FINANCIAL CONDUCT AUTHORITY

Summary of feedback received

October 2017

Consultation title	GC17/1: Changes to the way firms calculate redress for unsuitable defined benefit transfers
Date of consultation	10 March 2017 to 10 June 2017
Summary of feedback received	In GC17/1, we consulted on guidance to update the assumptions used in the pension transfer redress methodology for unsuitable transfers from defined benefit (DB) to defined contribution (DC) schemes. The methodology was developed by the Securities and Investments Board (SIB) and Personal Investment Authority (PIA) during the Pensions Review in the mid-1990s. Our proposals resulted from a review of the existing methodology carried out by PricewaterhouseCoopers LLP (PwC). We received 27 responses to our guidance consultation from a range of respondents. These included pension providers, insurance providers, advisory firms, actuarial firms, individuals, and a professional body. Respondents were generally supportive of our overall approach and of the guidance. They recognised it as a logical and pragmatic approach to a complex issue. However, many respondents argued that the pre-retirement discount rate proposed was too conservative, and should generally reflect varied attitudes to risk. It was also argued that the guidance should allow for greater flexibility where certain information is known which would allow for more accurate calculations of redress. Some respondents suggested that the State Earnings-Related Pensions Scheme (SERPS) adjustment should be updated. Others proposed that the revised methodology should be applied to opt-out, non-joiner, and Free Standing Additional Voluntary Contribution (FSAVC) cases. Another group stated that the methodology for these cases should also be reviewed.

Response to feedback received	***Overall approach to calculating redress*** **Proposal (Q1, Q2):** Adopt PwC's recommendation to update the Pensions Review methodology. This sets out how firms should calculate the value of the DB scheme benefits compared to the actual personal pension value at a specified calculation date in order to determine the amount of redress due. **Feedback:** We received 22 and 20 responses to these questions respectively. Most respondents agreed with our proposal. They felt it would be more practical and appropriate than reinstating the consumer into the DB scheme, buying a deferred annuity for the consumer, or providing a guarantee that the consumer would receive equivalent benefits at retirement. However, some respondents argued in favour of the alternative approaches set out above. They raised concerns about the use of assumptions, arguing that they could result in inaccurate redress. Suggestions included considering redress in relation to a level annuity rather than an increasing annuity, and having a simplified approach for low-value cases. **Our response:** We have finalised the guidance as set out in our proposals. We consider that they are a pragmatic solution and already familiar to firms and software providers. We do not believe the other options to be viable or appropriate alternatives, as there are concerns relating to cost, market availability, and ongoing liability. ***Inflation rate*** **Proposal (Q3):** Adopt PwC's recommendation to use the Bank of England (BoE) 'UK instantaneous implied inflation forward curve (gilts)' to 25 years, extrapolated to longer terms using the average difference between inflation and gilt yields. Spot rates should be used in the pre-retirement phase, and derived forward rates used from normal retirement age based on a weighted average payment term, should be used in the post-retirement phase. **Feedback:** We received 19 responses to this question. The majority of respondents were supportive of our proposal. They stated that it would be reasonable to rely on the BoE inflation rate as it is a widely used measure of inflation. Some respondents argued that the difference in the yields on index-linked and fixed interest gilts does not always accurately reflect the market's inflation expectations. They suggested that there should be an inflation risk premium built into the assumptions. Some respondents noted that the BoE suspended the publication of these data during the consultation period. They suggested that the FTSE Actuaries Gilt Indices may be used as an alternative.

It was also argued that the inflation assumption used in Transfer Value Analysis (TVA) should be used instead of the BoE data more generally.

Our response: The BoE has updated the 'UK instantaneous implied inflation forward curve (gilts)' to cover a 40 year term. We have proceeded with this proposal to use the inflation rate estimated from inflation-indexed gilts available on the BoE website. Extrapolation will now only be required for terms exceeding 40 years. We consider that this inflation rate is more accurate than the FTSE Actuaries Gilt indices. If the BoE suspends the publication of these data in future, we will consider what data should be used for the inflation rate instead.

We have considered historic performance in relation to the inflation risk premium[1] and the inflation risk premium has been close to zero on average since the financial crisis, and relatively small since independence. Therefore we do not consider that an inflation risk premium should be applied.

Pre-retirement discount rate

The pre-retirement discount rate is used to discount the value of the DB pension scheme benefits at retirement back to the calculation date. It is the rate at which the investments in consumers' personal pensions are expected to grow between the calculation date and retirement date.

