WEBVTT

NOTE duration:"01:32:58"

NOTE recognizability:0.797

NOTE language:en-us

NOTE Confidence: 0.956532496666667

00:00:18.660 --> 00:00:20.400
Good morning everybody.

NOTE Confidence: 0.956532496666667

00:00:20.400 --> 00:00:22.140
Welcome to today's

NOTE Confidence: 0.956532496666667

00:00:22.140 --> 00:00:23.880
regulatory landscape session.

NOTE Confidence: 0.956532496666667

00:00:23.880 --> 00:00:25.680
This is the last of our

NOTE Confidence: 0.956532496666667

00:00:25.680 --> 00:00:26.472
2022 landscape seminars.

NOTE Confidence: 0.956532496666667

00:00:26.472 --> 00:00:28.056
My name is Vince Smith Hughes.

NOTE Confidence: 0.956532496666667

00:00:28.060 --> 00:00:29.175
I'm the head of our

NOTE Confidence: 0.956532496666667

00:00:29.175 --> 00:00:30.290
specialist team here at Prue.

NOTE Confidence: 0.956532496666667

00:00:30.290 --> 00:00:32.963
And I will be your host for today's session

NOTE Confidence: 0.956532496666667

00:00:32.970 --> 00:00:34.314
now before I talk about the session,

NOTE Confidence: 0.956532496666667

```
00:00:34.320 --> 00:00:35.700
I've got a couple of

NOTE Confidence: 0.956532496666667

00:00:35.700 --> 00:00:36.804
housekeeping points to cover.

NOTE Confidence: 0.956532496666667

00:00:36.810 --> 00:00:38.420
We are recording this session

NOTE Confidence: 0.956532496666667

00:00:38.420 --> 00:00:40.380
for our on demand replay and I'm

NOTE Confidence: 0.956532496666667

00:00:40.380 --> 00:00:41.430
just going to go through here.

NOTE Confidence: 0.956532496666667

00:00:41.430 --> 00:00:43.070
Our normal risk slides now.

NOTE Confidence: 0.956532496666667

00:00:43.070 --> 00:00:44.468
You'll be very pleased to hear.

NOTE Confidence: 0.956532496666667

00:00:44.470 --> 00:00:46.150
I'm not going to read this out now,

NOTE Confidence: 0.956532496666667

00:00:46.150 --> 00:00:49.174
but the slides will be available for you

NOTE Confidence: 0.956532496666667

00:00:49.174 --> 00:00:52.439
to peruse at your leisure after the event.

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00:00:52.440 --> 00:00:54.756
Today's session will provide up to

NOTE Confidence: 0.956532496666667

00:00:54.756 --> 00:00:57.272
90 minutes of structured CPD which is
```

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00:00:57.272 --> 00:00:59.839
accredited by both the CI and the CI SI.

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00:00:59.840 --> 00:01:01.170
Now I'm not going to go through

NOTE Confidence: 0.956532496666667

00:01:01.170 --> 00:01:01.960
the learning outcomes here.

NOTE Confidence: 0.956532496666667

00:01:01.960 --> 00:01:03.200
You can clearly read them,

NOTE Confidence: 0.956532496666667

00:01:03.200 --> 00:01:04.392
but suffice to say,

NOTE Confidence: 0.956532496666667

00:01:04.392 --> 00:01:06.601
if you're here to hear from our

NOTE Confidence: 0.956532496666667

00:01:06.601 --> 00:01:08.346
experts on the consumer duty,

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00:01:08.350 --> 00:01:11.829
you are absolutely in the right place.

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00:01:11.830 --> 00:01:13.986
Now I'll reference how to get your

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00:01:13.986 --> 00:01:16.359
CPD at the end of this session.

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00:01:16.360 --> 00:01:18.646
To help our session along today,

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00:01:18.650 --> 00:01:21.548
we'd like our better participation from you.

00:01:21.550 --> 00:01:22.297
First of all,

00:01:22.297 --> 00:01:23.791
we've time for you to ask

00:01:23.791 --> 00:01:25.109
questions of our expert panel,

00:01:25.110 --> 00:01:26.720
so type them into the Q&amp;A bottom,

00:01:26.720 --> 00:01:28.771
which is the Q&amp;A button which is

00:01:28.771 --> 00:01:30.817
at the bottom of the screen as

00:01:30.817 --> 00:01:32.850
and when one comes to your mind.

00:01:32.850 --> 00:01:34.380
Arberry phone to these during the

00:01:34.380 --> 00:01:36.168
session and possibly at the end as well.

00:01:36.170 --> 00:01:39.275
If we get some time to tackle some more.

00:01:39.280 --> 00:01:39.578
Second,

00:01:39.578 --> 00:01:41.664

we'd like to get your views on

00:01:41.664 --> 00:01:43.373
some topics so you'll see some

00:01:43.373 --> 00:01:45.370
polls popping up as we go along.

00:01:45.370 --> 00:01:46.888
Now you can submit your response

00:01:46.888 --> 00:01:48.200
to those using the poll.

00:01:48.200 --> 00:01:49.712
Question button which is

00:01:49.712 --> 00:01:51.224
underneath this broadcast screen.

00:01:53.310 --> 00:01:54.732
So while we here today well

00:01:54.732 --> 00:01:56.300
over the next hour and a half,

00:01:56.300 --> 00:01:58.364
you'll hear from some great speakers

00:01:58.364 --> 00:02:00.185
they're gonna provide very different

00:02:00.185 --> 00:02:02.100
perspectives on the requirements and

00:02:02.100 --> 00:02:04.671
actions that are needed around the consumer

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00:02:04.671 --> 00:02:06.967
duty and a few other regulatory changes.

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00:02:06.970 --> 00:02:08.662
Importantly, this will look at not

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00:02:08.662 --> 00:02:10.530
just the high level requirements,

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00:02:10.530 --> 00:02:12.186
but what you, as advised firms,

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00:02:12.190 --> 00:02:14.766
can practically do to pay yourselves for

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00:02:14.766 --> 00:02:16.737
this fairly radical change. Together,

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00:02:16.737 --> 00:02:19.306
we'll explore what this means for you.

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00:02:19.310 --> 00:02:21.788
Now, if you've read the paper,

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00:02:21.790 --> 00:02:24.298
you'll know that it's affecting around

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00:02:24.300 --> 00:02:27.444
51,000 firms that are regulated by the FCA.

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00:02:27.450 --> 00:02:29.785
That of course also includes

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00:02:29.785 --> 00:02:31.186
manufacturers like ourselves,

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00:02:31.190 --> 00:02:33.286
possibly even more so than you as advisors,

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00:02:33.290 --> 00:02:34.802
but for the purpose of today we're

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00:02:34.802 --> 00:02:36.489
going to be concentrating on you,

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00:02:36.490 --> 00:02:37.198
the advisor.

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00:02:37.198 --> 00:02:40.030
And what how we can help you make

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00:02:40.108 --> 00:02:42.245
the requirements at the end of the

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00:02:42.245 --> 00:02:43.670
day you will show you some things

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00:02:43.670 --> 00:02:45.086
that we already have which can

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00:02:45.086 --> 00:02:47.281
help you here at Prue in terms of

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00:02:47.281 --> 00:02:48.393
region appropriate client outcomes.

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00:02:48.400 --> 00:02:50.100
Anyway, that's enough for me.

00:02:50.100 --> 00:02:51.880
I'm delighted to introduce and

00:02:51.880 --> 00:02:54.140
be joined by our guest today.

00:02:54.140 --> 00:02:55.900
We've got Peter Lovegrove,

00:02:55.900 --> 00:02:58.100
the director at Grant Thornton,

00:02:58.100 --> 00:02:58.876
Ricky Nuttle,

00:02:58.876 --> 00:03:01.204
director of compliance policy at the

00:03:01.204 --> 00:03:03.828
Simply Biz Group and ROSLISTON managing

00:03:03.828 --> 00:03:06.053
director at Sesame Bankhall Group.

00:03:06.060 --> 00:03:07.062
Welcome, gentlemen.

00:03:07.062 --> 00:03:09.066
Morning gents morning morning

00:03:09.066 --> 00:03:11.054
welcome everyone. See you all.

00:03:11.054 --> 00:03:12.038
Good morning everyone.

00:03:12.040 --> 00:03:13.048
Thank you gentlemen,

00:03:13.048 --> 00:03:15.200
for joining us before we get going though.

00:03:15.200 --> 00:03:16.676
Let's start with one of those

00:03:16.676 --> 00:03:17.660
poll questions I mentioned.

00:03:17.660 --> 00:03:19.697
If you could just submit your answers

00:03:19.697 --> 00:03:22.140
using the Pull tab underneath this screen.

00:03:22.140 --> 00:03:23.476
So the question is,

00:03:23.476 --> 00:03:26.040
how concerned are you about the forthcoming

00:03:26.040 --> 00:03:28.495
consumer duty rules and guidance?

00:03:28.500 --> 00:03:31.090
A unconcerned it is likely we already

00:03:31.090 --> 00:03:33.192
comply with most of it somewhat concerned.

00:03:33.192 --> 00:03:35.920

We know some work is going to be needed.

00:03:35.920 --> 00:03:38.027
See very concerned, it seems a significant

00:03:38.027 --> 00:03:39.879
amount of work will be required,

00:03:39.880 --> 00:03:42.624
or I don't know or not sure.

00:03:42.630 --> 00:03:44.674
So let's have a look at those

00:03:44.674 --> 00:03:46.459
poll results as they come in.

00:03:46.460 --> 00:03:47.804
So if we could run that please,

00:03:47.810 --> 00:03:49.374
that would be great.

00:03:49.374 --> 00:03:52.372
See them coming in 100% at the moment,

00:03:52.372 --> 00:03:52.730
unconcerned.

00:03:52.730 --> 00:03:53.648
That's very interesting.

00:03:53.648 --> 00:03:55.790
We can see them coming in now.

```
00:03:55.790 --> 00:03:58.446
This goes to show it is really live.

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00:03:58.450 --> 00:03:59.310
As you can see,

NOTE Confidence: 0.832672963846154

00:03:59.310 --> 00:04:00.600
them changing and and just I.

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00:04:00.600 --> 00:04:02.816
I do remind people at this point that

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00:04:02.820 --> 00:04:04.738
just to reiterate what I said earlier,

NOTE Confidence: 0.832672963846154

00:04:04.740 --> 00:04:06.203
if you do have questions that you'd

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00:04:06.203 --> 00:04:08.000
like to ask our panel as we go along,

NOTE Confidence: 0.832672963846154

00:04:08.000 --> 00:04:10.604
please make sure you're firing them in

NOTE Confidence: 0.832672963846154

00:04:10.604 --> 00:04:13.803
to the Q&amp;amp;A tab so it looks like we've

NOTE Confidence: 0.832672963846154

00:04:13.803 --> 00:04:16.508
got a pretty good straw poll there.

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00:04:16.510 --> 00:04:19.020
We've got over 40% saying,

NOTE Confidence: 0.832672963846154

00:04:19.020 --> 00:04:21.810
somewhat concerned.

NOTE Confidence: 0.832672963846154
```

```
00:04:21.810 --> 00:04:24.699
So that's interesting.
```

NOTE Confidence: 0.832672963846154

```
00:04:24.700 --> 00:04:25.358
Several people,
```

NOTE Confidence: 0.832672963846154

```
00:04:25.358 --> 00:04:27.332
or 25 odd percent called for
```

NOTE Confidence: 0.832672963846154

```
00:04:27.332 --> 00:04:29.538
people not knowing and around 20
```

NOTE Confidence: 0.832672963846154

```
00:04:29.538 --> 00:04:31.398
odd percent of people unconcerned,
```

NOTE Confidence: 0.832672963846154

```
00:04:31.400 --> 00:04:33.665
so majority saying somewhat concerned
```

NOTE Confidence: 0.832672963846154

```
00:04:33.665 --> 00:04:36.778
and knowing there is still work to do.
```

NOTE Confidence: 0.832672963846154

```
00:04:36.780 --> 00:04:37.586
Excellent right?
```

NOTE Confidence: 0.832672963846154

```
00:04:37.586 --> 00:04:39.198
Without any further ado.
```

NOTE Confidence: 0.832672963846154

```
00:04:39.200 --> 00:04:40.320
Thank you for that.
```

NOTE Confidence: 0.832672963846154

```
00:04:40.320 --> 00:04:42.620
Let's move on to the first question,
```

NOTE Confidence: 0.832672963846154

```
00:04:42.620 --> 00:04:43.898
which I'd like to ask Peter.
```

NOTE Confidence: 0.812804377857143

00:04:43.900 --> 00:04:46.721
If possible, please Peter any comments from

NOTE Confidence: 0.812804377857143

00:04:46.721 --> 00:04:49.749
the poll there and I guess additionally,

NOTE Confidence: 0.812804377857143

00:04:49.750 --> 00:04:51.060
what is the consumer duty?

NOTE Confidence: 0.812804377857143

00:04:51.060 --> 00:04:52.943
Perhaps you can give us an overview

NOTE Confidence: 0.812804377857143

00:04:52.943 --> 00:04:55.400
what it is and how far reaching it is?

NOTE Confidence: 0.812804377857143

00:04:55.400 --> 00:04:58.430
Yes hi everyone, good morning Vince.

NOTE Confidence: 0.812804377857143

00:04:58.430 --> 00:05:01.174
Thanks for inviting me to do this.

NOTE Confidence: 0.812804377857143

00:05:01.180 --> 00:05:03.920
So what is the consideration?

NOTE Confidence: 0.812804377857143

00:05:03.920 --> 00:05:04.660
How far reaching is it?

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00:05:04.660 --> 00:05:05.620
I'll try and talk.

NOTE Confidence: 0.812804377857143

00:05:05.620 --> 00:05:07.060
A few thoughts and give people

NOTE Confidence: 0.812804377857143

00:05:07.112 --> 00:05:08.729
an idea of what this actually is.

00:05:08.730 --> 00:05:09.828
If you're not a huge amount

00:05:09.828 --> 00:05:10.879
of contact with it so far,

00:05:10.880 --> 00:05:13.178
so how far reaching is it?

00:05:13.180 --> 00:05:14.915
I think the short answer

00:05:14.915 --> 00:05:16.650
is it's very far reaching.

00:05:16.650 --> 00:05:18.775
I don't think it's like

00:05:18.775 --> 00:05:19.625
completely revolutionary,

00:05:19.630 --> 00:05:22.990
but I think it does represent a very

00:05:22.990 --> 00:05:26.974
significant iteration in the in the

00:05:26.974 --> 00:05:28.950
Saa's expectations of businesses.

00:05:28.950 --> 00:05:31.010
I've put a few thoughts on that on the slide.

00:05:31.010 --> 00:05:33.859

I hope you can all see that.

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00:05:33.860 --> 00:05:35.960
I think the US certainly succeeded

NOTE Confidence: 0.812804377857143

00:05:35.960 --> 00:05:37.360
in getting everyone's attention.

NOTE Confidence: 0.812804377857143

00:05:37.360 --> 00:05:39.268
It may be while you're here

NOTE Confidence: 0.812804377857143

00:05:39.268 --> 00:05:40.540
looking at this today,

NOTE Confidence: 0.812804377857143

00:05:40.540 --> 00:05:42.908
it is big to the extent that the

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00:05:42.908 --> 00:05:45.559
SBA is revisiting its principles,

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00:05:45.560 --> 00:05:48.206
which are the foundation of its entire

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00:05:48.206 --> 00:05:50.280
structure of rules and guidance.

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00:05:50.280 --> 00:05:52.996
So the sea is proposing to disapply

NOTE Confidence: 0.812804377857143

00:05:52.996 --> 00:05:56.138
in respect of retail consumers anyway,

NOTE Confidence: 0.812804377857143

00:05:56.140 --> 00:05:58.490
Principal 6 and seven, which,

NOTE Confidence: 0.812804377857143

```
00:05:58.490 --> 00:06:00.218
of course are all about treating
```

NOTE Confidence: 0.812804377857143

```
00:06:00.218 --> 00:06:01.370
customers fairly and communicating
```

NOTE Confidence: 0.812804377857143

```
00:06:01.413 --> 00:06:02.957
with people in a way which is clear,
```

NOTE Confidence: 0.812804377857143

```
00:06:02.960 --> 00:06:04.400
fair, and not misleading.
```

NOTE Confidence: 0.812804377857143

```
00:06:04.400 --> 00:06:07.019
And the S proposed to replace those
```

NOTE Confidence: 0.812804377857143

```
00:06:07.019 --> 00:06:08.563
principles for retail customers
```

NOTE Confidence: 0.812804377857143

```
00:06:08.563 --> 00:06:10.107
with a new one.
```

NOTE Confidence: 0.812804377857143

```
00:06:10.110 --> 00:06:13.400
The requirements to act to deliver good
```

NOTE Confidence: 0.812804377857143

```
00:06:13.400 --> 00:06:18.350
outcomes for customers which reaches further.
```

NOTE Confidence: 0.812804377857143

```
00:06:18.350 --> 00:06:20.270
So it's big and it's significant
```

NOTE Confidence: 0.812804377857143

```
00:06:20.270 --> 00:06:22.224
and everyone needs to pay attention
```

NOTE Confidence: 0.812804377857143

```
00:06:22.224 --> 00:06:23.448
at the same time,
```

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```
00:06:23.450 --> 00:06:23.735
though,

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00:06:23.735 --> 00:06:26.300
I think that when you when you read the

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00:06:26.363 --> 00:06:28.729
detail in the draft rules and guidance,

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00:06:28.730 --> 00:06:31.938
and I don't think there are any really

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00:06:31.938 --> 00:06:34.283
new revolutionary ideas for me anyway,

NOTE Confidence: 0.812804377857143

00:06:34.283 --> 00:06:36.509
that the rules the proposed rules

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00:06:36.510 --> 00:06:38.610
will largely codify expectations

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00:06:38.610 --> 00:06:42.242
which have been around for a long

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00:06:42.242 --> 00:06:44.362
time since the yesterday's formation

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00:06:44.362 --> 00:06:47.558
or even further back than that.

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00:06:47.560 --> 00:06:49.704
I think also that the new rules are

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00:06:49.704 --> 00:06:51.420
quite detailed and in principle they
```

00:06:51.420 --> 00:06:53.972
will make it easier for the SBA in

00:06:53.972 --> 00:06:55.777
its supervisory role and enforcement

00:06:55.777 --> 00:06:58.340
role to cite rule breaches when

00:06:58.340 --> 00:07:00.540
addressing behavior it doesn't like,

00:07:00.540 --> 00:07:02.990
or when it sees poor customer outcomes

00:07:02.990 --> 00:07:05.298
as a result of firms conduct,

00:07:05.300 --> 00:07:07.526
so I think I think fundamentally

00:07:07.526 --> 00:07:09.649
what's going on here is this.

00:07:09.650 --> 00:07:13.066
We are moving from a world where firms

00:07:13.066 --> 00:07:15.525
setting themselves up to treat people

00:07:15.525 --> 00:07:17.817
well and to create the capacity.

00:07:17.820 --> 00:07:19.647
For the for that provide good outcomes.

00:07:19.650 --> 00:07:22.730
For customers it won't be enough anymore.

00:07:22.730 --> 00:07:24.865
Firms will have to demonstrate

00:07:24.865 --> 00:07:26.573
that they're actually providing

00:07:26.573 --> 00:07:28.790
good outcome for firms in a way,

00:07:28.790 --> 00:07:31.525
and perhaps to an extent not

00:07:31.525 --> 00:07:35.100
previously required by specific rules.

00:07:35.100 --> 00:07:36.913
So I think it's it's crucial for

00:07:36.913 --> 00:07:38.553
firms to appreciate that this does

00:07:38.553 --> 00:07:40.167
affect everything that they do at

00:07:40.167 --> 00:07:41.888
least fought for retail customers,

00:07:41.890 --> 00:07:43.840
and that's because everything a firm

00:07:43.840 --> 00:07:46.183

does contributes in some way to the

NOTE Confidence: 0.812804377857143

00:07:46.183 --> 00:07:47.818
outcomes that are ultimately achieved.

NOTE Confidence: 0.812804377857143

00:07:47.820 --> 00:07:49.542
So I think that the rules will

NOTE Confidence: 0.812804377857143

00:07:49.542 --> 00:07:50.280
force firms to

NOTE Confidence: 0.8446340515

00:07:50.337 --> 00:07:52.087
consider some quite deep questions

NOTE Confidence: 0.8446340515

00:07:52.087 --> 00:07:53.837
if they haven't done already.

NOTE Confidence: 0.8446340515

00:07:53.840 --> 00:07:55.320
You know, business model questions.

NOTE Confidence: 0.8446340515

00:07:55.320 --> 00:07:58.435
If we did this in this way,

NOTE Confidence: 0.8446340515

00:07:58.440 --> 00:08:00.220
what is a good outcome?

NOTE Confidence: 0.8446340515

00:08:00.220 --> 00:08:01.328
Can we define that?

NOTE Confidence: 0.8446340515

00:08:01.328 --> 00:08:02.713
And what's the poor outcome?

NOTE Confidence: 0.8446340515

00:08:02.720 --> 00:08:04.728
What harm is reasonably?

NOTE Confidence: 0.8446340515

00:08:04.728 --> 00:08:06.234
Perceivable to consumers,

NOTE Confidence: 0.8446340515

00:08:06.240 --> 00:08:07.932
from what we do and how we do it.

NOTE Confidence: 0.8446340515

00:08:07.940 --> 00:08:10.495
How are we going to measure fairness?

NOTE Confidence: 0.8446340515

00:08:10.500 --> 00:08:12.180
How are we going to ensure and

NOTE Confidence: 0.8446340515

00:08:12.180 --> 00:08:13.666
record these good outcomes and

NOTE Confidence: 0.8446340515

00:08:13.666 --> 00:08:15.098
prevent this foreseeable harm?

NOTE Confidence: 0.8446340515

00:08:15.100 --> 00:08:17.332
So it's that sort of mindset

NOTE Confidence: 0.8446340515

00:08:17.332 --> 00:08:20.280
change I think is really important.

NOTE Confidence: 0.8446340515

00:08:20.280 --> 00:08:21.612
I'm just gonna try and move the slides on,

NOTE Confidence: 0.8446340515

00:08:21.620 --> 00:08:22.898
hang on a minute we'll just talk a bit

NOTE Confidence: 0.8446340515

00:08:22.898 --> 00:08:23.986
about what this thing actually is.

NOTE Confidence: 0.784999266666667

00:08:28.130 --> 00:08:29.510
As that worked there we go,

NOTE Confidence: 0.784999266666667

00:08:29.510 --> 00:08:31.470
so I appreciate some people will be

NOTE Confidence: 0.784999266666667

00:08:31.470 --> 00:08:33.249
more familiar with this than others,

NOTE Confidence: 0.784999266666667

00:08:33.250 --> 00:08:35.158
so let's just quickly talk about

NOTE Confidence: 0.784999266666667

00:08:35.158 --> 00:08:36.829
what what this actually is so.

NOTE Confidence: 0.784999266666667

00:08:36.830 --> 00:08:38.720
As I said, the USA is proposing and it's

NOTE Confidence: 0.784999266666667

00:08:38.720 --> 00:08:40.627
worth mentioning that these are proposals.

NOTE Confidence: 0.784999266666667

00:08:40.630 --> 00:08:43.636
At the moment we're expecting the

NOTE Confidence: 0.784999266666667

00:08:43.636 --> 00:08:45.910
final rules, uh, towards end of July,

NOTE Confidence: 0.784999266666667

00:08:45.910 --> 00:08:47.926
I think for the USA have said

NOTE Confidence: 0.784999266666667

00:08:47.926 --> 00:08:48.790
after consultation period,

NOTE Confidence: 0.784999266666667

00:08:48.790 --> 00:08:51.534
so the sea is proposing a new principle

NOTE Confidence: 0.784999266666667

00:08:51.534 --> 00:08:54.068
for business which for retail customers.

00:08:54.070 --> 00:08:56.460
Replaces Principles 6 and seven,

00:08:56.460 --> 00:08:59.834
and it's the requirement to act to

00:08:59.834 --> 00:09:02.490
deliver good outcomes to customers.

00:09:02.490 --> 00:09:06.828
So in order to enable that.

00:09:06.830 --> 00:09:08.802
That that that requirement.

00:09:08.802 --> 00:09:11.532
The sea is proposing a series

00:09:11.532 --> 00:09:13.036
of cross cutting rules.

00:09:13.040 --> 00:09:14.930
Cross cutting means they apply

00:09:14.930 --> 00:09:16.820
to everybody in all sectors,

00:09:16.820 --> 00:09:19.706
all industries or all parts of

00:09:19.706 --> 00:09:21.630
the financial services market.

00:09:21.630 --> 00:09:24.520
Aiming to achieve 4 specific

NOTE Confidence: 0.784999266666667

00:09:24.520 --> 00:09:26.244
outcomes and yesterday did think

NOTE Confidence: 0.784999266666667

00:09:26.244 --> 00:09:27.960
about a private right of action

NOTE Confidence: 0.784999266666667

00:09:28.013 --> 00:09:29.729
for the breach of this principle,

NOTE Confidence: 0.784999266666667

00:09:29.730 --> 00:09:32.866
but they ended up deciding against that.

NOTE Confidence: 0.685187195714286

00:09:35.990 --> 00:09:38.454
Just trying to move the slides on.

NOTE Confidence: 0.685187195714286

00:09:38.460 --> 00:09:40.960
There we go. Thank you.

NOTE Confidence: 0.685187195714286

00:09:40.960 --> 00:09:43.790
So yes, there's overarching principle,

NOTE Confidence: 0.685187195714286

00:09:43.790 --> 00:09:46.038
which will effectively replace

NOTE Confidence: 0.685187195714286

00:09:46.038 --> 00:09:48.982
Principal 6 and seven, and originally

NOTE Confidence: 0.685187195714286

00:09:48.982 --> 00:09:51.404
the sea had two options for this.

NOTE Confidence: 0.685187195714286

00:09:51.410 --> 00:09:52.642
They proposed two options.

NOTE Confidence: 0.685187195714286

00:09:52.642 --> 00:09:54.182

This was in the first

NOTE Confidence: 0.685187195714286

00:09:54.182 --> 00:09:55.298
consultation on all of this,

NOTE Confidence: 0.685187195714286

00:09:55.300 --> 00:09:57.977
and they went for option 1A.

NOTE Confidence: 0.685187195714286

00:09:57.977 --> 00:09:59.939
Firm must act to deliver good

NOTE Confidence: 0.685187195714286

00:09:59.939 --> 00:10:01.480
outcomes for retail clients,

NOTE Confidence: 0.685187195714286

00:10:01.480 --> 00:10:03.797
and they decided against the second option,

NOTE Confidence: 0.685187195714286

00:10:03.800 --> 00:10:04.799
which they proposed,

NOTE Confidence: 0.685187195714286

00:10:04.799 --> 00:10:07.130
which was all about acting in the

NOTE Confidence: 0.685187195714286

00:10:07.194 --> 00:10:09.229
best interests of retail clients.

NOTE Confidence: 0.685187195714286

00:10:09.230 --> 00:10:10.870
I think they went for the first option

NOTE Confidence: 0.685187195714286

00:10:10.870 --> 00:10:12.286
because it felt a little bit more.

NOTE Confidence: 0.685187195714286

00:10:12.290 --> 00:10:15.000
Affinitiv and a little more.

NOTE Confidence: 0.685187195714286

