TISA AND BSI PUBLISH UNCLAIMED ASSETS GOOD PRACTICE STANDARDS

TISA, in conjunction with the British Standards Institution (BSI) has published a set of good practice standards to help firms deal with the problem of losing contact with their customers and the resulting unclaimed assets – currently estimated to be valued between £15bn and £20bn.

Sponsored by TISA and supported by a steering group of 15 firms and a wider review panel, a BSI Publicly Available Specification (PAS): ‘Specification for the maintenance of financial services customer data’ has been developed. This enables organisations who administer their own customer data, or third party administrators, to put in place a governance process, together with a framework for maintaining and continually improving the accuracy of the customer data they hold, including tracing details of lost customers or beneficiaries of the assets.

The primary cause of unclaimed assets is out of date or incomplete customer information. Organisations need to ensure a high quality of customer contact data and that data management policies are robust enough to avoid disconnects with the customer that might prevent assets being reunited.

The PAS sets out six requirements for maintaining financial services customer data:

1. The minimum requirements for achieving and maintaining customer contact
2. Primary, and where present, secondary data to be captured and maintained
3. Ways of establishing contact with lost customers and beneficiaries
4. Business history profiling including high-level details of changes such as mergers and acquisitions which may affect the way a customer knows and contacts the organisation; and how this information is made available
5. Timeframes for any review and, if required, updating of customer contact data
6. The organisations data quality management policy.

Carol Knight, Operations Director at TISA said:

“Unclaimed assets and money is a significant and growing problem for the financial services sector. Companies are making the effort to trace lost customers but there are concerns that we could be
underestimating the extent of the problem. We initiated our Data Quality project in 2013 to address this issue, respond to the need for guidance on what constitutes good practice and to define the standards that could be adopted to ensure a consistent industry solution.

“I am delighted that we have been able to progress this work with the BSI, culminating in the publication of these guidelines. Organisations now have the clarity on the minimum requirements to address this problem.”

Tony Carnell, Customer Data Governance Manager at Friends Life commented:

“Although we have made great progress in improving our processes to find lost customers and reuniting them with their money, we see the development of the standards as a very effective way of introducing best practice and consistency across the industry for the benefit of the customer.

“The attainment of the standards will mean that an organisation recognises the importance of the customer information it holds and has the processes and measures in place to evidence the quality of their customer data.

“Having been involved in the development of the standards I feel they will deliver best practice and contribute to raising the level of quality for customer data management across the industry.”

TISA established its Data Quality project in 2013 following an open meeting and when in response to a survey completed by 62 member firms only 15% felt that guidance from industry bodies for dealing with unclaimed assets was clear and understandable. Since then a Data Quality Executive Committee and Technical Working Group have embarked on a project to investigate how the industry could improve on efforts to reduce the number of dormant/unclaimed accounts, increase investor participation and reduce risk.

PAS 156:2015 “Specification for the maintenance of financial services customer data” is a BSI Standards publication and can be purchased via: http://www.tisa.uk.com/publication.html?type=21

Ends

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Notes for Editors

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The members of the steering group are:

• Association of British Certification Bodies (ABCBB)
• BNY Mellon
• Capita
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- Equiniti
- Friends Life
- Independent International Organisation for Certification (IIOC)
- International Financial Data Service (IFDS)
- J.P. Morgan Asset Management
- Legal & General PMS
- LexisNexis
- Pensions Administration Standards Association (PASA)
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TISA

TISA is a not-for-profit membership association operating within the financial services industry. We represent the interests of over 145 member firms involved in the supply and distribution of savings and investment products and services.

TISA has a highly successful track record in working cooperatively with government, regulators, HMT, DWP and HMRC to improve the performance of the industry and the outcomes for consumers. Policy and regulation continues to be the major focus for our members with regard to corporate responsibility.

TISA and its members’ remit is evolving into a clearer focus on pro-active consultation in the regulatory world in order to influence policy and associated regulation before its creation, rather than reacting to issued policy directives. This will help to ensure a more considered policy creation from the authorities.

Website: www.tisa.uk.com