

Consultation Paper

CP25/8*

Data Decommissioning

Removing reporting and notification requirements

April 2025

How to respond

We are asking for comments on this Consultation Paper (CP) by **14 May 2025**.

You can send them to us using the form on our [website](#).

Or in writing to:

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- a list of the names of respondents who made representations where those respondents consented to the publication of their names,
- an account of the representations we receive, and
- an account of how we have responded to the representations.

In your response, please indicate:

- if you consent to the publication of your name. If you are replying from an organisation, we will assume that the respondent is the organisation and will publish that name, unless you indicate that you are responding in an individual capacity (in which case, we will publish your name),
- if you wish your response to be treated as confidential. We will have regard to this indication, but may not be able to maintain confidentiality where we are subject to a legal duty to publish or disclose the information in question.

We may be required to publish or disclose information, including confidential information, such as your name and the contents of your response if required to do so by law, for example under the Freedom of Information Act 2000, or in the discharge of our functions. Please note that we will not regard a standard confidentiality statement in an email message as a request for non-disclosure.

Irrespective of whether you indicate that your response should be treated as confidential, we are obliged to publish an account of all the representations we receive when we make the rules.

Further information about the FCA's use of personal data can be found on the FCA website at: www.fca.org.uk/privacy.

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Chapter 1

Summary

Why we are consulting

- 1.1** We are consulting to remove data collection requirements we no longer need. We expect this to benefit approximately 16,000 firms.
- 1.2** This supports the part of our recently published strategy that commits us to reviewing the data that we collect and to stop collecting data that is no longer useful. It is also in line with the improvements we are making as part of the Transforming Data Collection programme. The changes we propose will reduce the burden on regulated firms from having to send us data that adds relatively little value to our work and data that is duplicated elsewhere.
- 1.3** We propose to remove the requirement to provide us with data related to 3 different reports and notifications. We also propose to remove information from the Handbook about other reporting forms that we no longer require to be submitted. These changes should streamline reporting requirements, make the Handbook easier to navigate and reduce costs for firms. It will result in the removal of 140 pages from the Handbook and Handbook Annexes. This is the first tranche of data collections which we propose to remove. We are currently reviewing others and expect to be able to consult to remove further returns later this year.
- 1.4** We are also taking this opportunity to tidy up some of the guidance on reporting and delete guidance about data collections that are no longer used. And we are completely deleting forms which already appear in Annexes to SUP 16 marked [deleted].
- 1.5** We are using a shortened consultation period of 4 weeks. Firms will continue to see the relevant returns scheduled on RegData during the consultation period. We will not be chasing firms that fail to submit the relevant returns and firms can choose not to submit them. We will also auto-waive the associated late return administrative fee. See further information in paragraphs 3.13 and 3.14 below.

Who this applies to

- 1.6** The proposals in this CP affect a wide range of firms that we authorise and regulate.
- Insurance intermediaries, mortgage intermediaries and retail investment intermediaries.
 - MIFIDPRU investment firms, securities and futures firms, investment management firms, collective portfolio management firms and peer-to-peer lenders.

- Firms with retail investment advisers, as defined in the Handbook glossary.

1.7 Who else will be interested in this consultation:

- All other firms with an interest in SUP 16 of the Handbook.
- Consumers interested in firm reporting.

Outcome we are seeking

1.8 Our overarching outcome is to collect the data we require to meet our statutory objectives at the lowest possible cost to industry.

1.9 We want to stop collecting and holding data we consider we no longer need to supervise firms effectively. This will reduce the burden on firms, saving them time and other resources they can then use elsewhere in their business.

1.10 Removing guidance that is no longer needed will also make the Handbook easier to navigate.

Measuring success

1.11 We want to reduce the costs to industry of supplying us with data. We intend to measure this by estimating the cost savings from our data decommissioning actions.

Next steps

1.12 We seek feedback on our proposals and the consultation questions set out in Chapter 3 and in Annex 1 by 14 May 2025. Please respond by completing the form on our website or by sending a response to cp25-8@fca.org.uk. We will consider this feedback and plan to publish a policy statement finalising our rules later this year.

Chapter 2

The wider context

- 2.1** Appropriate and accurate data collection is vital for regulators to identify risks, shape policies and take effective action.

The Transforming Data Collection Programme

- 2.2** The Financial Conduct Authority (FCA) and the Bank of England are working together with industry to transform data collection from the UK financial sector. The Transforming Data Collection (TDC) programme was set up in 2021 and one of its outcomes is that data collections meet and are proportionate to regulators' needs.
- 2.3** TDC started looking at decommissioning some data collections in August 2024. This supports our strategy of improving our reporting requirements and reducing any unnecessary regulatory burden on firms. This consultation paper (CP) is the first of what will be a series of CPs on data collections we have identified as suitable for decommissioning.
- 2.4** Data decommissioning is just one of the workstreams of the TDC programme. More information about it is available at transformingdatacollection.co.uk.

