

***[Please delete or amend any drafting instructions in italics before sending]***

Rydym yn hapus i ddarparu copi o'r llythyr hwn yn y Gymraeg ar gais. Cysylltwch gyda ni ar [cymraeg@fca.org.uk](mailto:cymraeg@fca.org.uk) ac fe wnawn anfon copi atoch.

[Firm details]

[Date]

[Consumer details]

## **British Steel consumer redress scheme**

### **ACTION REQUIRED – We need some information from you to calculate whether we owe you money**

Dear [*Insert name*],

[If applicable: You were introduced to our firm by [*insert name of introducer firm*] for advice about your British Steel Pension Scheme benefits]

We wrote to you on [*insert date*] to say that we gave you unsuitable advice to transfer out of the British Steel Pension Scheme (BSPS). We said we would calculate whether you had suffered a financial loss and, if so, how much money we owe you. Any money we pay you will aim to put you in the position you would have been in had you been given suitable advice and stayed in the BSPS. **Whatever the result of our calculation, you will not have to pay anything.**

We need more information from you so we can calculate whether we owe you any money.

#### **ACTION YOU NEED TO TAKE**

**We need information from you so we can calculate whether you suffered financial loss as a result of transferring out of the British Steel Pension Scheme (BSPS), and whether we owe you any money.**

*[If information is being requested from the consumer]*

The information we need is listed in the box below. Please send this information to us by [*insert date - 14 days from the date of this letter*]. You can send this information to us by post (return envelope included) or by email: [*insert firm email*].

*[If information is being requested from a third party]*

So that we can collect this information from other parties on your behalf, please sign the attached 'Letter of Authority' form and return it to us by [*insert date- 14 days from the date of this letter*].

*[All letters]*

If you would like us to, we can also calculate how much money can be paid into your pension to ensure the money is invested for your retirement. If you would like us to do this, please complete and return the attached 'Payment into a pension' form by [*insert date- 14 days from the date of this letter*].

You also need to let us know about any other losses you think we owe you money for. To do this, please complete and return the attached 'Other Losses' form to us by [*insert date – 1 month from the date of this letter*].

**If we do not receive this information, we might not be able to calculate whether we owe you any money. This means that you may end up with less money in your retirement than you should have had.**

[*If information is being requested from a third party*]

#### **Asking for information from other firms**

So that we can collect this information for you from [*insert name of third party the data will be sought from, if known*], please sign the attached 'Letter of Authority' form and return it by [*insert Day Date Month Year – 1 month from date of this letter*].

If we become insolvent before we can complete our review, the Financial Services Compensation Scheme (FSCS) will step in to assess whether you are due a payment. As such, the attached form also asks you to authorise FSCS to collect information on your behalf, should this become necessary.

Information on how FSCS collects and uses your data can be found at <https://www.fscs.org.uk/data-protection-statement/privacy-notice/>.

If we do not receive this information, we might not be able to calculate whether we owe you any money. This could mean that you end up with less money during your retirement than you should have had.

[*If information is being requested from the consumer*]

#### **The information we need from you**

- **Please provide us with the following information by [*insert day date month year*] so we can calculate how much money we may owe you:**  
[*List information required to calculate lump sum redress set out in CONRED 4 Annex 21*]

If we do not receive this information, we might not be able to calculate whether we owe you any money. This could mean that you end up with less money during your retirement than you should have had.

- **If you want us to calculate how much of the money we owe you can be paid into your pension, please also provide the following information.**  
[*List information required to calculate how much redress can be augmented set out in CONRED 4.3.14R(2)*]

If we do not receive this information, we can still calculate how much money we owe you, but we will not be able to calculate the amount you can pay into your pension; we will offer you a lump sum instead.

*[Please note you should delete the information in this box before you send this letter to the consumer. It is to help you prepare the letter.]*

*Firms should only request the information set out in CONRED 4 Annex 16R 13.30R that is necessary to calculate redress.*

*When you request information from a consumer you should:*

- only make requests for information that are necessary and which the consumer can reasonably be expected to provide;*
- be sensitive when requesting information about a consumer's personal circumstances;*
- ensure the consumer understands what information they have been asked to provide and in what format;*
- only ask for information that is likely to be readily accessible to the consumer (and obtain the consumer's authority to approach third parties for information on their behalf)*
- allow the consumer at least 14 days to respond; and*
- make clear why the firm is asking for the information and the consequence if the information is not provided.]*

*[All letters]*

## **How you want the money we owe you to get paid**

You have a choice in how you receive this payment.

- You can choose to pay this money into your pension. This ensures the money is invested for your retirement.**

There may be restrictions on whether and how much you can pay into your pension. If you are interested in this option, we can work out how much money you can pay into your pension under current tax regulations. We can do this free of charge whether you choose to invest in your pension or not. You may have to give us additional information so we can do this. If not all of the money can be paid into your pension, then the balance will be paid to you as a lump sum.

Pensions are designed to help support you financially in your retirement. Adding this payment to your pension will improve your retirement income. This payment aims to provide you with the extra retirement income you would have been given if you had not transferred out of your BPS.

- You can choose to receive it as a lump sum into your bank account.**

If you receive payment as a lump sum you should get advice on how to invest it. If you do not invest it, you risk losing out on the income the payment is meant to give you during your retirement.

If you are thinking of saving or re-investing the money you may get, MoneyHelper is there to help. Backed by government, it ensures that everyone in the UK can easily access the information they need to make the right financial decisions.

The service is free and impartial, and you can visit the website at [www.moneyhelper.org.uk](http://www.moneyhelper.org.uk) or call 0800 138 7777 for money advice, 0800 011 3797 for pension advice.