```
00:10:15.000 --> 00:10:18.260
By definition outcomes focused.
```

```
00:10:18.260 --> 00:10:20.766
I think there was probably a view
```

```
00:10:20.766 --> 00:10:23.128
that best interests was a bit too
```

```
00:10:23.128 --> 00:10:25.399
similar to the kind of language and
```

```
00:10:25.399 --> 00:10:27.655
thinking which is already in place.
```

```
00:10:27.660 --> 00:10:29.700
So that that's the proposed principle.
```

```
00:10:29.700 --> 00:10:30.724
And as I say,
```

```
00:10:30.724 --> 00:10:32.260
that there are a series of
```

```
00:10:32.330 --> 00:10:34.190
proposed cross cutting rules,
```

```
00:10:34.190 --> 00:10:36.314
are they apply to everyone and
```

```
00:10:36.314 --> 00:10:38.360
that there's lots of details?
```

```
00:10:38.360 --> 00:10:39.134
It's underneath this,
```

00:10:39.134 --> 00:10:40.940
but fundamentally there will be rules now,

NOTE Confidence: 0.685187195714286

00:10:40.940 --> 00:10:43.106
in the way there aren't already,

NOTE Confidence: 0.685187195714286

00:10:43.110 --> 00:10:45.126
and the firms must act in good

NOTE Confidence: 0.685187195714286

00:10:45.126 --> 00:10:46.620
faith towards retail customers.

NOTE Confidence: 0.685187195714286

00:10:46.620 --> 00:10:48.380
They must avoid foreseeable

NOTE Confidence: 0.685187195714286

00:10:48.380 --> 00:10:50.140
harm to retail customers,

NOTE Confidence: 0.685187195714286

00:10:50.140 --> 00:10:52.588
and they must enable and support

NOTE Confidence: 0.685187195714286

00:10:52.588 --> 00:10:54.220
these customers to pursue

NOTE Confidence: 0.685187195714286

00:10:54.297 --> 00:10:56.199
their financial objectives.

NOTE Confidence: 0.685187195714286

00:10:56.200 --> 00:10:56.514
So yeah,

NOTE Confidence: 0.685187195714286

00:10:56.514 --> 00:10:57.299
there's gonna have to think

NOTE Confidence: 0.685187195714286

00:10:57.299 --> 00:10:57.930
in a different way.

00:10:57.930 --> 00:10:58.995
You know what does foreseeable

00:10:58.995 --> 00:10:59.634
harm actually mean?

00:10:59.640 --> 00:11:02.236
What is a good outcome if you if you

00:11:02.236 --> 00:11:03.650
can't articulate that already as a firm,

00:11:03.650 --> 00:11:05.540
then I think these rules are

00:11:05.540 --> 00:11:07.588
kind of require you to do that.

00:11:07.590 --> 00:11:07.945
Uhm,

00:11:07.945 --> 00:11:10.785
these four outcomes that the says after then,

00:11:10.790 --> 00:11:12.176
so that they're in four areas.

00:11:12.180 --> 00:11:14.500
And as I say that the rules underneath

00:11:14.500 --> 00:11:16.349
these are reasonably detailed.

00:11:16.350 --> 00:11:19.668
The rules around products and services,

NOTE Confidence: 0.685187195714286

00:11:19.670 --> 00:11:21.866
which I think fundamentally is all

NOTE Confidence: 0.685187195714286

00:11:21.866 --> 00:11:23.730
about making sure that products

NOTE Confidence: 0.685187195714286

00:11:23.730 --> 00:11:25.400
and services are tailored to

NOTE Confidence: 0.685187195714286

00:11:25.400 --> 00:11:27.699
the needs of a target market.

NOTE Confidence: 0.685187195714286

00:11:27.700 --> 00:11:30.796
That are likely to be of benefit and

NOTE Confidence: 0.685187195714286

00:11:30.796 --> 00:11:34.340
value to people in that target market.

NOTE Confidence: 0.685187195714286

00:11:34.340 --> 00:11:34.904
Price and value,

NOTE Confidence: 0.685187195714286

00:11:34.904 --> 00:11:36.778
which I think will come back to you later in.

NOTE Confidence: 0.685187195714286

00:11:36.780 --> 00:11:38.268
In this session,

NOTE Confidence: 0.685187195714286

00:11:38.268 --> 00:11:41.244
price and value is all about.

NOTE Confidence: 0.685187195714286

00:11:41.250 --> 00:11:41.576
Uh,

NOTE Confidence: 0.685187195714286

00:11:41.576 --> 00:11:43.858

consumers paying a fair price in return

00:11:43.858 --> 00:11:46.838
for a service which is of value to them,

00:11:46.840 --> 00:11:49.392
and you know the the the price is

00:11:49.392 --> 00:11:51.124
reasonable based on the benefits

00:11:51.124 --> 00:11:52.839
and services to be derived.

00:11:52.840 --> 00:11:54.868
And then Alcon, three and four,

00:11:54.870 --> 00:11:56.244
are, you know,

00:11:56.244 --> 00:11:57.501
quite interlinked consumer

00:11:57.501 --> 00:11:58.524
understanding and support.

00:11:58.524 --> 00:12:01.479
So the sea is after here again in a way.

00:12:01.480 --> 00:12:02.828
And to an extent,

00:12:02.828 --> 00:12:04.176
perhaps not previously seen,

00:12:04.180 --> 00:12:07.892
that customers receive timely,

NOTE Confidence: 0.685187195714286

00:12:07.892 --> 00:12:09.774
accurate, helpful information,

NOTE Confidence: 0.685187195714286

00:12:09.774 --> 00:12:12.636
which equips them to make good

NOTE Confidence: 0.685187195714286

00:12:12.636 --> 00:12:14.940
decisions on their own behalf,

NOTE Confidence: 0.685187195714286

00:12:14.940 --> 00:12:16.968
and they receive things which are

NOTE Confidence: 0.685187195714286

00:12:16.968 --> 00:12:18.974
accessible to them in every sense

NOTE Confidence: 0.685187195714286

00:12:18.974 --> 00:12:21.090
of that word at the right time that

NOTE Confidence: 0.685187195714286

00:12:21.090 --> 00:12:22.320
the supports good decision making.

NOTE Confidence: 0.685187195714286

00:12:22.320 --> 00:12:23.886
And then as they go through.

NOTE Confidence: 0.685187195714286

00:12:23.890 --> 00:12:25.997
A product lifecycle or or or a

NOTE Confidence: 0.685187195714286

00:12:25.997 --> 00:12:27.620
customer journey and they receive

NOTE Confidence: 0.685187195714286

00:12:27.620 --> 00:12:29.600
appropriate support in a way that

NOTE Confidence: 0.685187195714286

00:12:29.600 --> 00:12:31.817
they were promised that they would

NOTE Confidence: 0.685187195714286

00:12:31.817 --> 00:12:33.682
again to continuously equip them

NOTE Confidence: 0.845171572941177

00:12:33.690 --> 00:12:35.412
to make good decisions on their

NOTE Confidence: 0.845171572941177

00:12:35.412 --> 00:12:37.855
own behalf or to be supported in

NOTE Confidence: 0.845171572941177

00:12:37.855 --> 00:12:39.495
their financial decision making.

NOTE Confidence: 0.845171572941177

00:12:39.500 --> 00:12:40.980
And as I mentioned,

NOTE Confidence: 0.845171572941177

00:12:40.980 --> 00:12:43.356
the FDA decided to decided against

NOTE Confidence: 0.845171572941177

00:12:43.356 --> 00:12:46.044
ultimately a private life of action

NOTE Confidence: 0.845171572941177

00:12:46.044 --> 00:12:47.540
for for each of those principles.

NOTE Confidence: 0.845171572941177

00:12:47.540 --> 00:12:48.919
So we don't need to don't need

NOTE Confidence: 0.845171572941177

00:12:48.919 --> 00:12:50.550
to dwell on that any any further.

NOTE Confidence: 0.96168913

00:12:54.860 --> 00:12:58.966
Thank you. So yes, as I say, it's worth.

NOTE Confidence: 0.96168913

00:12:58.966 --> 00:13:00.281
It's worth mentioning that we're

NOTE Confidence: 0.96168913

00:13:00.281 --> 00:13:01.810
still talking about draft rules here,

NOTE Confidence: 0.96168913

00:13:01.810 --> 00:13:03.854
and so nothing is set in stone.

NOTE Confidence: 0.96168913

00:13:03.860 --> 00:13:05.390
I think it's unlikely massive things

NOTE Confidence: 0.96168913

00:13:05.390 --> 00:13:07.100
are going to change at this point,

NOTE Confidence: 0.96168913

00:13:07.100 --> 00:13:08.048
but nevertheless we are

NOTE Confidence: 0.96168913

00:13:08.048 --> 00:13:08.996
talking about draft rules.

NOTE Confidence: 0.96168913

00:13:09.000 --> 00:13:09.728
The consultation,

NOTE Confidence: 0.96168913

00:13:09.728 --> 00:13:11.184
the second consultation on

NOTE Confidence: 0.96168913

00:13:11.184 --> 00:13:13.220
all this closed in February,

NOTE Confidence: 0.96168913

00:13:13.220 --> 00:13:15.796
the FDA has said it expects to publish

NOTE Confidence: 0.96168913

00:13:15.796 --> 00:13:17.746
its policy statement and final

NOTE Confidence: 0.96168913

00:13:17.746 --> 00:13:20.015
rules no later than the end of July.

NOTE Confidence: 0.96168913

00:13:20.020 --> 00:13:21.484
And as things stand,

NOTE Confidence: 0.96168913

00:13:21.484 --> 00:13:22.948
according to the currently

NOTE Confidence: 0.96168913

00:13:22.948 --> 00:13:23.680
envisaged timetable,

NOTE Confidence: 0.96168913

00:13:23.680 --> 00:13:25.330
all these rules and principles

NOTE Confidence: 0.96168913

00:13:25.330 --> 00:13:26.980
we've just been talking about

NOTE Confidence: 0.96168913

00:13:26.980 --> 00:13:29.012
would come into force.

NOTE Confidence: 0.96168913

00:13:29.012 --> 00:13:31.200
Next spring next April.

NOTE Confidence: 0.809639794

00:13:33.620 --> 00:13:35.550
So there we go, I'll,

NOTE Confidence: 0.809639794

00:13:35.550 --> 00:13:36.614
I'll give back the floor in a minute,

NOTE Confidence: 0.809639794

00:13:36.620 --> 00:13:38.436
but just just just a few thoughts on

NOTE Confidence: 0.809639794

00:13:38.436 --> 00:13:40.180

what film should be thinking about.

00:13:40.180 --> 00:13:41.671
Much of this thing will come back

00:13:41.671 --> 00:13:43.668
to in a bit more detail later on.

00:13:43.670 --> 00:13:45.934
So there are a few thoughts there about

00:13:45.934 --> 00:13:47.950
what firm should be thinking this.

00:13:47.950 --> 00:13:49.567
These are quite high level in general,

00:13:49.570 --> 00:13:52.110
they're not necessarily sector specific.

00:13:52.110 --> 00:13:54.770
I guess the one I'd like to focus on the

00:13:54.842 --> 00:13:57.434
most is the one on the right hand side,

00:13:57.440 --> 00:13:58.697
second to bottom.

00:13:58.697 --> 00:14:01.211
There certainly from the word the

00:14:01.211 --> 00:14:03.441
we're doing and the conversation

```
00:14:03.441 --> 00:14:05.606
that we've had with firms.

NOTE Confidence: 0.809639794

00:14:05.610 --> 00:14:08.074
That on saying what the FDA is after,

NOTE Confidence: 0.809639794

00:14:08.080 --> 00:14:11.338
I think that is the heart of it all.

NOTE Confidence: 0.809639794

00:14:11.340 --> 00:14:14.022
I think we'll come back to it in terms

NOTE Confidence: 0.809639794

00:14:14.022 --> 00:14:17.085
of the starting point for this is to

NOTE Confidence: 0.809639794

00:14:17.085 --> 00:14:20.525
understand in a way that you can articulate.

NOTE Confidence: 0.809639794

00:14:20.530 --> 00:14:22.442
A definition of a good outcome for you

NOTE Confidence: 0.809639794

00:14:22.442 --> 00:14:24.707
as a business and for our customers.

NOTE Confidence: 0.809639794

00:14:24.710 --> 00:14:27.410
Given what we do.

NOTE Confidence: 0.809639794

00:14:27.410 --> 00:14:29.790
What is what constitutes a good outcome?

NOTE Confidence: 0.809639794

00:14:29.790 --> 00:14:32.191
Can we articulate that in a way

NOTE Confidence: 0.809639794

00:14:32.191 --> 00:14:34.429
which is measurable and quantifiable?

NOTE Confidence: 0.809639794
```

```
00:14:34.430 --> 00:14:34.732
Similarly,
```

```
00:14:34.732 --> 00:14:36.846
can we articulate what we mean by
```

```
00:14:36.846 --> 00:14:38.548
foreseeable harm for us as a business,
```

```
00:14:38.550 --> 00:14:41.790
given what we do and who our customers are?
```

```
00:14:41.790 --> 00:14:45.094
Once you've got a sort of actionable
```

```
00:14:45.094 --> 00:14:47.090
definitions of those terms,
```

```
00:14:47.090 --> 00:14:49.646
I think life starts to become
```

```
00:14:49.646 --> 00:14:51.350
more a little clearer,
```

```
00:14:51.350 --> 00:14:54.234
because you can build upwards from there.
```

```
00:14:54.240 --> 00:14:56.652
And the other thing we're strongly
```

```
00:14:56.652 --> 00:14:59.510
advising firms at this stage is to not
```

```
00:14:59.510 --> 00:15:01.910
necessarily dive into huge changes of
```

00:15:01.910 --> 00:15:04.539
action programs that may not be necessary.

00:15:04.540 --> 00:15:05.570
Give them who you are,

00:15:05.570 --> 00:15:06.974
what you do,

00:15:06.974 --> 00:15:08.378
but think about,

00:15:08.380 --> 00:15:09.530
you know the outcomes yesterday.

00:15:09.530 --> 00:15:11.574
Trying to achieve where are we strong?

00:15:11.580 --> 00:15:13.344
Where might there be work to do?

00:15:13.350 --> 00:15:15.600
And again I think we come back to this.

00:15:15.600 --> 00:15:17.955
We anticipate for firms like

00:15:17.955 --> 00:15:19.368
financial advisor businesses

00:15:19.368 --> 00:15:21.070
that articulating fair value,

00:15:21.070 --> 00:15:22.446
and the customer communications

00:15:22.446 --> 00:15:24.881
angles of this are likely to be

00:15:24.881 --> 00:15:26.747
some of the more challenging areas.

00:15:26.750 --> 00:15:30.540
So perhaps I'll stop there, Vincent.

00:15:30.540 --> 00:15:33.388
Umm? Let's move on.

00:15:33.388 --> 00:15:34.437
Thanks, Peter,

00:15:34.437 --> 00:15:36.459
that's a really good overview of

00:15:36.459 --> 00:15:38.598
what the consumer duty is all about,

00:15:38.600 --> 00:15:40.210
and I'd like to bring Ross and

00:15:40.210 --> 00:15:41.559
Ricky in at this stage.

00:15:41.560 --> 00:15:43.646
Obviously you guys represent two of the

00:15:43.646 --> 00:15:45.980
most major firms in the UK advanced market,

00:15:45.980 --> 00:15:47.165

and I'll be really interested

NOTE Confidence: 0.809639794

00:15:47.165 --> 00:15:48.629
to hear about what you've been

NOTE Confidence: 0.809639794

00:15:48.629 --> 00:15:49.997
talking to Members about so far.

NOTE Confidence: 0.809639794

00:15:50.000 --> 00:15:51.312
Do you want to go first Ricky and

NOTE Confidence: 0.809639794

00:15:51.312 --> 00:15:52.537
then we'll perhaps hear from Ross.

NOTE Confidence: 0.65858682

00:15:54.720 --> 00:15:56.824
Absolute pleasure started enjoying

NOTE Confidence: 0.65858682

00:15:56.824 --> 00:16:00.370
listening to Peter there and thank you.

NOTE Confidence: 0.65858682

00:16:00.370 --> 00:16:03.466
John, let me let me start off by saying

NOTE Confidence: 0.65858682

00:16:03.466 --> 00:16:08.070
how disappointing this consumer duty. As.

NOTE Confidence: 0.65858682

00:16:08.070 --> 00:16:11.610
What I mean by that is I've been in this.

NOTE Confidence: 0.65858682

00:16:11.610 --> 00:16:14.338
That business, now for what quite a number

NOTE Confidence: 0.65858682

00:16:14.338 --> 00:16:17.006
of years and the past 25 years I've had

NOTE Confidence: 0.65858682

00:16:17.006 --> 00:16:19.967
my head in the rule book and the handbook.

NOTE Confidence: 0.65858682

00:16:19.970 --> 00:16:21.308
I've been looking at, rule changes.

NOTE Confidence: 0.65858682

00:16:21.310 --> 00:16:22.850
I've been looking at consultations,

NOTE Confidence: 0.65858682

00:16:22.850 --> 00:16:23.940
policy statements,

NOTE Confidence: 0.65858682

00:16:23.940 --> 00:16:27.210
looking at direction from the EU,

NOTE Confidence: 0.65858682

00:16:27.210 --> 00:16:28.762
implementing all of that,

NOTE Confidence: 0.65858682

00:16:28.762 --> 00:16:31.671
and we've had a number of discussion

NOTE Confidence: 0.65858682

00:16:31.671 --> 00:16:34.146
papers on the consumer duty.

NOTE Confidence: 0.65858682

00:16:34.150 --> 00:16:36.810
We're on our second.

NOTE Confidence: 0.65858682

00:16:36.810 --> 00:16:40.182
Consultation paper 243. Pages of it.

NOTE Confidence: 0.65858682

00:16:40.182 --> 00:16:41.810
We're going to have a policy statement.

NOTE Confidence: 0.65858682

00:16:41.810 --> 00:16:43.710
We'll have to implement that,

NOTE Confidence: 0.65858682

00:16:43.710 --> 00:16:46.270
and after all that time.

NOTE Confidence: 0.65858682

00:16:46.270 --> 00:16:48.400
What we're talking about is providing

NOTE Confidence: 0.65858682

00:16:48.400 --> 00:16:50.638
good outcomes to clients and thinking.

NOTE Confidence: 0.65858682

00:16:50.638 --> 00:16:52.548
Where's it all gone wrong?

NOTE Confidence: 0.65858682

00:16:52.550 --> 00:16:54.440
In that time, now, of course,

NOTE Confidence: 0.65858682

00:16:54.440 --> 00:16:55.324
that's probably another debate,

NOTE Confidence: 0.65858682

00:16:55.324 --> 00:16:55.987
which we could,

NOTE Confidence: 0.65858682

00:16:55.990 --> 00:16:57.010
which we could get into.

NOTE Confidence: 0.65858682

00:16:57.010 --> 00:17:00.160
And I think that a large part of that

NOTE Confidence: 0.65858682

00:17:00.160 --> 00:17:03.014
is that people see other firms and

NOTE Confidence: 0.65858682

00:17:03.014 --> 00:17:05.222
other individuals get away with things

NOTE Confidence: 0.65858682

00:17:05.222 --> 00:17:07.348
when it's not right for them to.

00:17:07.350 --> 00:17:11.229
For that for those actions to to to happen.

00:17:11.230 --> 00:17:13.438
But essentially I think the good

00:17:13.438 --> 00:17:15.509
news about the consumer duty is,

00:17:15.510 --> 00:17:17.170
well, like Peter was saying,

00:17:17.170 --> 00:17:20.128
it's not actually bringing in anything

00:17:20.128 --> 00:17:23.189
fundamentally new within this whole process,

00:17:23.190 --> 00:17:25.710
but you're taught to people about and the

00:17:25.710 --> 00:17:28.307
first thing that you see is shoulder slumps.

00:17:28.310 --> 00:17:30.000
Heads go down saying what,

00:17:30.000 --> 00:17:30.706
what now?

00:17:30.706 --> 00:17:33.177
What more do we have to do?

00:17:33.180 --> 00:17:34.960
Uhm?

00:17:34.960 --> 00:17:37.030
I think the positive message from

00:17:37.030 --> 00:17:39.294
from all this and and certainly

00:17:39.294 --> 00:17:41.324
we have conversations with firms

00:17:41.324 --> 00:17:44.375
is that this is about not really

00:17:44.375 --> 00:17:45.716
bringing something fundamentally

00:17:45.716 --> 00:17:47.919
different from within the business.

00:17:47.920 --> 00:17:50.475
We've been having these conversations

00:17:50.475 --> 00:17:52.519
for a long time.

00:17:52.520 --> 00:17:54.860
Maybe the key driver behind all

00:17:54.860 --> 00:17:58.502
this was CCF and you read all the

00:17:58.502 --> 00:18:01.294
discussions in the consultations and it

00:18:01.294 --> 00:18:04.073

does echo the same sorts of messages.

NOTE Confidence: 0.65858682

00:18:04.080 --> 00:18:04.668
But of course,

NOTE Confidence: 0.65858682

00:18:04.668 --> 00:18:05.844
since then we've had things like.

NOTE Confidence: 0.65858682

00:18:05.850 --> 00:18:08.030
Yeah, we've had assessing suitability.

NOTE Confidence: 0.65858682

00:18:08.030 --> 00:18:09.310
We've had things like,

NOTE Confidence: 0.65858682

00:18:09.310 --> 00:18:11.510
uh, prod under method two.

NOTE Confidence: 0.65858682

00:18:11.510 --> 00:18:14.446
We've had the ID, you know,

NOTE Confidence: 0.65858682

00:18:14.446 --> 00:18:18.142
we've had a whole range of different

NOTE Confidence: 0.65858682

00:18:18.142 --> 00:18:20.181
initiatives implemented here,

NOTE Confidence: 0.65858682

00:18:20.181 --> 00:18:22.647
and of course, around all that.

NOTE Confidence: 0.65858682

00:18:22.650 --> 00:18:23.202
You know,

NOTE Confidence: 0.65858682

00:18:23.202 --> 00:18:24.858
we've been talking a long time

NOTE Confidence: 0.65858682

00:18:24.858 --> 00:18:25.410
about disclosure.

NOTE Confidence: 0.65858682

00:18:25.410 --> 00:18:29.169
The way firms disclose their their services,

NOTE Confidence: 0.65858682

00:18:29.170 --> 00:18:30.780
the cost of the services,

NOTE Confidence: 0.65858682

00:18:30.780 --> 00:18:33.606
disclose the information about the products,

NOTE Confidence: 0.65858682

00:18:33.610 --> 00:18:36.010
and the risks to the clients.

NOTE Confidence: 0.65858682

00:18:36.010 --> 00:18:37.480
How the clients engage with that?

NOTE Confidence: 0.65858682

00:18:37.480 --> 00:18:41.235
Understand that and make decisions

NOTE Confidence: 0.65858682

00:18:41.235 --> 00:18:44.239
upon that particular basis.

NOTE Confidence: 0.65858682

00:18:44.240 --> 00:18:45.280
But of course it is.

NOTE Confidence: 0.65858682

00:18:45.280 --> 00:18:47.080
This is going to give concerns

NOTE Confidence: 0.65858682

00:18:47.080 --> 00:18:48.968
to firms because the high level

NOTE Confidence: 0.65858682

00:18:48.968 --> 00:18:50.840
principles firms just want to know

NOTE Confidence: 0.65858682

00:18:50.840 --> 00:18:52.936
what it is that they have to do.

NOTE Confidence: 0.65858682

00:18:52.940 --> 00:18:55.356
They'll get on and they'll deal with it.

NOTE Confidence: 0.65858682

00:18:55.360 --> 00:18:55.830
Of course,

NOTE Confidence: 0.65858682

00:18:55.830 --> 00:18:57.475
when you deal with high level principles,

NOTE Confidence: 0.65858682

00:18:57.480 --> 00:18:59.139
that is one of the greatest challenges.

NOTE Confidence: 0.65858682

00:18:59.140 --> 00:19:01.796
You know. How do you quantify or qualify?

NOTE Confidence: 0.65858682

00:19:01.800 --> 00:19:04.128
You know what fair value and

NOTE Confidence: 0.65858682

00:19:04.128 --> 00:19:07.157
price looks like? Good, you know.

NOTE Confidence: 0.65858682

00:19:07.157 --> 00:19:09.633
Consumer support actions actually

NOTE Confidence: 0.65858682

00:19:09.633 --> 00:19:11.490
are within the

NOTE Confidence: 0.883620004545454

00:19:11.589 --> 00:19:13.230
business. It's very,

NOTE Confidence: 0.883620004545454

00:19:13.230 --> 00:19:15.155
very difficult for the regulator

00:19:15.155 --> 00:19:17.303
to bring out rules which

00:19:17.303 --> 00:19:19.139
cover every single scenario,

00:19:19.140 --> 00:19:20.640
so of course what's important

00:19:20.640 --> 00:19:22.699
for us is to ensure that we,

00:19:22.700 --> 00:19:25.508
we help firms understand what their

00:19:25.508 --> 00:19:27.380
responsibilities are with this,

00:19:27.380 --> 00:19:29.648
but more so how they can

00:19:29.648 --> 00:19:31.160
actually go about evidencing.

00:19:31.160 --> 00:19:33.200
That the delivery within these four

00:19:33.200 --> 00:19:35.207
outcomes the piece was talking about

00:19:35.207 --> 00:19:37.258
and of course was part of that.

00:19:37.260 --> 00:19:39.185
It's providing with not just

NOTE Confidence: 0.883620004545454

00:19:39.185 --> 00:19:41.142
access the information but also

NOTE Confidence: 0.883620004545454

00:19:41.142 --> 00:19:43.548
the the support tools as well.

NOTE Confidence: 0.7859817954

00:19:45.790 --> 00:19:46.564
Christoff thanks Ricky.

NOTE Confidence: 0.7859817954

00:19:46.564 --> 00:19:48.370
Not sitting on the fence as usual,

NOTE Confidence: 0.7859817954

00:19:48.370 --> 00:19:50.530
which is nice to see.

NOTE Confidence: 0.7859817954

00:19:50.530 --> 00:19:52.610
Ross wanna come sort of back to you

NOTE Confidence: 0.7859817954

00:19:52.610 --> 00:19:54.873
at this point and just give sort of

NOTE Confidence: 0.7859817954

00:19:54.873 --> 00:19:56.746
your take and what you're talking

NOTE Confidence: 0.7859817954

00:19:56.746 --> 00:19:58.834
to advisers about in your firm.

NOTE Confidence: 0.7859817954

00:19:58.840 --> 00:20:00.615
Yeah listen, thank you Vincent

NOTE Confidence: 0.7859817954

00:20:00.615 --> 00:20:02.390
and great points already raised.

NOTE Confidence: 0.7859817954

00:20:02.390 --> 00:20:05.620

I think Repetent and Ricky.

NOTE Confidence: 0.7859817954

00:20:05.620 --> 00:20:08.035
What do I take from advice matters

NOTE Confidence: 0.7859817954

00:20:08.040 --> 00:20:09.592
and importantly adviser matters.

NOTE Confidence: 0.7859817954

00:20:09.592 --> 00:20:11.920
I think the need for quality

NOTE Confidence: 0.7859817954

00:20:11.987 --> 00:20:13.781
advice is increasing and I think

NOTE Confidence: 0.7859817954

00:20:13.781 --> 00:20:15.679
advice is do a great job.

NOTE Confidence: 0.7859817954

00:20:15.680 --> 00:20:16.608
But what do we?

NOTE Confidence: 0.7859817954

00:20:16.608 --> 00:20:17.768
Why do we believe consumers

NOTE Confidence: 0.7859817954

00:20:17.768 --> 00:20:18.979
duty will be discovered?

NOTE Confidence: 0.7859817954

00:20:18.980 --> 00:20:21.164
A lot of the kind of reasons why

NOTE Confidence: 0.7859817954

00:20:21.164 --> 00:20:22.960
the regulator feel it's important.

NOTE Confidence: 0.7859817954

00:20:22.960 --> 00:20:24.496
There's kind of four key messages.

NOTE Confidence: 0.7859817954

```
00:20:24.500 --> 00:20:24.743
Vince,

NOTE Confidence: 0.7859817954

00:20:24.743 --> 00:20:26.444
that we've been discussing with the members.

NOTE Confidence: 0.7859817954

00:20:26.450 --> 00:20:28.834
We've been doing Rd shows around the country.

NOTE Confidence: 0.7859817954

00:20:28.840 --> 00:20:30.495
First of all Ricky's point

NOTE Confidence: 0.7859817954

00:20:30.495 --> 00:20:31.819
the concept isn't you.

NOTE Confidence: 0.7859817954

00:20:31.820 --> 00:20:33.944
We had consumer outcomes,

NOTE Confidence: 0.7859817954

00:20:33.944 --> 00:20:36.068
treating customers fairly positive.

NOTE Confidence: 0.7859817954

00:20:36.070 --> 00:20:37.340
Culture, all of those things,

NOTE Confidence: 0.7859817954

00:20:37.340 --> 00:20:39.188
and in many ways this feels

NOTE Confidence: 0.7859817954

00:20:39.188 --> 00:20:41.059
like a progression of the last.

NOTE Confidence: 0.7859817954

00:20:41.060 --> 00:20:42.860
Each one of them trying to build on

NOTE Confidence: 0.7859817954

00:20:42.860 --> 00:20:44.679
each other and raise the bar slightly.

NOTE Confidence: 0.7859817954
```

00:20:44.680 --> 00:20:46.556
So I think that's probably the first

NOTE Confidence: 0.7859817954

00:20:46.556 --> 00:20:48.737
point we would make that this isn't new.

NOTE Confidence: 0.7859817954

00:20:48.740 --> 00:20:50.260
This has been a journey.

NOTE Confidence: 0.7859817954

00:20:50.260 --> 00:20:50.764
Secondly,

NOTE Confidence: 0.7859817954

00:20:50.764 --> 00:20:53.788
the focus rightly in a need

NOTE Confidence: 0.7859817954

00:20:53.788 --> 00:20:55.300
for greater advice.

NOTE Confidence: 0.7859817954

00:20:55.300 --> 00:20:56.988
The need focus has to be on the

NOTE Confidence: 0.7859817954

00:20:56.988 --> 00:20:58.206
customer 1st and hence understandably

NOTE Confidence: 0.7859817954

00:20:58.206 --> 00:21:00.264
a lot of this is all around making

NOTE Confidence: 0.7859817954

00:21:00.264 --> 00:21:01.842
sure the customer gets the right

NOTE Confidence: 0.7859817954

00:21:01.842 --> 00:21:03.274
outcome and the right solutions.

NOTE Confidence: 0.7859817954

00:21:03.274 --> 00:21:04.859
And clearly we support that

NOTE Confidence: 0.7859817954

00:21:04.859 --> 00:21:06.140
and are behind that.

NOTE Confidence: 0.7859817954

00:21:06.140 --> 00:21:06.427
Thirdly,

NOTE Confidence: 0.7859817954

00:21:06.427 --> 00:21:08.723
a bit like Peter did a moment ago,

NOTE Confidence: 0.7859817954

00:21:08.730 --> 00:21:11.425
explaining what's in and what's not in,

NOTE Confidence: 0.7859817954

00:21:11.430 --> 00:21:13.506
because already there's rumors and myths,

NOTE Confidence: 0.7859817954

00:21:13.510 --> 00:21:15.659
so let's deal with the facts and

NOTE Confidence: 0.7859817954

00:21:15.659 --> 00:21:17.118
understand what's exactly on the

NOTE Confidence: 0.7859817954

00:21:17.118 --> 00:21:18.784
agenda and talk a little bit about

NOTE Confidence: 0.7859817954

00:21:18.784 --> 00:21:20.850
how we talk about good customer

NOTE Confidence: 0.7859817954

00:21:20.850 --> 00:21:22.262
outcomes and crosscutting rules,

NOTE Confidence: 0.7859817954

00:21:22.270 --> 00:21:24.030
but also then finally opening

NOTE Confidence: 0.7859817954

00:21:24.030 --> 00:21:25.438
up that conversation about

00:21:25.438 --> 00:21:27.349
what the implications could be.

00:21:27.350 --> 00:21:29.166
Of this, you know, where does it go?

00:21:29.170 --> 00:21:31.080
Particularly in the wealth market

00:21:31.080 --> 00:21:33.403
where so much advice is ongoing

00:21:33.403 --> 00:21:35.804
and paid for on an ongoing basis.

00:21:35.810 --> 00:21:37.490
So how will it reflect on

00:21:37.490 --> 00:21:38.860
some of these things so?

00:21:38.860 --> 00:21:41.126
I think it's not new, it's good.

00:21:41.126 --> 00:21:42.778
It raises the bar.

00:21:42.780 --> 00:21:44.946
We think it supports advice and

00:21:44.946 --> 00:21:47.197
supports advisors, and that's positive.

00:21:47.197 --> 00:21:49.233

And we've been explaining

00:21:49.233 --> 00:21:51.992
legislation and trying to consider

00:21:51.992 --> 00:21:53.720
those broader implications.

00:21:53.720 --> 00:21:54.278
Great stuff,

00:21:54.278 --> 00:21:54.836
thanks Ross.

00:21:54.836 --> 00:21:56.865
I think what everybody is sort of

00:21:56.865 --> 00:21:58.689
violently agreeing on this is really

00:21:58.689 --> 00:22:00.200
evolution rather than revolution,

00:22:00.200 --> 00:22:00.820
isn't it?

00:22:03.030 --> 00:22:04.446
Peter just thought to come back to you.

00:22:04.450 --> 00:22:05.407
At this point.

00:22:05.407 --> 00:22:08.111
I know you've spoken to a lot of

```
00:22:08.111 --> 00:22:10.130
advisers around the consumer duty.
```

NOTE Confidence: 0.744738375

```
00:22:10.130 --> 00:22:12.910
What are the key concerns they've got?
```

NOTE Confidence: 0.744738375

```
00:22:12.910 --> 00:22:14.128
What do you think of the
```

NOTE Confidence: 0.744738375

```
00:22:14.128 --> 00:22:14.737
opportunities in this?
```

NOTE Confidence: 0.849072896666667

```
00:22:19.420 --> 00:22:21.646
Peter, I think you're still on mute
```

NOTE Confidence: 0.849072896666667

```
00:22:21.646 --> 00:22:23.540
unless I'm very much mistaken.
```

NOTE Confidence: 0.849072896666667

```
00:22:23.540 --> 00:22:24.956
You were not very much mistaken.
```

NOTE Confidence: 0.849072896666667

```
00:22:24.960 --> 00:22:28.839
Thank you. Yeah, I as we were saying the
```

NOTE Confidence: 0.849072896666667

```
00:22:28.839 --> 00:22:30.419
obvious first question for advisors,
```

NOTE Confidence: 0.849072896666667

```
00:22:30.420 --> 00:22:33.160
and indeed any business is
```

NOTE Confidence: 0.849072896666667

```
00:22:33.160 --> 00:22:34.180
how does this affect me?
```

NOTE Confidence: 0.849072896666667

```
00:22:34.180 --> 00:22:36.238
What should I be worrying about?
```

NOTE Confidence: 0.849072896666667

```
00:22:36.240 --> 00:22:40.818
So we'll go through a few points.

NOTE Confidence: 0.849072896666667

00:22:40.820 --> 00:22:42.935
I guess I'm gonna assume to start with that.

NOTE Confidence: 0.849072896666667

00:22:42.940 --> 00:22:45.625
Everyone watching this has UK

NOTE Confidence: 0.849072896666667

00:22:45.625 --> 00:22:47.492
retail consumers either exclusively

NOTE Confidence: 0.849072896666667

00:22:47.492 --> 00:22:49.076
or at least predominantly,

NOTE Confidence: 0.849072896666667

00:22:49.080 --> 00:22:51.845
in which case this applies to you.

NOTE Confidence: 0.849072896666667

00:22:51.850 --> 00:22:54.628
And I think fought for advisers

NOTE Confidence: 0.849072896666667

00:22:54.630 --> 00:22:56.496
in amongst this sort of picture

NOTE Confidence: 0.849072896666667

00:22:56.496 --> 00:22:58.574
of a principle and and outcomes

NOTE Confidence: 0.849072896666667

00:22:58.574 --> 00:23:00.110
and cross cutting rules.