Consumer Duty Call for Input

- 2.5** On 25 March we published FS 25/2: Immediate areas for action and further plans for reviewing FCA requirements following introduction of the Consumer Duty. This feedback statement is our interim update on the Consumer Duty Call for Input. It set out the immediate steps we will take to simplify our requirements of firms and reduce regulatory costs. We also proposed longer-term actions we could take to simplify our requirements. We will engage stakeholders on these proposals and share an update on our approach in September 2025.

The harm we are trying to reduce/prevent

- 2.6** Complying with regulation costs firms time and other resources. We only want to collect the data that we need. Removing data collection requirements that no longer provide useful data or duplicate information in other returns helps to reduce firms' cost of compliance. This should free up time and resources that can be put to other uses.

- 2.7** We also want to ensure that the Handbook remains fit for purpose and reflects the current regulatory framework. Simplifying the Handbook by removing guidance involving data that is no longer collected should make our Handbook clearer, and user-friendly.

Cost Benefit Analysis

- 2.8** This CP does not propose any new requirements. Under section 138L(3) of FSMA we are not required to publish a CBA if, in making the appropriate comparison, we consider either there will be no increase in costs or any increase will be minimal. We have attempted to estimate the potential cost savings to industry. This is set out in Annex 2.

How it links to our objectives

- 2.9** This publication supports our commitment to work with firms on improving digital regulatory reporting, as outlined in the TDC programme. Some of the current data we collect is no longer useful to us in carrying out our ongoing regulatory activities. So we want to adjust our reporting requirements to make them more proportionate to our needs so that we can better supervise financial markets.

Consumer protection

- 2.10** Our proposal aims to improve the standard of data we collect. Removing unnecessary data collections reduces the 'noise' in the data, allowing us to focus on the data that is useful to us. This allows us to detect emerging consumer risks, such as mis-selling or unfair treatment, more quickly so enabling us to intervene faster.

Competition

- 2.11** Our proposals support our commitment to fostering competitive markets. Simplifying regulatory requirements and removing redundant returns should lower the compliance costs for firms. It also reduces barriers to entry for new entrants, helping competition. Reduced costs will enable firms to invest more in innovation and services that benefit consumers, which in turn supports a more competitive financial sector.

Secondary international competitiveness and growth objective

- 2.12** Eliminating unnecessary returns will reduce the administrative work for firms and could lower costs. By simplifying compliance processes, firms can use some of their resources, previously spent on compliance tasks, for innovation and growth. This change boosts competition and creates better opportunities for international financial companies, leading to a more dynamic and stronger marketplace in the UK.

Environmental, social & governance considerations

- 2.13** In developing this Consultation Paper, we have considered the environmental, social and governance (ESG) implications of our proposals and our duty under ss. 1B(5) and 3B(c) of FSMA to have regard to contributing towards the Secretary of State achieving compliance with the net-zero emissions target under section 1 of the Climate Change Act 2008 and environmental targets under s. 5 of the Environment Act 2021. Overall, we do not consider the proposals are relevant to contributing to those targets. We will keep this issue under review during the consultation period and when considering whether to make the final rules.
- 2.14** In the meantime, we welcome your input to this consultation on this.

Equality and diversity considerations

- 2.15** We have considered the equality and diversity issues that may arise from the proposals in this Consultation Paper. Overall, we do not consider that the proposals materially impact any of the groups with protected characteristics under the Equality Act 2010 (in Northern Ireland, the Equality Act is not enacted but other antidiscrimination legislation applies). But we will continue to consider the equality and diversity implications of the proposals during the consultation period and will revisit them when making the final rules.

In the meantime we welcome your input to this consultation on this.

Chapter 3

Reporting and notifications

3.1 We propose to stop collecting the data in the following 3 forms:

- FSA039 – shown in SUP 16 Annex 24R and scheduled in RegData.
- Section F of the Retail Mediation Activities Return (RMAR), also known as RMA-F – shown in SUP 16 Annex 18AR and scheduled in RegData.
- Form G – shown in SUP 15 Annex 8R, which is an event-driven notification that firms email to us.

FSA039 – Client money and client assets

3.2 FSA039 is collected every 6-months from around 4,500 firms. It asks 2 questions:

- Has the firm held Client Money or Client Assets in the reporting period?
- Does the firm undertake stock lending activities using clients' custody assets?

3.3 We propose to stop collecting this data. We already collect some of this from other reports such as the Client Money and Asset Return. Additionally, the stock lending question is high level, so we need to ask for more details if we want to use the information for supervisory purposes.