You can also contact an FCA-regulated financial adviser to seek advice, but you may have to pay for this service. You may also find the FCA's Scam Smart guidance helpful.

If you want us to calculate how much of the money we owe you can be paid into your pension, you need to let us know by completing and returning the form 'Payment into a pension' by *[insert date – 1 month from issue of this letter]*.

If we do not receive your completed form, we can still calculate how much money we owe you but we will not be able to calculate the amount you can pay into your pension, and we will offer you a lump sum instead.

### **Do you think we owe you money for other losses?**

You should also tell us if you have suffered any other losses because of our unsuitable advice. These losses could include money you had to pay to get tax advice, or any tax charges you had to pay.

In all cases, any payment calculation will include the original fee charged for the unsuitable advice *[if consumer has already switched to a new adviser]* the fees you paid to change your adviser, and any other past advice fees paid out of your transferred pension. *[Add if the transfer advice firm has a current advice arrangement with the firm]* If you decide you want to change to a new advice firm, you can terminate your arrangement with us but it is important you tell us in the 'Other Losses' form. This will allow us to add an extra amount to what we may owe you to pay for the new advice. This amount will be calculated according to FCA rules. When looking for a new adviser, check what their ongoing adviser fees are. If we owe you any money, your calculation will only cover fees up to 0.5% of your fund each year. If their fees are more than 0.5% you may end up with less retirement income as a result.

We may need to ask you for more information so we can decide whether we think we owe you more money for these other losses.

If you want us to consider whether we owe you money for other losses, you need to let us know by completing and returning the form 'Other Losses' by *[insert date – 1 month from issue of this letter]*.

If we do not receive your completed form, we can still calculate how much money we owe you, but we will not be able to add any money for other losses.

### **What should you do now?**

***[If some information needs collecting from the consumer]***

**The information we need from you is listed in the box above. Please send this information to us by *[insert date- 14 days from the date of this letter]*.**

***[If letter of authority is required to collect the information from Third Parties]***

**We can ask for some of this information from other firms on your behalf, but we need you to agree to this first. If you are happy for us to ask other firms for the information we need, you need to complete and return to us the attached ‘Letter of Authority’ form by *[insert date- 14 days from the date of this letter]***

**You need to let us know if you want us to calculate how much of the money we owe you can be paid into your pension. Please let us know by completing and returning to us the attached ‘Payment into a pension’ form by *[insert date- 14 days from the date of this letter]*.**

**You also need to let us know about any other losses you think we owe you money for. Please let us know by completing and returning the attached ‘Other Losses’ form called by *[Insert date – 14 days from the date of this letter]*.**

**If you do not provide this information you may end up with less money in your retirement than you should have had.**

You do not need to use a claims management company as it will not affect our calculation and, if you do, they will charge you for the service.

If you need help with the information we need from you or have any questions about our review, you can phone or email us *[insert contact details]*. We are available between *[insert contact hours]*. By returning the enclosed letter, you consent to us collecting the information on your behalf. You can withdraw this consent at any time by contacting us *[using the same contact details]*.

You can find out more about the BSPS consumer redress scheme at [www.fca.org.uk/bsps](http://www.fca.org.uk/bsps). If you want to contact the Financial Conduct Authority (FCA), you can:

- call its Consumer Helpline on 0800 098 4100; or
- email [consumer.enquiries@fca.org.uk](mailto:consumer.enquiries@fca.org.uk).

If you would like to contact the FCA using next generation text relay, please call on (18001) 0207 066 1000.

Yours sincerely,

<signature>

<name of adviser or customer service>

Enclosures:

1. Pre-paid envelope
2. Letter of Authority form *[if required]*.
3. Other Losses form
4. Payment into a pension form

## LETTER OF AUTHORITY

To whom it may concern

**RE: authority to obtain information on behalf of [enter consumer name] [enter consumer date of birth] [enter consumer current address and previous addresses where relevant] [enter policy number if known / applicable] as part of the Financial Conduct Authority's British Steel consumer redress scheme**

I, [enter consumer name] [enter consumer date of birth], authorise [enter firm name] [enter firm address] to collect information on my behalf about my previous and current pension arrangements to calculate if I am owed any money following the unsuitable advice to transfer my British Steel Pension Scheme pension benefits, as part of the British Steel consumer redress scheme.

I further authorise the Financial Services Compensation Scheme to collect on my behalf any information it may require to perform its statutory functions, including processing my claim as part of the British Steel consumer redress scheme.

Signature:

Date:

## Other Losses

*[Insert file reference]*

I would like *[name of firm]* to consider if I am owed money for other losses.

- [if the firm is in a current advice arrangement with the consumer ]* I want to terminate my advice arrangement with *[name of the firm]* with immediate effect to look for a new adviser, and for *[name of firm]* to pay me an extra amount to get advice from a new adviser (this amount will be calculated according to FCA rules).
  
- Other losses. Please describe the additional losses here and send in supporting documents where you can:

(You do not have to enter any of the information below if you are not sure)

I feel that the extra money owed to me for these additional losses should be:

Enter amount: £ \_\_\_\_\_

Date you suffered or will suffer these losses: \_\_\_\_\_

Name: \_\_\_\_\_

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

## Payment into a pension

*[Insert file reference]*

- I would like *[name of the firm]* to calculate how much of the money they owe me can be paid into my pension.

*[Where consumer will be arranging payment into their pension directly with their pension provider or third-party adviser]* If you select this option, you should contact your pension provider or adviser as soon as possible to let them know you are planning on paying some money into your pension, and what steps you should take to do so.

- I am NOT interested in having my payment paid into my pension.

Name: \_\_\_\_\_

Signed: \_\_\_\_\_

Date: \_\_\_\_\_