NOTE Confidence: 0.849072896666667

00:23:00.110 --> 00:23:02.812
There are perhaps two or three issues

NOTE Confidence: 0.849072896666667

00:23:02.812 --> 00:23:05.316
which are likely to be the most noteworthy,
```

NOTE Confidence: 0.849072896666667

00:23:05.316 --> 00:23:06.646
or the ones they should.

NOTE Confidence: 0.849072896666667

00:23:06.650 --> 00:23:08.588
They should be perhaps thinking about

NOTE Confidence: 0.849072896666667

00:23:08.588 --> 00:23:10.710
as more likely effect than the most.

NOTE Confidence: 0.849072896666667

00:23:10.710 --> 00:23:13.716
So the first is about manufacturers

NOTE Confidence: 0.849072896666667

00:23:13.716 --> 00:23:14.718
and distribution,

NOTE Confidence: 0.849072896666667

00:23:14.720 --> 00:23:16.916
and where as an advisor you

NOTE Confidence: 0.849072896666667

00:23:16.916 --> 00:23:18.860
sit in chains like that,

NOTE Confidence: 0.849072896666667

00:23:18.860 --> 00:23:20.834
and the role that you play so.

NOTE Confidence: 0.791004757625

00:23:22.990 --> 00:23:25.027
With one hassle if you like Advisers

NOTE Confidence: 0.791004757625

00:23:25.027 --> 00:23:28.124
Act as a direct provider of services to

NOTE Confidence: 0.791004757625

00:23:28.124 --> 00:23:29.720
customers and they provide advice to

NOTE Confidence: 0.791004757625

00:23:29.720 --> 00:23:31.320
people and they charge fees for that,

NOTE Confidence: 0.791004757625

00:23:31.320 --> 00:23:33.240
which of course is completely normal

NOTE Confidence: 0.791004757625

00:23:33.240 --> 00:23:36.144
ones to be expected, but they also act

NOTE Confidence: 0.791004757625

00:23:36.144 --> 00:23:38.174
as distributors of providers products,

NOTE Confidence: 0.791004757625

00:23:38.180 --> 00:23:39.660
where that's prudential energy.

NOTE Confidence: 0.791004757625

00:23:39.660 --> 00:23:41.140
Or indeed anybody else.

NOTE Confidence: 0.791004757625

00:23:41.140 --> 00:23:43.648
So one of the interesting things

NOTE Confidence: 0.791004757625

00:23:43.648 --> 00:23:45.988
about the consumer duty, we think,

NOTE Confidence: 0.791004757625

00:23:45.988 --> 00:23:47.992
is that it will place requirements

NOTE Confidence: 0.791004757625

00:23:47.992 --> 00:23:50.462
on all the parties in a distribution

NOTE Confidence: 0.791004757625

00:23:50.462 --> 00:23:52.197
chain to be very clear.

NOTE Confidence: 0.791004757625

00:23:52.200 --> 00:23:54.930
For themselves and with each other

NOTE Confidence: 0.791004757625

00:23:54.930 --> 00:23:56.274

what their responsibilities are,

NOTE Confidence: 0.791004757625

00:23:56.274 --> 00:23:58.651
where they start and stop as opposed

NOTE Confidence: 0.791004757625

00:23:58.651 --> 00:24:00.445
to other parties in the chain,

NOTE Confidence: 0.791004757625

00:24:00.450 --> 00:24:01.380
and crucially,

NOTE Confidence: 0.791004757625

00:24:01.380 --> 00:24:03.705
to quantify the value which

NOTE Confidence: 0.791004757625

00:24:03.705 --> 00:24:05.820
they individually provide to the

NOTE Confidence: 0.791004757625

00:24:05.820 --> 00:24:07.770
customer as part of that chain.

NOTE Confidence: 0.791004757625

00:24:07.770 --> 00:24:09.849
So that's the first thing we think

NOTE Confidence: 0.791004757625

00:24:09.849 --> 00:24:11.750
that this will inevitably generate

NOTE Confidence: 0.791004757625

00:24:11.750 --> 00:24:12.950
discussions between different

NOTE Confidence: 0.791004757625

00:24:12.950 --> 00:24:14.480
parties and distribution chains

NOTE Confidence: 0.791004757625

00:24:14.480 --> 00:24:15.870
about those sorts of issues,

NOTE Confidence: 0.791004757625

00:24:15.870 --> 00:24:17.544
and firms will need to understand

NOTE Confidence: 0.791004757625

00:24:17.544 --> 00:24:18.850
and articulate where they sit

NOTE Confidence: 0.791004757625

00:24:18.850 --> 00:24:21.559
and the role they play in in

NOTE Confidence: 0.791004757625

00:24:21.559 --> 00:24:23.250
manufacturing and distribution chains.

NOTE Confidence: 0.791004757625

00:24:23.250 --> 00:24:25.030
So that's the first thing.

NOTE Confidence: 0.791004757625

00:24:25.030 --> 00:24:29.886
The second knotty problem is price and value.

NOTE Confidence: 0.791004757625

00:24:29.890 --> 00:24:32.242
I think we're going to touch on this

NOTE Confidence: 0.791004757625

00:24:32.242 --> 00:24:35.106
again a bit later, but to introduce it.

NOTE Confidence: 0.791004757625

00:24:35.106 --> 00:24:37.760
The essay continues to insist it's not.

NOTE Confidence: 0.791004757625

00:24:37.760 --> 00:24:40.160
Price regulator and it focuses

NOTE Confidence: 0.791004757625

00:24:40.160 --> 00:24:43.240
on value and not on price.

NOTE Confidence: 0.791004757625

00:24:43.240 --> 00:24:44.584
So all firms,

NOTE Confidence: 0.791004757625

00:24:44.584 --> 00:24:46.824
including advisors need to be

NOTE Confidence: 0.791004757625

00:24:46.824 --> 00:24:49.478
able if they can't already.

NOTE Confidence: 0.791004757625

00:24:49.480 --> 00:24:52.624
To quantify the value to customers

NOTE Confidence: 0.791004757625

00:24:52.624 --> 00:24:56.080
of the service that they provide.

NOTE Confidence: 0.791004757625

00:24:56.080 --> 00:24:56.565
Also,

NOTE Confidence: 0.791004757625

00:24:56.565 --> 00:24:59.475
I think that manufacturers like product

NOTE Confidence: 0.791004757625

00:24:59.475 --> 00:25:01.939
providers and distributors like advisors.

NOTE Confidence: 0.791004757625

00:25:01.940 --> 00:25:03.108
As I said earlier,

NOTE Confidence: 0.791004757625

00:25:03.108 --> 00:25:04.860
we'll need to coordinate such that

NOTE Confidence: 0.791004757625

00:25:04.915 --> 00:25:06.705
all parties in any distribution

NOTE Confidence: 0.791004757625

00:25:06.705 --> 00:25:08.495
chain understand and can describe

NOTE Confidence: 0.791004757625

00:25:08.551 --> 00:25:10.511
the value they bring to that chain

NOTE Confidence: 0.791004757625

00:25:10.511 --> 00:25:12.659
and therefore to justify the cost.

NOTE Confidence: 0.791004757625

00:25:12.659 --> 00:25:15.257
To the consumer that their part

NOTE Confidence: 0.791004757625

00:25:15.257 --> 00:25:17.037
of that chain represents.

NOTE Confidence: 0.791004757625

00:25:17.037 --> 00:25:18.318
So I mean,

NOTE Confidence: 0.791004757625

00:25:18.318 --> 00:25:21.878
to a large extent the value and advise

NOTE Confidence: 0.791004757625

00:25:21.878 --> 00:25:25.063
of provides is is self evident right?

NOTE Confidence: 0.791004757625

00:25:25.070 --> 00:25:26.318
I you know,

NOTE Confidence: 0.791004757625

00:25:26.318 --> 00:25:29.230
we've all talked about in this session.

NOTE Confidence: 0.791004757625

00:25:29.230 --> 00:25:31.590
Financial advisors provide a tremendous,

NOTE Confidence: 0.791004757625

00:25:31.590 --> 00:25:32.904
invaluable service to,

NOTE Confidence: 0.791004757625

00:25:32.904 --> 00:25:33.780
you know,

NOTE Confidence: 0.791004757625

00:25:33.780 --> 00:25:36.300
countless people up and down

00:25:36.300 --> 00:25:39.839
the country that they provide.

00:25:39.840 --> 00:25:41.280
Support for financial planning to

00:25:41.280 --> 00:25:43.490
provide Peace of Mind that should be sure.

00:25:43.490 --> 00:25:45.060
People manage their finances properly.

00:25:45.060 --> 00:25:46.468
Have a secure retirement.

00:25:46.468 --> 00:25:47.876
All those great things.

00:25:47.880 --> 00:25:49.464
But what the essay is asking

00:25:49.464 --> 00:25:50.520
now under this regime,

00:25:50.520 --> 00:25:52.466
if you like is to articulate and

00:25:52.466 --> 00:25:54.246
quantify all of that and and to

00:25:54.246 --> 00:25:56.167
write it down in a way that in

00:25:56.167 --> 00:25:57.775

a way that could be measured.

00:25:57.780 --> 00:26:00.528
That hasn't been the case before.

00:26:00.530 --> 00:26:01.979
The third year it's going to touch

00:26:01.979 --> 00:26:03.810
on for the moment is communications.

00:26:03.810 --> 00:26:05.790
So we've already mentioned one of

00:26:05.790 --> 00:26:08.368
the aims of this is this initiative

00:26:08.370 --> 00:26:10.446
is for customers to receive clear,

00:26:10.450 --> 00:26:11.007
accurate,

00:26:11.007 --> 00:26:13.235
timely information that supports

00:26:13.235 --> 00:26:15.463
their own decision making.

00:26:15.470 --> 00:26:19.446
So among the draft rules are rules

00:26:19.446 --> 00:26:22.368
to test communications so that firms

00:26:22.368 --> 00:26:23.898
can be confident that customers

NOTE Confidence: 0.791004757625

00:26:23.898 --> 00:26:25.651
will actually understand them and

NOTE Confidence: 0.791004757625

00:26:25.651 --> 00:26:27.466
take any appropriate actions result

NOTE Confidence: 0.791004757625

00:26:27.466 --> 00:26:28.970
before they're actually used.

NOTE Confidence: 0.791004757625

00:26:28.970 --> 00:26:29.193
Now.

NOTE Confidence: 0.791004757625

00:26:29.193 --> 00:26:31.200
I suspect that many of the respondents of the

NOTE Confidence: 0.8018139345625

00:26:31.251 --> 00:26:32.949
consultation will have asked for more.

NOTE Confidence: 0.8018139345625

00:26:32.950 --> 00:26:34.018
Currency in detail.

NOTE Confidence: 0.8018139345625

00:26:34.018 --> 00:26:35.216
On that, because it there's

NOTE Confidence: 0.8018139345625

00:26:35.216 --> 00:26:36.188
not much there at the moment.

NOTE Confidence: 0.8018139345625

00:26:36.190 --> 00:26:38.136
So what actually is expected in practice?

NOTE Confidence: 0.8018139345625

00:26:38.140 --> 00:26:40.660
What sort of testing are we talking about?

NOTE Confidence: 0.8018139345625

00:26:40.660 --> 00:26:41.720
Test letters, focus groups.

NOTE Confidence: 0.8018139345625

00:26:41.720 --> 00:26:45.168
You know what? It doesn't really say.

NOTE Confidence: 0.8018139345625

00:26:45.170 --> 00:26:46.638
Also, for devices obviously

NOTE Confidence: 0.8018139345625

00:26:46.638 --> 00:26:48.473
communicate with customers a lot,

NOTE Confidence: 0.8018139345625

00:26:48.480 --> 00:26:50.028
we're potentially talking about

NOTE Confidence: 0.8018139345625

00:26:50.028 --> 00:26:51.576
all communications with customers,

NOTE Confidence: 0.8018139345625

00:26:51.580 --> 00:26:53.156
almost certainly including things

NOTE Confidence: 0.8018139345625

00:26:53.156 --> 00:26:54.967
like annual review, suitability,

NOTE Confidence: 0.8018139345625

00:26:54.967 --> 00:26:56.848
reports, disclosure materials,

NOTE Confidence: 0.8018139345625

00:26:56.848 --> 00:26:59.356
or anything which introduces

NOTE Confidence: 0.8018139345625

00:26:59.356 --> 00:27:02.518
a call to action of some kind.

NOTE Confidence: 0.8018139345625

00:27:02.520 --> 00:27:04.464
I suppose, though perhaps the good

00:27:04.464 --> 00:27:07.220
news for advisors is that you're very

00:27:07.220 --> 00:27:09.000
often be distributing communications

00:27:09.000 --> 00:27:11.339
supplied to you by other parties,

00:27:11.340 --> 00:27:12.260
product providers,

00:27:12.260 --> 00:27:14.100
fund managers, et cetera.

00:27:14.100 --> 00:27:15.272
So in that sense,

00:27:15.272 --> 00:27:16.737
the quality of those communications,

00:27:16.740 --> 00:27:18.520
the onus is on them,

00:27:18.520 --> 00:27:20.851
but they might want to get you involved in

00:27:20.851 --> 00:27:22.817
helping them meet their own obligations,

00:27:22.820 --> 00:27:25.520
including whether you think as an

00:27:25.520 --> 00:27:27.320
advisor the communications are

NOTE Confidence: 0.8018139345625

00:27:27.395 --> 00:27:30.533
accessible in every sense and that

NOTE Confidence: 0.8018139345625

00:27:30.533 --> 00:27:32.102
customers respond appropriately.

NOTE Confidence: 0.8018139345625

00:27:32.110 --> 00:27:33.350
And just one other thought,

NOTE Confidence: 0.8018139345625

00:27:33.350 --> 00:27:34.654
you asked me about what you know what,

NOTE Confidence: 0.8018139345625

00:27:34.660 --> 00:27:34.978
what,

NOTE Confidence: 0.8018139345625

00:27:34.978 --> 00:27:36.250
what the opportunities here.

NOTE Confidence: 0.8018139345625

00:27:36.250 --> 00:27:38.194
I guess I'd echo something that

NOTE Confidence: 0.8018139345625

00:27:38.194 --> 00:27:40.200
I think Ross said around.

NOTE Confidence: 0.73001554

00:27:42.250 --> 00:27:44.008
Advisers do to a large extent.

NOTE Confidence: 0.73001554

00:27:44.010 --> 00:27:45.907
Advisers do all of this stuff already.

NOTE Confidence: 0.73001554

00:27:45.910 --> 00:27:47.464
They might not write it down or

NOTE Confidence: 0.73001554

00:27:47.464 --> 00:27:48.918

articulate it quite the way that

00:27:48.918 --> 00:27:50.143
might be expected going forward,

00:27:50.150 --> 00:27:52.616
but they do all this already and this

00:27:52.616 --> 00:27:55.262
is an opportunity to demonstrate that I

00:27:55.262 --> 00:27:58.193
think and give even greater comfort to

00:27:58.193 --> 00:28:00.562
consumers on the regulator that actually,

00:28:00.562 --> 00:28:03.054
as a group we do provide good

00:28:03.054 --> 00:28:04.848
service and we are valuable.

00:28:04.850 --> 00:28:06.626
And this is now where nobody wants to

00:28:06.626 --> 00:28:08.549
be forced to do it by rules necessarily,

00:28:08.550 --> 00:28:10.145
but it's an opportunity in

00:28:10.145 --> 00:28:11.740
following the new rules to.

00:28:11.740 --> 00:28:14.560
Demonstrate the value of the sector.

NOTE Confidence: 0.73001554

00:28:14.560 --> 00:28:16.950
I do think also that the FDA and I say

NOTE Confidence: 0.73001554

00:28:17.013 --> 00:28:19.337
that somebody who used to work there,

NOTE Confidence: 0.73001554

00:28:19.340 --> 00:28:23.380
he says, admitting it the sea does want.

NOTE Confidence: 0.73001554

00:28:23.380 --> 00:28:25.522
Firms providing advice to customers and

NOTE Confidence: 0.73001554

00:28:25.522 --> 00:28:27.879
not just wealthy people and everybody

NOTE Confidence: 0.73001554

00:28:27.879 --> 00:28:29.615
with more straightforward needs.

NOTE Confidence: 0.73001554

00:28:29.620 --> 00:28:30.979
And you know, there was a need for that.

NOTE Confidence: 0.73001554

00:28:30.980 --> 00:28:33.539
Necessary recognizes that.

NOTE Confidence: 0.73001554

00:28:33.540 --> 00:28:34.220
Thanks Peter.

NOTE Confidence: 0.73001554

00:28:34.220 --> 00:28:35.580
Yeah absolutely, it's interesting.

NOTE Confidence: 0.73001554

00:28:35.580 --> 00:28:37.260
Every time you read a survey about the

NOTE Confidence: 0.73001554

00:28:37.260 --> 00:28:38.878
people who have been for advised loan.

NOTE Confidence: 0.73001554

00:28:38.880 --> 00:28:40.487
Behold, they always end up, uh,

NOTE Confidence: 0.73001554

00:28:40.487 --> 00:28:42.356
financially better off than those who don't.

NOTE Confidence: 0.73001554

00:28:42.360 --> 00:28:44.290
So yeah, absolutely we'll come

NOTE Confidence: 0.73001554

00:28:44.290 --> 00:28:46.220
back to fair value later,

NOTE Confidence: 0.73001554

00:28:46.220 --> 00:28:46.464
Peter,

NOTE Confidence: 0.73001554

00:28:46.464 --> 00:28:48.172
but just going back to something you

NOTE Confidence: 0.73001554

00:28:48.172 --> 00:28:49.826
were talking about there a little while

NOTE Confidence: 0.73001554

00:28:49.826 --> 00:28:51.290
ago because you've had a question

NOTE Confidence: 0.73001554

00:28:51.290 --> 00:28:52.820
in and I'm paraphrasing slightly.

NOTE Confidence: 0.73001554

00:28:52.820 --> 00:28:54.840
But is this the FCA?

NOTE Confidence: 0.73001554

00:28:54.840 --> 00:28:56.868
Trying to become a price regulator

NOTE Confidence: 0.73001554

00:28:56.868 --> 00:28:58.220
via the back door?

NOTE Confidence: 0.73001554

00:28:58.220 --> 00:28:59.774
Just sort of any more comments

NOTE Confidence: 0.73001554

00:28:59.774 --> 00:29:01.190
you've got on that piece?

NOTE Confidence: 0.73001554

00:29:01.190 --> 00:29:01.704
Uh, well,

NOTE Confidence: 0.73001554

00:29:01.704 --> 00:29:04.130
I know what the NSA would say to that.

NOTE Confidence: 0.73001554

00:29:04.130 --> 00:29:05.426
They would say no.

NOTE Confidence: 0.73001554

00:29:05.426 --> 00:29:07.046
We are not surprised regulator.

NOTE Confidence: 0.73001554

00:29:07.050 --> 00:29:10.818
We don't intend to be a apprised regulator.

NOTE Confidence: 0.73001554

00:29:10.820 --> 00:29:12.829
There that there are there was a

NOTE Confidence: 0.73001554

00:29:12.829 --> 00:29:14.232
subtle but important difference

NOTE Confidence: 0.73001554

00:29:14.232 --> 00:29:16.391
between regulating price and

NOTE Confidence: 0.73001554

00:29:16.391 --> 00:29:19.176
asking firms to provide value.

NOTE Confidence: 0.73001554

00:29:19.180 --> 00:29:23.312
So I think what what these new rules should

NOTE Confidence: 0.73001554

00:29:23.312 --> 00:29:25.418
they come in the way they're envisaged.

NOTE Confidence: 0.73001554

00:29:25.420 --> 00:29:26.394
Come in,

NOTE Confidence: 0.73001554

00:29:26.394 --> 00:29:28.829
will ask them to do.

NOTE Confidence: 0.73001554

00:29:28.830 --> 00:29:32.730
Is to justify by by quantifying

NOTE Confidence: 0.73001554

00:29:32.730 --> 00:29:34.010
the value that they provide,

NOTE Confidence: 0.73001554

00:29:34.010 --> 00:29:36.698
so there's not necessarily or unless

NOTE Confidence: 0.73001554

00:29:36.698 --> 00:29:39.366
unless there are provisions in place

NOTE Confidence: 0.73001554

00:29:39.366 --> 00:29:41.366
for through the existing rules.

NOTE Confidence: 0.73001554

00:29:41.370 --> 00:29:43.719
I don't think this is this is this is

NOTE Confidence: 0.73001554

00:29:43.719 --> 00:29:46.304
saying to fans you have to lower your prices.

NOTE Confidence: 0.73001554

00:29:46.310 --> 00:29:49.103

It's saying you have to be able

NOTE Confidence: 0.73001554

00:29:49.103 --> 00:29:51.548
to articulate the value that you

NOTE Confidence: 0.73001554

00:29:51.548 --> 00:29:53.443
provide when comparing what you

NOTE Confidence: 0.73001554

00:29:53.443 --> 00:29:56.078
charge with the benefits that your

NOTE Confidence: 0.73001554

00:29:56.078 --> 00:29:58.675
customers derive and you have to do

NOTE Confidence: 0.73001554

00:29:58.675 --> 00:30:00.320
that alongside any other parties

NOTE Confidence: 0.73001554

00:30:00.390 --> 00:30:02.070
in the distribution chain.

NOTE Confidence: 0.73001554

00:30:02.070 --> 00:30:05.430
So why is what you provide essential?

NOTE Confidence: 0.73001554

00:30:05.430 --> 00:30:08.377
Why is the price you're charging for

NOTE Confidence: 0.73001554

00:30:08.377 --> 00:30:10.819
it reasonable given the services and

NOTE Confidence: 0.73001554

00:30:10.819 --> 00:30:14.000
value you give to consumers as a result?

NOTE Confidence: 0.73001554

00:30:14.000 --> 00:30:15.870
Alright thanks Peter has clarified

NOTE Confidence: 0.73001554

00:30:15.870 --> 00:30:18.075
that and Russell had to come

NOTE Confidence: 0.73001554

00:30:18.075 --> 00:30:19.677
to to you at this point.

NOTE Confidence: 0.73001554

00:30:19.680 --> 00:30:21.661
I'm sort of guessing if you're a

NOTE Confidence: 0.73001554

00:30:21.661 --> 00:30:23.239
client and you're thinking about

NOTE Confidence: 0.73001554

00:30:23.239 --> 00:30:25.237
what's giving me a good outcome,

NOTE Confidence: 0.73001554

00:30:25.240 --> 00:30:27.599
you might immediately sort of leap to.

NOTE Confidence: 0.73001554

00:30:27.600 --> 00:30:29.176
Well, have I made money or I haven't?

NOTE Confidence: 0.73001554

00:30:29.180 --> 00:30:30.239
I made money.

NOTE Confidence: 0.73001554

00:30:30.239 --> 00:30:33.780
Have I made a profit on my investment?

NOTE Confidence: 0.73001554

00:30:33.780 --> 00:30:35.996
How do you still marry managing that client?

NOTE Confidence: 0.757232742710526

00:30:36.000 --> 00:30:37.820
Expectation on investment risk when

NOTE Confidence: 0.757232742710526

00:30:37.820 --> 00:30:40.347
giving them a good outcome if they

NOTE Confidence: 0.757232742710526

```
00:30:40.347 --> 00:30:42.587
overturn isn't as expected down the line.
```

```
00:30:42.590 --> 00:30:44.910
And clearly it won't be all the time.
```

```
00:30:44.910 --> 00:30:46.350
Absolutely. Vincent and probably quite
```

```
00:30:46.350 --> 00:30:48.250
pressing and the minds of advisors.
```

```
00:30:48.250 --> 00:30:50.730
At this moment it is a bit of a tricky one.
```

```
00:30:50.730 --> 00:30:53.346
Many advisors I know are are worried about
```

```
00:30:53.346 --> 00:30:55.546
the impacts and complaints and referred
```

```
00:30:55.546 --> 00:30:58.070
to falls of good outcomes haven't been
```

```
00:30:58.070 --> 00:30:59.726
achieved that if we can't demonstrate
```

```
00:30:59.726 --> 00:31:01.788
that that's right in a low return world.
```

```
00:31:01.790 --> 00:31:03.236
So I think there's probably two
```

```
00:31:03.236 --> 00:31:04.949
things I would be be looking at.
```

00:31:04.950 --> 00:31:07.110
One is checking on consumer understanding,

00:31:07.110 --> 00:31:09.864
which is kind of stuff Peters alluded to and

00:31:09.864 --> 00:31:12.270
what's being recommended to them and why.

00:31:12.270 --> 00:31:13.010
And secondly,

00:31:13.010 --> 00:31:15.230
strong product governance and ensuring that.

00:31:15.230 --> 00:31:17.306
Products that are being recommended are

00:31:17.306 --> 00:31:19.640
to the right target market as well.

00:31:19.640 --> 00:31:22.056
So if I if I just expand a little bit on

00:31:22.056 --> 00:31:24.275
those two points in terms of understanding,

00:31:24.280 --> 00:31:26.051
the FCC have given a good example

00:31:26.051 --> 00:31:27.839
of what they deem good practice

00:31:27.839 --> 00:31:29.783
whereby a firm showed clients some

00:31:29.783 --> 00:31:31.597
short videos on investment risk,

00:31:31.600 --> 00:31:32.340
diversification,

00:31:32.340 --> 00:31:35.300
benefits and regulatory protections.

00:31:35.300 --> 00:31:36.890
For example, some customers might

00:31:36.890 --> 00:31:39.220
find that a little bit unnecessary,

00:31:39.220 --> 00:31:40.290
but it would certainly in

00:31:40.290 --> 00:31:41.360
the eyes of the regulator,

00:31:41.360 --> 00:31:43.232
show that a firm has taken

00:31:43.232 --> 00:31:44.860
steps to avoid consumer harm.

00:31:44.860 --> 00:31:46.186
And maybe that comes to the.

00:31:46.190 --> 00:31:48.010
Communication piece that Peter alluded

00:31:48.010 --> 00:31:50.491

to earlier and then second in terms

NOTE Confidence: 0.757232742710526

00:31:50.491 --> 00:31:52.303
of product governance in terms of

NOTE Confidence: 0.757232742710526

00:31:52.303 --> 00:31:54.425
making sure products and services are

NOTE Confidence: 0.757232742710526

00:31:54.425 --> 00:31:56.609
recommended to the right target market,

NOTE Confidence: 0.757232742710526

00:31:56.610 --> 00:31:58.612
I think Matt comes down to decisions

NOTE Confidence: 0.757232742710526

00:31:58.612 --> 00:32:00.691
firms make at firm level but also

NOTE Confidence: 0.757232742710526

00:32:00.691 --> 00:32:02.437
the support they will need from

NOTE Confidence: 0.757232742710526

00:32:02.501 --> 00:32:04.241
providers and distributors such as

NOTE Confidence: 0.757232742710526

00:32:04.241 --> 00:32:07.224
simply bills and bank call and others

NOTE Confidence: 0.757232742710526

00:32:07.224 --> 00:32:10.309
around panels and panel creation.

NOTE Confidence: 0.757232742710526

00:32:10.310 --> 00:32:12.332
Even setting a minimum investment amount

NOTE Confidence: 0.757232742710526

00:32:12.332 --> 00:32:14.725
of fees will probably help to ensure

NOTE Confidence: 0.757232742710526

00:32:14.725 --> 00:32:16.360
that services are being targeted.

NOTE Confidence: 0.757232742710526

00:32:16.360 --> 00:32:17.676
At the right market.

NOTE Confidence: 0.757232742710526

00:32:17.676 --> 00:32:19.650
A lot of this isn't you.

NOTE Confidence: 0.757232742710526

00:32:19.650 --> 00:32:20.814
Lots of firms.

NOTE Confidence: 0.757232742710526

00:32:20.814 --> 00:32:23.142
Most firms are doing this already.

NOTE Confidence: 0.757232742710526

00:32:23.150 --> 00:32:25.278
So it's thinking about what a firm already

NOTE Confidence: 0.757232742710526

00:32:25.278 --> 00:32:27.249
does to support customer outcomes,

NOTE Confidence: 0.757232742710526

00:32:27.250 --> 00:32:28.714
avoiding certain products.

NOTE Confidence: 0.757232742710526

00:32:28.714 --> 00:32:30.178
Having simplified solutions

NOTE Confidence: 0.757232742710526

00:32:30.178 --> 00:32:31.642
for simpler needs,

NOTE Confidence: 0.757232742710526

00:32:31.650 --> 00:32:33.594
and then identifying what areas might

NOTE Confidence: 0.757232742710526

00:32:33.594 --> 00:32:36.009
need to change in light of the duty.

NOTE Confidence: 0.757232742710526

00:32:36.010 --> 00:32:38.242
So again, it's a bit of an evolution story.

NOTE Confidence: 0.757232742710526

00:32:38.250 --> 00:32:41.193
I think then, if a firm can satisfy itself,

NOTE Confidence: 0.757232742710526

00:32:41.200 --> 00:32:43.432
an element such as understanding and

NOTE Confidence: 0.757232742710526

00:32:43.432 --> 00:32:45.470
hitting the right target markets,

NOTE Confidence: 0.757232742710526

00:32:45.470 --> 00:32:47.584
then I think it demonstrates good outcomes,

NOTE Confidence: 0.757232742710526

00:32:47.590 --> 00:32:49.642
regardless of the fact the investment

NOTE Confidence: 0.757232742710526

00:32:49.642 --> 00:32:51.730
returns may fall in the future,

NOTE Confidence: 0.757232742710526

00:32:51.730 --> 00:32:53.290
so that would certainly be our.

NOTE Confidence: 0.757232742710526

00:32:53.290 --> 00:32:55.928
Gates great stuff thanks Ricky.

NOTE Confidence: 0.757232742710526

00:32:55.928 --> 00:32:58.240
Can I bring you in any thoughts on that?

NOTE Confidence: 0.757232742710526

00:32:58.240 --> 00:32:59.029
Yeah, of course.

NOTE Confidence: 0.757232742710526

00:32:59.029 --> 00:33:00.344
Then just before I do,

NOTE Confidence: 0.757232742710526

00:33:00.350 --> 00:33:02.090
I just it's interesting.

NOTE Confidence: 0.757232742710526

00:33:02.090 --> 00:33:04.099
Just listen to Peter and Ross

NOTE Confidence: 0.757232742710526

00:33:04.099 --> 00:33:06.044
there just to pick up a couple of

NOTE Confidence: 0.757232742710526

00:33:06.044 --> 00:33:07.598
things and kind of in agreement.

NOTE Confidence: 0.757232742710526

00:33:07.600 --> 00:33:09.378
And this is about the paper itself.

NOTE Confidence: 0.757232742710526

00:33:09.380 --> 00:33:10.908
And of course we've all read the paper.

NOTE Confidence: 0.757232742710526

00:33:10.910 --> 00:33:12.541
I don't know how many people listening

NOTE Confidence: 0.757232742710526

00:33:12.541 --> 00:33:13.689
have actually read the paper,

NOTE Confidence: 0.757232742710526

00:33:13.690 --> 00:33:15.478
but paper comes in three parts.

NOTE Confidence: 0.757232742710526

00:33:15.480 --> 00:33:17.478
It talks about the causes of

NOTE Confidence: 0.757232742710526

00:33:17.478 --> 00:33:18.810
harm which is driving

NOTE Confidence: 0.838361529090909

00:33:18.886 --> 00:33:21.380
this. It talks then about the implementation

00:33:21.380 --> 00:33:23.579
of the rules, which are proposed.

00:33:23.579 --> 00:33:26.790
Mountain time and then it covers the guidance

00:33:26.790 --> 00:33:29.370
and the one thing I would say is when you

00:33:29.438 --> 00:33:31.769
look at a lot of the drivers of harm.

00:33:31.770 --> 00:33:35.730
The solution to that is about getting advice.

00:33:35.730 --> 00:33:38.346
You get advice, you reduce the harm which

00:33:38.346 --> 00:33:40.670
have been caused within the market.

00:33:40.670 --> 00:33:43.166
Why we've seen a lot of that well?

00:33:43.170 --> 00:33:44.930
If we're talking specifically about

00:33:44.930 --> 00:33:47.610
the wealth market, I think one of the

00:33:47.610 --> 00:33:49.810
biggest reasons is the the farmer.

00:33:49.810 --> 00:33:51.322

This fanservice market review,

NOTE Confidence: 0.838361529090909

00:33:51.322 --> 00:33:53.590
where the the regulators are going

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00:33:53.650 --> 00:33:56.135
with has to bring more people within

NOTE Confidence: 0.838361529090909

00:33:56.135 --> 00:33:57.770
financial service, creating more

NOTE Confidence: 0.838361529090909

00:33:57.770 --> 00:34:00.990
access to to advice and to investments.

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00:34:00.990 --> 00:34:03.251
And the only way you could actually

NOTE Confidence: 0.838361529090909

00:34:03.251 --> 00:34:06.056
achieve that was there a lot of these

NOTE Confidence: 0.838361529090909

00:34:06.056 --> 00:34:07.826
automated services this robo advice,

NOTE Confidence: 0.838361529090909

00:34:07.830 --> 00:34:10.814
but sometimes has been too much focus on

NOTE Confidence: 0.838361529090909

00:34:10.814 --> 00:34:13.298
innovation as opposed to the outcomes.

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00:34:13.300 --> 00:34:15.800
What people are actually receiving,

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00:34:15.800 --> 00:34:18.082
so I think it does reinforce the

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00:34:18.082 --> 00:34:19.560
importance of giving advice,

NOTE Confidence: 0.838361529090909

00:34:19.560 --> 00:34:21.545
but clearly there's not enough

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00:34:21.545 --> 00:34:23.133
capacity within the market.

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00:34:23.140 --> 00:34:24.230
The rules are the rules,

NOTE Confidence: 0.838361529090909

00:34:24.230 --> 00:34:25.890
the very high level.

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00:34:25.890 --> 00:34:26.720
What's disappointing,

NOTE Confidence: 0.838361529090909

00:34:26.720 --> 00:34:27.080
however,

NOTE Confidence: 0.838361529090909

00:34:27.080 --> 00:34:29.600
is the guidance because the guide itself

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00:34:29.600 --> 00:34:32.369
is far too high of a level for really

NOTE Confidence: 0.838361529090909

00:34:32.369 --> 00:34:35.150
to for people to look at that and thinking.

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00:34:35.150 --> 00:34:36.855
So what I can implement

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00:34:36.855 --> 00:34:38.219
this within my business?

NOTE Confidence: 0.838361529090909

00:34:38.220 --> 00:34:40.356
This is what the regulator wants to say.

NOTE Confidence: 0.838361529090909

00:34:40.360 --> 00:34:41.938
I might agree I might disagree,

NOTE Confidence: 0.838361529090909

00:34:41.940 --> 00:34:43.810
but do you know what I can work with that?

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00:34:43.810 --> 00:34:46.300
Can do something with it,

NOTE Confidence: 0.838361529090909

00:34:46.300 --> 00:34:49.044
and of course Ross is exactly right.

NOTE Confidence: 0.838361529090909

00:34:49.050 --> 00:34:51.678
You know when we're talking here

NOTE Confidence: 0.838361529090909

00:34:51.678 --> 00:34:53.969
about client expectations and when

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00:34:53.969 --> 00:34:56.269
you know there's market movements,

NOTE Confidence: 0.838361529090909

00:34:56.270 --> 00:34:58.430
clients become a little bit disappointed.

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00:34:58.430 --> 00:35:03.278
This is about the the principle of good.

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00:35:03.280 --> 00:35:06.560
I'm gonna say consume I'm gonna say call

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00:35:06.560 --> 00:35:09.755
it client understanding if I if I may.

00:35:09.760 --> 00:35:11.292
But markets are volatile.

00:35:11.292 --> 00:35:13.590
There will be periods when it

00:35:13.666 --> 00:35:15.340
goes down as well as up.

00:35:15.340 --> 00:35:18.854
If people understand and aware the risk,

00:35:18.860 --> 00:35:19.970
yeah, you know what they might.

00:35:19.970 --> 00:35:22.100
They might not be overly happy,

00:35:22.100 --> 00:35:23.888
but it doesn't mean they're going

00:35:23.888 --> 00:35:26.440
to lead to a dissatisfied client.

00:35:26.440 --> 00:35:30.388
No firm wants a dissatisfied client.

00:35:30.390 --> 00:35:32.454
We are starting to see some of the

00:35:32.454 --> 00:35:34.573
impacts of that because a lot of

00:35:34.573 --> 00:35:36.118
the legislation has been brought

00:35:36.181 --> 00:35:37.496
in a more recent times.

00:35:37.500 --> 00:35:39.308
I I talked specifically

00:35:39.308 --> 00:35:40.664
about pension freedoms.

00:35:40.670 --> 00:35:43.670
We're talking here about incredibly

00:35:43.670 --> 00:35:46.720
complex products where we've seen a far

00:35:46.720 --> 00:35:48.570
greater increase in people accessing

00:35:48.640 --> 00:35:50.650
pension and more flexible basis,

00:35:50.650 --> 00:35:52.534
more pension transfers being

00:35:52.534 --> 00:35:54.889
carried out within the market.

00:35:54.890 --> 00:35:56.390
So what's really,

00:35:56.390 --> 00:35:58.390
really important to satisfy

00:35:58.390 --> 00:35:59.536

not just existing?

00:35:59.536 --> 00:36:01.064
Expectations brought to focus

00:36:01.064 --> 00:36:03.050
on the consumer duty as well.

00:36:03.050 --> 00:36:05.423
It's about how firms engage in the

00:36:05.423 --> 00:36:08.121
client to have the conversations to

00:36:08.121 --> 00:36:10.430
understand the risks about what they're

00:36:10.430 --> 00:36:12.939
getting into and when markets do go down,

00:36:12.940 --> 00:36:15.280
the long term impact that

00:36:15.280 --> 00:36:17.620
could have on their lifestyles.

00:36:17.620 --> 00:36:19.986
And I do believe Vince that these

00:36:19.986 --> 00:36:21.973
are the conversations that do go

00:36:21.973 --> 00:36:23.779
on and there's nothing new there.

00:36:23.780 --> 00:36:24.920
I think the biggest challenge

NOTE Confidence: 0.838361529090909

00:36:24.920 --> 00:36:26.060
is how do you actually

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00:36:26.112 --> 00:36:28.120
record that? How do you demonstrate on

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00:36:28.120 --> 00:36:30.299
your client file when someone picks it up?

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00:36:30.300 --> 00:36:31.730
Look, we've had this conversation.

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00:36:31.730 --> 00:36:33.150
The client's clear, this is.

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00:36:33.150 --> 00:36:34.710
This is how they expressed it to us.

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00:36:34.710 --> 00:36:38.114
This is the words that they gave to us,

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00:36:38.114 --> 00:36:40.858
so I think that's probably the biggest

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00:36:40.858 --> 00:36:43.707
shift that we'll see as part of that.

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00:36:43.710 --> 00:36:45.200
Thanks Ricky. Yeah absolutely Graham.

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00:36:45.200 --> 00:36:46.095
And you know advisors will

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00:36:46.095 --> 00:36:46.990
be doing all these things.

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00:36:46.990 --> 00:36:47.984
It's just what they need to do.

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00:36:47.990 --> 00:36:48.954
Different document differently and

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00:36:48.954 --> 00:36:51.010
Peter let me bring you in at this stage.

NOTE Confidence: 0.85563791

00:36:51.010 --> 00:36:52.970
Any final thoughts on on that subject?

NOTE Confidence: 0.85563791

00:36:52.970 --> 00:36:54.530
Yeah, I just want to echo a couple

NOTE Confidence: 0.85563791

00:36:54.530 --> 00:36:56.008
of things that have been said and

NOTE Confidence: 0.85563791

00:36:56.008 --> 00:36:57.410
perhaps have one of two things.

NOTE Confidence: 0.85563791

00:36:57.410 --> 00:37:00.245
So yes, this is a problem and there are

NOTE Confidence: 0.85563791

00:37:00.245 --> 00:37:02.910
proxies of this right across the industry.

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00:37:02.910 --> 00:37:05.242
The problem by which I mean if

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00:37:05.242 --> 00:37:06.358
somebody's investment portfolio

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00:37:06.358 --> 00:37:07.846
doesn't perform very well.

NOTE Confidence: 0.85563791

00:37:07.850 --> 00:37:10.770
How is that a good outcome for them as well?

NOTE Confidence: 0.85563791

00:37:10.770 --> 00:37:12.798
There are competitors to this everywhere,

NOTE Confidence: 0.85563791

00:37:12.800 --> 00:37:14.288
so the insurance.

NOTE Confidence: 0.85563791

00:37:14.288 --> 00:37:15.776
Like for example,

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00:37:15.780 --> 00:37:17.754
if my house burns down and I

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00:37:17.754 --> 00:37:19.660
claim under my home insurance,

NOTE Confidence: 0.85563791

00:37:19.660 --> 00:37:20.818
they may well be a very,

NOTE Confidence: 0.85563791

00:37:20.820 --> 00:37:22.916
very legitimate, perfectly sensible

NOTE Confidence: 0.85563791

00:37:22.916 --> 00:37:25.536
reason why the insurer declines.

NOTE Confidence: 0.85563791

00:37:25.540 --> 00:37:28.236
My claim is a good outcome for me.

NOTE Confidence: 0.85563791

00:37:28.240 --> 00:37:29.680
No, it's not because my house burned down,

NOTE Confidence: 0.85563791

00:37:29.680 --> 00:37:31.660
I didn't get an insurance payout.

NOTE Confidence: 0.85563791

00:37:31.660 --> 00:37:33.448
However, that doesn't necessarily

NOTE Confidence: 0.85563791

00:37:33.448 --> 00:37:36.130
mean that I've I've been wronged,

NOTE Confidence: 0.85563791

00:37:36.130 --> 00:37:39.298
and you know in the financial advice world,

NOTE Confidence: 0.85563791

00:37:39.300 --> 00:37:40.990
just because somebody's investment portfolio,

NOTE Confidence: 0.85563791

00:37:40.990 --> 00:37:41.608
for example,

NOTE Confidence: 0.85563791

00:37:41.608 --> 00:37:44.080
doesn't perform in a way that they wanted.

NOTE Confidence: 0.85563791

00:37:44.080 --> 00:37:45.016
And that doesn't mean I've had.

NOTE Confidence: 0.85563791

00:37:45.020 --> 00:37:47.505
They've had a poor outcome per se,

NOTE Confidence: 0.85563791

00:37:47.510 --> 00:37:49.414
so Ross was talking about this is

NOTE Confidence: 0.85563791

00:37:49.414 --> 00:37:50.949
about understanding the target market,

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00:37:50.950 --> 00:37:51.442

product governance,

00:37:51.442 --> 00:37:53.164
and I think I think that's right.

00:37:53.170 --> 00:37:55.010
I think a positive from this is that

00:37:55.010 --> 00:37:56.826
there's a large extent to which you,

00:37:56.830 --> 00:37:58.846
as a firm you get to define what

00:37:58.846 --> 00:38:00.130
a good outcome is.

00:38:00.130 --> 00:38:01.486
So in this sort of scenario,

00:38:01.490 --> 00:38:03.828
a good outcome is the customer will

00:38:03.828 --> 00:38:05.234
receive information which enabled

00:38:05.234 --> 00:38:07.614
them to understand the nature and the

00:38:07.614 --> 00:38:09.450
risks associated with the investment.

00:38:09.450 --> 00:38:11.690
The customer fits the target profile that,