Proposals (Q4, Q5, Q6): Adopt PwC's recommendation to use a pre-retirement discount rate which targets a return of 50% of the equity return reducing to 33% of the equity return over the last five years prior to retirement, based on forward rates of inflation. This should be applied to all consumers, irrespective of whether the DB scheme has entered the Pension Protection Fund (PPF).

Feedback: We received 20, 20 and 19 responses to these questions respectively. Respondents generally challenged our proposal to apply 'life-styling', which assumes a reduction in the level of risk in the portfolio as the consumer approaches retirement. They suggested that the approach to investment should reflect changing behaviours in light of pension freedoms, as increasing numbers of consumers draw down lump sums or move towards ongoing investment.

We received several suggestions regarding the return on investments. One respondent stated that DB schemes are more likely to invest in global equities, and suggested that a global dividend index would be more appropriate than the FTSE index we proposed. One respondent proposed that the return on equities should be averaged over three

[1] Chart 4B of the BoE's 'Staff Working Paper No. 551' suggests that the inflation risk premium has been around zero on average since the financial crisis - http://www.bankofengland.co.uk/research/Documents/workingpapers/2015/swp551.pdf

years prior to the date of calculation, to smooth volatility that would otherwise be reflected in the calculation. However, another respondent suggested that the calculation of returns should be simplified, rather than being determined on an annual basis. Some respondents proposed an allowance for long term equity growth above the rate of inflation. Some queried if there is an allowance for gilt yields for the remaining 50% of the investments.

Some respondents argued that a consumer's attitude to risk should be factored into the pre-retirement discount rate on an individual basis. Others noted that this could result in unfairness and inconsistencies, and agreed that a single rate for all consumers would be more appropriate.

The majority of respondents agreed that the same pre-retirement discount rate should be applied for DB schemes which have entered the PPF. However some respondents argued that the rates for the PPF should be used.

Our response: Having considered responses, we have decided to remove the 'life-styling' element from the pre-retirement discount rate. We believe that this change will reflect the likelihood of consumers receiving redress taking advantage of the pension freedoms, and will further simplify the calculation. We plan to proceed with all other aspects of these proposals. We can confirm that the targeted yield of 50% of equity returns applies to 100% of the investments in the pension. We do not consider that a global dividend index should be used to reflect DB scheme investment strategies, as it runs counter to the aim of simplifying the calculations by using readily and freely available data to underpin them. We recognise that consumers' attitude to risk is a subjective issue. As this may have been assessed incorrectly at the stage of advice, we do not consider that reverting to that assessment, or requiring a reassessment would be appropriate as this could result in inconsistent outcomes. If a DB scheme entered the PPF we would expect firms to take account of individual circumstances, and consider whether it is appropriate to reflect the PPF cap and level of benefits.

Pre-retirement discount rate: personal pension charges and adviser charges

Proposal (Q7): Adopt PwC's recommendation to deduct 0.75% from the pre-retirement discount rate per year for personal pension charges.

Feedback: We received 20 responses to this question. Some respondents supported making a deduction for personal pension charges from the pre-retirement discount rate as it simplifies the calculation. Others stated that it should continue to be deducted from the personal pension and then added to redress. There were also mixed

views regarding the value of the charge. Many respondents suggested that charges can range from 0.25% to 2%. Using a static charge simplifies the methodology to the point that it fails to consider historic charges on legacy pension business. One respondent suggested that a lower percentage should be used to reflect a passive fund approach. Others suggested actual charges should be used. One respondent queried whether the proposal for future personal pension charges includes adviser charges, and how to allow for charges in cases of actual loss.

Our response: We do not consider that firms should be required to reflect charges higher than 0.75%. This is based on our understanding that the majority of consumers are already in or able to access products with charges of 0.75% or less. In light of responses, we have decided to allow for actual charges to be used where this is known, up to a maximum of 0.75%. Where the actual charge is not known, the default should be 0.75%.

Where a consumer is currently paying adviser charges, it should be assumed that these will continue to normal retirement age. For actual loss cases, the redress calculation should include any adviser charges incurred by the consumer in converting their pension fund to an income.

Post-retirement discount rate

The post-retirement discount rate is used to place a value on the income benefits after normal retirement age. The gilt yields used to determine the discount rate are based on the expected average weighted term (known as the discounted mean term) of the payments which will be made.

