

**INTEGRATED REGULATORY REPORTING (MINOR AMENDMENTS)  
INSTRUMENT 2005**

**Powers exercised**

- A. The Financial Services Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 138 (General rule-making power);
  - (2) section 156 (General supplementary powers); and
  - (3) section 157(1) (Guidance).
- B. The rule-making powers listed above are specified for the purpose of section 153(2) (Rule-making instruments) of the Act.

**Commencement**

- C. This instrument comes into force as follows:
- (1) Annex A comes into force on 1 March 2005;
  - (2) Annexes B and C come into force on 1 April 2005.

**Amendments to the Supervision manual**

- D. The Supervision manual is amended in accordance with Annexes A and B to this instrument.

**Amendments to the Dispute Resolution: Complaints sourcebook**

- E. The Dispute Resolution: Complaints sourcebook is amended in accordance with Annex C.

**Citation**

- F. This instrument may be cited as the Integrated Regulatory Reporting (Minor Amendments) Instrument 2005.

By order of the Board  
17 February 2005

## Annex A

### Amendments to the Supervision manual

In this Annex underlining indicates new text and striking through indicates deleted text.

- 16.7.33 R (1) Any report in *SUP* 16.7.23R to *SUP* 16.7.30R submitted to the *FSA* by a *securities and futures firm* must be signed by two authorised signatories satisfying the requirements of *SUP* 16.7.33R (2), except for:
- (a) the audited accounts of a subsidiary of the *firm* and the *firm's* audited annual financial statements; ~~and~~
  - (b) other reports where the *firm* is a *sole trader*, when only one authorised signatory is required- ; and
  - (c) reports submitted in accordance with (3).
- ...
- (4) Reports in (3) must be submitted to the *FSA* in accordance with the methods permitted by FiRSt 5 software. All other reports... using pre-printed labels provided by the *FSA* for this purpose.

## Annex B

### Further amendments to the Supervision manual

In this Annex underlining, and where indicated, highlighting indicates new text and striking through indicates deleted text. Where text is deleted, any corresponding response boxes are also deleted.

15.6.2 G *SUP* 15.6.1R applies also in relation to *rules* outside this chapter, and even if they are not *notification rules*. Examples of *rules* and chapters to which *SUP* 5.6.1R is relevant, are:

...

(4) *SUP* 17 (Transaction reporting); ~~and~~

(5) any *notification rule* (see Schedule 2 which contains a consolidated summary of such *rules*); ~~and~~,

(6) *DISP* 1.5 (Record keeping and reporting).

...

16.1.3 R Table Application of different sections of *SUP* 16

(1) Sections	(2) Categories of firm to which section applies	(3) Applicable rules and guidance
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...

*SUP* 16.7

...

*Authorised professional firm* (note)

*SUP* 16.7.54R and *SUP* 16.7.54AR

...

A *firm* not subject to other reporting requirements in *SUP* 16.7.1G – *SUP* 16.7.75R (nor to reporting requirements in *IPRU(INS)* or *IPRU(FSOC)*):

...

(1) with *permission* to carry on one or more of:  
(a) *insurance mediation activity*; or  
(b) *mortgage mediation activity*; or  
(c) *mortgage lending*;  
or

- (d) *mortgage administration*; or
- (2) which is a *personal investment firm*.

...

...

16.7.5 G Table Applicable rules and guidance on financial reports (*SUP 16.7.1G*)  
 Firm category Applicable rules and guidance

...

A *firm* not subject to other reporting requirements in *SUP 16.7.1G – SUP 16.7.75R* (nor to reporting requirements in *IPRU(INS)* or *IPRU(FSOC)*):

...

- (1) with *permission* to carry on one or more of:
  - (a) *insurance mediation activity*; or
  - (b) *mortgage mediation activity*; or
  - (c) *mortgage lending*; or
  - (d) *mortgage administration*;
 or
- (2) which is a *personal investment firm*.

...

...