```
00:38:11.690 --> 00:38:12.492
I agree,
```

```
00:38:12.492 --> 00:38:15.299
is sensible for this type of product.
```

```
00:38:15.300 --> 00:38:17.694
The investment portfolio matches the the
```

```
00:38:17.694 --> 00:38:19.620
customers attitude to investment risk.
```

```
00:38:19.620 --> 00:38:21.455
Those sorts of things that's
```

```
00:38:21.455 --> 00:38:23.290
what constitutes a good outcome,
```

```
00:38:23.290 --> 00:38:24.675
and the customer receives regular
```

```
00:38:24.675 --> 00:38:25.783
information about the performance
```

```
00:38:25.783 --> 00:38:26.500
of the funds.
```

```
00:38:26.500 --> 00:38:28.268
And we discuss it to make sure that
```

```
00:38:28.268 --> 00:38:30.077
we're doing anything to change anything.
```

```
00:38:30.080 --> 00:38:31.480
That's that's what a good outcome is.
```

```
00:38:31.480 --> 00:38:34.189
I think in this in this context.

NOTE Confidence: 0.85563791

00:38:34.190 --> 00:38:35.528
Based off thanks Peter and and

NOTE Confidence: 0.85563791

00:38:35.528 --> 00:38:36.420
thanks Ricky and Ross.

NOTE Confidence: 0.85563791

00:38:36.420 --> 00:38:38.990
I think that's that's really

NOTE Confidence: 0.85563791

00:38:38.990 --> 00:38:41.046
a thorough answer there.

NOTE Confidence: 0.85563791

00:38:41.050 --> 00:38:43.876
Even to the subject to what

NOTE Confidence: 0.85563791

00:38:43.876 --> 00:38:46.125
advisors can do now, Peter,

NOTE Confidence: 0.85563791

00:38:46.125 --> 00:38:48.680
I'll stick with you if I may.

NOTE Confidence: 0.85563791

00:38:48.680 --> 00:38:51.325
Obviously there was references to

NOTE Confidence: 0.85563791

00:38:51.325 --> 00:38:53.970
prod and the vulnerable customers

NOTE Confidence: 0.85563791

00:38:54.058 --> 00:38:56.508
within the actual paper itself.

NOTE Confidence: 0.85563791

00:38:56.510 --> 00:38:58.365
Does the customer duty add to what's
```

NOTE Confidence: 0.85563791

00:38:58.365 --> 00:38:59.988
already there and and what should

NOTE Confidence: 0.85563791

00:38:59.988 --> 00:39:01.530
advisors be doing in the those?

NOTE Confidence: 0.85563791

00:39:01.530 --> 00:39:03.781
Uh, those sort of subjects now, yeah,

NOTE Confidence: 0.85563791

00:39:03.781 --> 00:39:05.767
so it's a really important question.

NOTE Confidence: 0.786615552

00:39:05.770 --> 00:39:07.246
We sort of touched on this

NOTE Confidence: 0.786615552

00:39:07.246 --> 00:39:08.230
a little bit already.

NOTE Confidence: 0.786615552

00:39:08.230 --> 00:39:09.808
We talked a lot of phones, right?

NOTE Confidence: 0.786615552

00:39:09.808 --> 00:39:12.556
The way across financial service industry.

NOTE Confidence: 0.786615552

00:39:12.560 --> 00:39:15.180
I think we've noticed anecdotally,

NOTE Confidence: 0.786615552

00:39:15.180 --> 00:39:17.796
anyway, a tendency towards seeking comfort

NOTE Confidence: 0.786615552

00:39:17.796 --> 00:39:20.226
that full compliance with all existing

NOTE Confidence: 0.786615552

00:39:20.226 --> 00:39:23.113
rules will get you most or even all of

NOTE Confidence: 0.786615552

00:39:23.113 --> 00:39:25.255
the way on consumer duty compliance.

NOTE Confidence: 0.786615552

00:39:25.260 --> 00:39:27.340
That's understandable, it has merit.

NOTE Confidence: 0.786615552

00:39:27.340 --> 00:39:29.188
It's quite beguiling,

NOTE Confidence: 0.786615552

00:39:29.188 --> 00:39:33.500
but it's also potentially a bit dangerous.

NOTE Confidence: 0.786615552

00:39:33.500 --> 00:39:36.405
I think let's formalize something

NOTE Confidence: 0.786615552

00:39:36.405 --> 00:39:38.746
obvious but important or firms

NOTE Confidence: 0.786615552

00:39:38.746 --> 00:39:40.832
will have to comply with all the

NOTE Confidence: 0.786615552

00:39:40.832 --> 00:39:42.680
existing rules that apply to them.

NOTE Confidence: 0.786615552

00:39:42.680 --> 00:39:43.700
So for advisors,

NOTE Confidence: 0.786615552

00:39:43.700 --> 00:39:45.400
that includes things like Cobbs,

NOTE Confidence: 0.786615552

00:39:45.400 --> 00:39:48.735
IBM cobs relevant parts of

NOTE Confidence: 0.786615552

00:39:48.735 --> 00:39:52.070

CISC and of course prod.

00:39:52.070 --> 00:39:53.890
Consume duty is far reaching.

00:39:53.890 --> 00:39:56.134
It creates new rules in addition

00:39:56.134 --> 00:39:58.140
to those already in force.

00:39:58.140 --> 00:39:59.772
They will require firms to be

00:39:59.772 --> 00:40:01.243
able to articulate and quantify

00:40:01.243 --> 00:40:02.858
how they provide fair value,

00:40:02.860 --> 00:40:04.960
how they enable customer understanding,

00:40:04.960 --> 00:40:06.780
and how they provide support to to

00:40:06.780 --> 00:40:09.019
customers to an extent not required before,

00:40:09.020 --> 00:40:11.180
so that is important to understand

00:40:11.180 --> 00:40:13.300
that I think we said earlier there's

00:40:13.300 --> 00:40:14.860
a transition here going on from

00:40:14.907 --> 00:40:16.419
it's an evolutionary transition,

00:40:16.420 --> 00:40:17.455
not revolutionary one,

00:40:17.455 --> 00:40:19.180
but it's an important transition

00:40:19.180 --> 00:40:20.400
nonetheless from our world,

00:40:20.400 --> 00:40:22.848
where firms have to set themselves

00:40:22.848 --> 00:40:25.535
up to provide the capacity to

00:40:25.535 --> 00:40:27.929
treat people fairly to where the

00:40:27.929 --> 00:40:29.987
rules will require them to show.

00:40:29.990 --> 00:40:32.340
With evidence that they consistently

00:40:32.340 --> 00:40:34.690
provide good outcomes in practice.

00:40:34.690 --> 00:40:36.013
And of course,

```
00:40:36.013 --> 00:40:38.218
that means I'm saying what

NOTE Confidence: 0.786615552

00:40:38.218 --> 00:40:40.470
good outcomes what outcome is.

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00:40:40.470 --> 00:40:42.294
And the the actually has said

NOTE Confidence: 0.786615552

00:40:42.294 --> 00:40:44.129
itself that the proposed new rules,

NOTE Confidence: 0.786615552

00:40:44.130 --> 00:40:45.842
as far as individually,

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00:40:45.842 --> 00:40:48.910
but also collectively go further than before.

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00:40:48.910 --> 00:40:50.690
So because of that.

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00:40:50.690 --> 00:40:53.612
And in that way things like

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00:40:53.612 --> 00:40:56.130
compliance with Cobbs or prod.

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00:40:56.130 --> 00:40:57.506
And following specific guidance

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00:40:57.506 --> 00:40:59.226
on customers or anything else,

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00:40:59.230 --> 00:41:00.945
they remain important in their own right,
```

00:41:00.950 --> 00:41:03.183
but they they are sort of effectively

00:41:03.183 --> 00:41:05.739
subsets of a new consumer duty world,

00:41:05.740 --> 00:41:06.528
if that makes sense.

00:41:10.210 --> 00:41:11.830
Good stuff thanks Peter.

00:41:11.830 --> 00:41:13.045
Yeah totally agree.

00:41:13.050 --> 00:41:14.450
We entered a new world and you know,

00:41:14.450 --> 00:41:16.028
as we've referenced a few times,

00:41:16.030 --> 00:41:17.515
a lot of this is things are already doing.

00:41:17.520 --> 00:41:21.060
It's documented in a different way.

00:41:21.060 --> 00:41:21.843
Ricky consignment sorry.

00:41:21.843 --> 00:41:23.670
Yeah Ross sorry just just to add

00:41:23.720 --> 00:41:25.296
to that there was a there was an

00:41:25.296 --> 00:41:26.563
article in Money Marketing this

00:41:26.563 --> 00:41:27.938
morning that some people might

00:41:27.938 --> 00:41:29.500
not have had a chance to see.

00:41:29.500 --> 00:41:31.033
The Royal London have done a bit

00:41:31.033 --> 00:41:32.831
of survey and it was just echoes

00:41:32.831 --> 00:41:33.923
Peter's point from earlier.

00:41:33.930 --> 00:41:35.820
They're saying that 80% of advisors

00:41:35.820 --> 00:41:38.348
may have spoken to believe they're very

00:41:38.348 --> 00:41:40.353
well prepared for consumer duties,

00:41:40.360 --> 00:41:42.190
so believe they already have everything

00:41:42.190 --> 00:41:44.499
in place and it was also saying that

00:41:44.499 --> 00:41:46.670

only 2% of those advisors that they

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00:41:46.670 --> 00:41:49.093
surveyed felt that they needed to make

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00:41:49.093 --> 00:41:51.229
significant changes to their processes so.

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00:41:51.230 --> 00:41:51.839
On one hand,

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00:41:51.839 --> 00:41:53.260
we are saying there's quite a lot

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00:41:53.308 --> 00:41:54.502
of change coming down the hill

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00:41:54.502 --> 00:41:56.050
and we need to be ready for it.

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00:41:56.050 --> 00:41:57.890
But there's also a kind of view that,

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00:41:57.890 --> 00:41:59.528
well, if we do what we do today and

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00:41:59.528 --> 00:42:01.028
just frame it slightly different,

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00:42:01.030 --> 00:42:01.996
we're roughly there.

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00:42:01.996 --> 00:42:03.284
I suggest the answer.

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00:42:03.290 --> 00:42:04.360
Vince is somewhere in the

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00:42:04.360 --> 00:42:05.430
middle of all of that.

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00:42:05.430 --> 00:42:05.760
Yeah,

NOTE Confidence: 0.628902282857143

00:42:05.760 --> 00:42:07.740
I think you probably right Ross,

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00:42:07.740 --> 00:42:10.848
and you know we'll come back to the annual

NOTE Confidence: 0.628902282857143

00:42:10.848 --> 00:42:13.160
report and sort of gathering MI later on.

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00:42:13.160 --> 00:42:13.952
And again,

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00:42:13.952 --> 00:42:16.328
this might well be gathering information

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00:42:16.328 --> 00:42:18.786
on processes that are already in place,

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00:42:18.790 --> 00:42:19.328
but nonetheless,

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00:42:19.328 --> 00:42:21.840
I think those sort of things will be known.

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00:42:21.840 --> 00:42:23.460
Uhm,

NOTE Confidence: 0.628902282857143

00:42:23.460 --> 00:42:25.638
Ricky bringing you into the conversation.

NOTE Confidence: 0.628902282857143

00:42:25.640 --> 00:42:26.924
Do you think advice firms still

NOTE Confidence: 0.628902282857143

00:42:26.924 --> 00:42:28.360
have a lot of work to do?

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00:42:28.360 --> 00:42:30.400
Following sort of Rossy's comment there.

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00:42:30.400 --> 00:42:31.800
Are they complying with existing

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00:42:31.800 --> 00:42:33.512
requirements like prod and and the

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00:42:33.512 --> 00:42:35.374
vulnerable customers paper we saw last year?

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00:42:38.050 --> 00:42:40.330
I mean you you mentioned vulnerability

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00:42:40.330 --> 00:42:42.252
just before and you mentioned

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00:42:42.252 --> 00:42:44.548
it again now and and this was.

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00:42:44.550 --> 00:42:50.122
I am a huge focus of the regulator in in

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00:42:50.122 --> 00:42:53.566
more recent times, and you know this.

00:42:53.570 --> 00:42:55.890
This is about understanding

00:42:55.890 --> 00:42:58.210
exactly what vulnerability is.

00:42:58.210 --> 00:43:00.821
What can be the causes and drivers

00:43:00.821 --> 00:43:02.770
of someone becoming vulnerable.

00:43:02.770 --> 00:43:05.550
So the identification of those

00:43:05.550 --> 00:43:07.774
individuals it's about designing.

00:43:07.780 --> 00:43:10.192
Sales process which meets the needs

00:43:10.192 --> 00:43:11.800
of those vulnerable individuals.

00:43:11.800 --> 00:43:13.325
It's how you address that

00:43:13.325 --> 00:43:14.240
with the individual.

00:43:14.240 --> 00:43:16.080
It's how you then monitor,

00:43:16.080 --> 00:43:17.352
review and implement changes

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00:43:17.352 --> 00:43:18.306
within the business.

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00:43:18.310 --> 00:43:20.038
So vulnerability in itself, you know,

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00:43:20.040 --> 00:43:22.110
is is a massive massive area.

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00:43:22.110 --> 00:43:24.540
I can't see that there's going to be any

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00:43:24.599 --> 00:43:27.236
change as a result of this new consumer duty,

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00:43:27.240 --> 00:43:30.960
which would enhance that even further.

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00:43:30.960 --> 00:43:31.876
And you know what?

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00:43:31.876 --> 00:43:34.078
If we're going to get a little bit

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00:43:34.078 --> 00:43:35.610
more crude about vulnerability?

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00:43:35.610 --> 00:43:37.840
Vulnerability is really about knowing

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00:43:37.840 --> 00:43:40.778
your clients and you know this is

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00:43:40.778 --> 00:43:43.322

what I believe that you know the vast

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00:43:43.399 --> 00:43:46.087
majority of them of firms actually do,

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00:43:46.090 --> 00:43:48.952
and it's talking here before about

NOTE Confidence: 0.855936063333333

00:43:48.952 --> 00:43:52.550
you know what's the impact upon firms.

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00:43:52.550 --> 00:43:55.049
Joe, I do believe that the vast

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00:43:55.049 --> 00:43:58.169
majority of firms will be doing this already,

NOTE Confidence: 0.855936063333333

00:43:58.170 --> 00:43:59.976
but they they do have the values

NOTE Confidence: 0.855936063333333

00:43:59.976 --> 00:44:01.310
of the clients at heart.

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00:44:01.310 --> 00:44:02.710
It's what drives their business.

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00:44:02.710 --> 00:44:05.060
They're working communities that are

NOTE Confidence: 0.855936063333333

00:44:05.060 --> 00:44:06.940
accountable to these individuals,

NOTE Confidence: 0.855936063333333

00:44:06.940 --> 00:44:08.125
the wider community,

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```
00:44:08.125 --> 00:44:09.705
but often close friends,
```

NOTE Confidence: 0.855936063333333

```
00:44:09.710 --> 00:44:11.138
family members, et cetera.
```

NOTE Confidence: 0.855936063333333

```
00:44:11.138 --> 00:44:13.656
So it becomes very, very personal.
```

NOTE Confidence: 0.855936063333333

```
00:44:13.656 --> 00:44:15.828
The danger with that.
```

NOTE Confidence: 0.855936063333333

```
00:44:15.830 --> 00:44:17.878
Sometimes arrangements and processes
```

NOTE Confidence: 0.855936063333333

```
00:44:17.878 --> 00:44:20.950
can become a little bit informal.
```

NOTE Confidence: 0.855936063333333

```
00:44:20.950 --> 00:44:21.588
We've certainly.
```

NOTE Confidence: 0.855936063333333

```
00:44:21.588 --> 00:44:22.226
A not.
```

NOTE Confidence: 0.855936063333333

```
00:44:22.226 --> 00:44:25.598
So how are you being a little bit formality
```

NOTE Confidence: 0.855936063333333

```
00:44:25.600 --> 00:44:28.560
to the processes you have within the firm?
```

NOTE Confidence: 0.855936063333333

```
00:44:28.560 --> 00:44:29.484
And of course,
```

NOTE Confidence: 0.855936063333333

```
00:44:29.484 --> 00:44:29.792
listen.
```

NOTE Confidence: 0.855936063333333

```
00:44:29.792 --> 00:44:32.292
There will be some firms out there which
```

NOTE Confidence: 0.855936063333333

```
00:44:32.292 --> 00:44:34.670
are always put in making a quick book
```

NOTE Confidence: 0.855936063333333

```
00:44:34.670 --> 00:44:36.840
out of their clients as a priority.
```

NOTE Confidence: 0.855936063333333

```
00:44:36.840 --> 00:44:38.640
These firms will probably not change
```

NOTE Confidence: 0.855936063333333

```
00:44:38.640 --> 00:44:40.720
the results of the consumers duty.
```

NOTE Confidence: 0.855936063333333

```
00:44:40.720 --> 00:44:43.216
They probably won't even read it.
```

NOTE Confidence: 0.855936063333333

```
00:44:43.220 --> 00:44:45.866
So the consumer duty itself is only
```

NOTE Confidence: 0.855936063333333

```
00:44:45.866 --> 00:44:49.700
as good as how the regulator enforces
```

NOTE Confidence: 0.855936063333333

```
00:44:49.700 --> 00:44:52.770
the principles and the standards.
```

NOTE Confidence: 0.855936063333333

```
00:44:52.770 --> 00:44:54.070
Within a within him,
```

NOTE Confidence: 0.855936063333333

```
00:44:54.070 --> 00:44:55.695
I think that's what firms
```

NOTE Confidence: 0.855936063333333

```
00:44:55.695 --> 00:44:56.789
actually want to see.
```

00:44:56.790 --> 00:44:58.729
You know the firms are actually driving

00:44:58.729 --> 00:45:00.229
these harms within the industry,

00:45:00.230 --> 00:45:01.988
which is giving everyone a bad

00:45:01.988 --> 00:45:03.570
press when things go wrong.

00:45:03.570 --> 00:45:05.390
What the regulators actually

00:45:05.390 --> 00:45:08.120
doing to identify the target and

00:45:08.202 --> 00:45:10.070
take action against them.

00:45:10.070 --> 00:45:13.590
So I think firms in the main can be very,

00:45:13.590 --> 00:45:15.966
very confident in what we're doing.

00:45:15.970 --> 00:45:18.450
The biggest challenge is

00:45:18.450 --> 00:45:20.342
is documenting the process,

00:45:20.342 --> 00:45:22.886
documenting the outcomes and of course.

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00:45:22.890 --> 00:45:23.378
I'm very,

NOTE Confidence: 0.855936063333333

00:45:23.378 --> 00:45:25.330
very biased here to do that as a

NOTE Confidence: 0.855936063333333

00:45:25.394 --> 00:45:27.487
standalone firm is going to be very,

NOTE Confidence: 0.855936063333333

00:45:27.490 --> 00:45:28.615
very challenging, difficult,

NOTE Confidence: 0.855936063333333

00:45:28.615 --> 00:45:30.490
incredibly time consuming to know

NOTE Confidence: 0.855936063333333

00:45:30.490 --> 00:45:32.367
what it is you've got to do.

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00:45:32.370 --> 00:45:33.622
I do believe, therefore,

NOTE Confidence: 0.855936063333333

00:45:33.622 --> 00:45:35.500
if you're part of the network,

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00:45:35.500 --> 00:45:36.229
it can benefit.

NOTE Confidence: 0.855936063333333

00:45:36.229 --> 00:45:37.930
Or if you're part of a support

NOTE Confidence: 0.855936063333333

00:45:37.985 --> 00:45:39.887
services company which can provide you

NOTE Confidence: 0.855936063333333

00:45:39.887 --> 00:45:41.950

with a templates with the processes,

NOTE Confidence: 0.855936063333333

00:45:41.950 --> 00:45:43.774
explain you know how this would

NOTE Confidence: 0.855936063333333

00:45:43.774 --> 00:45:45.817
kind of operate in practice is

NOTE Confidence: 0.855936063333333

00:45:45.817 --> 00:45:47.727
going to be extremely beneficial

NOTE Confidence: 0.762719272285714

00:45:47.730 --> 00:45:50.019
for you policies. For the plug there.

NOTE Confidence: 0.789205734

00:45:52.610 --> 00:45:54.948
That's fine, thanks Ricky Ross any sort

NOTE Confidence: 0.789205734

00:45:54.948 --> 00:45:57.239
of final thoughts from you on that one.

NOTE Confidence: 0.789205734

00:45:57.240 --> 00:45:57.921
But really, events?

NOTE Confidence: 0.789205734

00:45:57.921 --> 00:45:59.510
I think the points that are well

NOTE Confidence: 0.789205734

00:45:59.554 --> 00:46:01.297
covered a lot of it's happening already.

NOTE Confidence: 0.789205734

00:46:01.300 --> 00:46:03.988
We just need to make it more transparent.

NOTE Confidence: 0.789205734

00:46:03.990 --> 00:46:06.450
Yeah, that absolutely.

NOTE Confidence: 0.789205734

00:46:06.450 --> 00:46:08.242
But he's coming back to you and I

NOTE Confidence: 0.789205734

00:46:08.242 --> 00:46:10.248
guess to to wrap up the conversation

NOTE Confidence: 0.789205734

00:46:10.248 --> 00:46:12.179
around what advisors need to do now.

NOTE Confidence: 0.789205734

00:46:12.180 --> 00:46:13.782
What would you recommend they should

NOTE Confidence: 0.789205734

00:46:13.782 --> 00:46:15.869
be doing and what sort of step change

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00:46:15.869 --> 00:46:17.623
in behavior do you think that the

NOTE Confidence: 0.789205734

00:46:17.623 --> 00:46:20.920
FCA really wanting to see? Yeah.

NOTE Confidence: 0.789205734

00:46:20.920 --> 00:46:22.738
Some of this we sort of touched on already.

NOTE Confidence: 0.789205734

00:46:22.740 --> 00:46:25.817
So as I say, there are the final rules

NOTE Confidence: 0.789205734

00:46:25.817 --> 00:46:28.340
for all of this are due in July.

NOTE Confidence: 0.789205734

00:46:28.340 --> 00:46:32.196
You know, a couple months or so away.

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00:46:32.200 --> 00:46:33.370
Yeah, we certainly feel we've.

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```
00:46:33.370 --> 00:46:35.218
We've been saying this to firms of

NOTE Confidence: 0.789205734

00:46:35.218 --> 00:46:37.099
all types that waiting until then,

NOTE Confidence: 0.789205734

00:46:37.100 --> 00:46:40.228
UM is is is perhaps a couple of

NOTE Confidence: 0.789205734

00:46:40.228 --> 00:46:42.830
months that you won't get back.