Proposals (Q8, Q9): Adopt PwC's recommendation to use the BoE nominal liability spot curve to derive future post retirement discount rates, based on average weighted payment terms, and deduct 0.6% from the post retirement discount rate to replicate annuity rates.

Feedback: We received 18 and 20 responses to these questions respectively. There was support for our proposals. However some respondents suggested the post retirement discount rate should result in greater returns, to reflect investments such as corporate bonds and equities, as consumers are increasingly taking a phased approach to retirement and only a minority of consumers now purchase an annuity upon retirement. One respondent felt that the discounted mean terms are likely to be understated for retirements beyond age 65, and suggested that a 0.5 year deduction would be more appropriate than a deduction of 1 year.

Many respondents stated that 0.6% seemed to be a reasonable

deduction for annuity pricing. One respondent argued that an adjustment should not be made at all as DB schemes typically benefit from bulk annuity pricing. This is less than that available to individual consumers.

Our response: We have reviewed the discounted mean terms and agree that higher terms based on a deduction of 0.5 years after age 65 would be more representative of the actual term of the weighted payments over a lifetime for retirements at older ages. We have proceeded with all other aspects of these proposals. These are in line with using an annuity as the most appropriate proxy for the payments expected from a DB scheme to calculate redress. These proposals allow firms to use publicly available information, and they closely replicate rates available on the market.

Post retirement discount rate: pension commencement lump sum

Proposal (Q10, Q11): Adopt PwC's recommendation to adjust the post retirement discount rate by 1.6% for the proportion of the benefits likely to be taken as a cash lump sum.

Feedback: We received 19 and 21 responses to these questions respectively. Respondents generally agreed with these proposals, accepting that many consumers are likely to have accepted a pension commencement lump sum. Some respondents raised concerns that this would not be appropriate for different approaches to the lump sum, as it could result in undervalued redress. For example, where it is clear that a consumer did not plan to take a lump sum, or if it would have been paid in addition to income, rather than in place of income.

One respondent suggested that the adjustment should be higher than 1.6% to better reflect commutation factors used by DB schemes, whereas others suggested that the actual commutation factor should be used.

Another suggestion was for the lump sum to be reflected by an adjustment to the DB scheme benefits, rather than an adjustment to the post-retirement discount rate.

Our response: Following responses, we have decided that the redress calculation should explicitly allow for circumstances where an additional lump sum would have been payable under the ceding scheme. It should also allow for situations where a consumer made it clear that they had no intention of taking the lump sum or, for an actual loss case, no lump sum was actually taken. This has the effect of returning more accurate redress, particularly for consumers in public sector schemes or where additional voluntary contributions are commonly used to provide lump sums. We have proceeded with all other aspects of these proposals.

Post retirement discount rate: mortality tables

Proposal (Q12, Q13): Adopt PwC's recommendation to use the Conduct of Business Sourcebook (COBS) PxA08 mortality tables (at 06/04/2017), allowing for Continuous Mortality Investigation improvements in line with COBS, on a gender neutral basis.

Feedback: We received 18 and 17 responses to these questions respectively. The majority of respondents agreed with these proposals. They recognised it as a pragmatic way forward that is aligned with market developments and practice for annuity pricing. However some respondents suggested alternative tables (Self-Administered Pension Scheme (SAPs) tables, or the latest tables used by the DB scheme), and that a gender-specific approach should be used to reflect the underlying cost of the benefit rather than the price of the annuity. It was also suggested that there should be further consideration of whether some consumers may qualify for an impaired life annuity.

One respondent argued that a gender specific approach to mortality should be retained as pension schemes continue to use gender-specific mortality assumptions in their transfer value calculations.

Our response: We have proceeded with these proposals, and consider that the publicly available COBS tables and the gender neutral approach to mortality accurately reflect the cost to consumers of buying an annuity and market practice.

Spousal age difference

Proposal (Q14): Adopt PwC's recommendation to assume that male and female consumers are the same age as their spouse.

Feedback: We received 19 responses to this question. Many respondents recognised that this proposal simplifies the calculation and is consistent with the gender neutral approach to mortality. However some respondents noted that this information is likely to be readily available. Some respondents also commented that Office of National Statistics' data still shows that female spouses are typically three years younger, but spouses in same-sex relationships tend to be the same age.

