Broadstone

Targeted Support for Mutuals and Friendly Societies

We support mutuals and friendly societies in navigating the emerging targeted support framework, from initial interpretation and application through to practical implementation and ongoing delivery.

We are able to draw on our deep understanding of the mutual sector, alongside regulatory expectations, to help firms assess readiness, shape proportionate approaches and embed solutions that are workable in practice. Our focus is on providing clear, pragmatic advice that enables Boards to move forward with confidence, manage regulatory risk and deliver meaningful value to their members.

What is changing

The targeted support regime gives firms a new way to provide ready-made suggestions to groups of customers with common financial support needs or objectives, without moving into full personal advice. For mutuals this creates an opportunity to provide more proactive member support in a way that is structured, evidenced and proportionate.

In summary:

- Targeted support refers to a new regulated activity for pensions and retail investments.
- Firms need to define consumer segments that are sufficiently granular, but not so detailed that they become equivalent to a full personal recommendation process.
- The FCA expects firms to be able to explain the purpose of the service, its limitations, and why consumers are likely to be in a better position as a result.

Why it matters for mutuals

Mutuals are often well placed to make this work because they tend to have clear member propositions, simpler product ranges and a strong focus on consumer outcomes. Many firms already offer products to a particular demographic, community or affinity groups, however care is required to avoid generalisation across membership. The challenge is making the model workable with limited data, modest change budgets and legacy operational processes.

What firms need to think about

Area	What firms need to think about
Consumer segmentation	What shared need or objective is being addressed? Which characteristics include customers? Which characteristics exclude customers? Is the proposed segmentation workable in practice? Is the suggestion suitable for the whole segment?
Data and assumptions	What information is readily accessible? What data gaps exist? Are assumptions reasonable with sufficient supporting evidence?
Service design	What suggestion is being made and at what point in the customer journey? Which channels? What disclosures and warnings?
Governance	How will it be implemented? What controls are in place to provide appropriate oversight and accountability? Can you evidence customers are achieving good outcomes as a result?
Delivery model	Which systems and will manual workarounds be required? How will frontline processes work? What scripts, training and quality assurance are needed?
Monitoring	What management information is needed? How will consumer understanding be tested and outcomes measured? What reviews will be done to deliver the right level of assurance?

How Broadstone can help

We can support firms from initial assessment through to application and implementation. Our focus is on building something proportionate and deliverable rather than over-engineering a framework that might be difficult to operate in practice.

We can support you with:

- A feasibility assessment and options for your Board and executive team to consider.
- Workshops to help define consumer needs, appropriate segments based on robust assumptions and the customer support journey.
- A gap analysis across governance, data, systems, controls and Consumer Duty.
- Practical help for the application process including the Pre-Application Support Service and further FCA engagement.
- Implementation support covering MI, internal policies, training and a post-launch review.

First step

We can offer you a no-obligation short scoping discussion and a “readiness review” to identify where the main design and implementation questions are likely to arise for your firm. Please contact us if this is of interest and we would be very willing to discuss this with you further.

Why Broadstone

The strength of our team and our wider experience

For over 30 years we have supported insurers across a broad range of actuarial and advisory work, including reserved roles, regulatory advice, product development, with-profits support, risk and ORSA work, Board support and actuarial audit. We currently hold outsourced reserved roles for a variety of UK insurers, which include Chief Actuary and With-Profits Actuary roles. Our experience means we bring strong actuarial analysis, commercial judgement and a practical understanding of regulatory, Board and policyholder issues, working collaboratively with external teams as required.

Our standards

We hold key accreditations illustrating our commitment to quality, security, our people, customers and the environment. We take information security seriously and are ISO27001:2022 and Cyber Essentials+ accredited and audited.

Our commitment to ESG

Broadstone takes sustainability seriously and our latest annual report can be found here Broadstone-2025-26-Sustainability-Report.pdf.

This outlines our core beliefs and the targets we have set the business for the next 12 months and beyond.

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Important information