NOTE Confidence: 0.789205734

00:46:42.830 --> 00:46:44.440
You know some firms will need to

NOTE Confidence: 0.789205734

00:46:44.440 --> 00:46:45.882
make significant changes, some won't,

NOTE Confidence: 0.789205734

00:46:45.882 --> 00:46:46.258
perhaps,

NOTE Confidence: 0.789205734

00:46:46.258 --> 00:46:49.750
but Even so that the Sunni start the better.

NOTE Confidence: 0.789205734

00:46:49.750 --> 00:46:51.982
I do think that the risk of of not

NOTE Confidence: 0.789205734

00:46:51.982 --> 00:46:54.119
being ready by April next year is

NOTE Confidence: 0.789205734

00:46:54.119 --> 00:46:56.018
greater than the risk of doing

NOTE Confidence: 0.789205734

00:46:56.018 --> 00:46:57.568
work between now and July,
```

00:46:57.570 --> 00:47:00.030
which then has to be revisited.

00:47:00.030 --> 00:47:02.760
And so for me, all firms,

00:47:02.760 --> 00:47:04.460
including financial advisors I think,

00:47:04.460 --> 00:47:06.170
should just after the beginning,

00:47:06.170 --> 00:47:09.746
which for me is very broadly 2 things.

00:47:09.750 --> 00:47:11.920
So firstly and fundamentally think

00:47:11.920 --> 00:47:14.580
about each of those four outcome

00:47:14.580 --> 00:47:16.228
based sets of rules,

00:47:16.230 --> 00:47:19.206
draft rules in the recent consultation

00:47:19.206 --> 00:47:22.315
and consider how will this affect what

00:47:22.315 --> 00:47:25.298
I do will what I do need to change in

00:47:25.298 --> 00:47:27.828
some way as a result of these rules?

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00:47:27.830 --> 00:47:29.540
Then I think phones can work

NOTE Confidence: 0.789205734

00:47:29.540 --> 00:47:30.680
out where they're stronger.

NOTE Confidence: 0.789205734

00:47:30.680 --> 00:47:32.216
Whether that had to do very much at

NOTE Confidence: 0.789205734

00:47:32.216 --> 00:47:33.624
all and where they're less strong

NOTE Confidence: 0.789205734

00:47:33.624 --> 00:47:35.094
or where they are new things,

NOTE Confidence: 0.789205734

00:47:35.100 --> 00:47:36.507
if they haven't had to do before,

NOTE Confidence: 0.789205734

00:47:36.510 --> 00:47:38.030
that will dictate priorities

NOTE Confidence: 0.789205734

00:47:38.030 --> 00:47:42.290
and and also it will, it will.

NOTE Confidence: 0.789205734

00:47:42.290 --> 00:47:44.380
Underpin engagement with other parties.

NOTE Confidence: 0.789205734

00:47:44.380 --> 00:47:45.226
As I say,

NOTE Confidence: 0.789205734

00:47:45.226 --> 00:47:47.200
the what everyone else does in the

NOTE Confidence: 0.789205734

00:47:47.273 --> 00:47:49.329

distribution chain is important.

NOTE Confidence: 0.789205734

00:47:49.330 --> 00:47:51.220
And secondly, I think for me anyway,

NOTE Confidence: 0.789205734

00:47:51.220 --> 00:47:54.125
this is possibly the most important thing.

NOTE Confidence: 0.789205734

00:47:54.130 --> 00:47:55.045
To think about,

NOTE Confidence: 0.789205734

00:47:55.045 --> 00:47:57.180
as we've been saying in a way

NOTE Confidence: 0.789205734

00:47:57.251 --> 00:47:59.146
not not perhaps done before.

NOTE Confidence: 0.789205734

00:47:59.150 --> 00:48:01.610
Think about and arrive at clear,

NOTE Confidence: 0.789205734

00:48:01.610 --> 00:48:03.101
measurable and quantifiable

NOTE Confidence: 0.789205734

00:48:03.101 --> 00:48:05.089
definitions for your business.

NOTE Confidence: 0.789205734

00:48:05.090 --> 00:48:07.706
What you do and your products

NOTE Confidence: 0.789205734

00:48:07.706 --> 00:48:10.760
and services of a good outcome.

NOTE Confidence: 0.789205734

00:48:10.760 --> 00:48:14.636
At fair value and foreseeable harm,

NOTE Confidence: 0.789205734

00:48:14.640 --> 00:48:16.448
I think a large part of you know

NOTE Confidence: 0.789205734

00:48:16.448 --> 00:48:18.550
the key to unlocking all of this

NOTE Confidence: 0.789205734

00:48:18.550 --> 00:48:20.135
successfully and doing what the

NOTE Confidence: 0.789205734

00:48:20.198 --> 00:48:21.983
regulator wants you to do is to

NOTE Confidence: 0.789205734

00:48:21.983 --> 00:48:23.440
know for your business when we

NOTE Confidence: 0.789205734

00:48:23.440 --> 00:48:24.590
talk about a good outcome,

NOTE Confidence: 0.789205734

00:48:24.590 --> 00:48:25.840
what do we actually mean?

NOTE Confidence: 0.789205734

00:48:25.840 --> 00:48:27.150
Written down in the quantifiable

NOTE Confidence: 0.789205734

00:48:27.150 --> 00:48:29.039
way when we talk about fair value?

NOTE Confidence: 0.789205734

00:48:29.040 --> 00:48:30.232
What does that mean?

NOTE Confidence: 0.789205734

00:48:30.232 --> 00:48:32.020
Written down in a quantifiable way

NOTE Confidence: 0.789205734

00:48:32.078 --> 00:48:33.758
and similarly foreseeable harm,

NOTE Confidence: 0.789205734

```
00:48:33.760 --> 00:48:36.304
you can then think about what
```

NOTE Confidence: 0.789205734

```
00:48:36.304 --> 00:48:38.821
those things mean and apply them
```

NOTE Confidence: 0.789205734

```
00:48:38.821 --> 00:48:41.254
to your own client journey.
```

NOTE Confidence: 0.789205734

```
00:48:41.254 --> 00:48:45.256
From, uh, you know initial marketing.
```

NOTE Confidence: 0.878039394545455

```
00:48:45.260 --> 00:48:47.885
Trying to trying to secure customers all
```

NOTE Confidence: 0.878039394545455

```
00:48:47.885 --> 00:48:50.276
the way through to you know customers.
```

NOTE Confidence: 0.878039394545455

```
00:48:50.276 --> 00:48:52.740
Being being off boarded at the end.
```

NOTE Confidence: 0.878039394545455

```
00:48:52.740 --> 00:48:54.108
At the end of the journey with you.
```

NOTE Confidence: 0.878039394545455

```
00:48:54.110 --> 00:48:56.660
So think about those three concepts,
```

NOTE Confidence: 0.878039394545455

```
00:48:56.660 --> 00:48:57.386
good outcome,
```

NOTE Confidence: 0.878039394545455

```
00:48:57.386 --> 00:48:59.927
fair value and foreseeable harm at all.
```

NOTE Confidence: 0.878039394545455

```
00:48:59.930 --> 00:49:03.230
The significant points of the client
```

NOTE Confidence: 0.878039394545455

00:49:03.230 --> 00:49:05.526
experience onboarding financial promotions.

NOTE Confidence: 0.878039394545455

00:49:05.526 --> 00:49:08.436
Obviously the advice process itself,

NOTE Confidence: 0.878039394545455

00:49:08.440 --> 00:49:11.600
both initial and ongoing.

NOTE Confidence: 0.878039394545455

00:49:11.600 --> 00:49:12.572
Annual reviews or other

NOTE Confidence: 0.878039394545455

00:49:12.572 --> 00:49:13.544
ongoing reviews and support.

NOTE Confidence: 0.878039394545455

00:49:13.550 --> 00:49:15.992
This provided how many complaints are

NOTE Confidence: 0.878039394545455

00:49:15.992 --> 00:49:17.761
dealt with and indeed offboarding.

NOTE Confidence: 0.878039394545455

00:49:17.761 --> 00:49:19.980
At the end of the client journey

NOTE Confidence: 0.878039394545455

00:49:20.040 --> 00:49:22.336
at those sorts of points in your

NOTE Confidence: 0.878039394545455

00:49:22.336 --> 00:49:23.610
customers experience with you,

NOTE Confidence: 0.878039394545455

00:49:23.610 --> 00:49:24.560
what does good look like

NOTE Confidence: 0.878039394545455

00:49:24.560 --> 00:49:25.510
when we say good outcome?

00:49:25.510 --> 00:49:27.720
What does that actually mean?

00:49:27.720 --> 00:49:28.076
Then?

00:49:28.076 --> 00:49:31.320
I think this sort of extends an idea we've

00:49:31.320 --> 00:49:33.972
already talked about in terms of using

00:49:33.972 --> 00:49:36.680
things which are in place already now,

00:49:36.680 --> 00:49:37.820
thanks to many,

00:49:37.820 --> 00:49:38.580
many years,

00:49:38.580 --> 00:49:41.590
decades probably of regulatory activity,

00:49:41.590 --> 00:49:43.214
firms are already generated,

00:49:43.214 --> 00:49:45.244
lots of management information about

00:49:45.244 --> 00:49:47.339
what they do for their customers,

00:49:47.340 --> 00:49:49.779

so I think there is a reason we large.

NOTE Confidence: 0.878039394545455

00:49:49.780 --> 00:49:51.785
Event to which that infrastructure

NOTE Confidence: 0.878039394545455

00:49:51.785 --> 00:49:54.450
can be harnessed for these purposes.

NOTE Confidence: 0.878039394545455

00:49:54.450 --> 00:49:56.105
So you already collect management

NOTE Confidence: 0.878039394545455

00:49:56.105 --> 00:49:58.717
information on a variety of things to do

NOTE Confidence: 0.878039394545455

00:49:58.717 --> 00:50:00.810
with the service you provide to customers.

NOTE Confidence: 0.878039394545455

00:50:00.810 --> 00:50:03.270
How can we, as a firm,

NOTE Confidence: 0.878039394545455

00:50:03.270 --> 00:50:03.912
I think first,

NOTE Confidence: 0.878039394545455

00:50:03.912 --> 00:50:04.768
should be asking themselves?

NOTE Confidence: 0.878039394545455

00:50:04.770 --> 00:50:06.770
How can we sort of,

NOTE Confidence: 0.878039394545455

00:50:06.770 --> 00:50:09.025
repackage or repurpose that information

NOTE Confidence: 0.878039394545455

00:50:09.025 --> 00:50:11.800
rather than changing it wholesale or

NOTE Confidence: 0.878039394545455

00:50:11.800 --> 00:50:13.994
designing something completely new which

00:50:13.994 --> 00:50:16.455
serves our purposes here, which is not?

00:50:16.455 --> 00:50:18.130
Do we treat customers fairly?

00:50:18.130 --> 00:50:20.475
But do customers get a good outcome?

00:50:20.480 --> 00:50:22.935
Now that we understand what

00:50:22.935 --> 00:50:24.899
good outcome actually means,

00:50:24.900 --> 00:50:27.510
I think if firms are doing that sort of

00:50:27.510 --> 00:50:29.674
thinking and collaboration with other

00:50:29.674 --> 00:50:31.929
other parties and distribution chains.

00:50:31.930 --> 00:50:34.564
You know straight away don't necessarily

00:50:34.564 --> 00:50:36.900
wait around too much longer,

00:50:36.900 --> 00:50:39.728
and then you should have enough time.

00:50:39.730 --> 00:50:42.358
Between now and next year to.

NOTE Confidence: 0.878039394545455

00:50:42.360 --> 00:50:43.863
To make changes that might need to be made.

NOTE Confidence: 0.802646428888889

00:50:46.020 --> 00:50:47.882
Thanks Peter, yeah and I know Ross

NOTE Confidence: 0.802646428888889

00:50:47.882 --> 00:50:49.893
and Ricky have been banging the drum

NOTE Confidence: 0.802646428888889

00:50:49.893 --> 00:50:52.014
on taking action now and making sure

NOTE Confidence: 0.802646428888889

00:50:52.014 --> 00:50:54.018
you're fulfilling what you looks like.

NOTE Confidence: 0.802646428888889

00:50:54.020 --> 00:50:56.456
You're gonna need to fulfill. So that

NOTE Confidence: 0.802646428888889

00:50:56.456 --> 00:50:58.346
sounds like exceptionally sound advice.

NOTE Confidence: 0.884143064444444

00:51:00.400 --> 00:51:02.938
Ricky can come back to you at this point.

NOTE Confidence: 0.884143064444444

00:51:02.940 --> 00:51:04.128
What do you think advisers will

NOTE Confidence: 0.884143064444444

00:51:04.128 --> 00:51:05.660
need to do to demonstrate to show

NOTE Confidence: 0.884143064444444

00:51:05.660 --> 00:51:07.263
they are doing the best to avoid

00:51:07.314 --> 00:51:08.639
foreseeable harm for a client?

00:51:08.640 --> 00:51:09.640
Peter talked about it there,

00:51:09.640 --> 00:51:10.448
sort of fairly extensively,

00:51:10.448 --> 00:51:11.458
but anything you would add.

00:51:13.760 --> 00:51:19.334
And. Well. Trying to link it to the outcomes

00:51:19.334 --> 00:51:22.099
that we've been talking about under this.

00:51:22.100 --> 00:51:26.143
Particular objectives then? Well,

00:51:26.143 --> 00:51:29.023
you have the the consumer understanding,

00:51:29.023 --> 00:51:33.527
so as part of the advice process it's

00:51:33.527 --> 00:51:36.820
about being a clear and transparent to

00:51:36.820 --> 00:51:40.168
to use a word that's been previously

00:51:40.168 --> 00:51:43.504
mentioned before in terms of how

00:51:43.504 --> 00:51:46.439
firms charge for their services.

00:51:46.440 --> 00:51:49.725
What that service actually covers

00:51:49.725 --> 00:51:53.010
when the charge is applied.

00:51:53.010 --> 00:51:57.046
As part of the products and services and

00:51:57.046 --> 00:52:00.734
this is about Vince, I'm not an advisor.

00:52:00.734 --> 00:52:03.681
I've never been an advisor and I'm not

00:52:03.681 --> 00:52:05.029
experiencing that particular regard,

00:52:05.030 --> 00:52:08.198
but I just kind of give my view

00:52:08.198 --> 00:52:11.569
in terms of products and services.

00:52:11.570 --> 00:52:13.398
Is keep it simple.

00:52:13.398 --> 00:52:14.769
Keep it simple.

00:52:14.770 --> 00:52:16.978

Don't give a high risk investment

00:52:16.978 --> 00:52:19.498
to someone who can't tolerate risk.

00:52:19.498 --> 00:52:22.922
Don't move someone out of a DB pension

00:52:22.922 --> 00:52:26.292
scheme when the totally reliant upon the

00:52:26.292 --> 00:52:29.246
need for income throughout their life time.

00:52:29.250 --> 00:52:30.798
Don't move someone's pension into a

00:52:30.798 --> 00:52:33.145
sip and put it into an unregulated

00:52:33.145 --> 00:52:34.408
collective investment scheme.

00:52:34.410 --> 00:52:37.930
Don't get involved in crypto assets you know.

00:52:37.930 --> 00:52:39.004
Keep it simple.

00:52:39.004 --> 00:52:42.129
That's where we see the most drivers of harm.

00:52:42.130 --> 00:52:44.000
So problem is about understanding.

```
00:52:44.000 --> 00:52:46.198
What products are right for your clients?

NOTE Confidence: 0.60225757

00:52:46.200 --> 00:52:47.788
Who are your clients?

NOTE Confidence: 0.60225757

00:52:47.788 --> 00:52:50.979
What is the market you're trying to target,

NOTE Confidence: 0.60225757

00:52:50.980 --> 00:52:53.722
and how do you then distribute

NOTE Confidence: 0.60225757

00:52:53.722 --> 00:52:55.540
those products to the clients?

NOTE Confidence: 0.60225757

00:52:55.540 --> 00:52:57.340
If it's through advice you'll be

NOTE Confidence: 0.60225757

00:52:57.340 --> 00:52:59.119
carrying out individual suitability.

NOTE Confidence: 0.60225757

00:52:59.120 --> 00:53:00.905
If it's not the advice and it's

NOTE Confidence: 0.60225757

00:53:00.905 --> 00:53:01.860
just wider distribution is,

NOTE Confidence: 0.60225757

00:53:01.860 --> 00:53:05.730
how do you understand the needs?

NOTE Confidence: 0.60225757

00:53:05.730 --> 00:53:07.554
Of those particular clients,

NOTE Confidence: 0.60225757

00:53:07.554 --> 00:53:10.290
and then once you've completed that,

NOTE Confidence: 0.60225757
```

00:53:10.290 --> 00:53:13.062
then you know most will offer an

NOTE Confidence: 0.60225757

00:53:13.062 --> 00:53:15.090
ongoing service and and again,

NOTE Confidence: 0.60225757

00:53:15.090 --> 00:53:16.588
I think there's a couple of things

NOTE Confidence: 0.60225757

00:53:16.588 --> 00:53:17.650
that I'd say here is.

NOTE Confidence: 0.60225757

00:53:17.650 --> 00:53:18.014
First,

NOTE Confidence: 0.60225757

00:53:18.014 --> 00:53:20.926
make it clear exactly what it is you're

NOTE Confidence: 0.60225757

00:53:20.926 --> 00:53:22.948
offering and above anything else,

NOTE Confidence: 0.60225757

00:53:22.950 --> 00:53:24.618
make the service tangible.

NOTE Confidence: 0.60225757

00:53:24.618 --> 00:53:27.120
Show that there is fair value

NOTE Confidence: 0.60225757

00:53:27.203 --> 00:53:28.767
in what you're doing,

NOTE Confidence: 0.60225757

00:53:28.770 --> 00:53:30.624
so set out clearly what it is you're doing.

NOTE Confidence: 0.60225757

00:53:30.630 --> 00:53:33.342
Set out clearly how you're charging

00:53:33.342 --> 00:53:35.720
for that service and above.

00:53:35.720 --> 00:53:37.194
Anything else,

00:53:37.194 --> 00:53:40.879
make sure it's being delivered.

00:53:40.880 --> 00:53:43.192
I think one of the concerns that we're

00:53:43.192 --> 00:53:45.642
seeing at the minute in time is and

00:53:45.642 --> 00:53:48.117
this might have resulted because of of COVID.

00:53:48.120 --> 00:53:48.990
Is that?

00:53:48.990 --> 00:53:52.035
Terms were not always servicing the client,

00:53:52.040 --> 00:53:54.656
so they're still receiving the income,

00:53:54.660 --> 00:53:56.156
but they're not necessarily

00:53:56.156 --> 00:53:57.278
providing the service,

00:53:57.280 --> 00:53:59.272
and I think it would be fair and

00:53:59.272 --> 00:54:00.733
reasonable for the regulator set

00:54:00.733 --> 00:54:02.539
at that particular point in time.

00:54:02.540 --> 00:54:04.796
This is probably not fair value

00:54:04.796 --> 00:54:06.300
for that particular client,

00:54:06.300 --> 00:54:08.972
so that's kind of the moment in time

00:54:08.972 --> 00:54:11.590
in terms of disclosures in terms

00:54:11.590 --> 00:54:13.930
of clients understanding where we

00:54:13.930 --> 00:54:17.770
would kind of focus our attention.

00:54:17.770 --> 00:54:19.546
So just just to chime in on that,

00:54:19.550 --> 00:54:20.744
I think what Rick is described

00:54:20.744 --> 00:54:22.322
as a great example of the kind of

00:54:22.322 --> 00:54:23.630

thinking that needs to be done now.

00:54:23.630 --> 00:54:25.610
So given what Ricky was describing

00:54:25.610 --> 00:54:27.306
there foreseeable harm that I've

00:54:27.306 --> 00:54:28.876
been saying firmly to define

00:54:28.876 --> 00:54:30.132
what foreseeable harm is.

00:54:30.140 --> 00:54:30.581
Well,

00:54:30.581 --> 00:54:32.786
there were some examples there

00:54:32.786 --> 00:54:34.550
foreseeable harm could equal

00:54:34.550 --> 00:54:37.622
advising customers to invest in an

00:54:37.622 --> 00:54:39.670
investment or service investments,

00:54:39.670 --> 00:54:41.805
which is unlikely to meet their needs,

00:54:41.810 --> 00:54:44.462
which goes against their investment risk

00:54:44.462 --> 00:54:46.879
profile foreseeable harm, could you know?

NOTE Confidence: 0.909141698571428

00:54:46.879 --> 00:54:48.694
With the posted via stage,

NOTE Confidence: 0.909141698571428

00:54:48.700 --> 00:54:52.000
foreseeable harm could be.

NOTE Confidence: 0.909141698571428

00:54:52.000 --> 00:54:54.010
Not providing a service which

NOTE Confidence: 0.909141698571428

00:54:54.010 --> 00:54:56.020
the client is paying for.

NOTE Confidence: 0.909141698571428

00:54:56.020 --> 00:54:58.639
Or or or suggesting that a customer has an

NOTE Confidence: 0.909141698571428

00:54:58.639 --> 00:55:00.976
ongoing service which you charge them for,

NOTE Confidence: 0.909141698571428

00:55:00.980 --> 00:55:02.220
which actually they don't.

NOTE Confidence: 0.909141698571428

00:55:02.220 --> 00:55:03.663
They don't really need it,

NOTE Confidence: 0.909141698571428

00:55:03.663 --> 00:55:05.287
so it's about thinking about at every stage.

NOTE Confidence: 0.909141698571428

00:55:05.290 --> 00:55:07.560
What do we do if we did this in this way,

NOTE Confidence: 0.909141698571428

00:55:07.560 --> 00:55:10.240
what harm could ensue?

NOTE Confidence: 0.909141698571428

00:55:10.240 --> 00:55:12.680
Writing that down in a way that's measurable,

NOTE Confidence: 0.909141698571428

00:55:12.680 --> 00:55:14.957
such that you can show you're not doing it?

NOTE Confidence: 0.909141698571428

00:55:14.960 --> 00:55:16.568
Basically, it doesn't necessarily

NOTE Confidence: 0.909141698571428

00:55:16.568 --> 00:55:18.578
require huge changes of behavior.

NOTE Confidence: 0.909141698571428

00:55:18.580 --> 00:55:20.365
I don't think it's about recording what

NOTE Confidence: 0.909141698571428

00:55:20.365 --> 00:55:22.487
you do in a slightly different way.

NOTE Confidence: 0.909141698571428

00:55:22.490 --> 00:55:23.621
Thanks Peter Ross.

NOTE Confidence: 0.909141698571428

00:55:23.621 --> 00:55:25.883
Anything you would add to that?

NOTE Confidence: 0.909141698571428

00:55:25.890 --> 00:55:27.514
I think the guys have covered the

NOTE Confidence: 0.909141698571428

00:55:27.514 --> 00:55:29.068
main points really take it seriously.

NOTE Confidence: 0.909141698571428

00:55:29.070 --> 00:55:30.238
Get plans in place.

NOTE Confidence: 0.909141698571428

00:55:30.238 --> 00:55:31.990
I mean April's not far away.

NOTE Confidence: 0.909141698571428

00:55:31.990 --> 00:55:32.533
Worryingly,

NOTE Confidence: 0.909141698571428

00:55:32.533 --> 00:55:35.248
the points are unforeseeable harm.

NOTE Confidence: 0.909141698571428

00:55:35.250 --> 00:55:35.868
You know,

NOTE Confidence: 0.909141698571428

00:55:35.868 --> 00:55:37.413
ensuring every point in that

NOTE Confidence: 0.909141698571428

00:55:37.413 --> 00:55:39.097
customer journey is clear and

NOTE Confidence: 0.909141698571428

00:55:39.097 --> 00:55:40.847
unambiguous in working that through,

NOTE Confidence: 0.909141698571428

00:55:40.850 --> 00:55:42.440
I think that's been well covered.

NOTE Confidence: 0.909141698571428

00:55:42.440 --> 00:55:43.760
Get a second opinion.

NOTE Confidence: 0.909141698571428

00:55:43.760 --> 00:55:45.410
I think Ricky plugged in.

NOTE Confidence: 0.909141698571428

00:55:45.410 --> 00:55:47.898
I would echo that plug speak to a

NOTE Confidence: 0.909141698571428

00:55:47.898 --> 00:55:49.930
service provider if you need me to

NOTE Confidence: 0.909141698571428

00:55:49.930 --> 00:55:51.770
check you're on the right wrongs,

NOTE Confidence: 0.909141698571428

00:55:51.770 --> 00:55:53.546
but I think the only other point I

NOTE Confidence: 0.909141698571428

00:55:53.546 --> 00:55:55.009
would advance is around the challenge

NOTE Confidence: 0.909141698571428

00:55:55.009 --> 00:55:56.455
that this is for our sector.

NOTE Confidence: 0.909141698571428

00:55:56.460 --> 00:55:56.852
You know,

NOTE Confidence: 0.909141698571428

00:55:56.852 --> 00:55:57.832
if I'm a directly authorized

NOTE Confidence: 0.909141698571428

00:55:57.832 --> 00:55:58.740
firm at the moment,

NOTE Confidence: 0.909141698571428

00:55:58.740 --> 00:56:00.306
this is pretty hard yards at

NOTE Confidence: 0.909141698571428

00:56:00.306 --> 00:56:02.180
a time when the world is got.

NOTE Confidence: 0.909141698571428

00:56:02.180 --> 00:56:04.021
A lot of regulatory change coming down

NOTE Confidence: 0.909141698571428

00:56:04.021 --> 00:56:06.256
the track and we've got all the new

NOTE Confidence: 0.909141698571428

00:56:06.256 --> 00:56:08.209
digital business models and tools we've got.

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00:56:08.210 --> 00:56:10.315

This hybrid advice and hybrid

NOTE Confidence: 0.909141698571428

00:56:10.315 --> 00:56:12.420
work starting to play through.

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00:56:12.420 --> 00:56:14.496
And then you've got the political

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00:56:14.496 --> 00:56:15.880
and economic landscape which

NOTE Confidence: 0.909141698571428

00:56:15.942 --> 00:56:17.514
is unnerving so you know it's

NOTE Confidence: 0.909141698571428

00:56:17.514 --> 00:56:19.239
hard to answer at the moment.

NOTE Confidence: 0.909141698571428

00:56:19.240 --> 00:56:20.437
Just trying to get all of this,

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00:56:20.440 --> 00:56:22.687
but I would encourage everybody to just

NOTE Confidence: 0.909141698571428

00:56:22.687 --> 00:56:25.162
take the time out to relook at your

NOTE Confidence: 0.909141698571428

00:56:25.162 --> 00:56:27.650
processes and make sure we don't fall foul.

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00:56:27.650 --> 00:56:29.010
Of any of these challenges,

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00:56:29.010 --> 00:56:30.860
because the need for advice

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00:56:30.860 --> 00:56:31.970
continues to grow.

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00:56:31.970 --> 00:56:33.895
But the need for advisors to be

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00:56:33.895 --> 00:56:35.309
able to demonstrate they're doing

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00:56:35.309 --> 00:56:37.157
the right thing is going to be

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00:56:37.157 --> 00:56:38.889
more and more in the spotlight.

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00:56:38.890 --> 00:56:41.750
Thanks Ross UM, absolutely agree.

NOTE Confidence: 0.909141698571428

00:56:41.750 --> 00:56:42.611
Uh and Ross,

NOTE Confidence: 0.909141698571428

00:56:42.611 --> 00:56:44.333
sticking with you and taking a

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00:56:44.333 --> 00:56:45.924
slightly different tack here I'm

NOTE Confidence: 0.909141698571428

00:56:45.924 --> 00:56:47.476
putting you on a pedestal by the way.

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00:56:47.480 --> 00:56:48.413
With this question,

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00:56:48.413 --> 00:56:50.279
you are probably the person who

NOTE Confidence: 0.909141698571428

00:56:50.279 --> 00:56:52.319
is ideally placed in the industry

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00:56:52.319 --> 00:56:54.410
to actually answer this one as

NOTE Confidence: 0.909141698571428

00:56:54.410 --> 00:56:56.930
MD of Sesame Bank or group.

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00:56:56.930 --> 00:56:58.414
When it comes to the consumer duty,

NOTE Confidence: 0.909141698571428

00:56:58.420 --> 00:57:00.204
what do you think of the key differences

NOTE Confidence: 0.909141698571428

00:57:00.204 --> 00:57:01.728
that need to be considered between

NOTE Confidence: 0.909141698571428

00:57:01.728 --> 00:57:03.276
an advisor under a network banner

NOTE Confidence: 0.909141698571428

00:57:03.328 --> 00:57:04.888
and one that's directly authorized?

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00:57:04.890 --> 00:57:07.382
And is there anything in the improving

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00:57:07.382 --> 00:57:08.880
the employed representatives regime?

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00:57:08.880 --> 00:57:11.296
We need to consider and also have just

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00:57:11.296 --> 00:57:13.796
noted and I've only seen the headlines,

00:57:13.800 --> 00:57:16.080
but it seems you have also just set up an

00:57:16.138 --> 00:57:18.418
appointed representative unit apparently,

00:57:18.420 --> 00:57:20.597
so be really grateful if your thoughts

00:57:20.597 --> 00:57:23.218
on all of those things were asking.

00:57:23.220 --> 00:57:25.614
Yeah, I received a lot of paperwork

00:57:25.614 --> 00:57:27.780
from the regulator back in December.

00:57:27.780 --> 00:57:29.132
Obviously the SESAME network,

00:57:29.132 --> 00:57:30.822
and indeed the two directly

00:57:30.822 --> 00:57:33.918
authorised brands, PMS and bankroll.

00:57:33.920 --> 00:57:35.960
I do think there are significant

00:57:35.960 --> 00:57:37.320
differences in the considerations

00:57:37.380 --> 00:57:38.857
in terms of both regime, but.

00:57:38.857 --> 00:57:40.516
The reality is all firms are gonna

00:57:40.516 --> 00:57:42.705
need to set out how they will approach

00:57:42.705 --> 00:57:44.361
and comply with consumer duty and

00:57:44.361 --> 00:57:46.083
that will differ from firm to firm.

00:57:46.090 --> 00:57:48.169
So I just made the point in the previous

00:57:48.169 --> 00:57:50.047
question and the directly authorized space.

00:57:50.050 --> 00:57:51.466
That's a lot of hard yards

00:57:51.466 --> 00:57:52.410
and the network space.

00:57:52.410 --> 00:57:53.388
It's a lot of hard yards,

00:57:53.390 --> 00:57:54.758
but perhaps different people

00:57:54.758 --> 00:57:56.126
running those hard yards.

00:57:56.130 --> 00:57:57.954

So in the network we've really got to

00:57:57.954 --> 00:57:59.783
be clear on the guidance and support

00:57:59.783 --> 00:58:01.670
that we can provide those Member firms

00:58:01.670 --> 00:58:03.476
the critical point for any firm will

00:58:03.476 --> 00:58:05.068
be the justification and rationale

00:58:05.068 --> 00:58:06.728
that will support the approach.

00:58:06.730 --> 00:58:09.290
I how we've reached the right outcomes for.

00:58:09.290 --> 00:58:11.135
Customers and what's the thinking

00:58:11.135 --> 00:58:12.980
that goes in behind that?

00:58:12.980 --> 00:58:15.036
And I think that's the same for both.

00:58:15.040 --> 00:58:17.392
Ricky made the point earlier that consumer

00:58:17.392 --> 00:58:19.760
duty is pretty subjective regulation,

00:58:19.760 --> 00:58:21.768
and I think we're going to be some

NOTE Confidence: 0.731382199142857

00:58:21.768 --> 00:58:23.793
journey over the next year in terms of

NOTE Confidence: 0.731382199142857

00:58:23.793 --> 00:58:25.808
views will differ on what good outcomes

NOTE Confidence: 0.731382199142857

00:58:25.808 --> 00:58:28.083
look like and what represents fair values.

NOTE Confidence: 0.731382199142857

00:58:28.090 --> 00:58:30.764
If we look at previous subjective regulation

NOTE Confidence: 0.731382199142857

00:58:30.764 --> 00:58:34.140
I think of TCF and transformation culture.

NOTE Confidence: 0.731382199142857

00:58:34.140 --> 00:58:36.660
We know there's not one correct answer,

NOTE Confidence: 0.731382199142857

00:58:36.660 --> 00:58:38.070
and it's likely we could end

NOTE Confidence: 0.731382199142857

00:58:38.070 --> 00:58:39.340
up the position where firms.

NOTE Confidence: 0.731382199142857

00:58:39.340 --> 00:58:41.251
We want to certainty that they're complying

NOTE Confidence: 0.731382199142857

00:58:41.251 --> 00:58:42.789
with the requirements and the network.

NOTE Confidence: 0.731382199142857

00:58:42.790 --> 00:58:44.810
I would want that certainty,

NOTE Confidence: 0.731382199142857

00:58:44.810 --> 00:58:46.794
but we might not be able to completely

NOTE Confidence: 0.731382199142857

00:58:46.794 --> 00:58:48.509
provide that because it's subjective,

NOTE Confidence: 0.731382199142857

00:58:48.510 --> 00:58:51.898
so it's for that reason that justification

NOTE Confidence: 0.731382199142857

00:58:51.898 --> 00:58:54.629
and rationale will be so critical.

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00:58:54.630 --> 00:58:56.947
Certainly in the network space we will

NOTE Confidence: 0.731382199142857

00:58:56.947 --> 00:58:59.381
be focusing hard on all the points

NOTE Confidence: 0.731382199142857

00:58:59.381 --> 00:59:01.096
we've just covered around panels

NOTE Confidence: 0.731382199142857

00:59:01.096 --> 00:59:02.795
around product appropriateness and

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00:59:02.795 --> 00:59:05.369
all those areas for forseeable harm.

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00:59:05.370 --> 00:59:07.288
In terms of the A regime paper,

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00:59:07.290 --> 00:59:09.560
it's improved, focused on improving.

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00:59:09.560 --> 00:59:11.588
Principle firm supervision and

00:59:11.588 --> 00:59:14.123
oversight of the appointed reps.

00:59:14.130 --> 00:59:17.698
So there's a big focus on MI collation

00:59:17.698 --> 00:59:21.798
on data and interrogation off that data.

00:59:21.800 --> 00:59:23.140
I think the main aim,

00:59:23.140 --> 00:59:25.000
I think has been well publicized

00:59:25.000 --> 00:59:26.240
around the network space.

00:59:26.240 --> 00:59:27.990
It's to drive out the bad actors

00:59:27.990 --> 00:59:29.736
within the AR regime I think is

00:59:29.736 --> 00:59:31.360
the way that the FCA puts it.

00:59:31.360 --> 00:59:33.135
So there is crossover clearly

00:59:33.135 --> 00:59:34.555
between the two initiatives.

00:59:34.560 --> 00:59:36.800
Both are designed to drive up standards,

00:59:36.800 --> 00:59:38.720
both designed to reduce harm.

00:59:38.720 --> 00:59:40.562
Both have an important part to

00:59:40.562 --> 00:59:42.568
play for the FCA in delivering

00:59:42.568 --> 00:59:44.680
on its wider 3 year strategy.

00:59:44.680 --> 00:59:46.864
It's been very clear it will focus on

00:59:46.864 --> 00:59:48.779
reducing and preventing serious harm.

00:59:48.780 --> 00:59:50.340
I think we've covered that earlier,

00:59:50.340 --> 00:59:52.310
but also setting and testing.

00:59:52.310 --> 00:59:56.100
Higher standards and promoting competition,

00:59:56.100 --> 00:59:57.400
and indeed positive change.

00:59:57.400 --> 00:59:59.820
So I think there's huge read across.

00:59:59.820 --> 01:00:01.896

But then likewise the fair value

NOTE Confidence: 0.731382199142857

01:00:01.896 --> 01:00:03.280
framework on general insurance.

NOTE Confidence: 0.758308586333333

01:00:03.280 --> 01:00:05.122
I think there's huge read across

NOTE Confidence: 0.758308586333333

01:00:05.122 --> 01:00:07.666
somebody said on a debate that was that

NOTE Confidence: 0.758308586333333

01:00:07.666 --> 01:00:09.879
recently the consumer duty in a way

NOTE Confidence: 0.758308586333333

01:00:09.879 --> 01:00:12.047
feels a bit like the greatest hits in

NOTE Confidence: 0.758308586333333

01:00:12.047 --> 01:00:13.880
the last five years of the regulator.

NOTE Confidence: 0.758308586333333

01:00:13.880 --> 01:00:16.288
It covers vulnerability resilience,

NOTE Confidence: 0.758308586333333

01:00:16.288 --> 01:00:19.513
the AR review, diversity and inclusion.

NOTE Confidence: 0.758308586333333

01:00:19.513 --> 01:00:22.810
Everything seems to be coming together so.

NOTE Confidence: 0.758308586333333

01:00:22.810 --> 01:00:24.500
So yeah, so there's there's

NOTE Confidence: 0.758308586333333

01:00:24.500 --> 01:00:25.176
clear similarities.

NOTE Confidence: 0.758308586333333

01:00:25.180 --> 01:00:27.598
They're on a very similar trajectory.

NOTE Confidence: 0.758308586333333

01:00:27.600 --> 01:00:29.100
I think the big difference in

NOTE Confidence: 0.758308586333333

01:00:29.100 --> 01:00:30.782
the network space is the network

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01:00:30.782 --> 01:00:32.046
will make those decisions,

NOTE Confidence: 0.758308586333333

01:00:32.050 --> 01:00:34.504
run those processes and and and

NOTE Confidence: 0.758308586333333

01:00:34.504 --> 01:00:36.140
provide that ongoing monitoring

NOTE Confidence: 0.758308586333333

01:00:36.207 --> 01:00:38.347
in the directly authorised space.

NOTE Confidence: 0.758308586333333

01:00:38.350 --> 01:00:39.890
The onus will be on the principles

NOTE Confidence: 0.758308586333333

01:00:39.890 --> 01:00:41.189
and hence it's in my regard.

NOTE Confidence: 0.758308586333333

01:00:41.190 --> 01:00:43.470
That's how we can support them

NOTE Confidence: 0.758308586333333

01:00:43.470 --> 01:00:46.079
by sharing some of that insight.

NOTE Confidence: 0.758308586333333

01:00:46.080 --> 01:00:47.532
Yeah, absolutely agree Ross.

NOTE Confidence: 0.758308586333333

