

# **BSPS calculator user guide**

Version 1  
24 April 2023

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## Overview

In [PS22/14](#), we set out final rules for a redress scheme for former members of the British Steel Pension Scheme (BSPS) who transferred out after receiving unsuitable advice to do so. The scheme started on 28 February 2023.

Under the scheme rules, firms must assess each case by completing the scheme steps in [CONRED 4](#) (please see the summary of scheme flow diagram in [CONRED 4 Annex 18G](#) for further details). These rules include the requirement to use our BSPS calculator when carrying out scheme redress calculations (see [CONRED 4.4.2R\(2\)](#) and [CONRED 4 Annex 21 13.17R\(3\)](#)). We also encourage firms to use the calculator for appropriate non-scheme cases.

This guide outlines the steps a firm must take to make a redress determination and any redress payment where a scheme case review concludes that:

- the advice provided to a consumer did not comply with our suitability requirements
- the non-compliant advice caused the consumer to transfer their BSPS pension

### Before you start

1. Ensure you have all the information you need to input into the calculator (see pages 6 to 18 of the [technical report](#) which contains tables of all the calculator inputs and their description.)
2. If you do not have all the information you need to calculate redress, request this information from a third party or the consumer, according to [CONRED 4.3.14R](#).
3. Ensure you complete the calculation within the same quarter as the valuation date - see [CONRED 4 Annex 21 13.12R to 13.15R](#). The valuation date is the first day of the quarter.

### Making information requests to third parties

Where you are requesting information on behalf of consumers from a third party, make sure any information request letter:

- includes the letter of authority completed by the consumer
- lets the third party know that this request relates to a BSPS redress scheme case review

[CONRED 4.4.22R](#) requires third party firms to take all reasonable steps to locate and provide the requested information to you within any reasonable time period that you request, and not later than 4 weeks. If you have not received a response within 2 weeks, you must send a reminder under [CONRED 4.4.14R](#).

[CONRED 4.4.23R](#) requires you to report to the FCA any third parties that have not complied with an information request within 4 weeks.

# BSPS calculator steps

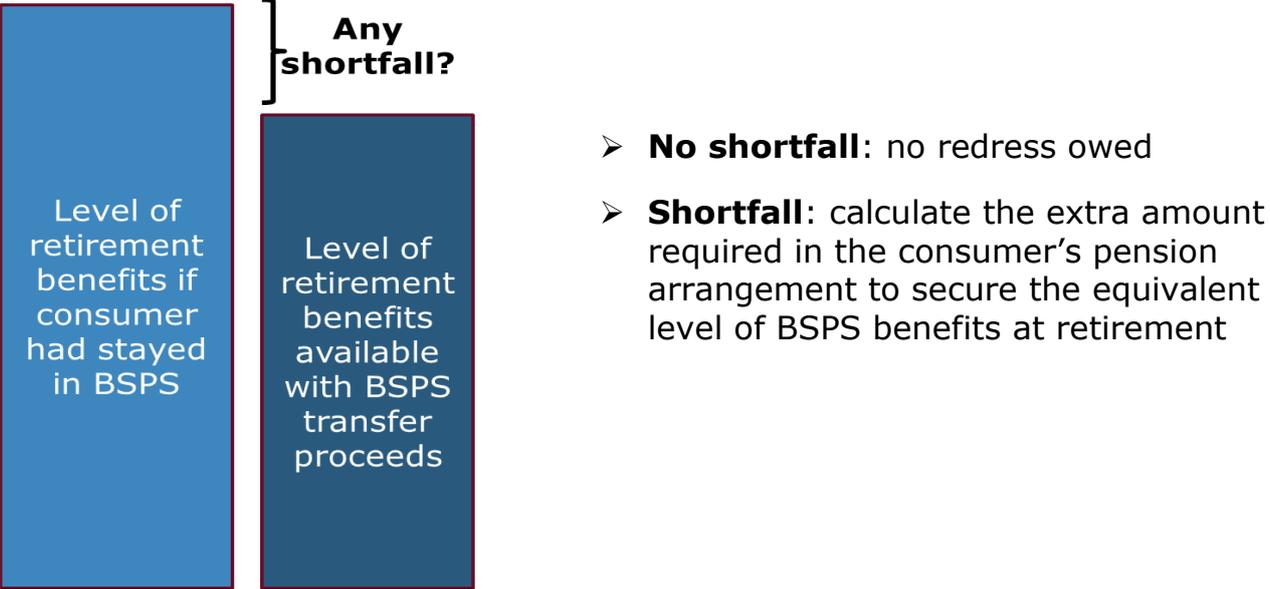
The calculator aims to ensure consumers receive appropriate redress. It also reduces the burden on firms by removing the need for actuarial oversight in most calculations. In most cases calculator users will simply need to collect and input key information requested by the calculator to generate an appropriate redress calculation.

The calculator has been developed by expert actuaries and subject to significant peer review. It has been prepared in accordance with technical actuarial standards (TAS 100 and TAS 300) as issued by the Financial Reporting Council.

The aim of redress is to put consumers back in the financial position they would have been in at retirement had they remained in the BSPS.

The calculator uses economic and demographic assumptions to calculate how much a consumer needs in their pension arrangement to secure equivalent BSPS retirement benefits that they would have been entitled to under either BSPS2 or the PPF (as uplifted to reflect the PIC buy-out), had they not transferred out.

If the calculation shows there is not enough money in the consumer’s pension arrangement to match the BSPS benefits they would have received, the shortfall is the redress amount owed to the consumer. If the calculation shows there is enough money in the consumer’s pension arrangement, then no redress is due. We outline this in the diagram below:



We have programmed the BSPS calculator with:

- detail on the FCA redress methodology in [PS22/13](#) – this is based on the approach a court would take to calculate redress
- the benefit structures for the Old British Steel Pension Scheme (OBSPS) and BSPS2 and considers, as far as possible and based off the information provided, the impact of the PIC buy-out on the benefits that members would have been eligible for on exiting the PPF assessment period
- relevant economic assumptions, updated every quarter
- relevant demographic assumptions, updated annually on 1 April

To calculate redress appropriately, the calculator relies on the user entering information into the calculator about the consumer (including the level of OBSPS benefits at date of leaving and the pension arrangement they secured with their BSPPS transfer proceeds).

