



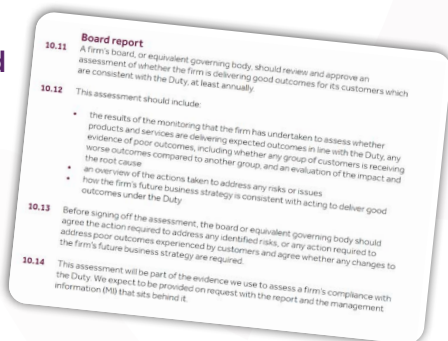
ANNUAL CONSUMER DUTY BOARD REPORTS

Five preparation tips to help you meet the 31 July 2024 deadline

The clock's already counting down to the **31 July 2024 deadline for firms to produce their first annual Board Report. These reports should reflect the firm's assessment of their compliance with Consumer Duty rules and any remedial actions taken or planned to address any risks or issues identified. This is in addition to any ongoing work to embed good consumer outcomes, monitoring and the collation of evidence.**

THE REGULATOR'S POSITION

This extract from the FCA's **Finalised Guidance FG22/5** describes what the reports should include and how they will be used.



KEY POINTS

- Planning timescales should allow for data collation and analysis, drafting the report and presenting it to the board for review, as well as time to action any board comments and queries. All to be completed by 31 July 2024.
- Firms must ensure that the report submitted to the board for review is robust, comprehensive and provides a good foundation for demonstrating to the regulator how the firm complies with the Duty.
- Firms must provide these reports, approved by their board, or equivalent governing body, to the FCA on request - together with the supporting management information.
- The FCA will use these reports as part of the evidence to assess how a firm complies with the Duty. Boards should therefore ensure that their annual report describes and evidences their review to a standard appropriate for the FCA.

FIVE B-O-A-R-D REPORT CONSIDERATIONS BUSINESS STRATEGY, MODEL & CULTURE

Include commentary showing how the firm's future business strategy is consistent with acting to deliver good outcomes under the Duty.

If inconsistencies are identified, explain whether any changes are required to the firm's future business strategy.

Also include commentary on how the firm's business model, actions taken and culture are focused on delivering good customer outcomes.

OUTCOMES

Include any evidence of poor outcomes, e.g.

- Whether any group of customers is receiving worse outcomes compared to another group
- Evaluation of the impact and the root cause of any identified issues
- Any remedial actions taken or planned.

ANALYSIS

Include the presentation and analysis of data in areas such as customer outcomes, feedback, complaints and value assessments.

REQUIREMENTS

Confirm whether the board is satisfied that the firm is complying with the Duty, and that products and services are delivering expected outcomes in line with the Duty.

DECISION MAKING

Document the decision-making processes and rationale for any actions or changes made, or planned, in response to the analysis.

Go to www.consumerduty.org for more information and support on financial vulnerability and Consumer Duty.
Email queries to info@consumerduty.org