```
01:00:47.532 --> 01:00:48.258
And yeah,

NOTE Confidence: 0.758308586333333

01:00:48.260 --> 01:00:49.576
a lot of the expression used there

NOTE Confidence: 0.758308586333333

01:00:49.576 --> 01:00:50.988
about to getting rid of the bad actors.

NOTE Confidence: 0.758308586333333

01:00:50.990 --> 01:00:51.546
There's, uh,

NOTE Confidence: 0.758308586333333

01:00:51.546 --> 01:00:53.214
a whole host of questions coming

NOTE Confidence: 0.758308586333333

01:00:53.214 --> 01:00:55.020
through and and several of them are

NOTE Confidence: 0.758308586333333

01:00:55.020 --> 01:00:57.044
relating to the fact that we already

NOTE Confidence: 0.758308586333333

01:00:57.044 --> 01:00:59.516
have a very strict regulatory regime.

NOTE Confidence: 0.758308586333333

01:00:59.520 --> 01:01:01.122
Why aren't the FCA concentrating on

NOTE Confidence: 0.758308586333333

01:01:01.122 --> 01:01:03.075
getting rid of the people who are

NOTE Confidence: 0.758308586333333

01:01:03.075 --> 01:01:04.623
providing poor advice or inappropriately

NOTE Confidence: 0.758308586333333

01:01:04.623 --> 01:01:06.838
selling non regulated products etcetera?
```

NOTE Confidence: 0.758308586333333

01:01:06.840 --> 01:01:09.171
But if this all comes to fruition as we

NOTE Confidence: 0.758308586333333

01:01:09.171 --> 01:01:11.680
hope it will and it was obviously the FCA,

NOTE Confidence: 0.758308586333333

01:01:11.680 --> 01:01:12.598
hope it will.

NOTE Confidence: 0.758308586333333

01:01:12.598 --> 01:01:14.434
Then perhaps it will see the

NOTE Confidence: 0.758308586333333

01:01:14.434 --> 01:01:16.000
majority of those bad actors.

NOTE Confidence: 0.758308586333333

01:01:16.000 --> 01:01:17.464
Have been sent out the industry

NOTE Confidence: 0.758308586333333

01:01:17.464 --> 01:01:18.900
and let's hope that's the case.

NOTE Confidence: 0.752491028823529

01:01:21.630 --> 01:01:23.486
And Paige gonna come back to you at

NOTE Confidence: 0.752491028823529

01:01:23.486 --> 01:01:25.119
this point only because we we did

NOTE Confidence: 0.752491028823529

01:01:25.119 --> 01:01:26.870
say we'd touch upon price and value,

NOTE Confidence: 0.752491028823529

01:01:26.870 --> 01:01:28.538
particularly in a bit more detail.

NOTE Confidence: 0.752491028823529

01:01:28.540 --> 01:01:30.610
Yeah, do you just want to sort of talk

NOTE Confidence: 0.752491028823529

01:01:30.610 --> 01:01:32.575
about some of the key takeaways there?

NOTE Confidence: 0.752491028823529

01:01:32.580 --> 01:01:35.916
Yeah, so. I think I've described

NOTE Confidence: 0.752491028823529

01:01:35.916 --> 01:01:37.320
it as a knotty area earlier.

NOTE Confidence: 0.752491028823529

01:01:37.320 --> 01:01:38.125
I think it's one of the more.

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01:01:38.130 --> 01:01:39.366
It's one of the more difficult

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01:01:39.366 --> 01:01:40.460
areas of all of this.

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01:01:40.460 --> 01:01:43.172
UM, so Fair Valley is one of the

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01:01:43.172 --> 01:01:45.634
four outcomes the FDA is seeking

NOTE Confidence: 0.752491028823529

01:01:45.634 --> 01:01:47.764
to this consumer duty initiative.

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01:01:47.770 --> 01:01:49.146
I think everyone recognises it's one of the.

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01:01:49.150 --> 01:01:51.240
It's one of the most challenges challenging,

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01:01:51.240 --> 01:01:53.940

I think. As we've just mentioned,

01:01:53.940 --> 01:01:55.170
uh, some firms,

01:01:55.170 --> 01:01:56.810
particularly general insurance firms

01:01:56.810 --> 01:01:58.849
and asset managers to an extent,

01:01:58.850 --> 01:02:01.040
have been forced to confront it

01:02:01.040 --> 01:02:02.940
already due to some sector specific

01:02:02.940 --> 01:02:04.870
rules which are already in place.

01:02:04.870 --> 01:02:05.844
And yeah,

01:02:05.844 --> 01:02:08.766
those principles are now being applied

01:02:08.766 --> 01:02:10.700
universally across the industry.

01:02:10.700 --> 01:02:12.588
The big challenge, of course,

01:02:12.588 --> 01:02:13.708
is what is fair value?

01:02:13.710 --> 01:02:17.406
Even mean it's a subjective concept.

NOTE Confidence: 0.752491028823529

01:02:17.410 --> 01:02:17.670
Uh,

NOTE Confidence: 0.752491028823529

01:02:17.670 --> 01:02:20.440
but what we do know is that the sea is

NOTE Confidence: 0.752491028823529

01:02:20.440 --> 01:02:22.600
looking for firms to assess whether

NOTE Confidence: 0.752491028823529

01:02:22.600 --> 01:02:25.164
the total price paid by our customer

NOTE Confidence: 0.752491028823529

01:02:25.164 --> 01:02:27.282
is reasonable in relation to the

NOTE Confidence: 0.752491028823529

01:02:27.290 --> 01:02:29.290
benefits provided to that customer.

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01:02:29.290 --> 01:02:31.055
So we were saying earlier

NOTE Confidence: 0.752491028823529

01:02:31.055 --> 01:02:32.820
is the sea price regulator.

NOTE Confidence: 0.752491028823529

01:02:32.820 --> 01:02:33.137
No,

NOTE Confidence: 0.752491028823529

01:02:33.137 --> 01:02:35.356
they would say they're a fair value

NOTE Confidence: 0.752491028823529

01:02:35.356 --> 01:02:38.396
regulator is a total price paid by a

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```
01:02:38.396 --> 01:02:41.096
customer reasonable in return for the
```

```
01:02:41.096 --> 01:02:44.560
benefits that they get from the firm?
```

```
01:02:44.560 --> 01:02:45.792
So I think, yeah,
```

```
01:02:45.792 --> 01:02:47.332
the US acknowledges it's complicated.
```

```
01:02:47.340 --> 01:02:49.116
It's tricky how this is done,
```

```
01:02:49.120 --> 01:02:51.112
is it inevitably going to vary
```

```
01:02:51.112 --> 01:02:52.980
from from sector to sector?
```

```
01:02:52.980 --> 01:02:55.296
There's no one simple formula that
```

```
01:02:55.296 --> 01:02:57.857
determines whether a price is fair or not.
```

```
01:02:57.860 --> 01:03:00.600
So it's the usual problem.
```

```
01:03:00.600 --> 01:03:03.186
The draft rules don't include any
```

```
01:03:03.186 --> 01:03:04.910
detailed prescriptive methods for
```

NOTE Confidence: 0.752491028823529

01:03:04.982 --> 01:03:06.977
arriving at fair value pricing.

NOTE Confidence: 0.752491028823529

01:03:06.980 --> 01:03:08.625
I suppose that's good news

NOTE Confidence: 0.752491028823529

01:03:08.625 --> 01:03:11.060
and bad news at the same time.

NOTE Confidence: 0.752491028823529

01:03:11.060 --> 01:03:12.662
What what we can perhaps hope

NOTE Confidence: 0.752491028823529

01:03:12.662 --> 01:03:14.589
for is that as this evolves,

NOTE Confidence: 0.752491028823529

01:03:14.590 --> 01:03:16.782
and the FDA sees what firms are doing

NOTE Confidence: 0.752491028823529

01:03:16.782 --> 01:03:18.619
in response to these requirements,

NOTE Confidence: 0.752491028823529

01:03:18.620 --> 01:03:20.111
it publishes more by way of what

NOTE Confidence: 0.752491028823529

01:03:20.111 --> 01:03:21.786
it's seen in terms of good and

NOTE Confidence: 0.752491028823529

01:03:21.786 --> 01:03:24.710
poor practice in different sectors.

NOTE Confidence: 0.752491028823529

01:03:24.710 --> 01:03:26.138
There might be some good news

NOTE Confidence: 0.752491028823529

01:03:26.138 --> 01:03:26.852
for advisors here,

NOTE Confidence: 0.752491028823529

01:03:26.860 --> 01:03:29.779
in that it seems likely that for

NOTE Confidence: 0.752491028823529

01:03:29.779 --> 01:03:32.678
for for products much of the onus

NOTE Confidence: 0.752491028823529

01:03:32.678 --> 01:03:34.738
to determine means of determining

NOTE Confidence: 0.752491028823529

01:03:34.738 --> 01:03:37.245
fair value pricing will rest

NOTE Confidence: 0.752491028823529

01:03:37.245 --> 01:03:39.265
with the product manufacturer.

NOTE Confidence: 0.752491028823529

01:03:39.270 --> 01:03:41.727
Perhaps with some input from the advisors

NOTE Confidence: 0.752491028823529

01:03:41.727 --> 01:03:43.898
and other intermediaries who distribute them,

NOTE Confidence: 0.752491028823529

01:03:43.900 --> 01:03:45.790
but that doesn't remove the need

NOTE Confidence: 0.752491028823529

01:03:45.790 --> 01:03:48.180
for advisors to be able to justify

NOTE Confidence: 0.752491028823529

01:03:48.180 --> 01:03:50.298
their own advice and other servicing

NOTE Confidence: 0.752491028823529

01:03:50.298 --> 01:03:53.126
fees that they charge directly to customers.

NOTE Confidence: 0.752491028823529

01:03:53.130 --> 01:03:54.434

So it's complicated topic,

01:03:54.434 --> 01:03:54.760
uh,

01:03:54.760 --> 01:03:56.048
it probably means an hour or so,

01:03:56.050 --> 01:03:57.766
at least in its own right.

01:03:57.770 --> 01:04:01.087
But we think that in creating some

01:04:01.087 --> 01:04:04.069
sort of assessment of Fair value,

01:04:04.070 --> 01:04:05.012
there are some things that all

01:04:05.012 --> 01:04:06.049
firms going to have to consider,

01:04:06.050 --> 01:04:07.018
including advisors.

01:04:07.018 --> 01:04:10.406
So the cost to them of providing

01:04:10.406 --> 01:04:13.319
the services that they provide,

01:04:13.320 --> 01:04:15.665
and how firms identify and

01:04:15.665 --> 01:04:18.010
allocate the costs of individual

NOTE Confidence: 0.836446699545455

01:04:18.095 --> 01:04:20.270
activities. So in other words,

NOTE Confidence: 0.836446699545455

01:04:20.270 --> 01:04:23.928
what does it cost me to provide this service?

NOTE Confidence: 0.836446699545455

01:04:23.930 --> 01:04:26.486
You know all aspects of it?

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01:04:26.490 --> 01:04:28.695
Similarly, how much does it cost me

NOTE Confidence: 0.836446699545455

01:04:28.695 --> 01:04:30.946
to manage and ensure against the risks

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01:04:30.946 --> 01:04:33.508
that I take on by doing what I do?

NOTE Confidence: 0.836446699545455

01:04:33.510 --> 01:04:36.758
UM, what savings are available to customers

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01:04:36.758 --> 01:04:38.850
stemming from economies of scale?

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01:04:38.850 --> 01:04:41.202
The fact that I do this lots

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01:04:41.202 --> 01:04:43.558
and lots of times at scale?

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01:04:43.560 --> 01:04:46.080
How much revenue do I generate?

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01:04:46.080 --> 01:04:48.383
Or do I anticipate generating if I

01:04:48.383 --> 01:04:50.754
was to charge this from individual

01:04:50.754 --> 01:04:53.339
activities and services and indeed

01:04:53.339 --> 01:04:56.415
overall So what I think the FDA is

01:04:56.415 --> 01:04:58.297
encouraging firms to think about

01:04:58.297 --> 01:05:01.097
is is what is the gap between the

01:05:01.178 --> 01:05:03.978
sort of cost to fulfill and revenue?

01:05:03.980 --> 01:05:04.793
In other words,

01:05:04.793 --> 01:05:06.690
what's the gap between how much it

01:05:06.748 --> 01:05:08.568
costs me as a business to provide

01:05:08.568 --> 01:05:09.570
the services I do?

01:05:09.570 --> 01:05:11.986
And the revenue I generate as a result,

01:05:11.990 --> 01:05:14.426
either on a customer by customer basis,

01:05:14.430 --> 01:05:16.242
or indeed more holistically.

01:05:16.242 --> 01:05:19.497
And the larger that gap is between

01:05:19.497 --> 01:05:22.668
the cost of fulfill and the revenue.

01:05:22.670 --> 01:05:24.497
I generate the larger that gap is,

01:05:24.500 --> 01:05:27.740
the harder it is to justify that the

01:05:27.740 --> 01:05:31.196
value you're providing to customers is fair.

01:05:31.200 --> 01:05:33.184
I think also there often things to bring

01:05:33.184 --> 01:05:35.238
in here which are even less tangible,

01:05:35.240 --> 01:05:38.300
but nevertheless contribute to fair value.

01:05:38.300 --> 01:05:39.974
And there are things that are

01:05:39.974 --> 01:05:41.520
that are qualitative in nature,

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01:05:41.520 --> 01:05:43.746
so the quality of the service,

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01:05:43.750 --> 01:05:46.240
the quality of my communications,

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01:05:46.240 --> 01:05:46.703
complaints,

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01:05:46.703 --> 01:05:49.481
handling both approach and my complaints

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01:05:49.481 --> 01:05:52.540
record as a firm customer surveys,

NOTE Confidence: 0.836446699545455

01:05:52.540 --> 01:05:54.900
staff surveys,

NOTE Confidence: 0.836446699545455

01:05:54.900 --> 01:05:56.070
what people say about the

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01:05:56.070 --> 01:05:57.006
support that they provide,

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01:05:57.010 --> 01:05:58.840
and the communications that they get.

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01:05:58.840 --> 01:06:00.394
I think all of those things

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01:06:00.394 --> 01:06:01.430
can be factored into.

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01:06:01.430 --> 01:06:03.670

A fair value assessment.

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01:06:03.670 --> 01:06:04.805
One other reservation on this

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01:06:04.805 --> 01:06:06.350
I I think I mentioned earlier.

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01:06:06.350 --> 01:06:09.149
I do think this is one of the areas

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01:06:09.149 --> 01:06:11.927
where it's likely or more likely

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01:06:11.927 --> 01:06:14.317
that respondents to the consultation

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01:06:14.394 --> 01:06:17.046
have issued pleas for more clarity.

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01:06:17.050 --> 01:06:19.242
So it may be that when the policy

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01:06:19.242 --> 01:06:20.680
statement comes out and on,

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01:06:20.680 --> 01:06:22.330
the final guidance comes out,

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01:06:22.330 --> 01:06:24.022
it may be there's a little more on this,

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01:06:24.030 --> 01:06:25.200
but there's no,

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01:06:25.200 --> 01:06:27.150
there's no guarantees of that.

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01:06:27.150 --> 01:06:28.545
Thanks patron this,

NOTE Confidence: 0.836446699545455

01:06:28.545 --> 01:06:31.800
sorry this that's what we certainly have.

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01:06:31.800 --> 01:06:34.457
We want we would like more clarity

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01:06:34.457 --> 01:06:37.026
from from from the regulator and I

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01:06:37.026 --> 01:06:39.987
mean in all my time I've never seen

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01:06:39.987 --> 01:06:42.646
any regulator pull up a firm because

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01:06:42.646 --> 01:06:44.932
they've been charging too much and

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01:06:44.932 --> 01:06:47.490
if anything this paper they're not

NOTE Confidence: 0.836446699545455

01:06:47.490 --> 01:06:50.270
putting any limitations on profit margins.

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01:06:50.270 --> 01:06:52.422
What what firms can take and I think

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01:06:52.422 --> 01:06:54.636
they'd be very reluctant to enter any

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01:06:54.636 --> 01:06:57.128
firm and and challenge them on the prices.

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01:06:57.130 --> 01:06:58.159
They will charge.

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01:06:58.159 --> 01:07:00.560
Clearly they can say look you're charging

NOTE Confidence: 0.836446699545455

01:07:00.619 --> 01:07:02.790
this, but you're not delivering it,

NOTE Confidence: 0.836446699545455

01:07:02.790 --> 01:07:04.238
that's another thing again,

NOTE Confidence: 0.836446699545455

01:07:04.238 --> 01:07:06.410
and that's really what's what's important.

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01:07:06.410 --> 01:07:08.687
And it is a complex area so so so.

NOTE Confidence: 0.836446699545455

01:07:08.690 --> 01:07:11.466
So what is it that firms need to

NOTE Confidence: 0.836446699545455

01:07:11.466 --> 01:07:12.890
be mindful of here?

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01:07:12.890 --> 01:07:14.906
Well, we've seen it through the GI.

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01:07:14.910 --> 01:07:16.635
We've seen it through home

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01:07:16.635 --> 01:07:17.670
and motor insurance,
```

01:07:17.670 --> 01:07:19.920
where we've had the price rules.

01:07:19.920 --> 01:07:22.115
We've seen it through mortgages

01:07:22.115 --> 01:07:23.871
where if you're recommending

01:07:23.871 --> 01:07:25.946
mortgages on a like for like basis.

01:07:25.950 --> 01:07:27.630
If you're not recommending the cheapest.

01:07:27.630 --> 01:07:29.578
One you've gotta explain

01:07:29.578 --> 01:07:32.013
why to the consumer now.

01:07:32.020 --> 01:07:34.636
This is what I believe firms do already.

01:07:34.640 --> 01:07:37.154
This is part of research and

01:07:37.154 --> 01:07:39.541
due diligence in terms of when

01:07:39.541 --> 01:07:41.832
you look at the products and the

01:07:41.832 --> 01:07:43.184
services that you're providing.

01:07:43.190 --> 01:07:44.996
You know you will look at price.

01:07:45.000 --> 01:07:46.140
It will be a factor,

01:07:46.140 --> 01:07:48.876
but it's about value as well.

01:07:48.880 --> 01:07:51.064
So value is ensuring that you don't

01:07:51.064 --> 01:07:53.320
kind of oversell and I think this was

01:07:53.320 --> 01:07:55.660
kind of what Pete was mentioned before.

01:07:55.660 --> 01:07:57.330
If someone's a simple solution,

01:07:57.330 --> 01:07:58.221
that could be.

01:07:58.221 --> 01:07:59.409
By an investment pathway,

01:07:59.410 --> 01:08:01.486
don't put them into a highly

01:08:01.486 --> 01:08:02.524
charged DFM solution.

01:08:02.530 --> 01:08:04.210

Don't put them on a recurring 1%

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01:08:04.210 --> 01:08:06.460
charge when the funds and their

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01:08:06.460 --> 01:08:08.710
circumstances can look after themselves,

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01:08:08.710 --> 01:08:09.982
so I think that's really where

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01:08:09.982 --> 01:08:11.329
the the regulator is going down,

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01:08:11.330 --> 01:08:13.035
as opposed to saying you're

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01:08:13.035 --> 01:08:14.058
charging too much.

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01:08:14.060 --> 01:08:15.820
Well, I certainly hope that's

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01:08:15.820 --> 01:08:18.150
going to be the case anyway.

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01:08:18.150 --> 01:08:18.732
Thanks Ricky Ross.

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01:08:18.732 --> 01:08:19.896
Going to bring you in on

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01:08:19.896 --> 01:08:20.830
your thoughts on that.

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01:08:20.830 --> 01:08:23.110
How do we advise as evidence?

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01:08:23.110 --> 01:08:25.105
Fannie, what good practice you can use?

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01:08:25.110 --> 01:08:27.890
And that's going on already.

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01:08:27.890 --> 01:08:29.816
What's the really good answers here

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01:08:29.816 --> 01:08:32.179
from from the guys and I don't want

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01:08:32.179 --> 01:08:34.250
to just echo those but but I think.

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01:08:34.250 --> 01:08:35.684
I think we've seen a market

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01:08:35.684 --> 01:08:36.640
that's changed post hardware,

NOTE Confidence: 0.7977273285625

01:08:36.640 --> 01:08:37.900
particularly the wealth market

NOTE Confidence: 0.7977273285625

01:08:37.900 --> 01:08:40.863
and and a lot of focus went on to

NOTE Confidence: 0.7977273285625

01:08:40.863 --> 01:08:42.538
charging an ongoing advice charge.

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01:08:42.540 --> 01:08:43.629
An ongoing value,

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01:08:43.629 --> 01:08:45.081
propositions that sat behind

NOTE Confidence: 0.7977273285625

01:08:45.081 --> 01:08:46.610
that ongoing advice charge,

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01:08:46.610 --> 01:08:47.696
and I think what we're seeing

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01:08:47.696 --> 01:08:48.699
in the last year or so,

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01:08:48.700 --> 01:08:50.219
and I think we will see in

NOTE Confidence: 0.7977273285625

01:08:50.219 --> 01:08:52.146
the next year or so is that

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01:08:52.146 --> 01:08:53.366
advisers won't determine value.

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01:08:53.370 --> 01:08:55.572
We love to accept that consumers

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01:08:55.572 --> 01:08:57.436
will determine value and what

NOTE Confidence: 0.7977273285625

01:08:57.436 --> 01:08:59.046
they deem to be valuable,

NOTE Confidence: 0.7977273285625

01:08:59.050 --> 01:09:00.286
and as a result of that,

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01:09:00.290 --> 01:09:02.090
we need to rethink it from the other way.

01:09:02.090 --> 01:09:03.428
And I think that's what the

01:09:03.428 --> 01:09:04.320
guys were talking about.

01:09:04.320 --> 01:09:05.652
At a moment ago,

01:09:05.652 --> 01:09:07.317
Peter made the point earlier.

01:09:07.320 --> 01:09:08.400
You know what his advice and

01:09:08.400 --> 01:09:09.420
what's the value of advice,

01:09:09.420 --> 01:09:11.020
it's expertise, it's education.

01:09:11.020 --> 01:09:12.620
It's holding hands through

01:09:12.620 --> 01:09:14.120
periods of turbulence.

01:09:14.120 --> 01:09:16.040
It's all of those great things,

01:09:16.040 --> 01:09:18.948
but we need to be clear we're consumer duty,

01:09:18.948 --> 01:09:20.385
of course, nudges that forward,

01:09:20.385 --> 01:09:21.860
and I use the term.

01:09:21.860 --> 01:09:23.628
It's a bit of a granny test, isn't it?

01:09:23.628 --> 01:09:24.776
Would you sell it to your granny?

01:09:24.780 --> 01:09:25.322
You know,

01:09:25.322 --> 01:09:27.490
in terms of cost in terms of inbuilt

01:09:27.551 --> 01:09:29.909
cost and of some of the things you know,

01:09:29.910 --> 01:09:32.422
look at introducer fees.

01:09:32.422 --> 01:09:34.306
Are they proportionate?

01:09:34.310 --> 01:09:35.090
You know, as a client,

01:09:35.090 --> 01:09:36.820
getting getting the right option,

01:09:36.820 --> 01:09:37.741
the right solution,

01:09:37.741 --> 01:09:39.583

the charge is being a reasonable

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01:09:39.583 --> 01:09:40.901
relationship in terms of the

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01:09:40.901 --> 01:09:42.106
cost of providing the service.

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01:09:42.110 --> 01:09:43.646
So so I keep it simple.

NOTE Confidence: 0.7977273285625

01:09:43.650 --> 01:09:46.086
It comes back to the granny test

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01:09:46.086 --> 01:09:48.386
for me and I think as Ricky said,

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01:09:48.390 --> 01:09:49.476
nothing new here.

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01:09:49.476 --> 01:09:51.286
We've seen it in GI.

NOTE Confidence: 0.7977273285625

01:09:51.290 --> 01:09:53.690
We've seen it with a fair value framework.

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01:09:53.690 --> 01:09:55.226
I think value is in the

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01:09:55.226 --> 01:09:56.250
hands of the consumer

NOTE Confidence: 0.864957180333333

01:09:56.316 --> 01:09:58.150
moving forward and as a sector we

NOTE Confidence: 0.864957180333333

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01:09:58.150 --> 01:10:00.323
need to take up that challenge and

NOTE Confidence: 0.864957180333333

01:10:00.323 --> 01:10:02.309
demonstrate on an ongoing basis that

NOTE Confidence: 0.864957180333333

01:10:02.310 --> 01:10:04.458
we provide good value for money.

NOTE Confidence: 0.864957180333333

01:10:04.460 --> 01:10:07.160
And then ice, and I think that's the focus.

NOTE Confidence: 0.864957180333333

01:10:07.160 --> 01:10:08.552
Yeah, that's great.

NOTE Confidence: 0.864957180333333

01:10:08.552 --> 01:10:10.872
Yeah, people will vote with

NOTE Confidence: 0.864957180333333

01:10:10.872 --> 01:10:12.496
the fate happy they're over,

NOTE Confidence: 0.864957180333333

01:10:12.496 --> 01:10:13.656
they'll vote with the fate.

NOTE Confidence: 0.864957180333333

01:10:13.660 --> 01:10:14.926
Will be as simple as that.

NOTE Confidence: 0.864957180333333

01:10:14.930 --> 01:10:16.772
As long as we get competition

NOTE Confidence: 0.864957180333333

01:10:16.772 --> 01:10:17.693
within the market.

NOTE Confidence: 0.864957180333333

01:10:17.700 --> 01:10:19.260
And I think listen for all,

NOTE Confidence: 0.864957180333333
```

01:10:19.260 --> 01:10:20.712
for all, we'll talk.

NOTE Confidence: 0.864957180333333

01:10:20.712 --> 01:10:23.764
It comes back to how effectively the FCA

NOTE Confidence: 0.864957180333333

01:10:23.764 --> 01:10:26.176
actually enforces at a practical level.

NOTE Confidence: 0.864957180333333

01:10:26.180 --> 01:10:27.923
And it's picking up Vince what you

NOTE Confidence: 0.864957180333333

01:10:27.923 --> 01:10:30.640
just said there about, you know.

NOTE Confidence: 0.864957180333333

01:10:30.640 --> 01:10:34.280
And Pete, people Misselling investments.

NOTE Confidence: 0.864957180333333

01:10:34.280 --> 01:10:36.373
It's almost every week it feels when

NOTE Confidence: 0.864957180333333

01:10:36.373 --> 01:10:38.956
you pick up the press and you've got

NOTE Confidence: 0.864957180333333

01:10:38.956 --> 01:10:40.944
another issue with the firm that's

NOTE Confidence: 0.864957180333333

01:10:40.944 --> 01:10:43.128
gone into liquidation because I've been

NOTE Confidence: 0.864957180333333

01:10:43.128 --> 01:10:44.840
selling unregulated collective investments.