### Calculator limitations and areas that may require additional actuarial support

Before using the calculator, you should consider if any inputs to the calculator require additional actuarial support.

You may require actuarial support under [DISP App 4.2.7G](#) if you are:

- apportioning the defined contribution (DC) value attributable to the BSPPS transfer value (see Step 5 below)
- considering pension sharing orders (PSOs) implemented after the consumer transferred out
- considering additional voluntary contributions (AVCs)
- considering ill-health early retirement under the scheme
- considering State Earnings Related Pension Scheme (SERPS) -although SERPS are unlikely to be relevant as cases requiring this adjustment are outside the scheme’s relevant period

### Step 1: Accessing the calculator

We will send an updated version of the BSPPS calculator to firms shortly after the start of each quarter by email. If you have not received this after checking your spam folder, please email [firm.queries@fca.org.uk](mailto:firm.queries@fca.org.uk) so we can add you to the calculator circulation list.

Ensure you open one calculator for each consumer and save the calculator for future access (see [CONRED 4 Annex 21 13.11R](#)). Where consumers have multiple periods of service, use a separate calculator for each period (see [CONRED 4 Annex 21 13.11R](#)).

Ensure you use the latest version of the calculator issued for that quarter, by checking the validity period of the calculator:

#### BSPPS - Redress calculator



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Validity of calculator	The calculator is currently valid between 01/04/2023 and 30/06/2023.
------------------------	--

**Instructions for use**

In order to calculate the redress, a number of data items are required, which are separated into the following areas:

- Information about the Consumer
- Consumer’s former benefit entitlement in the OBSPPS
- Details of the Consumer’s defined contribution pension scheme

The following pages detail the data items that the user is required to input, based upon the Consumer’s position. These pages provide information on the data type, a description of what is to be entered and whether the input is mandatory or not.

Where an input is mandatory, the Calculator will not provide an output unless a data item is inputted.

Where the data item is not mandatory, the Calculator will still function, with a default value used as an alternative.

The Calculator provides a summary of all inputs alongside the redress outputs. Where a default value has been used, this will be shown.

The Calculator is in Microsoft Excel. Macros must be enabled in order to navigate through the Calculator.

## Calculator availability

The calculator uses the most recent economic assumptions, updated quarterly. The calculator will be unavailable for approximately 1 week at the start of each quarter (April, July, October and January) while the assumptions are updated and tested.

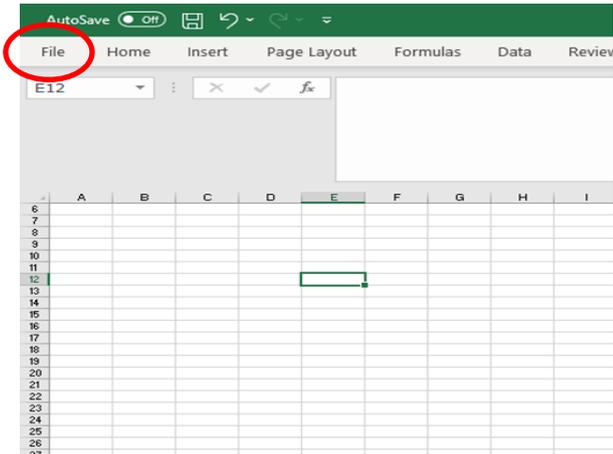
## Step 2: Opening the calculator

When opening the calculator, you must read and agree the terms and conditions for using the calculator.

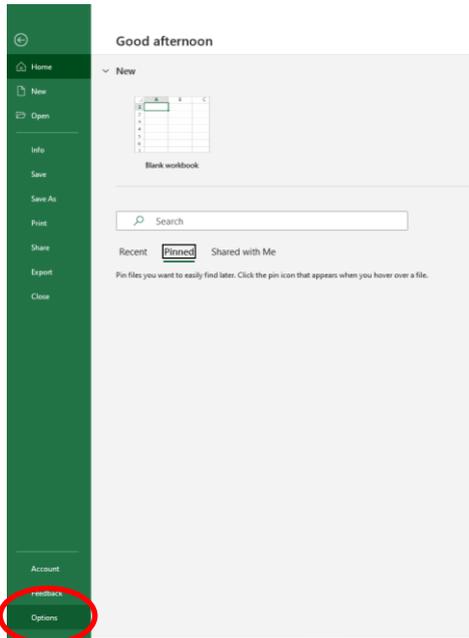
The calculator is in a Microsoft Excel file format. You must enable macros to navigate through the calculator. To do this, you may need to change your 'Trusted Documents' settings within Excel. You can view or change these settings in the 'Trust Center'.

To view the 'Trust Center' and change the 'Trusted Documents' settings:

