

**SUPERVISION MANUAL (REPORTING No 8)
INSTRUMENT 2018**

Powers exercised

- A. The Financial Conduct 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 137A (The FCA’s general rules);
 - (2) section 137T (General supplementary powers); and
 - (3) section 139A (Power of the FCA to give guidance).
- B. The rule-making provisions listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

Commencement

- C. (1) Part 1 of this instrument comes into force on 25 May 2018.
(2) Part 2 of this instrument comes into force on 30 September 2018, immediately after the changes made by the Retirement Income Data (Regulatory Return) Instrument 2017 (FCA 2017/48) which also come into force on that date.

Amendments to the Handbook

- D. The Supervision manual (SUP) is amended in accordance with the Annex to this instrument.

Citation

- E. This instrument may be cited as Supervision Manual (Reporting No 8) Instrument 2018.

By order of the Board
24 May 2018

Annex

Amendments to the Supervision manual (SUP)

In this Annex, underlining indicates new text and striking through indicates deleted text unless indicated otherwise.

Part 1: Comes into force on 25 May 2018

12 Appointed representatives

...

12.7 Notification requirements

...

12.7.1A R (1) A ~~firm~~ firm other than:

- (a) a *credit union*; or
- (b) a *firm* which intends to appoint, or has appointed, an *appointed representative* to carry on only *credit-related regulated activity*;

must submit the form in SUP 12 Annex 3 via online submission at the FCA's website at <http://www.fca.org.uk> using the FCA's ONA system or any of the methods set out in SUP 15.7.4R to SUP 15.7.5AR (Method of notification).

...

Notification of changes in information given to the FCA

12.7.7 R ...

- (2) Where there is a change in any of the information provided to the *FCA* under SUP 12.7.1R or SUP 12.7.7R(1A), a *firm* must complete and submit to the *FCA* the form in SUP 12 Annex 4R (Appointed representative ~~notification form~~ or tied agent – change details) within ten *business days* of that change being made or, if later, as soon as the *firm* becomes aware of the change. The Appointed representative ~~notification~~ or tied agent – change details form must state that the information has changed.

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15 Notifications to the FCA

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15.7 Form and method of notification

...

Method of notification

15.7.4 R Unless stated in the *notification rule*, or on the relevant form (if specified), a written notification required from a *firm* under any *notification rule* must be:

(1) ...

(2) delivered to the *FCA* by one of the methods in *SUP 15.7.5AR* ~~or *SUP 15.7.5BR* as applicable.~~

...

SUP 16.9 (Appointed representatives annual report) is deleted in its entirety. The deleted text is not shown. The following new text should be inserted at SUP 16.9:

16 Reporting requirements

...

16.9 Appointed representatives annual report

[deleted]

Readers should refer to the requirements set out in *SUP 12.7* (Notification requirements).

Part 2: Comes into force on 30 September 2018

Amend the following as shown.

16 Reporting requirements

16.1 Application

...

16.1.3 R Application of different sections of SUP 16 (excluding SUP 16.13, SUP 16.15, SUP 16.16, SUP 16.17 and SUP 16.22)

...

(1) Section (s)	(2) Categories of firm to which section applies	(3) Applicable rules and guidance
...		
<i>SUP 16.24</i>	An insurer which has effected or carried	Entire Section

	<p>out a <i>pension annuity</i> or a <i>drawdown pension</i> within the relevant reporting period set out in SUP 16.24.3(2)R <u>A <i>firm</i> with <i>permission to effect or carry out contracts of insurance</i> in relation to <i>life and annuity contracts of insurance</i> to the extent that the <i>firm</i> and its business falls within the scope of SUP 16.24.1R.</u></p>	
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...

16.24 Retirement income data reporting

Application

16.24.1 R This section applies to:

- (1) (a) ...
- (b) ~~an *insurer* which has effected or carried out a *pension annuity* or a *drawdown pension* within the relevant reporting period as set out in SUP 16.24.3(2)R~~ a *firm* with *permission to effect or carry out contracts of insurance* in relation to *life and annuity contracts of insurance*.

...

