

Step 1: Obtain the necessary information to calculate redress

- Types of information are specified in CONRED 4 Annex 21R.
- Information will be collected by reviewing client files; contacting the consumer; contacting pension provider and contacting former DB scheme trustees.
- ask consumer if they would like the firm to calculate redress by augmentation and if they want to claim for any other losses

Relevant rules: CONRED 4 Annex 21R 13.18G – 13.20R



Step 2: Identify the comparator scheme and the retirement date

- Determine the comparator scheme according to CONRED4 Annex 21R 13.21R - 13.26
- Determine retirement date using the rebuttable presumption at DISP App 4.3.16R, noting the modification to this outlined in CONRED 4.4.3R. Guidance on circumstances is provided in DISP App 4.3.17G, noting the modification to this outlined in CONRED 4.4.3R.

Relevant rules: CONRED 4 Annex 21R 13.21R – 13.27R



Step 3: Carry out lump sum redress calculation

- Using the BSPS calculator, follow the instructions as set out in CONRED 4 Annex 21 13R
- Calculate according to the rules and guidance in DISP App 4 and DISP App 4 Annex 1, as modified by CONRED 4.

Relevant rules: CONRED 4 Annex 21R 13.28R – 13.33G



Step 4: Work out the lump sum redress offer for the redress determination

- A firm must promptly offer a consumer redress that, as far as possible, puts the consumer into the position they would have been in if they had received compliant pension transfer advice.
- Follow the requirements at DISP App 4.27R to DISP 4.30R and CONRED 4.4.2R to CONRED 4.4.3R

Relevant rules: CONRED 4 Annex 21R 13.35R



Step 5: Lump sum offer redress determination

- The output of the BSPS calculator must be saved in an Excel spreadsheet and PDF format. The outputs include a summary of inputs and the lump sum redress payable.

Relevant rules: CONRED 4 Annex 21R 13.35R



Send redress determination letter to consumer (CONRED 4.4.2R)

- If consumer requested full or partial augmentation offer, work out augmentable offer according to DISP App 4 and DISP App 4 Annex 1
- Send a redress offer to the consumer in the form of the letter set out in CONRED 4 Annex 13R, and in accordance with the instructions at CONRED 4.4.2R, 4.4.5R and 4.4.6G



Pay the redress to the consumer (CONRED 4.4.9R)

- Once offer accepted by consumer, firm to access calculator to calculate the additional compensation sum
- Pay the consumer the updated compensation sum within 28 days in accordance to selected method of payment
- Send the consumer a payment confirmation in the form of the letter set out in CONRED 4 Annex 15R enclosing the detailed calculator report showing the updated compensation amount