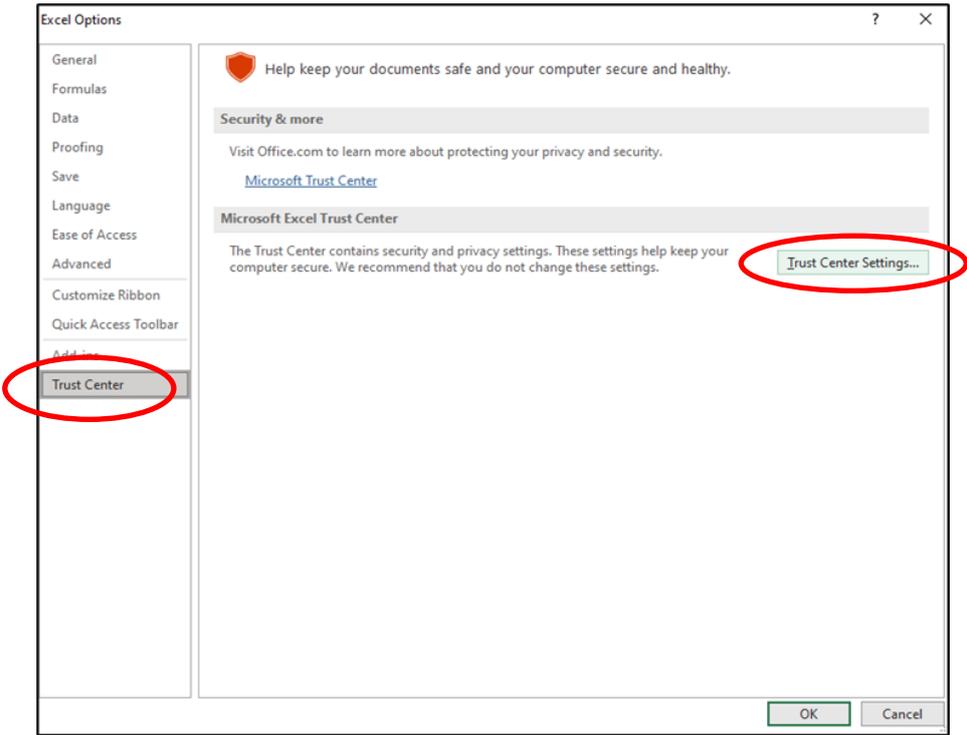
- 1. Select **File**



- 2. Click **Options**

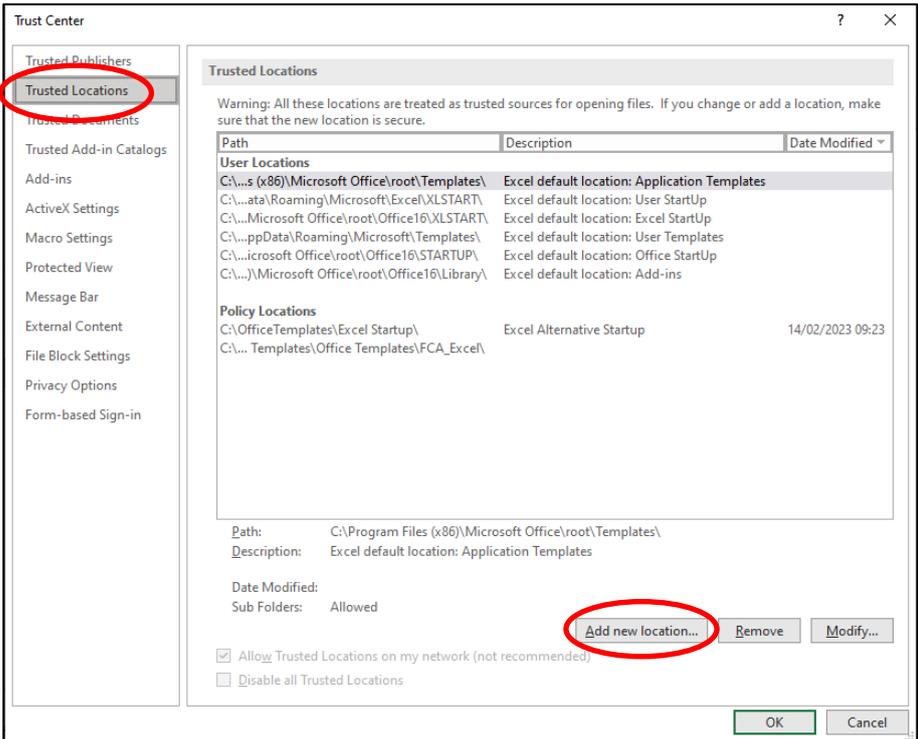


3. Select **Trust Center**, then **Trust Center Settings**



4. Click **Trusted Locations**, then **Add new location**

5. Select the calculator's location on your computer as a trusted location. You may then need to close the version you have open and reopen it from the trusted location.



## Step 3: Inputting information about the consumer's personal circumstances (calculator tab 1)

Pages 9 to 10 of the BPS calculator [technical report](#) includes a table listing the inputs required for this step and their description.

The notes below provide additional instructions.

### Explaining the retirement date determination

Make sure you refer to [CONRED 4 Annex 21 13.27R](#).

The calculator asks you to explain the retirement date determination selection and whether you have entered an early or late retirement date.

Please note that the explanation you put into the calculator will copy across to the calculation report for consumers.

21	Date Joined Scheme ("DJS")
22	Relevant comparator scheme
23	Reason for selection of comparator scheme
24	Assumed or actual retirement date
25	Reason for selection of retirement date
26	Date of Death ("DOD"), if applicable
27	Marginal rate of tax applied to past amounts
28	Liability for consequential losses claimed for
29	

### Establishing the consumer's former benefit entitlement in the OBSPS

Make sure you refer to [CONRED 4 Annex 21 13.21R to 13.26R](#).

The 'comparator' scheme used for the calculation is the scheme that consumers would have been more likely to choose had they not transferred out of BPS.

The calculator options are:

- A PPF or BPS2 selection based on the file evidence, with an explanation of any evidence-based selection. Note that the explanation will copy across to the calculation report for consumers.

- A BSPS2 default selection if there is no evidence on file.
- The calculator report shows whether the selection of the alternate comparator scheme results in higher redress.

20	Spouse's/Civil Partner's DOB	
21	Date Joined Scheme ("DJS")	War
22	Relevant comparator scheme	<div style="border: 1px solid black; padding: 2px;">             BSPS2 based on file evidence              PPF based on file evidence              BSPS2 by default as no evidence on file           </div>
23	Reason for selection of comparator scheme	War
24	Assumed or actual retirement date	War

### Establishing liability for consequential losses

Make sure you refer to [CONRED 4 Annex 21 13.30R\(6\)](#).

The term 'consequential losses' refers to any initial adviser charges the consumer would incur were they to switch to a new adviser. It also includes any other losses which would not be considered under the calculation methodology, such as tax charges or tax advice costs.

The calculator will determine from the inputs whether redress should cover any initial advice charges in accordance with [DISP App 4.3.32R](#), and calculate any amount owed using the formula at [DISP App 4.4.19R](#).

If compensation for consequential losses is agreed in addition to initial advice charges (see [CONRED 4 Annex 21 13.30R\(6\)](#)), the additional amount must be entered in the 'liability for consequential losses claimed for' cell on the first calculator tab.