Our response: In light of responses, we have decided to allow for the actual age of the spouse to be used where this is known. Where the age of the spouse is not known, we have proceeded with applying a gender neutral approach by assuming that the spouse is the same age as the consumer to promote equal treatment for consumers irrespective of their sexual orientation. This is consistent with our gender neutral approach to mortality.

Proportion married at retirement

Proposal (Q15): Adopt PwC's recommendation to assume that 85% of people are married or in a civil partnership when they retire.

Feedback: We received 20 responses to this question. Respondents generally agreed with the approach, including the percentage, and considered it to be reasonable and pragmatic. However, some respondents suggested that a lower percentage should be used. Whilst some respondents suggested that actual marital status should be used where known, others recognised that this could change by the time of retirement.

Our response: We have explored this area in more detail with various stakeholders. It is our understanding that Club Vita's[2] data supports an assumption of 85% when taking into account marital statistics at the time of the calculation and the potential for subsequent changes in status. We have therefore proceeded with this proposal.

Enhanced transfer values (ETVs)

Proposal (Q16): Adopt PwC's recommendation to allow for enhancements paid as part of the transfer value to be part of the normal calculation. Where the enhancement was paid as a cash sum outside the transfer process, this amount is increased in line with returns on the personal pension. This is then added to the value to the personal pension in determining the redress owed.

Feedback: We received 18 responses to this question. While there was support for this proposal, some respondents argued that enhancements were often paid in cash and it would not be appropriate to value them in the same way as an investment. It was also raised that it could be difficult to isolate the return on the personal pension where there have been additional contributions, movements between investments, or there was an element of fixed charges.

Some respondents queried if the default position should be that an ETV was not paid, unless there is an indication that it was.

Our response: In light of responses, we have decided to change the way enhancements are valued so that enhancements are valued by taking half the return on equities using the FTSE total return index during the period up to the calculation date. This ties in with the approach used for the pre-retirement discount rate. We favour this approach over applying the growth of the personal pension to the cash enhancement. This has the effect of reducing or increasing the redress

[2] Club Vita (https://www.clubvita.co.uk/) is the only company dedicated to providing longevity services to occupational pension schemes in the UK. It has data in relation to over 200 of the UK's biggest pension schemes and the longevity risk faced by funds totalling over £300 billion.

paid as compared to our original proposal, depending on how the returns on the personal pension fund fared compared to the returns on the FTSE total return index over the relevant time period. This will reflect personal circumstances, but we feel this is a fairer outcome. It remains the adviser's responsibility to find out the value of any cash lump sum as a part of this element.

Methodology and assumption review

Proposal (Q17, Q18): In line with PwC's recommendation, firms should update the assumptions quarterly, on the first business day of the quarter. They should do this using publicly available data based on the final business day of the quarter just ended. The FCA should review the methodology at least every four years or sooner if we consider it necessary.

Feedback: We received 17 and 18 responses to these questions respectively. Some respondents agreed with the proposals on the basis that they would ensure that assumptions remain current given the volatility in the market. Others argued that the assumptions should be reviewed on different frequencies, ranging from one month to one year. Some respondents thought that the FCA would publish new assumptions each quarter.

It was also suggested that future reviews should be conducted more speedily, and should not prohibit the settlement of potentially affected cases.

Our response: We have decided to proceed with these proposals. Firms are responsible for updating the assumptions themselves based on the publicly available information referenced in the finalised guidance. Redress calculations must be based on the new assumptions from the first business day of each new quarter. The guidance will take immediate effect, and should be used for any complaints received by firms on or after 3 August 2016. It should also be used for complaints which had been received but not yet settled on a full and final basis by that date. We will review the methodology at least every four years, or sooner if we deem this is necessary.

Wider application of the methodology

Questions (Q19, Q20): The applicability of the revised pension transfer redress methodology to complaints relating to non-joiners, opt-outs, FSAVC cases, and complaints relating to the transfer of other safeguarded benefits.

Feedback: We received 20 and 17 responses to these questions respectively.

Respondents stated that the methodology should be used for

complaints relating to non-joiners, opt-outs, and FSAVC cases. This was felt to provide a consistent approach for valuing lost defined benefits. However, it was suggested that the methodologies for these cases should be reviewed, specifically the future earnings growth assumption, and the benchmark investment index used for non-deposit arrangements to calculate expense charges for FSAVC cases. It was also noted that it may not be appropriate to apply the personal pension charges assumption to FSAVC cases. This is because the future charges are typically more diverse than under transfer cases.