3.4 As part of these changes, we propose to delete FSA039 from SUP 16 Annex 24R and the related guidance from SUP 16 Annex 25G. We also propose to remove the return from the RegData catalogue. This means that firms will no longer be able to resubmit any previous information in RegData.

Section F of the RMAR – RMA-F

3.5 RMA-F was introduced in 2005. It asks firms to confirm if there have been any changes to their close links or their controllers. It then asks firms to confirm that, where relevant, they have notified us of these changes. We collect this information every 6 months.

3.6 We are reviewing the RMAR returns to simplify them, delete duplication and remove redundant material. RMAR is the core regulatory return submitted by firms who arrange sales of or give advice on mortgages, non-investment insurance or investment products. Nearly 11,000 firms currently submit this return. We have identified that the information collected in RMA-F is available from other sources. So we propose to stop collecting this information now, rather than wait until the broader review of RMAR is completed.

3.7 Removing this requirement does not remove the requirement on firms to notify us of any changes to their close links or controllers, as set out in SUP 11. Our website and the Connect system provide the relevant change in control notification forms.

Notes for Completion of the Retail Mediation Activities Return (RMAR)

- 3.8** We propose to remove references to Section F of RMAR from SUP 16 Annex 18B. This contains the notes for completing the RMAR.
- 3.9** We also propose to remove point 9 and point 10 of SUP 16 Annex 18B G. These points both refer to passporting firms based in the European Economic Area (EEA) who either provide services cross-border or through a branch. These references are no longer relevant, as passporting ended on 31 December 2020.

Form G – Individual adviser complaints notification

- 3.10** The Form G notification was introduced in 2016. It requires firms to notify us by email within 20 business days where either:
- 3 complaints have been upheld in any 12-month period for a single adviser or
 - a single complaint is upheld and the compensation exceeds £50,000.
- 3.11** In 2019, the Senior Managers and Certification Regime (SMCR) was extended to all firms. This regime set higher standards of firm governance, accountability and professionalism. It puts the onus on the firm to monitor its advisers and to deal with any issues.
- 3.12** We now use firm level data collected via other complaints reporting to understand issues at individual firms. So we consider the information submitted in Form G is excessive for our needs. For this reason we propose to remove it.

Our approach to these data collections whilst we consult

- 3.13** We want to ensure we take a fair and pragmatic approach while we consult on deleting these 3 returns. So, although firms will continue to see the relevant returns scheduled on RegData during the consultation period, we won't be chasing firms that fail to submit the relevant returns and firms can choose not to submit them. We will also auto-waive the associated late return administrative fee.
- 3.14** This approach only applies to the 3 data collections identified in this CP chapter while we consult and consider the responses to the consultation. Should we decide not to delete any of the relevant returns, this approach will cease.

Simplifying the Supervision Handbook

- 3.15** We are taking this opportunity to remove guidance from the Handbook on data collections that have already been decommissioned. This guidance is in SUP 16 Annex 24R and Annex 25G.

- 3.16** We propose to remove the relevant pages from the Handbook as set out in Table 1. This supports our efforts to streamline the Handbook and will make the 2 Annexes easier for firms to navigate.

Table 1: Pages and References to be removed from the Handbook

Returns	SUP 16 Annex 24	SUP 16 Annex 25	SUP 16.12
FSA007	17	48, 87-91	
FSA018	30	141-143	
FSA028	40	164-169	
FSA031	44-45	180-188	
FSA032	46	189-196	SUP 16.12.20 SUP 16.12.21
FSA045	58-64	220-222	
FSA046	65		
FSA047	66-68	223, 224, 245, 251-252, 257	
FSA048	69, 70	223-249, 254-257	
FSA050	72	248, 249	
FSA051	73	250, 251	
FSA052	74	252, 253	
FSA053	75	254-256	
FSA054	76	257	
FSA055	77	259	
FSA058	78, 79	260-265	

- Question 1:** Do you agree that we should decommission FSA039 – the client money and client assets return? If not, please provide specific reasons for your answer.
- Question 2:** Do you agree that we should decommission Section F of the RMAR – RMA-F? If not, please provide specific reasons for your answer.
- Question 3:** Do you agree that we should remove the individual adviser complaints notification requirement and related notification, Form G? If not, please provide specific reasons for your answer.
- Question 4:** Do you agree that we should delete the references to EEA firms in the completion guidance for RMAR? If not, please explain why.
- Question 5:** Do you agree that we should delete guidance in the Handbook that relates to data collections that have already been decommissioned? If not, please explain why.

Annex 1

Questions in this paper

- Question 1:** Do you agree that we should decommission FSA039 – the client money and client assets return? If not, please provide specific reasons for your answer.?
- Question 2:** Do you agree that we should decommission Section F of the RMAR – RMA-F? If not, please provided specific reasons for your answer.
- Question 3:** To you agree that we should remove the individual complaints notification requirement and related notification, Form G? If not, please provide specific reasons for your answer.
- Question 4:** Do you agree that we should delete the references to EEA firms in the completion guidance for RMAR? If not, please set out your reasoning.
- Question 5:** Do you agree that we should delete guidance in the Handbook the relates to data collections that have already been decommissioned? If not, please explain why.
- Question 6:** Do you have any comments on the cost benefit analysis in Annex 2?

