



Consumer Duty

Love Your Miles Ltd and the Consumer Duty Principle

The Consumer Duty requires us to **focus on consumer outcomes**, putting the customer's interests at the heart of our activities.

There are three key elements of the Consumer Duty, which are:

- **Consumer Principle** – ‘a firm must act to deliver good outcomes for retail clients’, which reflects the overall standards of behaviour the FCA wants from firms, and which is developed by the other elements of the Consumer Duty.
- **Cross-cutting rules** which develop overarching expectations that apply across all areas of firm conduct:
 - act in good faith towards retail customers.
 - avoid foreseeable harm to retail customers.
 - enable and support retail customers to pursue their financial objectives.
- **Four outcomes** which give more detailed expectations for the key elements of the firm-consumer relationship, covering:

Communication

Communications equip consumers to make effective, timely and properly informed decisions about financial products and services.

Products and Service

Products and services are specifically designed to meet the needs of consumers and sold to those whose needs they meet.

Customer Service

Customer service meets the needs of consumers, enabling them to realise the benefits of products and services and act in their interests without undue hindrance.

Price and Value

The price of products and services represents fair value for consumers.

Monitoring

A key element of the Consumer Duty is the requirement for us to **assess, test, understand and evidence the outcomes the customers are receiving.**

We therefore:

- Monitor and regularly review the outcomes that our customers are experiencing
- Ensure that the products and services provided are delivering the outcomes that our customers expect in line with the Consumer Duty, and
- Identify where they are leading to poor outcomes or harm to consumers.

Management Information

We will use data to measure our performance to ensure that we meet the requirements and examples of this are:

- Management meeting minutes
- Analysis of customer retention, claims, cancellation rates
- Auditing of the customer journey, customer interactions and drop off rates
- Distribution of product lines, communications, distribution channel review
- Fees and charges applied
- Process and policy effectiveness review
- Complaints – trends/route cause analysis
- Analysis of staff training records, CPD records

- Staff sales observations/call monitoring/auditing customer files
- Staff feedback
- Customer & third party feedback such as manufacturers
- Results of regular testing and monitoring, Compliance reports
- External sources of data such as surveys

Where issues are identified, they will be addressed appropriately. Potential interventions could include:

- Discontinuing a product or service,
- Adapting product design/fees/charges,
- Operation or distribution channels, or,
- Redress where customers have suffered harm.

The Consumer Duty applies across all of our activities – from high-level strategic planning to individual customer interactions. Internal processes will be reviewed and customer service processes may need to be re-evaluated.

We will conduct regular Gap Analyses to ensure that we maintain required standards

We will be proactive in ensuring that our products and services are fit for purpose and provide fair value.

As part of the Consumer Duty we have produced a Product Oversight and Governance Policy document and individual Fair Value Assessments in respect of more specific Product Groupings.