Some respondents queried why the revised methodology will not apply to cases falling within scope of the Pension Review and complaints settled on a full and final basis before we announced[3] our intention to review the methodology on 3 August 2016.

Some respondents queried how the methodology applies to cases of actual loss, i.e. where consumers have already exceeded the scheme's normal retirement age. They suggested that actual information (such as marital status) should be taken into account rather than an assumption.

Respondents had mixed views on whether the methodology should be applied to complaints relating to the transfer of other safeguarded benefits. Some respondents suggested that it should be used with adjustments for the pension commencement lump sum. Others stated that there should be a separate review of how redress is calculated for these cases. Another group felt that the way that redress is calculated for these cases does not need to be changed at all.

Our response: The revised methodology applies to complaints received by firms on or after 3 August 2016 about advice to transfer out of a DB scheme into a personal pension scheme. It also applies to any such complaint received before this date but not settled on a full and final basis on or before that date. We think this is a fair outcome for all parties concerned and provides certainty. We understand the courts are likely to take a similar view. The Financial Ombudsman Service would also not usually seek to re-open full and final settlements. In light of the responses received, we have adjusted our view and the revised methodology should be applied where a firm upholds a complaint about a pension transfer between 29 April 1988 and 30 June 1994 (the period covered by the Pensions Review) in circumstances where the firm did not carry out the review in line with the regulatory standards applicable at the time, or the particular circumstances of the case were not addressed by those standards. We understand that this reflects the approach which the Financial Ombudsman Service is likely to take to such complaints. Although the question of what is fair compensation will be a matter for the ombudsman to decide in the individual

[3] https://www.fca.org.uk/news/statements/fca-statement-redress-methodology-pension-transfers

circumstances of the complaint.

The review did not extend to the methodologies used for complaints relating to opt-outs, non-joiners, FSAVC cases, or other safeguarded benefits. We do not propose to carry out a separate review of the methodologies for these cases, as we understand that there are relatively low volumes of these cases.

Many respondents stated that the revised methodology may be used for opt-out, non-joiner, and FSAVC cases. Following this, we have decided that firms may choose to use the revised methodology as a base for calculating redress for these cases. The firms must consider the extent to which this is appropriate. This is subject to the particular circumstances of the case. In doing so, firms should consider at the outset if any adjustments need to be made to ensure the consumer receives the appropriate level of redress. We understand that one concern relating to methodology for these cases is the future earnings growth assumption. This was last set at RPI +2%. In cases of actual loss, firms may use actual information about marital status and spousal age difference. This will enable the redress to take account of the consumer's circumstances where this is known.

We are not persuaded that the revised methodology should be used to calculate redress for complaints relating to the transfer of other safeguarded benefits.

Tax considerations

Proposal (Q21): Whether firms make the redress payment directly into a consumer's personal pension or in the form of a lump sum, firms must take account of the consumer's tax position and ensure that any tax restrictions or liabilities have been allowed for appropriately.

Feedback: Some respondents agreed with this proposal. There were suggestions for guidance on what adjustments should be made to take account of tax. It was also suggested that consumers and firms should have a choice as to whether redress should be paid to them in a lump sum or into their personal pension. Several respondents recognised that tax falls within the remit of Her Majesty's Revenue and Customs (HMRC), and stated that this issue should be considered by HMRC.

Our response: We have proceeded with this proposal, and do not consider that it would be appropriate for the FCA to issue guidance relating to this.

Other aspects of the methodology

Question (Q22): Are there any other aspects of the existing methodology that we have not covered in this paper that need to be

updated?

Feedback: We received 17 responses to this question.

Several respondents raised issues in respect of State Earnings-Related Pensions Schemes (SERPS), in particular the SERPS adjustment that was provided for in the original Pensions Review guidance. It was suggested that the existing Pension Review guidance for the SERPS adjustment be withdrawn for consumers who reach state pension age after 5 April 2016; and either be replaced with a properly researched methodology, or be replaced with an individual assessment of state pension gain or loss. This would be based on state pension information obtainable by the consumer from the Government. Guidance on how firms should treat the Contracted Out Deduction was also requested.