Appendix 2

Cost benefit analysis

Introduction

1. The Financial Services and Markets Act (2000) requires us to publish a cost benefit analysis (CBA) of our proposed rules. Specifically, section 138I requires us to publish a CBA of proposed rules, defined as 'an analysis of the costs, together with an analysis of the benefits that will arise if the proposed rules are made'.
2. Section 138L(3) FSMA gives an exemption from the requirement to produce a cost benefit analysis in cases where we consider there will be no increase in cost or an increase in cost that will be of 'minimal significance'.
3. The proposals in this consultation paper to remove some reporting and notification requirements will reduce the burden on firms and requires no new activity from them. The proposals to remove outdated material from the Handbook should also reduce the burden on firms by making the Handbook easier to navigate.
4. Although, we consider there will be no increase in cost as a result of our proposals, and the exemption under s138L(3) applies, we have attempted to quantify the savings to industry of our proposals.

Approach to the CBA

5. We started by looking at the ongoing costs in the CBAs that accompanied the consultation papers that introduced RMA-F and FSA039. We have not attempted to quantify the savings by removing Form G as this is an event driven notification.
6. We used the Consumer Price Index inflation data from the Office for National Statistics to show what the equivalent costs would be today.
7. RMA-F was originally consulted on in [CP 197](#) (Reporting requirements for mortgage, insurance and investment firms, and supplementary consultation on audit requirements) in September 2003 as part of what was then called Regulated Retail Activities Requirements (RRAR) reporting.
8. The assumptions in CP 197 are that the total ongoing costs to industry would be £19.2 million based on approximately 49,000 firms completing the RRAR. These are set out in pages 6 and 7 of Annex 1 of CP 197. This gives an annual cost per firm of just under £400 for completing the RRAR and a cost of approximately £40 per form.
9. FSA039 was originally consulted on in [CP 06/11 – Integrated Regulatory Reporting \(IRR\)](#) in May 2006. It was introduced in 2008. Information provided by firms suggested

that the on-going cost of reporting the relevant data items was £2 million. This is set out under the Part II proposals section of the CBA, starting on page 7 of Annex 5 of CP06/11. Based on a population at the time of 3,200 firms, this gives a cost of £625 per firm for this set of returns and a cost of approximately £63 per form.

- 10.** We estimate that decommissioning these 2 returns will save industry in the region of £1.3 million annually.

Caveats and assumptions

- 11.** We used the following assumptions when estimating the current cost to industry.
- a.** The ongoing cost did not depend on the frequency of the return.
 - b.** The ongoing cost was the same for each data collection in the group that was consulted on.
 - c.** The ongoing cost did not depend on the size of the firm.
 - d.** Changes to the data collections over time, with minimal impact on the cost, were not taken into account.
 - e.** No allowance has been made for changes in technology.
- 12.** The original CBAs do not provide a breakdown of the annual cost to industry for an individual data collection. For simplicity, we have divided the total cost to industry by the number of data collections consulted on.
- 13.** The inflation data from the Office for National Statistics may not truly affect the changes of costs to firms over the given timeframe.
- 14.** We welcome your input to this consultation on this CBA.

Annex 3

Compatibility statement

Compliance with legal requirements

- 1.** This Annex records the FCA's compliance with a number of legal requirements which apply to the proposals in this consultation, including an explanation of our reasons for concluding that our proposals in this consultation are compatible with certain requirements under the Financial Services and Markets Act 2000 (FSMA).
- 2.** When consulting on new rules, we are required by section 138I(2)(d) FSMA to include an explanation of why it believes making the proposed rules (a) is compatible with its general duty, under section 1B(1) FSMA, so far as reasonably possible, to act in a way which is compatible with its strategic objective and advances one or more of its operational objectives, (b) so far as reasonably possible, advances the secondary international competitiveness and growth objective, under section 1B(4A) FSMA, and (c) complies with its general duty under section 1B(5)(a) FSMA to have regard to the regulatory principles in section 3B FSMA. We are also required by s 138K(2) FSMA to state our opinion on whether the proposed rules will have a significantly different impact on mutual societies as opposed to other authorised persons.
- 3.** This Annex also sets out our view of how the proposed rules are compatible with our duty to discharge our general functions (which include rule-making) in a way which promotes effective competition in the interests of consumers (section 1B(4)). This duty applies in so far as promoting competition is compatible with advancing our consumer protection and/or integrity objectives.
- 4.** In addition, this Annex explains how we have considered the recommendations made by the Treasury under s 1JA FSMA about aspects of the economic policy of His Majesty's Government to which we should have regard in connection with our general duties.
- 5.** This Annex includes our assessment of the equality and diversity implications of these proposals.
- 6.** Under the Legislative and Regulatory Reform Act 2006 (LRRRA) we are subject to requirements to have regard to a number of high-level 'Principles' in the exercise of some of our regulatory functions and to have regard to a 'Regulators' Code' when determining general policies and principles and giving general guidance (but not when exercising other legislative functions like making rules). This Annex sets out how we have complied with requirements under the LRRRA.