16.7.54 R (1) An *authorised professional firm* must submit an annual questionnaire, contained in *SUP 16 Ann 9R*, unless:

- (a) ...
- (b) ... or *managing investments for private customers*;

in which case the *authorised professional firm* must complete the appropriate report specified in *SUP 16.7.54AR*.

...

16.7.76 R A *firm* not subject to other reporting requirements in *SUP 16.7.1G – SUP 16.7.75R* (nor to reporting requirements in *IPRU(INS)* or *IPRU(FSOC)*):

- (~~a~~1) with *permission* to carry on one or more of:
  - (~~a~~1) *insurance mediation activity*; or
  - (~~b~~2) *mortgage mediation activity*; or
  - (~~c~~3) *mortgage lending*; or
  - (~~d~~4) *mortgage administration*; or

(b2) which is a *personal investment firm*;

16.7.77 R ... Table Reports from a firm not subject to other reporting requirements in  
SUP 16.7.1- SUP 16.7.75R

...

...

SUP 16 Ann18A R Retail Mediation Activities Return ('*RMAR*')

What is the *firm's regulated business revenue* in the most recent  
*financial year*?

In the following page of the *RMAR* new text is both highlighted and underlined.

**SECTION E: PII Self-Certification**

Is the firm exempt from the PII requirements in respect of any regulated activities? (tick as appropriate)

Mortgage advising/arranging	Non-inv insurance advising/arranging/dealing/assisting	Retail investment advising/arranging
RR0358	RR0359	RR0360

If not exempt, has the firm renewed its PII cover since the last reporting date?

RR0362	RR0363	RR0364
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Please complete the following fields as appropriate, in relation to each applicable PII policy:

What activities are covered by the policy?

Mortgage advising/arranging	RR0371
Non-inv insurance advising/arranging/dealing/assisting	RR0372
Retail investment advising/arranging	RR0373
Is the cover compliant?	RR0374
Annual premium	RR0375
Limit of Indemnity - single claim/aggregate	RR0376
Policy excess	RR0377

Amount of additional capital required for increased excess(es) (where applicable, total amount for all PII policies)

RR0383

**Personal investment firms only:**

Total amount of additional own funds required for policy exclusion(s)

RR0384

Total of additional own funds required

RR0386

Total of readily realisable own funds

RR0387

Excess/deficit of readily realisable own funds

RR0388

	<u>business type</u>	<u>amount</u>
Increased excess(es) for specific business types	RR0378	RR0378a
Policy exclusion(s) for specific business types	RR0379	
Renewal date	RR0380	
Insurer name	RR0381	

Does the firm have any other PII policies?

RR0389

SUP 16 Ann18B G Notes for completion of the Retail Mediation Activities Return ('RMAR')

Application of RMAR sections

...

EEA Firms

9. In accordance with the relevant directives, *incoming EEA firms* are not subject to all reporting requirements. In broad terms, this means that *incoming EEA firms* carrying on ~~insurance mediation~~ regulated activities by way of *cross border services* only are not required to complete the RMAR. ~~The same applies to incoming EEA firms providing cross border services only.~~

...

NOTES FOR COMPLETION OF THE RMAR

...

Section B: Profit & Loss Account

...	
Regulated business revenue	This is the total of the <i>firm's</i> income during the reporting period in relation to its relevant <i>regulated activities</i> ...
<u>Income from other regulated activities</u>	<u>You should record here any income from other regulated activities outside the scope of the RMAR.</u>

...