16 Forms REP015 and REP016

Annex
43AR

REP015 - Retirement income flow data

NIL RETURN

1 Do you wish to declare a nil return?

A

GROUP REPORTING

2 Does the data reported in this return cover information relating to more than one entity? (NB: You should always answer 'No' if your firm is not part of a group)

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3 If 'Yes' then list the firm reference numbers (FRNs) of all of the additional entities included in this return. Use the 'add' button to add additional FRNs

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NOTIFICATION

Part 1 - Activity during the reporting period

- 4 How many plans were transferred away to another provider by plan holders aged 55 and over who had not yet accessed their benefits?
- 5 How many plans were transferred away to another provider by plan holders aged 55 and over who had already accessed their benefits (by crystallising some or all of their assets or taking an uncrystallised funds pension lump sum (UFPLS))?
- 6 How many defined benefit (DB) to defined contribution (DC) transfers have you completed?
- 7 What was the total value withdrawn via Pension Commencement Lump Sum (PCLS) for all plans? (£)
- 8 What was the total number of plans that were fully encashed via small pot lump sums, UFPLS or drawdown?
- 9 What was the total amount withdrawn this period from the fully encashed plans reported in question 8? (£)

A

Part 2 - Breakdown of activity by plan holders accessing their pension plans during the reporting period

Value of assets under administration in plans accessed during the reporting period

- 10 What was the total value of assets under administration (AUA) for plans that entered drawdown? Value should be after any PCLS but before any income withdrawn (£)
- 11 For annuity providers only, what was the total value of AUA for plans that were used to purchase annuities? Value should be after any PCLS but before annuity purchase (£)
- 12 What was the total value of AUA for plans that were accessed for the first time by taking a partial UFPLS? Value should be before any partial UFPLS withdrawals (£)
- 13 What was the total value withdrawn from plans that were accessed for the first time and fully encashed via small pot lump sums, UFPLS or drawdown? Value should be gross i.e. include both tax free and taxable portions (£)

If 0, leave questions 14 - 29 blank
 If 0, leave questions 30 - 53 blank
 If 0, leave questions 54 - 60 blank
 If 0, leave questions 61 - 68 blank

Plan holders that entered drawdown during the reporting period but did not fully exhaust their plan

14 What was the total number of plans that entered drawdown during the reporting period by crystallised pot size?

	A	B	C	D	E	F
	Less than £10,000	£10,000 - £29,999	£30,000 - £49,999	£50,000 - £99,999	£100,000 - £249,999	£250,000 and above

Number of plans by plan holder age band and crystallised pot size:

- 15 Under 55
- 16 55 - 64
- 17 65 - 74
- 18 75 - 84
- 19 85+

Number of plans that entered drawdown by distribution channel and crystallised pot size:

- 20 Existing plan holders
- 21 New plan holders via single firm third party arrangement
- 22 New plan holders via multi firm third party arrangements (e.g. panel arrangements)
- 23 New plan holders (i.e. transfers in not from third party arrangements)

Number of plans that entered drawdown by use of advice and crystallised pot size:

- 24 Number that were advised
- 25 Number that were not advised but took up pensions guidance (e.g. Pension Wise)

Number of plans that entered drawdown by packaged product options and crystallised pot size:

- 26 Capital guarantee for part or all of assets (e.g. fixed term annuities)
- 27 Income guarantee for part or all of assets (e.g. variable annuities, retirement accounts)
- 28 Both capital and income guarantee for part or all of assets (e.g. variable annuities, retirement accounts)