The FCA's objectives and regulatory principles: Compatibility statement

7. The proposals set out in this consultation are primarily intended to advance our operational objective of promoting effective competition in the interests of consumers. They are also relevant to our consumer protection and market integrity objectives
8. By removing unnecessary returns, we can promote effective competition by freeing up time and resources at firms. This also enables us to collect more reliable information, identify consumer risks more effectively, and intervene quickly to prevent harm. Further details are in Chapter 2. We consider our proposals advance our operational objective of securing an appropriate degree of protection for consumers.
9. We consider these proposals are compatible with our strategic objective of ensuring that the relevant markets function well. For the purposes of our strategic objective, 'relevant markets' are defined by section 1F FSMA. Standardised data reporting ensures a level playing field, making it easier to compare and monitor firm activities and identify potential market abuse or systemic risks (see Chapter 2).
10. Discontinuing unnecessary returns reduces compliance costs, promoting innovation, market entry, and competition, discussed in Chapter 2. We consider our proposals advance our operational objective of promoting effective competition in the consumer interest.
11. We consider these proposals comply with our secondary objective in advancing competitiveness and growth. Eliminating low value returns reduces administrative costs, enabling firms to focus on innovation and growth rather than compliance. Simplified and targeted reporting supports proportionate oversight, aligns with global best practices and enhances the UK's reputation as a competitive, well-regulated financial hub.
12. In preparing the proposals set out in this consultation, we have had regard to the regulatory principles set out in s 3B FSMA.

The need to use our resources in the most efficient and economic way

13. Seeking to collect the data we need, and only the data we need, reducing the costs to industry shows that we are making efficient and economic use of our resources.

The principle that a burden or restriction should be proportionate to the benefits

14. This CP does not propose any additional burdens for firms.

The need to contribute towards achieving compliance by the Secretary of State with section 1 of the Climate Change Act 2008 (UK net zero emissions target) and section 5 of the Environment Act 2021 (environmental targets)

15. We do not expect the exercise of this function to be relevant to the making of such a contribution.

The general principle that consumers should take responsibility for their decisions

16. The principle is not engaged as the proposals do not relate to consumer decisions.

The responsibilities of senior management

17. The proposals should reduce the reporting and notification responsibilities of senior management.

The desirability of recognising differences in the nature of, and objectives of, businesses carried on by different persons including mutual societies and other kinds of business organisation

18. We do not believe our proposals undermine this principle.

The desirability of publishing information relating to persons subject to requirements imposed under FSMA or requiring them to publish information

19. We do not believe our proposals undermine this principle.

The principle that we should exercise our functions as transparently as possible

20. These proposals form part of a multi-year TDC programme.

In formulating these proposals, we have had regard to the importance of taking action intended to minimise the extent to which it is possible for a business carried on (i) by an authorised person or a recognised investment exchange; or (ii) in contravention of the general prohibition, to be used for a purpose connected with financial crime (as required by s 1B(5)(b) FSMA).

21. None of our proposals relate to the data we collect in relation to our financial crime responsibilities.

Expected effect on mutual societies

22. We do not expect the proposals in this paper to have a significantly different impact on mutual societies. The impact will be the same for all affected firms.

Compatibility with the duty to promote effective competition in the interests of consumers

23. In preparing the proposals as set out in this consultation, we have had regard to our duty to promote effective competition in the interests of consumers.
24. Reducing the regulatory burden by removing reporting and notification requirements that are no longer necessary will free up firm resources. Firms will then have the opportunity to use that resource to improve their offering to consumers. It also reduces barriers to new entrants.

Equality and diversity

- 25.** We are required under the Equality Act 2010 in exercising our functions to 'have due regard' to the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by or under the Act, advance equality of opportunity between persons who share a relevant protected characteristic and those who do not, to and foster good relations between people who share a protected characteristic and those who do not.
- 26.** As part of this, we ensure the equality and diversity implications of any new policy proposals are considered. The outcome of our consideration in relation to these matters in this case is stated in paragraph 2.14 of the Consultation Paper.