24	Assumed or actual retirement date	
25	Reason for selection of retirement date	
26	Date of Death ("DOD"), if applicable	
27	Marginal rate of tax applied to past amounts	
28	Liability for consequential losses claimed for	<div style="border: 1px solid black; padding: 5px; background-color: #ffffcc;">           Please enter in £ format the amount of any consequential loss incurred by the individual that the firm will need to redress for, excluding any amount due for the initial advice charge. Please refer to CONRED 4 Annex 21 13.30R(6) for more information.         </div>
29		

# Step 4: Inputting information about the consumer’s former OBSPS pension (calculator tab 2)

Pages 11 to 14 of the BPS calculator [technical report](#) includes a table listing the inputs required for this step and their description.

The calculator requires you to input the value of the member’s benefits in OBSPS at the date of leaving, i.e. when they became a deferred member. You should have collected this information at the time of giving advice, to enable you to complete the transfer value analysis.

Information about the consumer’s OBSPS pension can be found in the:

- ‘Time to Choose’ letter
- transfer documentation
- OBSPS benefit statements and/or
- other benefit entitlement documentation provided by the OBSPS

Where you already hold the necessary information, you should enter it into the calculator to ensure members receive redress, where it is due, in a timely manner. Where you do not already hold the necessary information to complete the calculator, you should refer to the [OBSPS website](#).

Most consumers’ benefits will fall under the main OBSPS section of the calculator. The calculator is also populated with additional OBSPS sections you can select from the dropdown menu, if any of these apply to the consumer.

The screenshot shows a web-based calculator interface with a sidebar on the left containing row numbers 4 through 35. The main content area is divided into sections:

- Instructions for use** (rows 5-11): A pink box containing text about the valuation date (01/04/2023) and instructions for entering information.
- Inputs** (row 13): A dark purple header.
- Section of the OBSPS** (row 14): A dropdown menu currently showing "Main Section". A red circle highlights this dropdown. A tooltip is visible over the dropdown with the text: "Main Section", "Acquisition Section and CES Post 2003", "CES Pre 2003", "Walkers", "Firsteel", "Hoogovens Aluminium", "CDT Staff and General", "DSRM", and "If this is unknown, select 'Main Section'".
- Date that the Consumer left active service in the OBSPS ("DOL")** (row 15): A text input field.
- Tranche Options** (rows 17-18): A dark purple header and a text input field.
- Annual OBSPS pension at DOL split by tranche:** (row 32): A dark purple header.
- Pre 88 GMP** (row 33): A text input field.
- Post 88 GMP** (row 34): A text input field.
- Pre 1997 XS pension** (row 35): A text input field.

Yellow callout boxes provide additional instructions: one next to the DOL field says "DOL - an entry must be provided before", and two next to the pension fields say "Please enter a value for this tranche".

If you select the 'Time to choose letter' option, the calculator will offer a list of OBSPS benefit accrual periods to fill out. If these accrual periods do not match the information available, you can select 'User choice' instead. The values entered should reflect the date of leaving active service.

8 Please enter information relating to the benefits the Consumer had in the OBSPS.  
 9 Several of the fields are mandatory and must be completed before proceeding to the next section of the calculator.  
 10 Where fields are not mandatory and an entry is not inputted, a standard assumption will be adopted.  
 11 Further guidance is provided by selecting each cell.

12

13 **Inputs**

14 Section of the OBSPS Main Section

15 Date that the Consumer left active service in the OBSPS ("DOL") Warning - an entry must be provided before proceeding

16

17 **Tranche Options**

18 Tranche Options User choice

19

20 **User Chosen Tranches**

Type	Type	Start Date	End Date	
Pre 88 GMP	GMP	04/07/2005	04/07/2005	No Pre 88 GMP payable
Post 88 GMP	GMP	04/07/2005	06/04/1997	Error in tranche end date
Excess tranche 1	Excess	04/07/2005		

If the 'view extended inputs' cell is selected, you can input additional information about automatic lump sum entitlements, bridging pensions and any applicable lower unreduced retirement age.

44 View extended inputs? Yes

45

46 **Automatic lump sum entitlement due at retirement at DOL split by tranche:**

47 Pre 88 GMP	
48 Post 88 GMP	
49 Pre 1997 XS pension	
50 1997 to 2005 pension	
51 2005 to 2006 pension	
52 2006 to 2012 pension	
53 2012 to 2016 pension	
54 Post 2016 pension	
55	0
56	0

57

58 **Bridging pension**

59 Pre 88 GMP	
60 Post 88 GMP	
61 Pre 1997 XS pension	
62 1997 to 2005 pension	
63 2005 to 2006 pension	
64 2006 to 2012 pension	
65 2012 to 2016 pension	
66 Post 2016 pension	
67	0
68	0

69

70 **Confirmation of any lower unreduced retirement age that applies**

## Step 5: Inputting information about the consumer's defined contribution (DC) pension (calculator tab 3)

Pages 15 to 18 of the BSPS calculator [technical report](#) includes a table listing the inputs required for this step and their description.

Please note that all information entered in the calculator about the DC pension should relate to the value transferred from BSPS only (see [CONRED 4 Annex 21 13.30R\(4\)\(b\)](#)).

Where additional contributions have been made to the same pension, you will need to apportion funds – both the fund value and the value of any withdrawals the consumer has made after the additional contributions.

The DC pension provider may be able to assist you in this process. Alternatively, you should consider using an actuary (see [DISP App 4.2.7G](#)).

### Illiquid fund values

Where a consumer has illiquid assets, the value should be entered in line with [DISP App 4.5.6G](#).

The reasons for this valuation should also be entered. Note that the explanation you put into the calculator will copy across to the calculation report for consumers.

### Overriding for an initial advice fee

The calculator will determine from user inputs whether redress should cover any new initial advice charges in accordance with [DISP App 4.3.32R](#), and calculate any amount owed using the formula at [DISP App 4.4.19R](#).

Where the initial advice is not payable according to [DISP App 4.3.32R](#), you can choose to override this determination for the redress to cover initial advice charges.