NOTE Confidence: 0.864957180333333

01:10:44.840 --> 01:10:47.511
Or it's sold British steel to the wrong

NOTE Confidence: 0.864957180333333

01:10:47.511 --> 01:10:51.018
people and we're just sick of it.

NOTE Confidence: 0.864957180333333

01:10:51.020 --> 01:10:51.908
You know,

NOTE Confidence: 0.864957180333333

01:10:51.908 --> 01:10:54.128
it's these are not isolated

NOTE Confidence: 0.864957180333333

01:10:54.128 --> 01:10:55.016
instances anymore.

NOTE Confidence: 0.864957180333333

01:10:55.020 --> 01:10:57.268
This is this is a semic trends within

NOTE Confidence: 0.864957180333333

01:10:57.268 --> 01:10:59.156
the industry and we need the regulator

NOTE Confidence: 0.864957180333333

01:10:59.156 --> 01:11:01.099
to come in and show some teeth.

NOTE Confidence: 0.864957180333333

01:11:01.100 --> 01:11:02.280
On this you know,

NOTE Confidence: 0.864957180333333

01:11:02.280 --> 01:11:04.050
and and stop the perpetrators of

NOTE Confidence: 0.864957180333333

01:11:04.110 --> 01:11:06.259
these bad actors as we called it

NOTE Confidence: 0.864957180333333

01:11:06.259 --> 01:11:08.108
before from hanging out these from

NOTE Confidence: 0.864957180333333

01:11:08.108 --> 01:11:10.136
the from these actions that needs

01:11:10.136 --> 01:11:11.614
to be individual consequences

01:11:11.614 --> 01:11:13.984
placed on these on these people.

01:11:13.990 --> 01:11:15.370
So as far as I'm concerned,

01:11:15.370 --> 01:11:17.068
as part of this consumer duty,

01:11:17.070 --> 01:11:19.398
what I want it to see is changes

01:11:19.398 --> 01:11:21.451
to situations so we don't see

01:11:21.451 --> 01:11:22.507
the Woodford situation,

01:11:22.510 --> 01:11:24.166
so we don't see British steel,

01:11:24.170 --> 01:11:26.200
so we don't see the sale of

01:11:26.200 --> 01:11:27.070
unregulated collective investments,

01:11:27.070 --> 01:11:29.290
so we don't see the problems

01:11:29.290 --> 01:11:31.440

we've had with London Capital.

NOTE Confidence: 0.864957180333333

01:11:31.440 --> 01:11:34.128
And finance you know that that that's

NOTE Confidence: 0.864957180333333

01:11:34.128 --> 01:11:36.629
essentially what we want from all this.

NOTE Confidence: 0.864957180333333

01:11:36.630 --> 01:11:38.246
Yeah totally agree Ricky,

NOTE Confidence: 0.864957180333333

01:11:38.246 --> 01:11:41.509
that let's hope that is one of the

NOTE Confidence: 0.864957180333333

01:11:41.509 --> 01:11:43.810
outcomes and I think we gotta move on guys.

NOTE Confidence: 0.864957180333333

01:11:43.810 --> 01:11:45.736
One of the things I did want to talk

NOTE Confidence: 0.864957180333333

01:11:45.736 --> 01:11:47.510
about a little bit was the annual

NOTE Confidence: 0.864957180333333

01:11:47.510 --> 01:11:49.259
report which is gonna need to be

NOTE Confidence: 0.864957180333333

01:11:49.259 --> 01:11:51.860
created by an Advisory Board or

NOTE Confidence: 0.864957180333333

01:11:51.860 --> 01:11:54.858
management body to sort of demonstrate

NOTE Confidence: 0.864957180333333

01:11:54.858 --> 01:11:56.906
their assessing customer outcomes.

NOTE Confidence: 0.864957180333333

01:11:56.910 --> 01:11:59.062
And I'll come back to you Peter and

NOTE Confidence: 0.864957180333333

01:11:59.062 --> 01:12:01.593
may in a moment just to give you the

NOTE Confidence: 0.864957180333333

01:12:01.593 --> 01:12:04.350
first stab at that one before we do though,

NOTE Confidence: 0.864957180333333

01:12:04.350 --> 01:12:06.556
let's run another poll question, I think.

NOTE Confidence: 0.864957180333333

01:12:06.556 --> 01:12:07.288
So we run our.

NOTE Confidence: 0.864957180333333

01:12:07.290 --> 01:12:08.960
The second poll question if

NOTE Confidence: 0.864957180333333

01:12:08.960 --> 01:12:11.190
we can bring that up please.

NOTE Confidence: 0.864957180333333

01:12:11.190 --> 01:12:11.882
This will be useful,

NOTE Confidence: 0.864957180333333

01:12:11.882 --> 01:12:13.490
I think in the context of this question.

NOTE Confidence: 0.864957180333333

01:12:13.490 --> 01:12:14.510
So as a as a business,

NOTE Confidence: 0.864957180333333

01:12:14.510 --> 01:12:15.952
how much am I do you currently

NOTE Confidence: 0.864957180333333

01:12:15.952 --> 01:12:17.309
collect to assess client outcomes?

NOTE Confidence: 0.864957180333333

01:12:17.310 --> 01:12:18.075
A very little.

NOTE Confidence: 0.864957180333333

01:12:18.075 --> 01:12:20.590
We consider it on a case by case basis.

NOTE Confidence: 0.864957180333333

01:12:20.590 --> 01:12:21.826
Be some though,

NOTE Confidence: 0.864957180333333

01:12:21.826 --> 01:12:23.886
there is no consistent process.

NOTE Confidence: 0.864957180333333

01:12:23.890 --> 01:12:25.770
See regularly collect and review

NOTE Confidence: 0.864957180333333

01:12:25.770 --> 01:12:27.274
significant client outcome data.

NOTE Confidence: 0.864957180333333

01:12:27.280 --> 01:12:29.290
Or did I don't know.

NOTE Confidence: 0.864957180333333

01:12:29.290 --> 01:12:31.390
So if we could bring the answers

NOTE Confidence: 0.864957180333333

01:12:31.390 --> 01:12:33.764
up with that as they come in

NOTE Confidence: 0.864957180333333

01:12:33.764 --> 01:12:35.164
please and just reiterate,

NOTE Confidence: 0.864957180333333

01:12:35.170 --> 01:12:36.030
keep your questions coming in.

NOTE Confidence: 0.864957180333333

01:12:36.030 --> 01:12:36.996
We're dealing with a lot of

NOTE Confidence: 0.864957180333333

01:12:36.996 --> 01:12:37.640
the questions actually as

NOTE Confidence: 0.830121144615385

01:12:37.675 --> 01:12:38.988
we go along, so I'm throwing them

NOTE Confidence: 0.830121144615385

01:12:38.988 --> 01:12:40.980
into the mix for the guys to answer,

NOTE Confidence: 0.830121144615385

01:12:40.980 --> 01:12:42.366
but please keep them coming back.

NOTE Confidence: 0.830121144615385

01:12:42.370 --> 01:12:45.289
Appreciate we still got a number to

NOTE Confidence: 0.830121144615385

01:12:45.289 --> 01:12:47.720
get through, so how we looking on this?

NOTE Confidence: 0.793982326

01:12:49.990 --> 01:12:54.774
It's looking like a around 1/3 of people

NOTE Confidence: 0.793982326

01:12:54.774 --> 01:12:57.266
saying that there's no consistent process.

NOTE Confidence: 0.793982326

01:12:57.266 --> 01:12:59.671
They do collect some mi and other

NOTE Confidence: 0.793982326

01:12:59.671 --> 01:13:01.681
people saying they regularly collect

NOTE Confidence: 0.793982326

01:13:01.681 --> 01:13:03.630
and review significant client data.

NOTE Confidence: 0.793982326

01:13:03.630 --> 01:13:05.886
So pretty interesting in the context.

NOTE Confidence: 0.793982326

01:13:05.890 --> 01:13:07.910
I think of this question.

NOTE Confidence: 0.793982326

01:13:07.910 --> 01:13:09.668
Thank you all for voting Pete.

NOTE Confidence: 0.793982326

01:13:09.670 --> 01:13:11.210
I'll come back to you.

NOTE Confidence: 0.793982326

01:13:11.210 --> 01:13:12.818
So the annual report.

NOTE Confidence: 0.793982326

01:13:12.818 --> 01:13:16.377
What's your views on this and how often do

NOTE Confidence: 0.793982326

01:13:16.377 --> 01:13:19.729
we think the FCA will be looking for these?

NOTE Confidence: 0.793982326

01:13:19.730 --> 01:13:22.962
Yeah, so we we I think we mentioned

NOTE Confidence: 0.793982326

01:13:22.962 --> 01:13:25.355
earlier that firms may be able at

NOTE Confidence: 0.793982326

01:13:25.355 --> 01:13:27.705
least to an extent to repurpose

NOTE Confidence: 0.793982326

01:13:27.705 --> 01:13:30.429
existing monitoring and reporting

NOTE Confidence: 0.793982326

01:13:30.429 --> 01:13:33.150
activities for the express purposes

NOTE Confidence: 0.793982326

01:13:33.150 --> 01:13:35.700

going forward of showing that.

NOTE Confidence: 0.793982326

01:13:35.700 --> 01:13:37.734
The extent to which good outcomes

NOTE Confidence: 0.793982326

01:13:37.734 --> 01:13:40.139
and fair value are being achieved.

NOTE Confidence: 0.793982326

01:13:40.140 --> 01:13:41.802
So let's say the starting point

NOTE Confidence: 0.793982326

01:13:41.802 --> 01:13:43.202
is understanding what was the

NOTE Confidence: 0.793982326

01:13:43.202 --> 01:13:44.660
firm we mean by those concepts.

NOTE Confidence: 0.793982326

01:13:44.660 --> 01:13:45.938
Then be able to measure them.

NOTE Confidence: 0.793982326

01:13:45.940 --> 01:13:48.061
So I think any annual report has

NOTE Confidence: 0.793982326

01:13:48.061 --> 01:13:50.569
got to be centered around that.

NOTE Confidence: 0.793982326

01:13:50.570 --> 01:13:51.926
I think also we're we're probably

NOTE Confidence: 0.793982326

01:13:51.926 --> 01:13:52.604
used by now.

NOTE Confidence: 0.793982326

01:13:52.610 --> 01:13:55.158
It's the idea that expectations can do,

NOTE Confidence: 0.793982326

01:13:55.160 --> 01:13:58.610
and indeed should vary quite markedly

NOTE Confidence: 0.793982326

01:13:58.610 --> 01:14:01.410
between larger and smaller firms.

NOTE Confidence: 0.793982326

01:14:01.410 --> 01:14:04.173
So you know if you're a a major global

NOTE Confidence: 0.793982326

01:14:04.173 --> 01:14:06.612
banking Group A report on this to the

NOTE Confidence: 0.793982326

01:14:06.612 --> 01:14:09.568
board is going to be quite significant thing,

NOTE Confidence: 0.793982326

01:14:09.570 --> 01:14:12.258
but it's going to be a proportionately

NOTE Confidence: 0.793982326

01:14:12.258 --> 01:14:14.109
less significant thing if you're

NOTE Confidence: 0.793982326

01:14:14.109 --> 01:14:15.369
a much smaller firm.

NOTE Confidence: 0.793982326

01:14:15.370 --> 01:14:17.378
And and I I do think I certainly

NOTE Confidence: 0.793982326

01:14:17.378 --> 01:14:19.019
hope that the NSA will will,

NOTE Confidence: 0.793982326

01:14:19.020 --> 01:14:20.764
will will consider that you know the size,

NOTE Confidence: 0.793982326

01:14:20.770 --> 01:14:21.952
the profile,

NOTE Confidence: 0.793982326

01:14:21.952 --> 01:14:25.498
the potentially impact of individual firm,

NOTE Confidence: 0.793982326

01:14:25.500 --> 01:14:27.270
most advisory businesses I would

NOTE Confidence: 0.793982326

01:14:27.270 --> 01:14:29.760
think are not large enough to warrant,

NOTE Confidence: 0.793982326

01:14:29.760 --> 01:14:31.600
fixed, ongoing FCA supervision.

NOTE Confidence: 0.793982326

01:14:31.600 --> 01:14:34.360
That means that contact with the

NOTE Confidence: 0.793982326

01:14:34.435 --> 01:14:36.395
SCA is much more likely to be

NOTE Confidence: 0.793982326

01:14:36.395 --> 01:14:38.388
by way of ad hoc contact,

NOTE Confidence: 0.793982326

01:14:38.390 --> 01:14:41.605
thematic work survey responses with

NOTE Confidence: 0.793982326

01:14:41.605 --> 01:14:44.820
the SBA only intervening reactively.

NOTE Confidence: 0.793982326

01:14:44.820 --> 01:14:47.854
So I would like to think that you know

NOTE Confidence: 0.793982326

01:14:47.854 --> 01:14:50.794
the chances of smaller firms being taken

NOTE Confidence: 0.793982326

01:14:50.794 --> 01:14:53.890
to task over an annual report on outcomes.

NOTE Confidence: 0.793982326

01:14:53.890 --> 01:14:55.498
It is relatively low.

NOTE Confidence: 0.793982326

01:14:55.498 --> 01:14:55.900
However,

NOTE Confidence: 0.793982326

01:14:55.900 --> 01:14:57.874
that's not to say it's not important

NOTE Confidence: 0.793982326

01:14:57.874 --> 01:14:58.720
because it is.

NOTE Confidence: 0.793982326

01:14:58.720 --> 01:14:59.150
But yeah,

NOTE Confidence: 0.793982326

01:14:59.150 --> 01:15:01.239
I think the key here is do we understand

NOTE Confidence: 0.793982326

01:15:01.239 --> 01:15:03.975
what good outcome is and what fair value is.

NOTE Confidence: 0.793982326

01:15:03.980 --> 01:15:06.239
Have we got?

NOTE Confidence: 0.793982326

01:15:06.240 --> 01:15:07.770
An infrastructure which allows us

NOTE Confidence: 0.793982326

01:15:07.770 --> 01:15:09.989
allows me as a firm to periodically

NOTE Confidence: 0.793982326

01:15:09.989 --> 01:15:12.173
measure that and puts it into a

NOTE Confidence: 0.793982326

01:15:12.173 --> 01:15:14.800
report which goes to the most senior

01:15:14.800 --> 01:15:17.389
people in the firm once a year.

01:15:17.390 --> 01:15:20.228
Thanks Peter Ross, what's your thoughts?

01:15:20.230 --> 01:15:20.812
Is it?

01:15:20.812 --> 01:15:22.558
What's the work that's gonna be

01:15:22.558 --> 01:15:24.484
required for advisers to to pull

01:15:24.484 --> 01:15:26.190
the necessary MI together to

01:15:26.190 --> 01:15:27.870
measure those consumer outcomes?

01:15:27.870 --> 01:15:29.532
And I guess an important question

01:15:29.532 --> 01:15:31.449
for ourselves as much as anything is

01:15:31.449 --> 01:15:33.213
what support do you think you'll be

01:15:33.263 --> 01:15:35.375
looking for from providers like ourselves?

01:15:35.380 --> 01:15:35.625

Yeah,

01:15:35.625 --> 01:15:37.340
this is one of the challenging parts

01:15:37.340 --> 01:15:39.335
for me is how we pull all this data,

01:15:39.340 --> 01:15:41.084
how we manage that data and what the

01:15:41.084 --> 01:15:42.600
regulators going to do with all this data.

01:15:42.600 --> 01:15:43.952
I think these are.

01:15:43.952 --> 01:15:45.980
These are big challenges for us

01:15:46.057 --> 01:15:48.175
and in part of the consultation

01:15:48.175 --> 01:15:50.090
they've talked about the cost

01:15:50.160 --> 01:15:52.874
of the sector being kind of seven to £26,000.

01:15:52.874 --> 01:15:56.200
I think for a small firm for a medium sized

01:15:56.200 --> 01:15:58.610
firm 200 to £600,000 to maybe implement some

```
01:15:58.610 --> 01:16:00.130
of the technology and system requirements

NOTE Confidence: 0.830926547222222

01:16:00.130 --> 01:16:01.768
that we need to drive the report.

NOTE Confidence: 0.830926547222222

01:16:01.770 --> 01:16:03.740
So I think that's slightly

NOTE Confidence: 0.830926547222222

01:16:03.740 --> 01:16:05.316
alarming and I think.

NOTE Confidence: 0.830926547222222

01:16:05.320 --> 01:16:07.350
We all know, and I I suspect,

NOTE Confidence: 0.830926547222222

01:16:07.350 --> 01:16:08.974
that it always ends up costing a little

NOTE Confidence: 0.830926547222222

01:16:08.974 --> 01:16:10.607
bit more than we expected to as well.

NOTE Confidence: 0.830926547222222

01:16:10.610 --> 01:16:12.272
So I think as a sector

NOTE Confidence: 0.830926547222222

01:16:12.272 --> 01:16:14.110
we need to come together,

NOTE Confidence: 0.830926547222222

01:16:14.110 --> 01:16:15.526
we need to come together to

NOTE Confidence: 0.830926547222222

01:16:15.526 --> 01:16:16.831
understand how we work together

NOTE Confidence: 0.830926547222222

01:16:16.831 --> 01:16:18.366
and build the right solutions,

NOTE Confidence: 0.830926547222222
```

01:16:18.370 --> 01:16:19.875
how we can get the right reports,

NOTE Confidence: 0.830926547222222

01:16:19.880 --> 01:16:21.050
how the providers,

NOTE Confidence: 0.830926547222222

01:16:21.050 --> 01:16:23.390
and indeed the lender Community can

NOTE Confidence: 0.830926547222222

01:16:23.390 --> 01:16:25.252
support in compiling that documentation

NOTE Confidence: 0.830926547222222

01:16:25.252 --> 01:16:27.946
to take away some of the pain and

NOTE Confidence: 0.830926547222222

01:16:27.946 --> 01:16:30.010
to make it simple and to link it

NOTE Confidence: 0.830926547222222

01:16:30.010 --> 01:16:32.476
in with platforms and other things.

NOTE Confidence: 0.830926547222222

01:16:32.480 --> 01:16:33.848
So I think we've got some work to do,

NOTE Confidence: 0.830926547222222

01:16:33.850 --> 01:16:35.830
but the FCC has recent work on the GI.

NOTE Confidence: 0.830926547222222

01:16:35.830 --> 01:16:37.445
Gave Mark Fair Value Framework

NOTE Confidence: 0.830926547222222

01:16:37.445 --> 01:16:39.060
gave us a good insight.

NOTE Confidence: 0.830926547222222

01:16:39.060 --> 01:16:41.940
I think in terms of how we can come together

01:16:42.011 --> 01:16:44.693
and how we need to come together to work,

01:16:44.700 --> 01:16:47.796
to to to work through the right solutions.

01:16:47.800 --> 01:16:49.950
But yeah a bit of work to do as my

01:16:50.017 --> 01:16:51.936
thought and I think probably one of the

01:16:51.936 --> 01:16:53.190
areas that worries me a little bit.

01:16:53.190 --> 01:16:54.700
Vince is how we're going to do all of this.

01:16:54.700 --> 01:16:56.653
Collate all of this and get it

01:16:56.653 --> 01:16:58.278
in a meaningful way by next,

01:16:58.280 --> 01:17:02.708
April absolutely right.

01:17:02.710 --> 01:17:04.418
When press come back to reports for

01:17:04.418 --> 01:17:06.087
a question right and if we get time

01:17:06.087 --> 01:17:07.794
but wanted to do is is move on to

NOTE Confidence: 0.830926547222222

01:17:07.794 --> 01:17:09.462
something else which is a a regular question.

NOTE Confidence: 0.830926547222222

01:17:09.462 --> 01:17:10.998
When we talk about this which

NOTE Confidence: 0.830926547222222

01:17:10.998 --> 01:17:12.449
is just around suitability,

NOTE Confidence: 0.830926547222222

01:17:12.450 --> 01:17:13.486
advice, processes and Ricky,

NOTE Confidence: 0.830926547222222

01:17:13.486 --> 01:17:15.379
I'll come to you in the first

NOTE Confidence: 0.830926547222222

01:17:15.379 --> 01:17:16.237
instance on this,

NOTE Confidence: 0.830926547222222

01:17:16.240 --> 01:17:19.507
but I think before we do that it feels

NOTE Confidence: 0.830926547222222

01:17:19.507 --> 01:17:22.384
timely to just run our third poll

NOTE Confidence: 0.830926547222222

01:17:22.384 --> 01:17:23.945
question if we could just bring that up,

NOTE Confidence: 0.830926547222222

01:17:23.950 --> 01:17:24.812
please guys.

NOTE Confidence: 0.830926547222222

01:17:24.812 --> 01:17:25.674
Thank you,

NOTE Confidence: 0.830926547222222

01:17:25.674 --> 01:17:29.059

so that's the results from the how many?

01:17:29.060 --> 01:17:29.843
Yeah, that's uh.

01:17:29.843 --> 01:17:31.148
Obviously the one that's coming

01:17:31.148 --> 01:17:32.564
up at the moment, uh,

01:17:32.564 --> 01:17:33.476
someone's already voted,

01:17:33.476 --> 01:17:36.412
but how much change do you think this will

01:17:36.412 --> 01:17:38.512
bring to your suitability advice process?

01:17:38.520 --> 01:17:38.904
Very little.

01:17:38.904 --> 01:17:40.740
We will need to review it in the final.

01:17:40.740 --> 01:17:41.352
Rules are out.

01:17:41.352 --> 01:17:43.369
It is likely we'll have to view the whole

01:17:43.369 --> 01:17:45.266
process and make significant changes or dead.

01:17:45.270 --> 01:17:45.927
I don't know,

NOTE Confidence: 0.830926547222222

01:17:45.927 --> 01:17:47.460
so if you could vote on that,

NOTE Confidence: 0.830926547222222

01:17:47.460 --> 01:17:49.180
please as we go through there we go.

NOTE Confidence: 0.830926547222222

01:17:49.180 --> 01:17:50.286
We got a few more people coming

NOTE Confidence: 0.830926547222222

01:17:50.286 --> 01:17:51.129
in with the vote now.

NOTE Confidence: 0.867104633571429

01:17:53.810 --> 01:17:55.778
So quite a few people at the moment

NOTE Confidence: 0.867104633571429

01:17:55.778 --> 01:17:57.260
saying they're going to review it.

NOTE Confidence: 0.867104633571429

01:17:57.260 --> 01:18:00.068
The whole process when

NOTE Confidence: 0.867104633571429

01:18:00.070 --> 01:18:01.310
the final rules are out,

NOTE Confidence: 0.867104633571429

01:18:01.310 --> 01:18:03.958
which is quite interesting.

NOTE Confidence: 0.867104633571429

01:18:03.960 --> 01:18:05.814
Seems to be split between around

NOTE Confidence: 0.867104633571429

01:18:05.814 --> 01:18:08.298
2/3 that and a third very little,

NOTE Confidence: 0.867104633571429

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01:18:08.300 --> 01:18:09.824
so interesting outcome.

NOTE Confidence: 0.867104633571429

01:18:09.824 --> 01:18:13.898
I think Vince once people have read the

NOTE Confidence: 0.867104633571429

01:18:13.898 --> 01:18:17.095
final rules will probably see that very

NOTE Confidence: 0.867104633571429

01:18:17.095 --> 01:18:18.963
little increase quite significantly.

NOTE Confidence: 0.867104633571429

01:18:18.970 --> 01:18:21.472
Stylus I think the whole suitability

NOTE Confidence: 0.867104633571429

01:18:21.472 --> 01:18:23.481
process itself won't change a

NOTE Confidence: 0.867104633571429

01:18:23.481 --> 01:18:25.413
great deal in terms of you know.

NOTE Confidence: 0.867104633571429

01:18:25.420 --> 01:18:28.274
Suitable advice is is suitable advice.

NOTE Confidence: 0.867104633571429

01:18:28.274 --> 01:18:30.626
We are going to think how we are

NOTE Confidence: 0.867104633571429

01:18:30.626 --> 01:18:32.675
going to have to document some

NOTE Confidence: 0.867104633571429

01:18:32.675 --> 01:18:34.365
other areas and we've spoken

NOTE Confidence: 0.867104633571429

01:18:34.438 --> 01:18:36.418
about that before specifically.
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NOTE Confidence: 0.867104633571429

01:18:36.420 --> 01:18:38.410
Like about client to understanding

NOTE Confidence: 0.867104633571429

01:18:38.410 --> 01:18:41.079
how we and this is not new,

NOTE Confidence: 0.867104633571429

01:18:41.080 --> 01:18:44.496
we've seen for for countless years now the

NOTE Confidence: 0.867104633571429

01:18:44.496 --> 01:18:47.198
regulator we've been talking about that.

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01:18:47.200 --> 01:18:48.880
I'm sure Ross under his support

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01:18:48.880 --> 01:18:50.649
services and network have been saying,

NOTE Confidence: 0.867104633571429

01:18:50.650 --> 01:18:50.998
look,

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01:18:50.998 --> 01:18:53.086
you've got to capture the soft

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01:18:53.086 --> 01:18:55.467
facts you've got to capture words

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01:18:55.467 --> 01:18:57.408
and expressions about the client.

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01:18:57.408 --> 01:18:59.604
Each client needs to be individual.

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01:18:59.610 --> 01:19:01.890
Each letter that goes to client

01:19:01.890 --> 01:19:04.730
needs to be relevant and bespoke to

01:19:04.730 --> 01:19:07.214
those to those set of circumstances.

01:19:07.220 --> 01:19:09.125
So that's probably the biggest

01:19:09.125 --> 01:19:12.224
change that we will want to see how

01:19:12.224 --> 01:19:14.468
how firms go about capturing and

01:19:14.468 --> 01:19:16.439
evidencing that that information.

01:19:16.440 --> 01:19:18.720
I think the actual process itself

01:19:18.720 --> 01:19:20.859
will largely however stay the same.

01:19:20.859 --> 01:19:24.280
I think I think I think it's a good point.

01:19:24.280 --> 01:19:25.516
I think I agree with that.

01:19:25.520 --> 01:19:27.458
So you know,

01:19:27.458 --> 01:19:30.688

firms already strive to provide

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01:19:30.688 --> 01:19:33.840
suitable advice a because they have to,

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01:19:33.840 --> 01:19:35.060
but be perhaps more important

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01:19:35.060 --> 01:19:36.036
because they want to.

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01:19:36.040 --> 01:19:37.960
They're providing a service to customers,

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01:19:37.960 --> 01:19:40.039
so the requirement however you look at

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01:19:40.039 --> 01:19:42.767
it to provide suitable devices already there.

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01:19:42.770 --> 01:19:43.910
What we're talking about for

NOTE Confidence: 0.867104633571429

01:19:43.910 --> 01:19:44.594
our purposes here,

NOTE Confidence: 0.867104633571429

01:19:44.600 --> 01:19:46.988
I think is.

NOTE Confidence: 0.867104633571429

01:19:46.990 --> 01:19:50.222
Enabling you to take outputs from the process

NOTE Confidence: 0.867104633571429

01:19:50.222 --> 01:19:52.428
to show that you've had a good outcome.

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01:19:52.430 --> 01:19:55.086
So for purposes here a customer has a

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01:19:55.086 --> 01:19:57.880
good outcome if they've had suitable advice,

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01:19:57.880 --> 01:20:00.008
it's just using what you already do,

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01:20:00.010 --> 01:20:03.107
and taking the outputs and presenting them in

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01:20:03.107 --> 01:20:05.480
a slightly different way for these purposes.

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01:20:05.480 --> 01:20:06.496
Thanks Peter.

NOTE Confidence: 0.867104633571429

01:20:06.496 --> 01:20:09.036
Yeah I think that's right.

NOTE Confidence: 0.867104633571429

01:20:09.040 --> 01:20:11.016
Probably not a huge change is Ricky was

NOTE Confidence: 0.867104633571429

01:20:11.016 --> 01:20:12.658
suggesting too suitably advice process.

NOTE Confidence: 0.867104633571429

01:20:12.660 --> 01:20:15.315
Maybe it is again back to you know how

NOTE Confidence: 0.867104633571429

01:20:15.315 --> 01:20:17.782
advisors capture the MI that is driven

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01:20:17.782 --> 01:20:19.759
by the suitability process I guess.

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```
01:20:19.760 --> 01:20:20.155
Yeah,

NOTE Confidence: 0.867104633571429

01:20:20.155 --> 01:20:23.542
I think one of the biggest dangers is

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01:20:23.542 --> 01:20:27.896
template reports and they offer great value.

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01:20:27.900 --> 01:20:32.812
So great starting base for any firm.

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01:20:32.812 --> 01:20:34.744
But firms have to be very

NOTE Confidence: 0.867104633571429

01:20:34.744 --> 01:20:36.670
very careful in how they use.

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01:20:36.670 --> 01:20:38.270
Suitability reports let me

NOTE Confidence: 0.867104633571429

01:20:38.270 --> 01:20:40.270
give you an example only.

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01:20:40.270 --> 01:20:42.111
Last week I was looking under the

NOTE Confidence: 0.867104633571429

01:20:42.111 --> 01:20:43.934
FOZZ website where they've reached the

NOTE Confidence: 0.867104633571429

01:20:43.934 --> 01:20:45.921
decision on the pension transfer and

NOTE Confidence: 0.867104633571429

01:20:45.921 --> 01:20:47.626
they actually upheld the complaint.
```

NOTE Confidence: 0.867104633571429

01:20:47.630 --> 01:20:50.852
What didn't help the firm is

NOTE Confidence: 0.867104633571429

01:20:50.852 --> 01:20:53.032
that once they introduced,

NOTE Confidence: 0.867104633571429

01:20:53.032 --> 01:20:56.966
sorry once they started writing the letter.

NOTE Confidence: 0.867104633571429

01:20:56.970 --> 01:20:59.398
Thereafter they called the

NOTE Confidence: 0.867104633571429

01:20:59.398 --> 01:21:02.433
client by 4 different names.

NOTE Confidence: 0.867104633571429

01:21:02.440 --> 01:21:03.988
And not only that,

NOTE Confidence: 0.867104633571429

01:21:03.988 --> 01:21:05.536
they referred to different

NOTE Confidence: 0.867104633571429

01:21:05.536 --> 01:21:07.059
circumstances of the client,

NOTE Confidence: 0.867104633571429

01:21:07.060 --> 01:21:09.125
which wasn't relevant to the

NOTE Confidence: 0.867104633571429

01:21:09.125 --> 01:21:10.777
circumstances of that individual.

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01:21:10.780 --> 01:21:12.985
In other words, they're literally

NOTE Confidence: 0.770219094117647

01:21:12.985 --> 01:21:15.673
copied and pasted sections from other

NOTE Confidence: 0.770219094117647

01:21:15.673 --> 01:21:18.115
reports or typed over other reports.

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01:21:18.120 --> 01:21:19.860
That's an A pension transfer.

NOTE Confidence: 0.770219094117647

01:21:19.860 --> 01:21:21.390
You don't get things wrong on

NOTE Confidence: 0.770219094117647

01:21:21.390 --> 01:21:22.660
a pension transfer for you.

NOTE Confidence: 0.770219094117647

01:21:22.660 --> 01:21:25.120
Give things greater focus and attention,

NOTE Confidence: 0.770219094117647

01:21:25.120 --> 01:21:28.180
but it just shows the danger.

NOTE Confidence: 0.770219094117647

01:21:28.180 --> 01:21:31.140
Of using template reports listen,

NOTE Confidence: 0.770219094117647

01:21:31.140 --> 01:21:32.692
we're not saying don't,

NOTE Confidence: 0.770219094117647

01:21:32.692 --> 01:21:35.510
but what's important is to to ensure

NOTE Confidence: 0.770219094117647

01:21:35.510 --> 01:21:38.012
that whilst you are using those

NOTE Confidence: 0.770219094117647

01:21:38.012 --> 01:21:40.321
those templates to ensure you're

NOTE Confidence: 0.770219094117647

01:21:40.321 --> 01:21:42.776

capturing all the relevant areas.

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01:21:42.780 --> 01:21:45.041
Each of those areas does have to

NOTE Confidence: 0.770219094117647

01:21:45.041 --> 01:21:47.238
really be bespoke to the individual,

NOTE Confidence: 0.770219094117647

01:21:47.240 --> 01:21:48.797
and this is not about the length of it.

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01:21:48.800 --> 01:21:50.837
You know you can keep pretty brief,

NOTE Confidence: 0.770219094117647

01:21:50.840 --> 01:21:53.232
but it just needs to be relevant to

NOTE Confidence: 0.770219094117647

01:21:53.232 --> 01:21:54.890
that individual and it's glad you

NOTE Confidence: 0.770219094117647

01:21:54.890 --> 01:21:55.950
mentioned templates there because

NOTE Confidence: 0.770219094117647

01:21:55.950 --> 01:21:57.459
we actually had a question around.

NOTE Confidence: 0.770219094117647

01:21:57.460 --> 01:21:58.615
Would simply bisbee.

NOTE Confidence: 0.770219094117647

01:21:58.615 --> 01:22:00.925
Pair will be providing templates to

NOTE Confidence: 0.770219094117647

01:22:00.925 --> 01:22:03.259
the people who use your services to

NOTE Confidence: 0.770219094117647

01:22:03.259 --> 01:22:05.740
help them to meet the consumer duty.

NOTE Confidence: 0.770219094117647

01:22:05.740 --> 01:22:07.080
Yeah, I mean I like.

NOTE Confidence: 0.770219094117647

01:22:07.080 --> 01:22:09.240
I like to think that we already do.

NOTE Confidence: 0.770219094117647

01:22:09.240 --> 01:22:09.966
In fairness,

NOTE Confidence: 0.770219094117647

01:22:09.966 --> 01:22:12.507
for for the vast majority of this,

NOTE Confidence: 0.770219094117647

01:22:12.510 --> 01:22:13.272
and you know,

NOTE Confidence: 0.770219094117647

01:22:13.272 --> 01:22:15.050
we have spoken before about all the

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01:22:15.106 --> 01:22:17.158
different areas it covers how there's

NOTE Confidence: 0.770219094117647

01:22:17.158 --> 01:22:19.260
nothing fundamentally new as part of this,

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01:22:19.260 --> 01:22:19.956
you know,

NOTE Confidence: 0.770219094117647

01:22:19.956 --> 01:22:22.044
I think from it's the responsibility

NOTE Confidence: 0.770219094117647

01:22:22.044 --> 01:22:24.538
of any support services provider to

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```
01:22:24.538 --> 01:22:27.136
ensure that the firms their servicing

NOTE Confidence: 0.770219094117647

01:22:27.205 --> 01:22:29.592
can actually do the best thing for

NOTE Confidence: 0.770219094117647

01:22:29.592 --> 01:22:32.780
their clients and for their business as well.

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01:22:32.780 --> 01:22:34.236
So we do like to think we've been

NOTE Confidence: 0.770219094117647

01:22:34.236 --> 01:22:35.728
not a step ahead of the game.

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01:22:35.730 --> 01:22:37.074
What we've preempted.

NOTE Confidence: 0.770219094117647

01:22:37.074 --> 01:22:39.314
A lot of this already?

NOTE Confidence: 0.770219094117647

01:22:39.320 --> 01:22:39.792
I think.

NOTE Confidence: 0.770219094117647

01:22:39.792 --> 01:22:41.444
The I think the challenge is and

NOTE Confidence: 0.770219094117647

01:22:41.444 --> 01:22:42.999
I've said it before and it's

NOTE Confidence: 0.770219094117647

01:22:42.999 --> 01:22:44.259
such a shame was plugged.

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01:22:44.260 --> 01:22:46.178
I think one of the biggest challenges
```

01:22:46.178 --> 01:22:48.378
if you don't use the support company,

01:22:48.380 --> 01:22:49.552
it's how you though.