Treasury recommendations about economic policy

- 27.** The Treasury recommendation most relevant to our proposals, specifically on the government's economic policy is:
- Creating a regulatory environment which facilitates growth through supporting competition and innovation, and encouraging newer and more innovative firms to start-up, scale-up and remain in the UK.
- 28.** Our proposals will reduce the regulatory burden on firms by removing unnecessary reporting and notification requirements. This frees up firm resources to develop and grow their business. It also reduces barriers for new entrants, allowing the financial services sector as a whole to grow.

Annex 4

Abbreviations used in this paper

Abbreviation	Description
CBA	Cost Benefit Analysis
EEA	European Economic Area
ESG	Environmental, Social and Governance
CP	Consultation Paper
FCA	Financial Conduct Authority
FSMA	Financial Services and Markets Act (2000)
RMAR	Retail Mediation Activities Return
SMCR	Senior Managers and Certification Regime
SUP	The Supervision Handbook
TDC	Transforming Data Collection

Appendix 1

Draft Handbook text

DATA DECOMMISSIONING INSTRUMENT 2025

Powers exercised

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the following sections of 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. This instrument comes into force on *[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 the Data Decommissioning Instrument 2025.

By order of the Board
[date]

Annex

Amendments to the Supervision manual (SUP)

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

15 **Notifications to the FCA**

...

15.2 **Purpose**

...

- 15.2.6 G ~~*SUP 15.12 (Ongoing alerts for retail adviser complaints) sets out rules and guidance on a firm's obligation to notify the FCA of complaints against an employee acting as a retail investment adviser. [deleted]*~~

SUP 15.12 (Ongoing alerts for retail adviser complaints) is deleted in its entirety. The deleted text is not shown but the section is marked 'deleted' as shown below.

15.12 ~~**Ongoing alerts for retail adviser complaints**~~ **[deleted]**

SUP 15 Annex 8R (Form G: The Retail Investment Adviser Complaints Notifications Form) is deleted in its entirety. The deleted text is not shown but the annex is marked 'deleted' as shown below.

15 ~~**Form G: The Retail Investment Adviser Complaints Notifications Form**~~ Annex **[deleted]** 8R

Amend the following as shown.

16 **Reporting requirements**

...

16.12 **Integrated Regulatory Reporting**

...

Regulated Activity Group 3

...

- 16.12.1 R The applicable *data items* referred to in SUP 16.12.4R are set out according
1 to *firm* type in the table below:

Description of <i>data item</i>	<i>Firms' prudential category and applicable data items (note 1)</i>			
	<i>MIFIDPRU investment firms</i>	<i>Firms other than MIFIDPRU investment firms</i>		
		<i>IPRU(INV) Chapter 3</i>	<i>IPRU(INV) Chapter 5</i>	<i>IPRU(INV) Chapter 13</i>
...				
Threshold conditions				Section F RMAR
Client money and client assets	FSA039	FSA039	FSA039	Section C RMAR
...				

- 16.12.1 R The applicable reporting frequencies for *data items* referred to in SUP
2 16.12.4R are set out in the table below according to *firm* type. Reporting
frequencies are calculated from a *firm's accounting reference date*, unless
indicated otherwise.

Data item	<i>Non-SNI MIFIDPRU investment firm</i>	<i>SNI MIFIDPRU investment firm</i>	<i>Investment firm group</i>	<i>Firm other than a MIFIDPRU investment firm</i>
...				
FSA039	Half yearly	Half yearly		Half yearly
...				
Section F RMAR				Half yearly
...				

- 16.12.1 R The applicable due dates for submission referred to in SUP 16.12.4R are set
3 out in the table below. The due dates are the last day of the periods given in

the table below following the relevant reporting frequency period set out in *SUP* 16.12.12R, unless indicated otherwise.

<i>Data item</i>	Quarterly	Half yearly	Annual
...			
FSA039		30 business days	
...			
Section F RMAR		30 business days	
...			

Regulated Activity Group 4

...

16.12.1 R The applicable *data items* referred to in *SUP* 16.12.4R are set out according
5 to *firm* type in the table below:

Description of data item	<i>Firms' prudential category and applicable data items (note 1)</i>					
	<i>MIFIDPRU investment firms</i>	<i>Firms other than MIFIDPRU investment firms</i>				
		<i>IPRU(INV)</i> Chapter 3	<i>IPRU(INV)</i> Chapter 5	<i>IPRU(INV)</i> Chapter 11 (collective portfolio management firms only)	<i>IPRU(INV)</i> Chapter 12	<i>IPRU(INV)</i> Chapter 13
...						
Threshold conditions						Section F RMAR
...						
Client money and client assets	FSA039	FSA039	FSA039	FSA039	FSA039	Section C RMAR

...				
-----	--	--	--	--

- 16.12.1 R The applicable reporting frequencies for *data items* referred to in *SUP*
6 16.12.15R are set out in the table below according to *firm* type. Reporting frequencies are calculated from a *firm's accounting reference date*, unless indicated otherwise.

