3,000 customers

but our flexible and responsive model meant we could scale up operations quickly to deal with the drastic increase in caseload.

We identified at an early stage that data gathering was taking a long time. Committed to driving efficiencies, we proposed a new data calculation methodology that avoided reviewing every case in detail. This reduced the data-gathering burden and simplified the loss calculation.

As a result, the client paid out slightly more in compensation, but far greater savings were generated from reducing the time to complete the project.

We proposed the new methodology to the regulator, and it was accepted by all parties. Once implemented, we rattled through cases in double-quick time, eventually completing the project four months earlier than predicted. Better yet, by finding the most efficient route, we saved our client over

20%

of original estimate of costs.



The TCC difference

- » We are committed to driving value. We developed an alternative approach that saved our client time and generated 20% in overall cost savings
- » Our in-house redress team are the best in the business. Thanks to our proactive approach and deep actuarial expertise, end customers were swiftly compensated, and the regulator satisfied, avoiding any further enforcement action for our client.
- » Our model is scalable and flexible, meaning we could easily tackle the increase in caseload quickly.