Some respondents queried the length of validity for redress calculations, and raised concerns about what happens where calculations are made near to a change in the assumptions. This was based on the costs of performing calculations, and the risk of consumers or their representatives requesting updated calculations in more favourable market conditions.

Our response: We do not consider that there should be prescriptive guidance relating to SERPS due to the individual and complex nature of these cases. We do not plan to provide guidance on redress for these cases. We expect firms to consider and apply broad regulatory principles when calculating redress involving SERPS, specifically that redress should be appropriate to the particular circumstances of the case. It seems unlikely the SERPS adjustment would result in appropriate redress for a complaint from an eligible complainant who has or will reach the state pension age after April 2016.

We have decided that calculations to inform offers of redress should remain valid for three months from the date of calculation. This will avoid any issues occurring where redress offers are made close to a change in assumption dates.

Cost benefit analysis

Questions (Q23, Q24): Do you agree with our cost benefit analysis (CBA), and what do you think the impact of updating the methodology will be?

Feedback: We received 14 and 11 responses to these questions respectively. Respondents generally agreed with our CBA. They stated that there will not be a significant cost to implement the changes, and that ongoing costs would be minimal. Some respondents stated that it should not take a long time to update the software used to produce the calculations. However, the time taken to produce calculations may increase. It was also stated that there could potentially be a cost to

	firms if professional indemnity insurers increase the price of policies in light of the revised methodology. **Our response:** Responses support our CBA, which remains unchanged. The impact of the revised methodology on redress payments and professional indemnity insurance will ultimately depend on the circumstances of each case.
Changes made to the guidance as a result of feedback received	We have made the following changes to the guidance consulted on: • revised the inflation rate assumption to reflect changes to data published by the Bank of England • removed the life-styling element in the pre-retirement discount rate • allowed for the use of the actual personal pension charge where known, up to a maximum of 0.75%, for future personal pension charges • allowed for adviser charges on top of fund charges, where these have been applied or are being assumed to continue • allowed for pension commencement lump sums which are paid in addition to, and not instead of, an annual income • allowed for the use of actual marital status and known pension commencement lump sum payment percentages in cases of actual loss • increased the discounted mean term for valuing future income benefits at higher ages • allowed for the use of actual age of the spouse, where known • amended the valuation of enhancements received alongside transfer values • set out that the revised methodology should be applied by a firm which upholds a complaint about a pensions transfer between 29 April 1988 and 30 June 1994 (the period covered by the Pensions Review) in certain circumstances, specified in the guidance We have also clarified: • that a firm may apply the revised methodology to complaints relating to opt-outs, non-joiners, and FSAVCs to the extent that it is appropriate and subject to the particular circumstances of the case • the position in relation to SERPS cases

- the length of the validity of calculations is to be set at three months

Overall impact of the finalised guidance

The table below shows examples, based on those provided by PwC, of how our proposals as consulted on and as updated above would impact the value of the DB scheme benefits for a range of hypothetical consumers. Any redress payments would be based on this value compared to the value of the consumer's personal pension – which will vary greatly between consumers. We consider that it is unlikely that affected consumers will have more than 15 years until retirement.

Calculation as at 30 June 2016, using the updated methodology for redress calculations

Example	Details	Value of DB scheme benefits at calculation date – existing methodology	Value of DB scheme benefits at calculation date – methodology as consulted on	Value of DB scheme benefits at calculation date – updated methodology
1	Retire immediately; scheme pension of £2,000 p.a.	£51,600	£56,800 (+10.1%)	No change
2	Retire in 2 years; scheme pension of £2,100 p.a.	£52,200	£56,000 (+7.3%)	£55,000 (+5.4%)
3	Retire in 7 years; scheme pension of £2,300 p.a.	£51,300	£53,500 (+4.3%)	£52,100 (+1.6%)
4	Retire in 15 years; scheme pension of £2,800 p.a.	£44,600	£54,000 (+21.1%)	£52,300 (+17.3%)
5	Retire in 20 years; scheme pension of £3,100 p.a.	£40,800	£53,400 (+30.9%)	£51,700 (+26.7%)

The finalised guidance can be accessed here - https://www.fca.org.uk/publication/finalised-guidance/fg17-09.pdf
The guidance consultation can be accessed here - https://www.fca.org.uk/publication/guidance-consultation/gc17-01.pdf
PwC's report can be accessed here - https://www.fca.org.uk/publication/research/pwc-new-redress-methodology-pensions-transfer-advice-cases.pdf