<i>Data item</i>	<i>Non-SNI MIFIDPRU investment firm</i>	<i>SNI MIFIDPRU investment firm</i>	<i>Investment firm group</i>	<i>Firm other than a MIFIDPRU investment firm</i>
...				
FSA039	Half yearly	Half yearly		Half yearly
...				
Section F RMAR				Half yearly
...				

- 16.12.1 R The applicable due dates for submission referred to in *SUP* 16.12.4R are set
7 out in the table below. The due dates are the last day of the periods given in the table below following the relevant reporting frequency period set out in *SUP* 16.12.16R, unless indicated otherwise.

<i>Data item</i>	Quarterly	Half yearly	Annual
...			
FSA039		30 business days	
...			
Section F RMAR		30 business days	
...			

...

Regulated Activity Group 6

...

- 16.12.1 R The applicable *data items* referred to in SUP 16.12.4R are set out according to type of *firm* in the table below:

Description of <i>data item</i>	<i>Firms' prudential category and applicable data items (note 1)</i>		
	<i>IPRU(INV)</i> Chapter 3	<i>IPRU(INV)</i> Chapter 5	<i>IPRU(INV)</i> Chapter 13
...			
Threshold conditions			Section F RMAR
Client money and client assets	FSA039	FSA039	Section C RMAR
...			

- 16.12.2 R The applicable reporting frequencies for submission of *data items* referred to in SUP 16.12.4R are set out in the table below. Reporting frequencies are calculated from a *firm's accounting reference date*, unless indicated otherwise.

...	
FSA032	Quarterly
...	
FSA039	Half yearly
...	
Section F RMAR	Half yearly
...	

- 16.12.2 R The applicable due dates for submission referred to in SUP 16.12.4R are set out in the table below. The due dates are the last day of the periods given in

the table below following the relevant reporting frequency period set out in *SUP* 16.12.20R.

<i>Data item</i>	Quarterly	Half yearly	Annual
...			
FSA032	20 business days		
...			
FSA039		30 business days	
...			
Section F RMAR		30 business days	

Regulated Activity Group 7

...

16.12.2 R The applicable *data items* referred to in *SUP* 16.12.4R are set out according
2A to type of *firm* in the table below:

Description of <i>data item</i>	<i>Firms' prudential category and applicable data item (note 1)</i>		
	<i>MIFIDPRU investment firms</i>	<i>Firms subject to IPRU(INV) Chapter 13</i>	<i>Firms that are also in one or more of RAGs 2 to 6 and not subject to IPRU(INV) Chapter 13</i>
...			
Threshold conditions		Section F RMAR	
...			

16.12.2 R The applicable reporting frequencies for *data items* referred to in *SUP*
3A 16.12.22AR are set out in the table below. Reporting frequencies are calculated from a *firm's accounting reference date*, unless indicated otherwise.

<i>Data item</i>	Frequency				
	<i>Non-SNI MIFIDPRU investment firm</i>	<i>SNI MIFIDPRU investment firm</i>	<i>Investment firm group</i>	Annual regulated business revenue up to and including £5 million	Annual regulated business revenue over £5 million
...					
Section F RMAR	Half yearly	Half yearly	Half yearly	Half yearly	Half yearly
...					

16.12.2 R The applicable due dates for submission referred to in *SUP* 16.12.4R are set
4A out in the table below. The due dates are the last day of the periods given in
the table below following the relevant reporting frequency period set out in
SUP 16.12.23AR, unless indicated otherwise.

<i>Data item</i>	Quarterly	Half yearly	Annual
...			
Section F RMAR		<i>30 business days</i>	
...			

Regulated Activity Group 8

...

16.12.2 R The applicable *data items* referred to in *SUP* 16.12.4R are set out according
5A to type of *firm* in the table below:

Description of <i>data item</i>	<i>Firms' prudential category and applicable data items (note 1)</i>			
	<i>MIFIDPRU investment firms</i>	<i>Firms other than MIFIDPRU investment firms</i>		
		<i>IPRU(INV) Chapter 3</i>	<i>IPRU(INV) Chapter 5</i>	<i>IPRU(INV) Chapter 13</i>
...				

Threshold conditions				Section F RMAR
Client money and client assets	FSA039	FSA039	FSA039	Section C RMAR
...				

16.12.2 R The applicable reporting frequencies for *data items* referred to in SUP
6 16.12.25AR are set out according to the type of *firm* in the table below.
Reporting frequencies are calculated from a *firm's accounting reference date*, unless indicated otherwise.

<i>Data item</i>	<i>Non-SNI MIFIDPRU investment firm</i>	<i>SNI MIFIDPRU investment firm</i>	<i>Investment firm group</i>	<i>Firm other than a MIFIDPRU investment firm</i>
...				
FSA039	Half yearly	Half yearly		Half yearly
...				
Section F RMAR				Half yearly
...				