## Step 6: Producing the loss calculation result (calculator tab 4)

Pages 19 to 23 of the BPS calculator [technical report](#) includes a table listing the outputs the calculation produces. The calculator output tab contains the following:

### On-screen calculation result

The onscreen calculation result shows

- a summary of all the **inputs** used for the calculation (showing whether the input was added by the user or by default)

Summary of inputs			
<b>About the consumer</b>			
Name of firm	00/01/1900	User Input	
Name of Consumer	00/01/1900	User Input	
Date of Birth ("DOB")	00/01/1900	User Input	
Gender	0	User Input	
Marital status	0	User Input	
Spouse's/Civil Partner's DOB	00/01/1900	Default	
Date Joined Scheme ("DJS")	00/01/1900	User Input	
Relevant comparator scheme	0	User Input	
Reason for selection of comparator scheme	0	User Input	
Assumed or actual retirement date	00/01/1900	User Input	
Reason for selection of retirement date	00/01/1900	User Input	
Date of Death ("DOD"), if applicable	N/A	Default	
Marginal rate of tax applied to past amounts	20%	Default	
Liability for consequential losses claimed for	£0.00	User Input	
<b>Key assumptions</b>			
<b>About the OBSPS pensions</b>			
Section of the OBSPS	0	User Input	
Date the Consumer left active service in the OBSPS	00/01/1900	User Input	
<b>Annual OBSPS pension at DOL split by tranche:</b>			
#N/A	#N/A	User Input	
0	£0.00	User Input	
0	£0.00	User Input	
0	£0.00	User Input	
0	£0.00	User Input	
0	£0.00	User Input	
0	£0.00	User Input	
0	£0.00	User Input	
0	£0.00	User Input	
<b>About the Consumer's DC arrangement</b>			
Latest fund value of the liquid funds attributable to the original OBSPS transfer value			
Fund value of the liquid funds attributable to the original OBSPS transfer value			
Date at which the value of the liquid funds have been stated			
Can you confirm that the DC fund value originates exclusively from the BPS transfer value?			
Consumer receiving advice on a regular basis			
Current advice fees above 0.5% pa?			
Initial advice charge to be applied			
Current advisor charge (%)			
Current product charge (%)			
<b>Benefits already taken</b>			
Amount of any PCLS taken which originates exclusively from the BPS transfer value			
Amount of any other withdrawals which originates exclusively from the BPS transfer value			
Has the Consumer purchased an annuity?			
<b>Annuity terms</b>			
Annual amount (gross of tax)			
Increases			

- a summary of the **redress payable** calculated including:
  - The calculation result for the redress payable as a cash lump sum under PPF and BPS2
  - The calculation result for the redress payable as a cash lump sum according to the comparator scheme selection inputted and before adjustments have been made

Summary of redress payable	
<b>Redress assessment</b>	
<b>Under the PPF benefits</b>	
A. Value of past DB benefits	#N/A
B. Value of future DB benefits	#N/A
C. Value of DC benefits	#N/A
D. Value of initial advice fee to be applied and any amount for consequential loss	#N/A
<b>Gross redress due (before adjustments):</b>	<b>A. + B. - C. + D.</b>
	#N/A
<b>Under the BPS2 benefits</b>	
A. Value of past DB benefits	#N/A
B. Value of future DB benefits	#N/A
C. Value of DC benefits	#N/A
D. Value of initial advice fee to be applied and any amount for consequential loss	#N/A
<b>Gross redress due (before adjustments):</b>	<b>A. + B. - C. + D.</b>
	#N/A
Scheme Consumer is determined to have transferred from	£0.00
<b>Gross redress due (before adjustments)</b>	#N/A
<b>Redress payable as a cash lump sum</b>	
<b>Before adjustments</b>	
Past redress payable	#N/A
Future redress payable	#N/A
Value of initial advice and consequential loss	#N/A
<b>Total redress payable as a cash lump sum</b>	#N/A
<b>After adjustments - for the User to input</b>	
Total redress payable	£10,000.00
Have any adjustments been made for means tested benefits?	No
Is any of the redress paid by augmentation?	No
Select whether any adjustments have been made for means tested benefits after considering if any cash lump sum payment could	

- The result of the **additional compensation sum** calculation if a payment date has been entered

<b>Additional compensation sum</b>	
<b>Before adjustments</b>	
An additional compensation sum to compensate the consumer for the lapse of time	
Compensation rate	#N/A
Period between valuation date and payment date (years)	Enter the payment date
<b>Redress Payable</b>	<b>Enter the payment date</b>

- List of **key assumptions** and their values used for the calculation

32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43

<b>Key assumptions</b>	
Pre retirement discount rate	2.20%
Post retirement discount rate	#N/A
Pre retirement RPI	3.20%
Post retirement RPI	#N/A
Pre retirement CPI	2.20%
Post retirement CPI	#N/A

## Functions

The calculator output tab includes the following functions:



**Print output**



**Copy datastring**



**Save output**



**Generate Consumer Output**



**Return to inputs**

- Print and save output**  
Note that once you have selected the printing function, the input cells will be locked and you will no longer be able to return to and change your inputs. So if any of the inputs are incorrect, you may have to start the calculation again.
- Copy datastring** for FCA reporting: see Step 7 and the glossary definition below
- Generate consumer output:** the summary and detailed loss calculation reports need to be sent to consumers as follows:

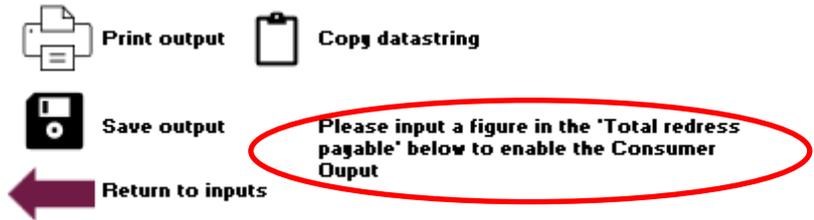
- BSPS Loss Calculation Summary Report - CONRED 4.4.5R: send the consumer a redress determination letter (CONRED 4 Annex 13R) enclosing the calculation summary report (see Step 8).