29 What was the total number of plans that entered drawdown where only a PCLS was taken by crystallised pot size?

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		Less than £10,000	£10,000 - £29,999	£30,000 - £49,999	£50,000 - £99,999	£100,000 - £249,999	£250,000 and above
30	What was the total number of pension annuities purchased during the reporting period by pot size?						
	Number of pension annuities by plan holder age band and pot size:						
31	Under 55						
32	55 - 64						
33	65 - 74						
34	75 - 84						
35	85+						
	Number of pension annuities purchased by distribution channel and pot size:						
36	Existing plan holders						
37	New plan holders via single firm third party arrangement						
38	New plan holders via multi firm third party arrangements (e.g. panel arrangements)						
39	New plan holders (i.e. transfers in not from third party arrangements)						
	Number of pension annuities by use of advice and pot size:						
40	Number that were advised						
41	Number that were not advised but took up <i>pensions guidance</i> (e.g. Pension Wise)						
	Number of pension annuities by product types/options and pot size:						
42	Enhanced annuities						
43	Annuities with guarantee periods of 10 years or less						
44	Annuities with more than 10 year guarantee periods						
45	Unit linked investment annuities						
46	With profits linked investment annuities						
47	Value protection annuities						
48	Deferred annuities						
49	Single life annuities (Male, Female & Unis)						
50	Joint life annuities						
51	Level only annuities						
52	Escalating annuities						
53	Flexible annuities (e.g. post April 15 changing shape, cash out etc.)						

Plan holders who accessed their plan for the first time by taking a partial UFPLS payment

		A	B	C	D	E	F
		Less than £10,000	£10,000 - £29,999	£30,000 - £49,999	£50,000 - £99,999	£100,000 - £249,999	£250,000 and above
54	What was the total number of plans where plan holders accessed their plan for the first time by taking partial UFPLS payments during the reporting period by uncrystallised-pot size?						
	Number of plans by plan holder age band and uncrystallised-pot size:						
55	55 - 64						
56	65 - 74						
57	75 - 84						
58	85+						
	Number of plans where plan holders accessed their plan for the first time by taking partial UFPLS payments by use of advice and uncrystallised-pot size:						
59	Number that were advised						
60	Number that were not advised but took up <i>pensions guidance</i> (e.g. Pension Wise)						

Full encashments made by plan holders who accessed their plans for the first time

		A	B	C	D	E	F
		Less than £10,000	£10,000 - £29,999	£30,000 - £49,999	£50,000 - £99,999	£100,000 - £249,999	£250,000 and above
61	What was the total number of full encashments by plan holders who accessed their plan for first time (via small pot lump sums, UFPLS or Drawdown) by pot size?						
	Number of full encashments by plan holder age band and pot size:						
62	Under 55						
63	55 - 64						
64	65 - 74						
65	75 - 84						
66	85+						
	Of which, number of full encashments by use of advice and pot size:						
67	Number that were advised						
68	Number that were not advised but took up <i>pensions guidance</i> (e.g. Pension Wise)						
69	Please provide any comments about the answers provided in this return (up to a limit of 2000 characters).	A					

REP016 - Retirement income stock and withdrawals flow data

NIL RETURN

1 Do you wish to declare a nil return?

A

GROUP REPORTING

2 Does the data reported in this return cover information relating to more than one entity? (NB: You should always answer 'No' if your firm is not part of a group)

3 If 'Yes' then list the firm reference numbers (FRNs) of all of the additional entities included in this return. Use the 'add' button to add additional FRNs

NOTIFICATION

Part 1 - Retirement income stock data

Uncrystallised stock data

	A		B	
	Contract		Trust	
4 How many defined contribution (DC) pension plans do you have in accumulation where the plan holder is aged 55 or over and has not accessed their pension?				
5 How many DC pension plans do you have with only uncrystallised assets where the plan holder is aged 55 or over and has at any time taken a lump sum payment via uncrystallised funds pension lump sum (UFPLS) ?				
6 How many DC pension plans do you have in accumulation where the plan holder is aged under 55 years old?				
7 How many DC pension plans do you have which are still solely in accumulation (uncrystallised) and have a guaranteed income benefit such as a guaranteed annuity rate (GAR), deferred annuity option, or guaranteed minimum pension (GMP)?				
8 What is your total value of uncrystallised assets under administration (AUA) in DC pension plans? (£)				

Partially crystallised stock data

9 How many DC pension plan holders do you have over 55 years old that have partly crystallised their pension plan (e.g. phased or drip feed drawdown)?