Section E: guide for completion of individual fields

...	
<del>Have any of the data items below changed since the last reporting date (or since you last notified the FSA of any changes)?</del>	<del>The purpose of this question is to ensure that <i>firms</i> do not have to fill in the same information for each period when the information only changes annually.</del>  <del>If the <i>firm</i> is reporting for the first time, you should enter 'yes' here and complete the data fields below. You should only enter 'n/a' if the <i>firm</i> is exempt from the PII requirements in respect of all of the <i>regulated activities</i> within the scope of the RMAR.</del>
...	
Increased excess(es) for specific business types	If the prescribed excess limit is exceeded in respect of a type or types of business, the <u>type(s) of business to which the increased excess applies</u> and the <u>amount(s) of the increased excess</u> should be stated here. <del>The type(s) of business to which the increased excess applies should be selected from the drop-down box.</del>  (Some of the <u>typical business types in the drop-down box</u> include pensions, endowments, FSAVCs, splits/zeroes, precipice bonds, income drawdown, <i>lifetime mortgages</i> , <u>discretionary management</u> , <del>other</del> )
Policy exclusion(s) for specific business types	If there are any exclusions in the <i>firm's</i> PII policy, the business type(s) to which they relate should be <u>entered here</u>

	selected from the drop-down box. (Some of the <u>typical</u> business types in the drop-down box include pensions, endowments, FSAVCs, splits/zeroes, precipice bonds, income drawdown, lifetime mortgages, discretionary management, <del>other</del> )
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...

#### Section F: guide for completion of individual fields

...	
If not, have there been changes to your controllers <u>or to the percentage of shares or voting power in the firm held by any of them</u> since the FSA was last informed?	See, generally, <i>SUP</i> 11.4.

...

#### Section G: guide for completion of individual fields

...	
Number of staff that give advice	'Advice' is given where the sale of a product is based on a recommendation given to the <i>customer</i> on the merits of a particular product ...
<u>Number of staff that give advice (Full time equivalent)</u>	<u>This should be the same data as above, but expressed in 'full time equivalent' terms, e.g. if the <i>firm</i> has 20 part time staff that work 50% of normal hours, the figure would be 10.</u>

...

#### Section H: guide for completion of individual fields

...	
Types of advertising: please tick all that apply, <del>or confirm here that there have been no changes since the last reporting date</del>	<del>The purpose of this question is so that <i>firms</i> do not have to fill in the same information each quarter when it has not changed.</del>  If the <i>firm</i> is reporting for the first time, you should leave this field blank and complete the data fields below.

...

#### Section I: guide for completion of individual fields

...	
Please indicate in column A each product type where the firm has advised or arranged transactions for retail customers during the reporting period	You should <u>indicate state 'yes'</u> in column A for each relevant product.
Please indicate in column B where the firm's <del>retail</del> <u>business for retail customers</u> in the product type formed more than 40% by premium of all of its non-investment insurance activities.	You should <u>indicate state 'yes'</u> in column B for each relevant product, based on an estimate of the percentage of business. If you think the product might account for more than 40% of business but are not sure, you should <u>indicate that it does state 'yes'</u> .
...	
Of this business, please indicate in column C the products where retail	You should <u>indicate state 'yes'</u> in column C for each product in which transactions have been passed up a chain.

sales were passed up a chain and in column D where this business is significant (see notes above)	If this business is significant (see definition above) for one or more product types, this should be indicated in column D.
Please also indicate in column E where the firm has dealt directly with the retail customer within the chain	<i>Firms</i> should also indicate in column E the product types for which they transact business in a chain, but directly with the <i>customer</i> .
...	
Of the total of these sales, please indicate in column F the products where the firm dealt as agent, and in column G where this business is significant (see notes above)	You should <u>indicate</u> <del>state 'yes'</del> in column F for each product in which the <i>firm</i> has dealt as agent, and also in column G for each product type where this business is significant.

...

## Annex C

### Amendments to the Dispute Resolution: Complaints sourcebook

In this Annex underlining, and where indicated, highlighting indicates new text and striking through indicates deleted text. However, where entire sections of text are being deleted and replaced with new text, that is not shown as struck through or underlined; the places where such changes will be made are indicated.

1.5.4 R A *firm* must provide the *FSA* , twice a year, with a report in the format set out in *DISP* 1 Ann 1R which contains (for the relevant reporting period) information about:

...

(3) the total number of complaints subject to *DISP* 1.4 - *DISP* 1.6:

(a) ...

(b) ...; ~~and~~

(c) outstanding at the beginning of the reporting period; and

(d) outstanding at the end of the reporting period; and

(4) ...

...