To generate this report, a value must be entered in the 'Total Redress Payable' cell (see 'Post calculation input cells' instructions below).

Then the 'generate consumer output' function will appear. When this function is selected, a new tab will open showing the 'BSPS Loss Calculation Summary Report' so you can check the report.

When you are satisfied with the consumer report, you can print the report with the 'Print to PDF' function.

As indicated above, selecting the print functions locks the input cells for any amendments.



Consumer output   Return to outputs   Generate detailed report   **Print to PDF**

**BSPS Loss Calculation Summary Report**

The aim of redress is to put you back in the financial position you would have been in had you remained in the BSPS. The redress calculation works out how much you need to buy an annuity to replace the income you lost out on, based on current and expected economic conditions

Your offer has been calculated with the FCA's calculator tool and the information provided by 0, or for the purpose of this report, 'your firm'.

This report shows the information your firm used to calculate your offer.

**Please carefully check that this information is correct to make sure you are offered the right amount of money. If any of the information is not correct, you should contact 0 immediately.**

If you are still not sure if the information in the report is right, you can contact the Financial Ombudsman Service or the FCA helpline.

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:

- BSPS Loss Calculation Detailed Report:
  - CONRED 4.4.7R: if the consumer requests a detailed calculation report, send a letter enclosing the report (CONRED 4 Annex 14R), within 5 business days of the request; and
  - CONRED 4.4.9R: send the consumer a payment confirmation (CONRED 4 Annex 15R) enclosing the detailed calculator report (see Step 9).

To display this report, select the 'Generate detailed report' function in the 'BSPS Loss Calculation Summary Report' tab, and this report will appear in a new tab, with an option to print this report.

Consumer output      Return to outputs      **Generate detailed report**      Print to PDF

**BSPPS Loss Calculation Summary Report**

The aim of redress is to put you back in the financial position you would have been in had you remained in the BSPPS. The redress calculation works out how much you need to buy an annuity to replace the income you lost out on, based on current and expected economic conditions

Your offer has been calculated with the FCA’s calculator tool and the information provided by 0, or for the purpose of this report, ‘your firm’.

This report shows the information your firm used to calculate your offer.

**Please carefully check that this information is correct to make sure you are offered the right amount of money. If any of the information is not correct, you should contact 0 immediately.**

If you are still not sure if the information in the report is right, you can contact the Financial Ombudsman Service or the FCA helpline.

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

- **Return to inputs:** if you need to amend some of the inputs after checking the onscreen calculation result or the consumer calculation report generated by the calculator, you can select this function to return to previous tabs to make your corrections. As indicated above, selecting the print functions locks the input cells for any amendments, and the ‘return to inputs’ function will no longer be available.

Consumer output      **Return to outputs**      Generate detailed report      Print to PDF

**BSPPS Loss Calculation Summary Report**

The aim of redress is to put you back in the financial position you would have been in had you remained in the BSPPS. The redress calculation works out how much you need to buy an annuity to replace the income you lost out on, based on current and expected economic conditions

Your offer has been calculated with the FCA’s calculator tool and the information provided by 0, or for the purpose of this report, ‘your firm’.

This report shows the information your firm used to calculate your offer.

**Please carefully check that this information is correct to make sure you are offered the right amount of money. If any of the information is not correct, you should contact 0 immediately.**

If you are still not sure if the information in the report is right, you can contact the Financial Ombudsman Service or the FCA helpline.

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

**Post calculation input cells**

The calculator output tab also includes input cells for further entries required after the loss calculation result is produced by the calculator, for the following actions:

- **To make a no loss redress offer:** where no redress is owed (see Step 8 below), a value of ‘£0.00’ must be entered in the ‘Total redress payable’ cell to enable the ‘generate consumer output’ function.
- **To make a redress offer:** where redress is owed (see Step 8 below), the redress amount must be adjusted to take account of the consumer’s tax position and their entitlement to means tested benefits (see [CONRED 4 Annex 21](#) 13.17R(4) and

13.30R(7)). Firms must work out these adjustments outside the calculator, and record in the calculator the following:

- Enter the net lump sum redress amount payable, adjusted to take account of a notional deduction for tax on income from the consumer’s pension in accordance with [DISP App 4.3.31G\(3\)](#) in the ‘Total redress payable as a cash lump sum’ cell. You should take into account where the redress methodology already factors in tax, such as the pension commencement lump sum and past payments. Note that the calculator nets down both past DB and DC payments so that the past redress payable is already net of tax (default of 20% if not entered).
- Confirm whether any means tested benefits adjustments have been made according to [DISP App 4.3.31G\(4\)](#) in the dedicated cell.
- Confirm whether any augmentation adjustments have been made where requested by a consumer as required by [CONRED 4.4.2R\(3\)](#).

Summary of redress payable			
<b>Redress assessment</b>			
<b>Under the PPF benefits</b>			
A. Value of past DB benefits		#N/A	
B. Value of future DB benefits		#N/A	
C. Value of DC benefits		#N/A	
D. Value of initial advice fee to be applied and any amount for consequential loss		#N/A	
<b>Gross redress due (before adjustments):</b>			
<b>A. + B. - C. + D.</b>		#N/A	
<b>Under the BPS2 benefits</b>			
A. Value of past DB benefits		#N/A	
B. Value of future DB benefits		#N/A	
C. Value of DC benefits		#N/A	
D. Value of initial advice fee to be applied and any amount for consequential loss		#N/A	
<b>Gross redress due (before adjustments):</b>			
<b>A. + B. - C. + D.</b>		#N/A	
<b>Redress payable as a cash lump sum</b>			
<b>Before adjustments</b>			
Past redress payable		#N/A	
Future redress payable		#N/A	
Value of initial advice and consequential loss		#N/A	
<b>Total redress payable as a cash lump sum</b>		#N/A	
<b>After adjustments - for the User to input</b>			
Total redress payable		£10,000.00	
Have any adjustments been made for means tested benefits?		No	
Is any of the redress paid by augmentation?		No	

- **To pay the redress:** where redress is payable after the consumer accepts the offer (see Step 9 below), firms are required to:
  - Enter the payment date in the output tab to calculate the final redress amount owed, with the additional compensation sum.
  - Review the adjustments for tax and means tested benefits on the final redress amount owed (see [CONRED 4 Annex 21 13.30R\(8\)](#)).
  - Enter the updated net lump sum redress amount payable in the ‘Final redress payable’ cell.
  - Confirm whether any means tested benefits adjustments have been made according to [DISP App 4.3.31G\(4\)](#) in the dedicated cell
  - Confirm in the dedicated cell whether the redress has been adjusted for a payment by full or partial augmentation, where requested by a consumer as required by [CONRED 4.4.2R\(3\)](#). Where applicable, enter the amounts by payment method.