Crystallised stock data

10 How many drawdown (capped and flexi) plans do you have where 100% of the funds are crystallised?		
11 How many drawdown plans do you have where a PCLS has been paid but no income has ever been taken?		
12 What is the total value of crystallised assets under administration (AUA) in DC pension plans? (£)		

Payments from annuities, drawdown and UFPLS

13 In total how many annuities do you currently have in payment?	
14 What was the total income paid on all your annuities in payment during the reporting period? (£)	
15 What is the total number of plans where the plan holder made regular withdrawals by drawdown or UFPLS?	If lower than 750, leave questions 17 - 31 blank
16 What is the total number of plans where the plan holder made ad hoc partial withdrawals by drawdown or UFPLS?	

Part 2 - Withdrawals flow data

REGULAR WITHDRAWALS - Plan holders that have a regular UFPLS or drawdown payment set up - by age band

Questions 17 - 31 should only be completed by firms that reported 750 plans or more in question 15

	A					B					C					D					E									
	Under 55					55-64					65-74					75-84					85+									
17 Total value of regular withdrawals during the reporting period? (£)																														
Number of plan-holders where the plan holder(s) made making regular partial withdrawals, by annual rate of withdrawal and age band:																														
18	Less than 2% withdrawal in the reporting period																													
19	Between 2% - 3.99% withdrawal in the reporting period																													
20	Between 4% - 5.99% withdrawal in the reporting period																													
21	Between 6% - 7.99% withdrawal in the reporting period																													
22	Greater than or equal to 8% withdrawal in the reporting period																													
Number of plan-holders where the plan holder(s) made making regular partial withdrawals, by use of advice and age band:																														
23	Of the number of plans where the plan holder made less than 4% withdrawals in the reporting period, how many were advised sales?																													
24	Of the number of plans where the plan holder made greater than or equal to 4% withdrawals in the reporting period, how many were advised sales?																													

REGULAR WITHDRAWALS - Plan holders that have a regular UFPLS or drawdown payment set up - by pot size

		A	B	C	D	E	F
		Less than £10,000	£10,000 - £29,999	£30,000 - £49,999	£50,000 - £99,999	£100,000 - £249,999	£250,000 and above
25	Number of plan-holders where the plan holder(s) made making regular partial withdrawals, by annual rate of withdrawal and pot size: Less than 2% withdrawal in the reporting period						
26	Between 2% - 3.99% withdrawal in the reporting period						
27	Between 4% - 5.99% withdrawal in the reporting period						
28	Between 6% - 7.99% withdrawal in the reporting period						
29	Greater than or equal to 8% withdrawal in the reporting period						

		A	B	C	D	E	F
30	Number of plan-holders where the plan holder(s) made making-regular partial withdrawals, by use of advice and pot size: Of the number of plans where the plan holders were making less than 4% withdrawals in the reporting period, how many were advised sales?						
31	Of the number of plans where the plan holders were making greater than or equal to 4% withdrawals in the reporting period, how many were advised sales?						

AD-HOC WITHDRAWALS - Plan holders that do not have a regular payment set up but some UFPLS or drawdown payments were made

Questions 32 and 33 should only be completed by firms that reported 1 or more plans in question 16

		A	B	C	D	E	F
		Less than £10,000	£10,000 - £29,999	£30,000 - £49,999	£50,000 - £99,999	£100,000 - £249,999	£250,000 and above
32	Total value of ad hoc partial withdrawals during the reporting period? (£)						
33	Total number of plans where the plan holder made ad hoc partial withdrawals during the reporting period?						

		A
34	Please provide any comments about the answers provided in this return (up to a limit of 2000 characters).	

**16 Guidance notes for completion of the Retirement income flow data return
Annex ('REP015') and the Retirement income stock and withdrawals flow data
43BG return ('REP016')**

This annex consists of only guidance notes for form REP015 and form REP016.

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Key abbreviations

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6. ...

Nil returns

6A. A firm which is within the scope of SUP 16.24.1R because it has one of the relevant permissions but has no relevant data to report must (as set out in SUP 16.24.3R(3)) submit a nil return. In particular, a firm with permission to effect or carry out contracts of insurance in relation to life and annuity contracts of insurance which has not effected or carried out a pension annuity or a drawdown pension within the relevant reporting period should submit a nil return, unless the firm has relevant data to report because of activity undertaken under either of the permissions set out in SUP 16.24.1R(1)(a).