01:22:49.552 --> 01:22:51.791
It's how you go about spending the

01:22:51.791 --> 01:22:53.471
time constructing these different

01:22:53.471 --> 01:22:55.571
processes and creating the evidence

01:22:55.629 --> 01:22:57.722
and the you know that body of

01:22:57.722 --> 01:22:58.888
information to support everything.

01:22:58.888 --> 01:23:01.032
Because listen at the end of the day,

01:23:01.040 --> 01:23:03.944
what what we want is for for firms

01:23:03.944 --> 01:23:06.219
and advisors to actually go out.

01:23:06.220 --> 01:23:08.196
And do what they do best and and

01:23:08.196 --> 01:23:10.039
and give advice and don't get

01:23:10.039 --> 01:23:11.959
overly bogged down with all this

01:23:12.025 --> 01:23:13.685
surplus regulation which does seem

01:23:13.685 --> 01:23:17.200
to kind of focus too much time.

01:23:17.200 --> 01:23:17.551
Yeah,

01:23:17.551 --> 01:23:18.253
absolutely right.

01:23:18.253 --> 01:23:20.008
And because we're we're running

01:23:20.008 --> 01:23:21.589
a little bit short time,

01:23:21.590 --> 01:23:23.430
but I just wanted to make sure that

01:23:23.430 --> 01:23:24.994
we're covering the sort of all the

01:23:24.994 --> 01:23:26.303
the key questions that are coming

01:23:26.303 --> 01:23:27.895
in and Ross so sort of sweep up.

01:23:27.900 --> 01:23:29.608

I don't come back to yourself at

01:23:29.608 --> 01:23:31.413
this point just to ask you anything

01:23:31.413 --> 01:23:32.937
else that is causing you angst

01:23:32.997 --> 01:23:34.117
from a regulatory perspective

01:23:34.117 --> 01:23:37.570
that we ought to be aware of.

01:23:37.570 --> 01:23:39.775
Am I I made the point earlier?

01:23:39.780 --> 01:23:41.295
I think there's a plethora

01:23:41.295 --> 01:23:42.204
of changing regulation.

01:23:42.210 --> 01:23:44.055
I think there's a accepting

01:23:44.055 --> 01:23:45.900
and moving quickly with that.

01:23:45.900 --> 01:23:47.680
It's gonna is a challenge.

01:23:47.680 --> 01:23:49.144
I think the sequencing a lot

01:23:49.144 --> 01:23:50.460
of the regulation that's coming

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01:23:50.460 --> 01:23:51.915
out has different target dates.

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01:23:51.920 --> 01:23:53.880
We've got some in April, some are two years.

NOTE Confidence: 0.770219094117647

01:23:53.880 --> 01:23:54.360
For example,

NOTE Confidence: 0.790474858888889

01:23:54.360 --> 01:23:56.065
the A review and already

NOTE Confidence: 0.790474858888889

01:23:56.065 --> 01:23:57.429
talked about the similarities.

NOTE Confidence: 0.790474858888889

01:23:57.430 --> 01:24:00.086
So clearly we're fed back that the MI

NOTE Confidence: 0.790474858888889

01:24:00.086 --> 01:24:02.447
requirements we alluded to earlier events.

NOTE Confidence: 0.790474858888889

01:24:02.450 --> 01:24:03.960
I think that's a bit of a worry for me.

NOTE Confidence: 0.790474858888889

01:24:03.960 --> 01:24:05.507
I think there's a lot of work

NOTE Confidence: 0.790474858888889

01:24:05.507 --> 01:24:07.489
needs to be done to get the

NOTE Confidence: 0.790474858888889

01:24:07.489 --> 01:24:08.753
processes and procedures right.

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01:24:08.760 --> 01:24:11.304
The ER is resuming DUI and various other

NOTE Confidence: 0.790474858888889

01:24:11.304 --> 01:24:13.996
aspects of playing heavily on on me because

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01:24:13.996 --> 01:24:16.258
clearly we're on the hook for that.

NOTE Confidence: 0.790474858888889

01:24:16.260 --> 01:24:18.024
But also we want to learn lessons and then

NOTE Confidence: 0.790474858888889

01:24:18.024 --> 01:24:19.533
you've got equity release and vulnerable

NOTE Confidence: 0.790474858888889

01:24:19.533 --> 01:24:21.320
customers which are in pretty short order,

NOTE Confidence: 0.790474858888889

01:24:21.320 --> 01:24:23.840
so there's a lot that's that's my

NOTE Confidence: 0.790474858888889

01:24:23.840 --> 01:24:25.960
strong feedback to the regulator.

NOTE Confidence: 0.790474858888889

01:24:25.960 --> 01:24:28.288
All well intended, but my goodness,

NOTE Confidence: 0.790474858888889

01:24:28.290 --> 01:24:29.994
there's an awful lot,

NOTE Confidence: 0.790474858888889

01:24:29.994 --> 01:24:32.648
particularly at a time when we're in

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01:24:32.648 --> 01:24:34.228
volatility and uncertainty that we

01:24:34.228 --> 01:24:35.698
haven't experienced for quite awhile.

01:24:35.700 --> 01:24:37.440
Whether that's the lending market,

01:24:37.440 --> 01:24:38.728
or indeed the investment.

01:24:38.728 --> 01:24:40.766
Market, so we're betting off a lot,

01:24:40.770 --> 01:24:43.070
so that's probably my concern.

01:24:43.070 --> 01:24:44.480
Or slight angst.

01:24:44.480 --> 01:24:45.890
Having said that,

01:24:45.890 --> 01:24:47.330
you know as Ricky said,

01:24:47.330 --> 01:24:48.402
we're we're the same.

01:24:48.402 --> 01:24:49.742
We've spent the last year,

01:24:49.750 --> 01:24:51.890
18 months investing heavily in

01:24:51.890 --> 01:24:53.602
propositions and technology in

NOTE Confidence: 0.790474858888889

01:24:53.602 --> 01:24:56.115
new services that we think will

NOTE Confidence: 0.790474858888889

01:24:56.115 --> 01:24:58.125
support both our network members,

NOTE Confidence: 0.790474858888889

01:24:58.130 --> 01:24:59.800
but importantly our directly authorised

NOTE Confidence: 0.790474858888889

01:24:59.800 --> 01:25:02.647
clients to to try and fix some of these

NOTE Confidence: 0.790474858888889

01:25:02.647 --> 01:25:04.321
answers to some of these problems

NOTE Confidence: 0.790474858888889

01:25:04.384 --> 01:25:06.028
that are coming over the hill.

NOTE Confidence: 0.790474858888889

01:25:06.030 --> 01:25:08.907
So yeah, that's probably my kind of.

NOTE Confidence: 0.790474858888889

01:25:08.910 --> 01:25:11.020
In summary, if you like.

NOTE Confidence: 0.790474858888889

01:25:11.020 --> 01:25:13.306
Thanks Ross, Ricky comes to yourself.

NOTE Confidence: 0.790474858888889

01:25:13.310 --> 01:25:14.510
Just a quick thought.

NOTE Confidence: 0.790474858888889

01:25:14.510 --> 01:25:16.010
Anything else you would add

NOTE Confidence: 0.790474858888889

01:25:16.010 --> 01:25:17.639

to Ross's comments there?

NOTE Confidence: 0.790474858888889

01:25:17.640 --> 01:25:19.635
I think it's so difficult to add

NOTE Confidence: 0.790474858888889

01:25:19.635 --> 01:25:21.540
on to everything that's just been.

NOTE Confidence: 0.790474858888889

01:25:21.540 --> 01:25:22.640
That's just been said there.

NOTE Confidence: 0.790474858888889

01:25:22.640 --> 01:25:24.964
I think you know Ross's exactly right.

NOTE Confidence: 0.790474858888889

01:25:24.970 --> 01:25:27.214
You know technology will be perhaps

NOTE Confidence: 0.790474858888889

01:25:27.214 --> 01:25:29.340
the biggest influence in all this.

NOTE Confidence: 0.790474858888889

01:25:29.340 --> 01:25:34.019
To help firms get it right.

NOTE Confidence: 0.790474858888889

01:25:34.020 --> 01:25:34.423
Without,

NOTE Confidence: 0.790474858888889

01:25:34.423 --> 01:25:36.438
without wishing to make a

NOTE Confidence: 0.790474858888889

01:25:36.438 --> 01:25:37.244
political statement,

NOTE Confidence: 0.790474858888889

01:25:37.250 --> 01:25:39.437
what I would like to see here is that

NOTE Confidence: 0.790474858888889

01:25:39.437 --> 01:25:41.594
now we have moved away from a lot of

NOTE Confidence: 0.790474858888889

01:25:41.594 --> 01:25:44.378
the EU rules rather than focus a lot on this,

NOTE Confidence: 0.790474858888889

01:25:44.380 --> 01:25:45.843
I think what the regulator needs to

NOTE Confidence: 0.790474858888889

01:25:45.843 --> 01:25:48.032
do is to look at ways in which you

NOTE Confidence: 0.790474858888889

01:25:48.032 --> 01:25:49.420
can simplify the regulatory system,

NOTE Confidence: 0.790474858888889

01:25:49.420 --> 01:25:51.478
and that's not to help the

NOTE Confidence: 0.790474858888889

01:25:51.478 --> 01:25:52.850
reckless become more reckless.

NOTE Confidence: 0.790474858888889

01:25:52.850 --> 01:25:54.558
I think to help those people who

NOTE Confidence: 0.790474858888889

01:25:54.558 --> 01:25:56.402
are wanting to get it right to help

NOTE Confidence: 0.790474858888889

01:25:56.402 --> 01:25:58.249
them get it right in a far simpler,

NOTE Confidence: 0.790474858888889

01:25:58.250 --> 01:26:01.320
easier fashion.

NOTE Confidence: 0.790474858888889

01:26:01.320 --> 01:26:03.060
And that way then the regulator

NOTE Confidence: 0.790474858888889

01:26:03.060 --> 01:26:05.230
can focus more of their attention.

NOTE Confidence: 0.790474858888889

01:26:05.230 --> 01:26:06.970
On on the bad actors,

NOTE Confidence: 0.790474858888889

01:26:06.970 --> 01:26:09.294
what we don't want to start seeing

NOTE Confidence: 0.790474858888889

01:26:09.294 --> 01:26:11.451
with all this is firms just

NOTE Confidence: 0.790474858888889

01:26:11.451 --> 01:26:13.266
spending more and more time.

NOTE Confidence: 0.790474858888889

01:26:13.270 --> 01:26:14.684
You know, on on the back office,

NOTE Confidence: 0.790474858888889

01:26:14.690 --> 01:26:16.285
away from their clients because

NOTE Confidence: 0.790474858888889

01:26:16.285 --> 01:26:18.350
that's not good for the market.

NOTE Confidence: 0.790474858888889

01:26:18.350 --> 01:26:19.430
It's not good for consumers,

NOTE Confidence: 0.790474858888889

01:26:19.430 --> 01:26:22.160
so they're going to increase prices.

NOTE Confidence: 0.790474858888889

01:26:22.160 --> 01:26:23.896
Yeah, but great Peter.

NOTE Confidence: 0.790474858888889

01:26:23.896 --> 01:26:27.329
Any final thoughts from you on that one?

01:26:27.330 --> 01:26:29.706
No, I I don't care all of that.

01:26:29.710 --> 01:26:31.270
It's it's. It's a challenging time.

01:26:31.270 --> 01:26:34.060
We seem to be that we're always saying this,

01:26:34.060 --> 01:26:34.477
uh?

01:26:34.477 --> 01:26:36.979
The entry is huge and the

01:26:36.979 --> 01:26:39.384
regulator is has been social

01:26:39.384 --> 01:26:42.039
appetite to to change things.

01:26:42.040 --> 01:26:44.160
Yeah, I think it's a good point around,

01:26:44.160 --> 01:26:45.636
you know, market conditions being different.

01:26:45.640 --> 01:26:48.360
You know inflation is higher

01:26:48.360 --> 01:26:49.620
cost of living is higher.

01:26:49.620 --> 01:26:52.539
I mean going up markets are volatile.

01:26:52.540 --> 01:26:53.680
So yeah, regulatory changes.

01:26:53.680 --> 01:26:55.864
All of that is a challenge.

01:26:55.864 --> 01:26:58.996
Thanks Peter and sticking with you.

01:26:59.000 --> 01:27:00.806
Sort of just looking to to wind

01:27:00.806 --> 01:27:02.878
up for the final few questions.

01:27:02.880 --> 01:27:05.071
I know you've run bespoke sessions for

01:27:05.071 --> 01:27:06.964
advisors Peter and I'm guessing some

01:27:06.964 --> 01:27:09.043
of the attendees on the webinar here

01:27:09.102 --> 01:27:11.293
in your expert viewing this may be

01:27:11.293 --> 01:27:13.378
interested in engaging your services

01:27:13.378 --> 01:27:17.930
around what you're able to provide to them.

01:27:17.930 --> 01:27:18.674

Whatever is typically,

NOTE Confidence: 0.8012625725

01:27:18.674 --> 01:27:20.849
would you say they need to do more in?

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01:27:20.850 --> 01:27:22.020
And perhaps you could just

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01:27:22.020 --> 01:27:23.190
comment on that as well.

NOTE Confidence: 0.8012625725

01:27:23.190 --> 01:27:24.646
Yeah, I mean it's a good way of

NOTE Confidence: 0.8012625725

01:27:24.646 --> 01:27:25.940
topping and saying, isn't it?

NOTE Confidence: 0.8012625725

01:27:25.940 --> 01:27:27.120
I think hopefully we've

NOTE Confidence: 0.8012625725

01:27:27.120 --> 01:27:28.300
covered in the session.

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01:27:28.300 --> 01:27:30.004
The things that I think for

NOTE Confidence: 0.8012625725

01:27:30.004 --> 01:27:31.140
advisors are particularly pertinent,

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01:27:31.140 --> 01:27:35.146
so we've just talked about being

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01:27:35.146 --> 01:27:38.898
able to extract from what you do.

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01:27:38.900 --> 01:27:41.945
Measures of good outcomes that that's a

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01:27:41.945 --> 01:27:44.709
really important really important challenge.

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01:27:44.710 --> 01:27:46.942
Other things I would say to concentrate on

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01:27:46.942 --> 01:27:48.796
if you're an advisor fair value pricing.

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01:27:48.796 --> 01:27:50.420
How am I going to do that?

NOTE Confidence: 0.8012625725

01:27:50.420 --> 01:27:52.588
How am I going to analyse my business?

NOTE Confidence: 0.8012625725

01:27:52.590 --> 01:27:54.402
What I do to demonstrate that

NOTE Confidence: 0.8012625725

01:27:54.402 --> 01:27:56.857
the the the the costs are charge

NOTE Confidence: 0.8012625725

01:27:56.857 --> 01:27:58.429
are fair and reasonable?

NOTE Confidence: 0.8012625725

01:27:58.430 --> 01:28:00.638
And think about customer

NOTE Confidence: 0.8012625725

01:28:00.638 --> 01:28:02.846
communications and ensuring that

NOTE Confidence: 0.8012625725

01:28:02.850 --> 01:28:05.209
they do what they're supposed to do.

NOTE Confidence: 0.8012625725

01:28:05.210 --> 01:28:06.875
Our customers understand them and

NOTE Confidence: 0.8012625725

01:28:06.875 --> 01:28:08.970
take appropriate action as a result.

NOTE Confidence: 0.8012625725

01:28:08.970 --> 01:28:10.740
How we going to address that?

NOTE Confidence: 0.8012625725

01:28:10.740 --> 01:28:11.398
And also,

NOTE Confidence: 0.8012625725

01:28:11.398 --> 01:28:14.030
how am I going to engage with other

NOTE Confidence: 0.8012625725

01:28:14.108 --> 01:28:16.520
parties in the distribution chain so

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01:28:16.520 --> 01:28:19.761
I can quantify and explain what I do

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01:28:19.761 --> 01:28:22.089
alongside the role of other people?

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01:28:22.090 --> 01:28:23.728
And so I know where my responsibilities

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01:28:23.728 --> 01:28:25.841
start and stop as opposed to other people

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01:28:25.841 --> 01:28:27.206
in the distribution chain primarily,

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01:28:27.210 --> 01:28:28.446
perhaps of course.

01:28:28.446 --> 01:28:30.094
The larger providers whose

01:28:30.094 --> 01:28:31.731
products that advises distribute

01:28:31.731 --> 01:28:34.097
so they those are the key things,

01:28:34.100 --> 01:28:36.676
and I think also just to to

01:28:36.676 --> 01:28:38.059
finish up to reiterate something.

01:28:38.059 --> 01:28:39.337
I think Ross said earlier around,

01:28:39.340 --> 01:28:42.460
let's work together on it.

01:28:42.460 --> 01:28:43.784
It's it's easier to.

01:28:43.784 --> 01:28:46.217
It's easy to to meet these challenges

01:28:46.217 --> 01:28:48.807
if if firms talk to each other,

01:28:48.810 --> 01:28:50.265
whether their peer group firms

01:28:50.265 --> 01:28:51.720
or whether indeed their their

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01:28:51.774 --> 01:28:53.364
larger firms filling other roles

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01:28:53.364 --> 01:28:54.636
in the distribution chain.

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01:28:54.640 --> 01:28:56.548
I think that's an important part

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01:28:56.548 --> 01:28:58.180
of the answer. Absolutely right.

NOTE Confidence: 0.8012625725

01:28:58.180 --> 01:29:00.190
As Bob the Builder once said,

NOTE Confidence: 0.8012625725

01:29:00.190 --> 01:29:01.765
working together to get the job done.

NOTE Confidence: 0.8012625725

01:29:01.770 --> 01:29:04.630
Peter, I believe I'm right.

NOTE Confidence: 0.8012625725

01:29:04.630 --> 01:29:06.032
What I'd like to do now, if possible.

NOTE Confidence: 0.8012625725

01:29:06.032 --> 01:29:07.999
If we could just rerun the poll

NOTE Confidence: 0.8012625725

01:29:07.999 --> 01:29:09.667
question that we had first of all,

NOTE Confidence: 0.8012625725

01:29:09.670 --> 01:29:12.487
just like to see if the results have changed.

NOTE Confidence: 0.8012625725

01:29:12.490 --> 01:29:14.530

Having heard our expert speakers

NOTE Confidence: 0.8012625725

01:29:14.530 --> 01:29:16.570
views on the consumer duty,

NOTE Confidence: 0.8012625725

01:29:16.570 --> 01:29:18.250
so if you could all vote now and

NOTE Confidence: 0.8012625725

01:29:18.250 --> 01:29:19.593
just remind you how concerned

NOTE Confidence: 0.8012625725

01:29:19.593 --> 01:29:21.048
are you about the forthcoming

NOTE Confidence: 0.8012625725

01:29:21.048 --> 01:29:22.588
consumer duty rules and guidance.

NOTE Confidence: 0.8012625725

01:29:22.590 --> 01:29:23.754
Having heard the webinar.

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01:29:23.754 --> 01:29:26.070
So if you could vote now you're

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01:29:26.070 --> 01:29:27.597
either unconcerned somewhat.

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01:29:27.600 --> 01:29:29.120
Concerned very concerned or

NOTE Confidence: 0.8012625725

01:29:29.120 --> 01:29:31.400
still not sure over how it's

NOTE Confidence: 0.863914187857143

01:29:31.472 --> 01:29:32.828
going to affect you.

NOTE Confidence: 0.863914187857143

01:29:32.830 --> 01:29:36.620
So if we could bring the results up for that.

NOTE Confidence: 0.863914187857143

01:29:36.620 --> 01:29:40.460
Uh, well, that's quite interesting.

NOTE Confidence: 0.863914187857143

01:29:40.460 --> 01:29:43.984
We had around 60%.

NOTE Confidence: 0.863914187857143

01:29:43.984 --> 01:29:46.896
I think it was of people voting either

NOTE Confidence: 0.863914187857143

01:29:46.896 --> 01:29:48.620
unconcerned, uh, or somewhat concerned.

NOTE Confidence: 0.863914187857143

01:29:48.620 --> 01:29:49.840
Originally. It was 20 and 40.

NOTE Confidence: 0.863914187857143

01:29:49.840 --> 01:29:51.338
I think we've actually moved a lot

NOTE Confidence: 0.863914187857143

01:29:51.338 --> 01:29:53.059
of people now into the second column,

NOTE Confidence: 0.863914187857143

01:29:53.060 --> 01:29:53.956
which is somewhat concerned.

NOTE Confidence: 0.863914187857143

01:29:53.956 --> 01:29:55.684
I think it was about 40% before,

NOTE Confidence: 0.863914187857143

01:29:55.684 --> 01:29:57.220
so if nothing else,

NOTE Confidence: 0.863914187857143

01:29:57.220 --> 01:29:58.972
hopefully it's giving you a bit

NOTE Confidence: 0.863914187857143

01:29:58.972 --> 01:30:01.567
more of an idea as to the type of

NOTE Confidence: 0.863914187857143

01:30:01.567 --> 01:30:03.594
things that you'll need to do and

NOTE Confidence: 0.863914187857143

01:30:03.594 --> 01:30:05.680
consider as we see and approach the

NOTE Confidence: 0.863914187857143

01:30:05.680 --> 01:30:07.480
final rules and they come into play.

NOTE Confidence: 0.863914187857143

01:30:07.480 --> 01:30:08.950
So thank you very much for that.

NOTE Confidence: 0.863914187857143

01:30:08.950 --> 01:30:12.030
That's very interesting. Results.

NOTE Confidence: 0.863914187857143

01:30:12.030 --> 01:30:15.070
Right, we are now bang on 11:30.

NOTE Confidence: 0.863914187857143

01:30:15.070 --> 01:30:17.742
In fact, just slightly over so thank

NOTE Confidence: 0.863914187857143

01:30:17.742 --> 01:30:19.758
you very much for listening in.

NOTE Confidence: 0.863914187857143

01:30:19.760 --> 01:30:21.272
I'm just going to show you the slide to

NOTE Confidence: 0.863914187857143

01:30:21.272 --> 01:30:22.607
remind you of the learning objectives,

NOTE Confidence: 0.863914187857143

01:30:22.610 --> 01:30:23.164
but again,

01:30:23.164 --> 01:30:25.103
I'm not going to go through those.

01:30:25.110 --> 01:30:26.202
We have a number of questions just

01:30:26.202 --> 01:30:27.550
on some of the housekeeping issues,

01:30:27.550 --> 01:30:29.972
so I'll I will just address those

01:30:29.972 --> 01:30:31.630
before we finally wrap up.

01:30:31.630 --> 01:30:33.050
So to get your cpde,

01:30:33.050 --> 01:30:35.204
please complete and submit the feedback

01:30:35.204 --> 01:30:37.070
tab underneath the broadcast screen.

01:30:37.070 --> 01:30:39.526
Our events team will send you an email

01:30:39.526 --> 01:30:41.527
which will have an embedded CPD.

01:30:41.530 --> 01:30:43.264
Certificate for you and you will

01:30:43.264 --> 01:30:45.318
get this by closing play on Monday.

NOTE Confidence: 0.863914187857143

01:30:45.320 --> 01:30:47.348
Please make sure you save the

NOTE Confidence: 0.863914187857143

01:30:47.348 --> 01:30:48.700
email for your records.

NOTE Confidence: 0.863914187857143

01:30:48.700 --> 01:30:50.164
Please check your junk and spam

NOTE Confidence: 0.863914187857143

01:30:50.164 --> 01:30:51.729
folder as it sometimes goes astray,

NOTE Confidence: 0.863914187857143

01:30:51.730 --> 01:30:53.530
but if it's not there let us know

NOTE Confidence: 0.863914187857143

01:30:53.530 --> 01:30:55.224
and we'll make sure we get that

NOTE Confidence: 0.863914187857143

01:30:55.224 --> 01:30:56.176
recent over to you.

NOTE Confidence: 0.863914187857143

01:30:56.180 --> 01:30:57.464
Lots of people asking for copies

NOTE Confidence: 0.863914187857143

01:30:57.464 --> 01:30:58.967
of the slides and are they able

NOTE Confidence: 0.863914187857143

01:30:58.967 --> 01:31:00.374
to watch the replay video and I'm

NOTE Confidence: 0.863914187857143

01:31:00.419 --> 01:31:01.891
pleased to say that by the end of

NOTE Confidence: 0.863914187857143

01:31:01.891 --> 01:31:03.370

next week you'll also be able to

01:31:03.370 --> 01:31:04.840
download the copy of the slides

01:31:04.840 --> 01:31:06.375
and access the replay recording.

01:31:06.380 --> 01:31:08.084
They'll sit on the peer advisor

01:31:08.084 --> 01:31:10.059
seminar page in the notes section.

01:31:10.060 --> 01:31:11.716
You'll get a link to the.

01:31:11.720 --> 01:31:14.450
Thank you email from us on that.

01:31:14.450 --> 01:31:16.746
So thank you very much for those

01:31:16.746 --> 01:31:19.910
and if we can just bring up the

01:31:19.910 --> 01:31:21.170
final support slides,

01:31:21.170 --> 01:31:24.590
please guys that would be useful.

01:31:24.590 --> 01:31:28.272
So if we can bring up the

01:31:28.272 --> 01:31:30.257
prough slides there, we go.

NOTE Confidence: 0.863914187857143

01:31:30.257 --> 01:31:32.928
Thank you at a very quick reminder of

NOTE Confidence: 0.863914187857143

01:31:32.928 --> 01:31:35.128
the supports available from ourselves.

NOTE Confidence: 0.863914187857143

01:31:35.130 --> 01:31:36.552
So we've talked about a number

NOTE Confidence: 0.863914187857143

01:31:36.552 --> 01:31:37.263
of things here.

NOTE Confidence: 0.863914187857143

01:31:37.270 --> 01:31:38.842
So obviously if you want to

NOTE Confidence: 0.863914187857143

01:31:38.842 --> 01:31:40.770
look at the method and prod help

NOTE Confidence: 0.863914187857143

01:31:40.770 --> 01:31:42.402
that we've got on the system,

NOTE Confidence: 0.863914187857143

01:31:42.410 --> 01:31:44.070
you're able to do so.

NOTE Confidence: 0.863914187857143

01:31:44.070 --> 01:31:45.862
We've got a whole host of third

NOTE Confidence: 0.863914187857143

01:31:45.862 --> 01:31:47.194
party and independent reports we

NOTE Confidence: 0.863914187857143

01:31:47.194 --> 01:31:48.986
can help you with the due diligence

NOTE Confidence: 0.863914187857143

01:31:48.986 --> 01:31:50.599
you're undertaking with providers,

NOTE Confidence: 0.863914187857143

01:31:50.600 --> 01:31:51.780
and obviously therefore helping

NOTE Confidence: 0.863914187857143

01:31:51.780 --> 01:31:53.866
with the consumer duty as well as

NOTE Confidence: 0.863914187857143

01:31:53.866 --> 01:31:55.420
a whole host of technical articles.

NOTE Confidence: 0.863914187857143

01:31:55.420 --> 01:31:57.016
Excellent tools and calculators

NOTE Confidence: 0.863914187857143

01:31:57.016 --> 01:31:59.410
and that's you telling us that

NOTE Confidence: 0.863914187857143

01:31:59.479 --> 01:32:01.537
in terms of how useful they are.

NOTE Confidence: 0.863914187857143

01:32:01.540 --> 01:32:03.736
One final thought we've been talking

NOTE Confidence: 0.863914187857143

01:32:03.736 --> 01:32:05.200
about how consumers understand

NOTE Confidence: 0.863914187857143

01:32:05.257 --> 01:32:06.457
what it is that we do,

NOTE Confidence: 0.863914187857143

01:32:06.460 --> 01:32:07.564
and I'm pleased to say I

NOTE Confidence: 0.863914187857143

01:32:07.564 --> 01:32:08.300
have actually gone over

01:32:08.347 --> 01:32:10.075
an hour and a half before mentioning profund,

01:32:10.080 --> 01:32:12.474
but do bear in mind if you're looking to

01:32:12.474 --> 01:32:14.997
help clients understand how prefund works,

01:32:15.000 --> 01:32:17.817
we do have a client facing video on Pro

01:32:17.817 --> 01:32:20.666
advisor that you can provide to them as well.

01:32:20.670 --> 01:32:23.653
And all that leaves me to do is to say that a

01:32:23.653 --> 01:32:26.410
very big thank you to all of our presenters.

01:32:26.410 --> 01:32:28.288
Today I found that session absolutely

01:32:28.288 --> 01:32:30.181
fascinating and it was really great

01:32:30.181 --> 01:32:31.641
to get a different perspective

01:32:31.641 --> 01:32:33.149
from each of our guests.

01:32:33.150 --> 01:32:34.470
Thank you to the audience

NOTE Confidence: 0.789799129444445

01:32:34.470 --> 01:32:35.526
for joining us today.

NOTE Confidence: 0.789799129444445

01:32:35.530 --> 01:32:37.266
I really hope you found that some

NOTE Confidence: 0.789799129444445

01:32:37.266 --> 01:32:38.862
are useful and we look forward

NOTE Confidence: 0.789799129444445

01:32:38.862 --> 01:32:40.187
to seeing you again soon.

NOTE Confidence: 0.789799129444445

01:32:40.190 --> 01:32:41.010
Thank you very much.