**Output**

**Description**  
Set out below is a summary of the inputs into the calculator and the redress that is due.

Valuation date: 01/04/2023  
 Market conditions date: 31/03/2023  
 Calculation period for redress calculated between: 01/04/2023 to 30/06/2023  
**Payment date**: 20/04/2023  
 Today's date: 20/04/2023

**Summary of inputs**

---

**After adjustments - for the User to input**

Total redress payable	£10,000.00
Have any adjustments been made for means tested benefits?	No
Is any of the redress paid by augmentation?	No

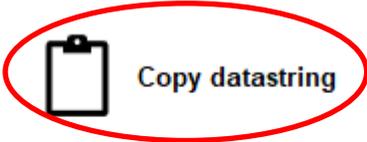
**After adjustments - for the User to input**

Final redress payable  
 Have any adjustments been made for means tested benefits?  
 Is any of the redress paid by augmentation?  
 Enter the amount to be paid into the Consumer DC pot  
 Enter the amount claimed as tax relief  
 Enter the total amount added to the Consumer's DC pot after claiming tax relief  
 Enter the amount paid as a cash lump sum

### Step 7: Submitting the calculation datastring

Each fortnight you must provide the datastring (see definition in the Glossary below) for each client you have calculated redress for, through the REP023 return required by [CONRED 4.8.3R\(8\)](#) and [CONRED 4.8.6R](#).

You can find a copy of the calculation datastring in the calculator output tab:

 **Print output**
 **Copy datastring**

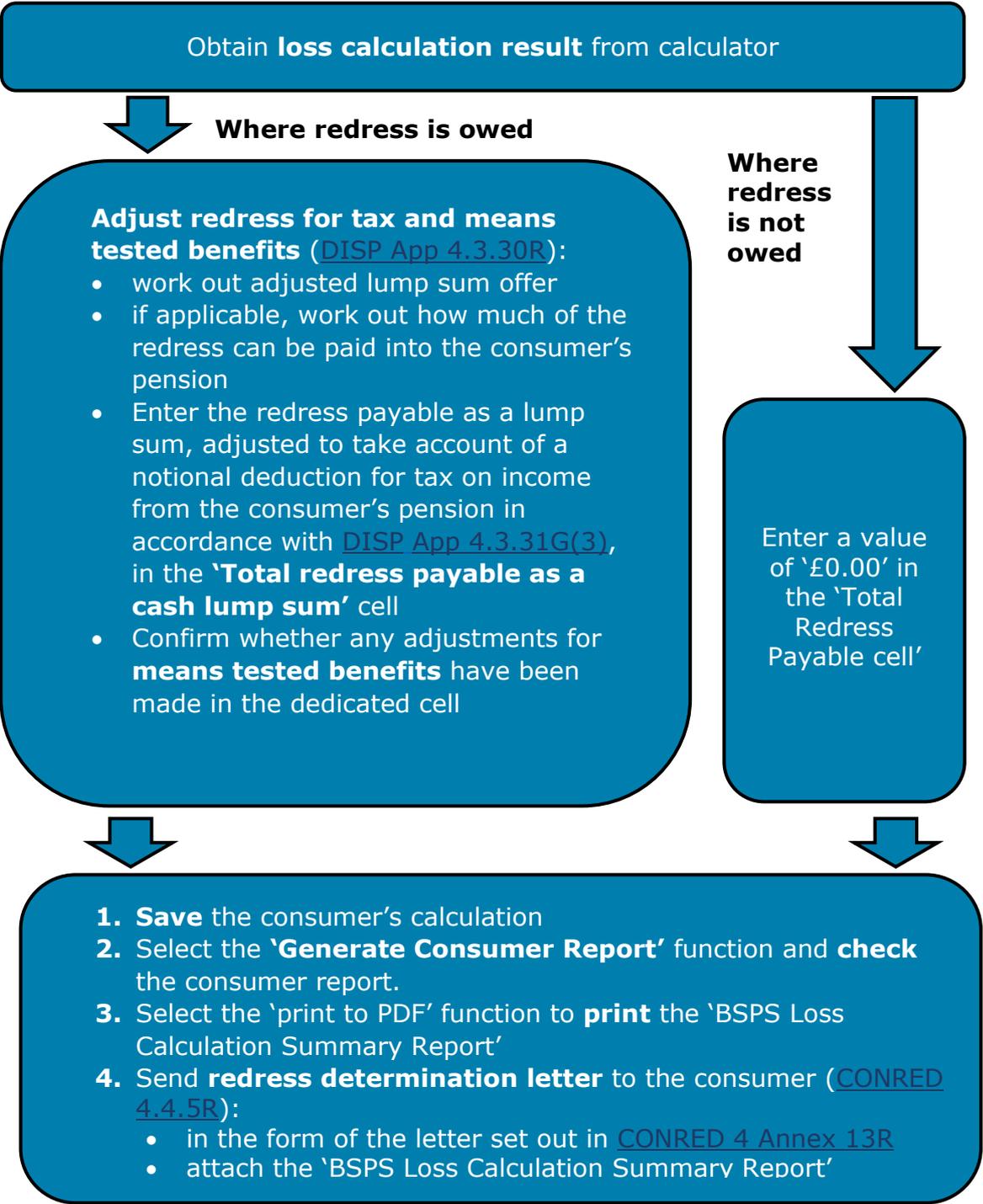
 **Save output**
 **Generate Consumer Output**