1.5.12 G ...

#### Complete reporting

1.5.13 R A *firm* must submit reports required under this chapter to the *FSA* containing all the information required.

1.5.14 G *SUP* 15.6 refers to and contains requirements regarding the steps that *firms* must take to ensure that information provided to the *FSA* is accurate and complete. Those requirements apply to reports required to be submitted under this chapter.

...

DISP 1 Ann 1R: Complaints return form

The existing Annex is deleted and is replaced in its entirety with the following (the version made by this instrument supersedes the version amended by the Electronic Reporting Requirements and Standing Data Instrument 2004 (FSA 2004/30)).

**COMPLAINTS RETURN**

**(DISP 1 Ann 1R)**

Illustration of the reporting requirements regarding complaints, referred to in *DISP* 1.5.4R

**NIL RETURN DECLARATION**

A Nil Return may only be declared where:

a) no complaints were received during the reporting period,

AND

b) no complaints were outstanding at the beginning of the period.

We wish to declare a Nil Return

Yes / No

**RETURN DETAILS REQUIRED**

Include Private Individual Complaints  
(click if applicable)

Include Small Business Complaints  
(click if applicable)

## Private Individual Complaints

	Overcharging	Delays	Other admin	Misleading advice	Failure to carry out instructions	Poor customer service	Misleading advertising	Disputes over sums/amounts	Switching/churning	Breach of contract	Arrears handling	Other	Total
FSAVC													
Personal Pension													
Stakeholder Pension													
Mortgage Endowment													
Other Endowment													
Whole of Life													
Permanent Health													
Term Assurance													
PEP/ISA													
Cash Deposit ISA													
Investment Trust													
Unit Trust/OEIC													
Investment Bond													
Share/Derivative													
Other Regulated Investments													
Current Account													
Deposit/Savings													
Credit Card													
Lifetime Mortgage													
Flexible Mortgage													
Impaired Credit Mortgage													
Self Cert Mortgage													
Other Regulated Mortgage													
Other unregulated loan secured on land													
Other loans													
Standard Annuity													
Investment based Annuity													
Income Withdrawal Product													
Income Protection													
Long Term Care													
Private Medical Insurance													
Critical Illness													
Motor													
Property													
Other GI/Pure protection													
Other													
Total													

## Small Business Complaints

	Overcharging	Delays	Other admin	Misleading advice	Failure to carry out instructions	Poor customer service	Misleading advertising	Disputes over sums/amounts	Switching/churning	Breach of contract	Arrears handling	Other	Total
FSAVC													
Personal Pension													
Stakeholder Pension													
Mortgage Endowment													
Other Endowment													
Whole of Life													
Permanent Health													
Term Assurance													
PEP/ISA													
Cash Deposit ISA													
Investment Trust													
Unit Trust/OEIC													
Investment Bond													
Share/Derivative													
Other Regulated Investments													
Current Account													
Deposit/Savings													
Credit Card													
Lifetime Mortgage													
Flexible Mortgage													
Impaired Credit Mortgage													
Self Cert Mortgage													
Other Regulated Mortgage													
Other unregulated loan secured on land													
Other loans													
Standard Annuity													
Investment based Annuity													
Income Withdrawal Product													
Income Protection													
Long Term Care													
Private Medical Insurance													
Critical Illness													
Motor													
Property													
Other GI/Pure protection													
Other													
Total													

**COMPLAINTS CLOSED DURING REPORTING PERIOD**

Number of complaints closed within 4 weeks

Number of complaints closed between 4 and 8 weeks

Number of complaints closed after more than 8 weeks

**COMPLAINTS OUTSTANDING**

Number of complaints outstanding as at reporting period start date

Number of complaints outstanding as at reporting period end date

**COMPLAINTS MANAGEMENT**

Number of complaints upheld by the firm in the period

Total amount of redress paid to consumers in the period

Number of complaints referred to, and accepted by, the FOS in the period

## NOTES ON THE COMPLETION OF THIS RETURN

### Complaints Helptext

This is the return referred to in *DISP* 1.5.4R and only complaints subject to *DISP* 1.4 - *DISP* 1.6 should be included in this return.

