

Remediation checklist

Car finance mis-selling



Is your organisation impacted?

Does your loan book (closed and open) include loans affected by this issue?

The issue affects personal vehicle finance loans taken out **between April 2007 and 28th January 2021.**

Understanding the regulation & compliance

Does your team understand the Car Finance mis-selling issue and the key decisions made so far?

Have you consulted with your legal team to interpret the regulation and understand your legal obligations?

Do you have an open line of communication with the FCA setup and a point of liaison for any clarifications?



Remediation plan & strategy

Do you have a clear plan for how you would remediate and pay redress to customers? e.g. Refund by Cheque, adjustments to finance agreements etc.

Do you have a clear plan for how you would communicate with customers? Likely you will want to prepare communications templates to provide clear, transparent communication.

Have you thought about the scheduling of remedial activity and how you will provide customer support?

Can your existing customer support team deal with an influx of customer queries?

Will you need to space out communications and redress payments over a period of time to manage the customer support?



Get in touch with one of our data pioneers to hear how we can help.

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Data management

Do you know where the data relating to any affected loans is stored?

Data might be stored on archive systems, or even as paper copies in storage, and could include data transferred as part of an acquisition.

Is your data 100% complete or are there data quality issues?

Data cleansing is usually a major part of any remediation process- especially one involving loans originating as far back as 2007.

Have you ensured that you have taken the correct steps to ensure that any processing of customer data for remediation purposes will be done in a way that is compliant with data protection regulations such as GDPR?

Do you know what your remediation data structure should look like ahead of the FCA announcement in September?

Affected companies should spend the summer extracting, validating and modelling their data so that **the main remediation process is ready to begin** as soon as the FCA make their judgement.

Project planning & governance

Have you thought about how you would plan and deliver this remediation project? It is unlikely that the FCA's decision will require no action, so it may be wise to start developing a project plan outlining the key tasks, milestones, and timelines.

How would such a project be governed? Setting up a governance framework now with clear roles and responsibilities will enable a remediation project to be mobilised at pace.

Have you identified who all the key internal and external stakeholders will be? Identifying and engaging with key stakeholders now will mitigate against them being unavailable later once the project starts.

Do you have the personnel to deal with such a large and complex remediation project? Remediation is quite a specialised task and it is not easy for analysts and project managers to pick up as they go along.



IT & systems

Do you have the necessary IT infrastructure in place to support a large scale remediation project? E.g. How will you process refunds?

Do you have appropriate data tooling to manage a large population of historic customers?

Have you identified any automation opportunities that could enable more efficient processing and remediation of customers?

Have you performed any testing of your IT systems ahead of full-scale remediation to ensure suitability?



Financial planning

Has any provision modelling taken place to understand the financial exposure that your organisation could face in terms of redress payments?

Have you performed any estimates of the operational costs of delivering such a project?

Have you had budget approved and allocated sufficient funds for the above?

Do you have a financial control framework in place to track and manage remediation expenses?