 **Return to inputs**

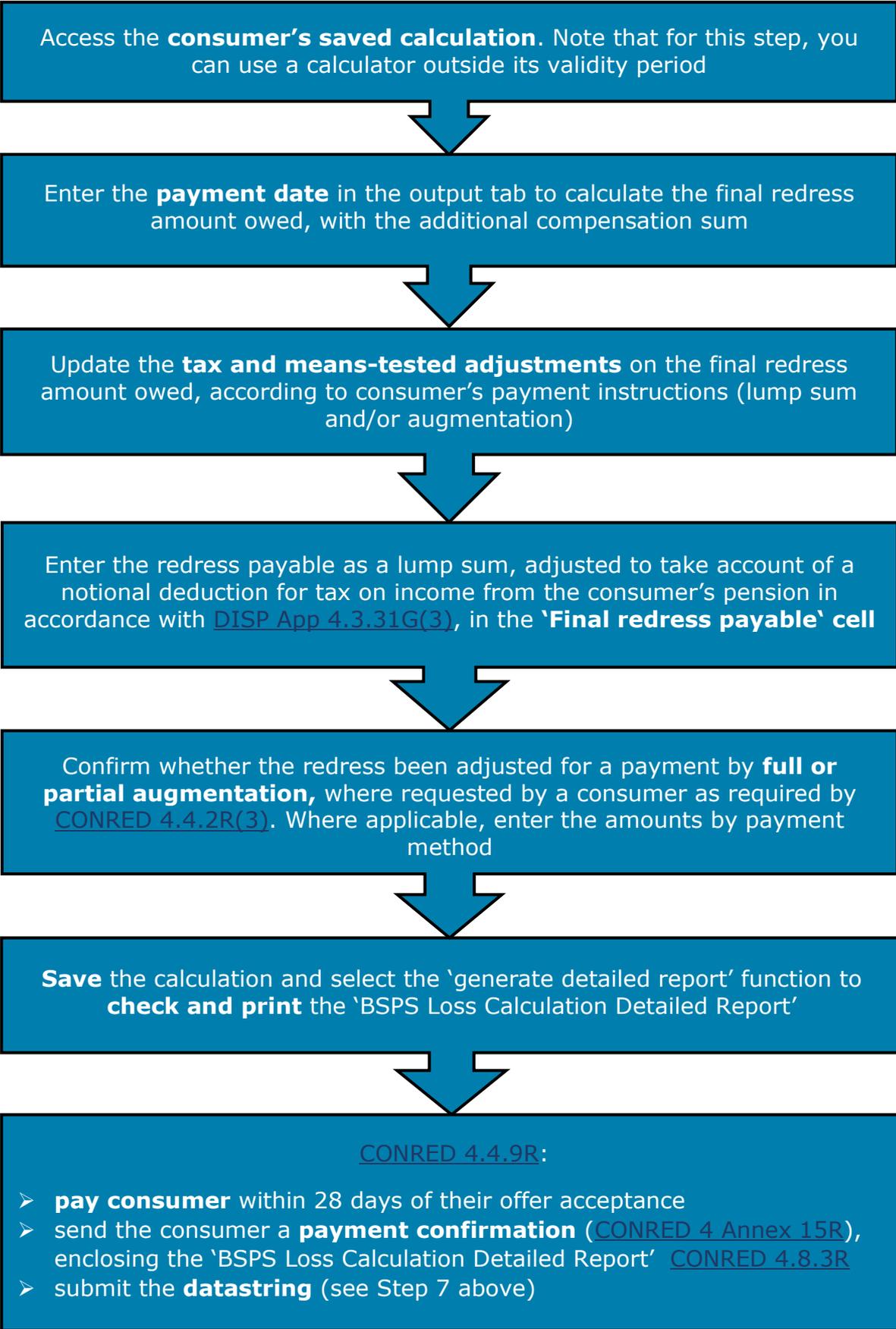
You should copy the datastring into the Redress Calculator tab of the submission template spreadsheet [here](#).

You should include 1 line per client calculation. You should then save the template as a .xlsx file and attach it to the RegData report.

### Step 8: Making a redress determination



## Step 9: Paying redress if the consumer accepts a redress offer



## Further help

If your calculator is not working, start by checking the following:

**1. Are you using the version of the calculator for the current quarter?**

Check the date range for the calculator on the first tab. If it is out of date, use the latest version emailed to you.

**2. Have you enabled the macros?**

Check Step 2 for instructions on how to do this.

**3. Are you having trouble progressing to the next calculator tab?**

Make sure you check that you have entered all required information and in the correct format

**4. Are you having trouble amending entries?**

Your calculator will be locked if you have completed the calculation and used the print function. The calculator will then only be available to calculate the additional compensation sum. If the calculator is incorrect and needs amending, you will need to start the calculation again.

You can contact your firm supervisor or the FCA Supervision Hub using the details below:



**Call: 0800 111 6768 (freephone)  
or 0300 500 8082 / 0300 500 0597  
from the UK,  
or +44 207 066 1000 from abroad**



**Email: [firm.queries@fca.org.uk](mailto:firm.queries@fca.org.uk)**

## Glossary

AVC	additional voluntary contribution
BSPS	British Steel Pension Scheme
BSPS2	The new British Steel Pension Scheme
CONRED	Consumer redress schemes sourcebook
Datastring	The format of the calculation result for the RegData report submission (see <a href="#">CONRED 4.8</a> )
DB	Defined benefit pension scheme
DC	Defined contribution pension scheme
DISP	Dispute resolution sourcebook
Normal Retirement Date	The date the DB benefit is due to be paid unreduced
OBSPS	Old British Steel Pension Scheme
PIC	Pension Insurance Corporation plc
PPF	Pension Protection Fund
PS	Policy statement
PSO	pension sharing order
Retirement Date	The earlier of the following dates: when the consumer retired as determined by the user in line with <a href="#">DISP App 4.1</a> (either historically or in the future), or the Normal Retirement Date of the consumer
Valuation Date	The first day of the quarter (for calculations in that quarter)