### Nil returns

If no complaints of any kind have been received during the reporting period and no complaints were outstanding at the beginning of the period, the *firm* may submit a NIL RETURN by clicking on the relevant box.

### Complaints contact details

Details of a contact point for complaints must be provided in accordance with *DISP* 1.5.11R for inclusion in the public record. This must include at least a name, or a job title, or a department name, but need not include all three. This information was previously supplied as part of the complaints return but now no longer forms part of the return. This information will be captured by the Firm's Online System. Please check that the details for your complaints contact are correct in the Firm's Online System and update if necessary.

### Private individual complaint returns

This section relates to records of complaints, subject to *DISP* 1.4 – *DISP* 1.6, received from private individuals. *Firms* should report all complaints received during the reporting period, even where the complaint has not been, or is unlikely to be upheld by the *firm*. If a *firm* has received private individual complaints then it should click on the box marked "include private individual complaints".

*Firms* should report complaints received in the single category that best reflects the main cause of dissatisfaction (whether financial loss, material distress or material inconvenience) as described by the complainant.

*DISP* 2.4.3R provides further definition of an *eligible complainant*.

*Firms* should enter the total number of private individual complaints in the box marked "Grand Total Number of Complaints made by private individuals".

Select the type of product from the drop down list. You will need to create a new line for each different product you wish to report for. Enter the number of complaints for each product according to the category of complaint. Zeroes must be entered where no complaints have been received under that category of complaint.

Enter a total for each product type on the right hand side of each row and for each category of complaint at the bottom of each column. Then complete the total number of complaints made by private individuals box in the "total" box in bottom right hand corner of the table. Check that this total is the same as the "Grand total number of complaints made by private individuals" entered at the start of section.

## **Small business complaint returns**

This section relates to records of complaints subject to *DISP* 1.4 - 1.6 received from eligible complainants as defined in *DISP* 2.4.3R other than private individuals. This section should include complaints from:

- Small business *customers* (with an annual turnover of less than £1 million a year);
- Charities (with an annual income of less than £1 million); and
- Trustees of a trust (with net assets of less than £1 million).

*Firms* should report all complaints received during the reporting period, even where the complaint has not been, or is unlikely to be upheld by the firm. If a *firm* has received small business complaints then they should click on the box marked "include small business complaints".

*Firms* should report complaints received in the single category that best reflects the main cause of dissatisfaction (whether financial loss, material distress or material inconvenience) as described by the complainant.

*Firms* should enter the total number of small business complaints in the box marked "Grand Total Number of Complaints made by small businesses".

Select the type of product from the drop down list. You will need to create a new line for each different product you wish to report for. Enter the number of complaints for each product according to the category of complaint. Zeroes must be entered where no complaints have been received under that category of complaint.

Enter a total for each product type on the right hand side of each row and for each category of complaint at the bottom of each column. Then complete the total number of complaints made by small businesses box in the "total" box in bottom right hand corner of the table. Check that this total is the same as the "Grand total number of complaints made by small businesses" entered at the start of section.

## **Complaints closed during the reporting period**

Indicate the number of complaints subject to *DISP* 1.4 – *DISP* 1.6 closed during the reporting period within the timescales shown. See *DISP* 1.5.7R for the *rules* governing when a complaint is considered to be closed.

## **Complaints outstanding**

Give the number of complaints subject to *DISP* 1.4 – *DISP* 1.6 outstanding at the start of the reporting period and the end of the reporting period.

## **Uphold rates and redress**

The *firm* must indicate the total number of complaints upheld in the customer's favour. The *firm* must also state the total amount of redress paid to its *customers* within the reporting period (this includes payments made to *customers* that have had their complaints rejected or partially upheld as well as complaints that have been fully upheld). See *DISP* 1.5.5G.

## **FOS**

The *firm* must state how many of its complaints (private and small business) it knows to have been referred to the Financial Ombudsman Service within the reporting period.