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NOTES FOR COMPLETION OF THE RETIREMENT INCOME FLOW DATA RETURN ('REP015') AND THE RETIREMENT INCOME STOCK AND WITHDRAWALS FLOW DATA RETURN ('REP016')

Section A Notes for completion of REP015

...

Part 2 – Breakdown of activity by plan holders accessing their pension plans during the reporting period

Value of assets under administration in plans accessed during the reporting period (questions 10 to 13)

Questions 10 to 13 should be completed by all *firms*.

Please note that the reporting requirements vary between questions:

- For questions 10 and 11, *firms* should include data relating to all plan holders who enter drawdown or purchase an annuity for the first time, regardless of whether the plan has previously been accessed in other ways.
- For questions 12 and 13, *firms should* ~~should~~ only include data relating to plan holders who have not accessed their plans prior to this reporting period.

If already crystallised assets are transferred into a plan previously only containing uncrystallised assets, it is at that point the plan is considered to have entered drawdown for reporting purposes. However, the crystallised transfer in should not be included in the total AUA figure for question 10 – this is to avoid double counting. The transfer in should have already been captured in the AUA figure when it first became crystallised in the pension plan from which it was transferred.

The figures should be reported in pounds sterling and single units.

...

Plan holders that entered drawdown during the reporting period but did not fully exhaust their plan (questions ~~14–29~~ 14 to 29)

...

Q14: What was the total number of plans that entered drawdown during the reporting period by erystallised pot size?	...
Q15 – Q19: Number of plans by plan holder age	...

band and crystallised pot size	
...	...
Q20 – Q23: Number of plans <u>that entered drawdown</u> by distribution channel and crystallised pot size:	...
Q24: Number of plans <u>that entered drawdown</u> by use of advice and crystallised pot size: number that were advised	...
Q25: Number of plans <u>that entered drawdown</u> by use of advice and crystallised pot size: number that were not advised but took up <i>pensions guidance</i> (e.g. Pension Wise)	...
Q26 – Q28: Number of plans <u>that entered drawdown</u> by packaged product options and crystallised pot size	...
Q29: What was the total number of plans <u>that entered drawdown</u> where only a PCLS was taken by crystallised pot size?	Of the plans reported as entering drawdown in question 14, report the number of ‘zero income’ plans where funds were crystallised and PCLS <u>was</u> taken, but no taxable drawdown income has been taken.

...

Plan holders who accessed their plan for the first time by taking a partial UFPLS payment (questions 54 to 60)

...

Q54: What was the total number of plans where plan holders accessed their plan for the first time by taking partial UFPLS payments during the reporting period by un crystallised	The <i>guidance</i> to question 12 provides more information about which plans should be reported for this question. Plans should be reported <u>by age band and</u>
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pot size?	under the pot size band that reflects the <u>total</u> amount of un crystallised AUA in the plan prior to the first UFPLS withdrawal.
Q55 – Q58: Number of plans by plan holder age band and un crystallised pot size	...
...	...
Q59: Number of plans <u>where plan holders accessed their plan for the first time by taking partial UFPLS payments by use of advice and uncrystallised pot size: number that were advised</u>	...

...

Section B Notes for completion of REP016

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Part 1 – Retirement income stock data (questions 4 to 16)

...

- *Firms should report all personal and stakeholder pensions as contract-based schemes; ~~including SIPPs written under trust~~. For example, this should include personal pension schemes, stakeholder pension schemes, SIPPs (including those written under trust), group personal pension schemes, group stakeholder pension schemes and group SIPPs.*
- *Only defined contribution (DC) occupational ~~money purchase schemes~~ money purchase schemes should be reported as trust-based schemes. For example, this should include single employer trusts, master trusts, small self-administered schemes (SSAS) and executive pension plans.*

For unitised with-profits business, *firms* should report the policy fund value. ...

...