16.12.2 R The applicable due dates for submission referred to in SUP 16.12.4R are set
7 out in the table below. The due dates are the last day of the periods given in
the table below following the relevant reporting frequency period set out in
SUP 16.12.26R, unless indicated otherwise.

<i>Data item</i>	Quarterly	Half yearly	Annual
...			
FSA039		30 business days	
...			
Section F RMAR	30 business days	30 business days	

...			
-----	--	--	--

Regulated Activity Group 9

...

- 16.12.2 R The applicable *data items*, reporting frequencies and submission deadlines
8A referred to in SUP 16.12.4R are set out in the table below. Reporting frequencies are calculated from a *firm's accounting reference date*, unless indicated otherwise. The due dates are the last day of the periods given in the table below following the relevant reporting frequency period.

Description of <i>data item</i>	<i>Data item</i> (note 1)	Frequency		Submission deadline
		Annual regulated business revenue up to and including £5 million	Annual regulated business revenue over £5 million	
Home finance mediation activity and insurance distribution activity				
...				
Threshold Conditions	Section F RMAR	Half yearly	Half yearly	30 <i>business days</i>
...				

...

Section F (Threshold conditions) of SUP 16 Annex 18AR (Retail Mediation Activities Return ('RMAR')) is deleted in its entirety. The deleted text is not shown but the section is marked 'deleted' as shown below.

SECTION F: ~~Threshold conditions~~ [deleted]

Amend the following as shown.

16 **Notes for Completion of the Retail Mediation Activities Return ('RMAR')**
Annex
18BG

...

Key abbreviations

5. The following table summarises the key abbreviations that are used in these notes:

...	
CREDs	The Credit unions sourcebook, part of the <i>Handbook</i>
DISP	Dispute resolution: Complaints sourcebook, part of the <i>Handbook</i>
EEA	The <i>European Economic Area</i>
...	
IMD	The <i>Insurance Mediation Directive</i>
...	
ISD	The <i>Investment Services Directive</i>
LTCI	Long term care insurance
...	

...

~~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 regulated activities by way of cross border services only~~ are not required to complete the *RMAR*. ~~[deleted]~~

10. In broad terms, ~~incoming EEA firms~~ carrying on ~~regulated activities~~ through a branch in the *United Kingdom* are not required to complete the sections of the *RMAR* in the following table. ~~[deleted]~~

Prudential reporting requirements	Section A (balance sheet)
	Section B (profit & loss)
	Section C (<i>client money</i>)
	Section D (capital requirements)

Threshold conditions	Section E (professional indemnity insurance)
	Section F (save in relation to questions about <i>approved persons</i>)
Training and Competence	Section G
Adviser charges	Section K

...

NOTES FOR COMPLETION OF THE RMAR

...

Section F Threshold Conditions [deleted]

Close links

This section relates to *threshold condition 3*. Firms should consult *COND 2.3*, as well as Chapter 11 of the Supervision Manual ('*SUP*').

Sole traders, firms which have permission to carry on retail investment activities only, firms with permission only to advise on P2P agreements (unless that activity is carried on exclusively with or for professional clients) or firms which have permission to carry on only one, or only both of:

- (a) *insurance distribution activity; or*
- (b) *home finance activity;*

and are not subject to the requirements of *SUP 16.4* or *SUP 16.5* (requirement to submit annual controllers report; or annual close links reports), will submit these reports in *RMAR* section F instead.

Controllers

In very broad terms, so far as those required to fill in this part of the return are concerned, the *Handbook* requires notification of changes in a firm's controllers as follows.

A UK domestic firm other than a UK insurance intermediary must notify the FCA of any of the following events concerning the firm:

- (1) *a person acquiring control or ceasing to have control;*
- (2) *an existing controller acquiring an additional kind of control or ceasing to have a kind of control;*

- (3) ~~an existing controller increasing or decreasing a kind of control which he already has so that the percentage of shares or voting power concerned becomes or ceases to be equal to or greater than 20%, 30% or 50%;~~
- (4) ~~an existing controller becoming or ceasing to be a parent undertaking.~~

~~An overseas firm must notify the FCA of any of the following events concerning the firm:~~

- (1) ~~a person acquiring control or ceasing to have control;~~
- (2) ~~an existing controller becoming or ceasing to be a parent undertaking.~~

~~A UK insurance intermediary must notify the FCA of any of the following events concerning the firm:~~

- (1) ~~a person acquiring control;~~
- (2) ~~a controller:~~
 - (a) ~~decreasing the percentage of shares held in the firm from 20% or more to less than 20%; or~~
 - (b) ~~decreasing the percentage of shares held in a parent undertaking of the firm from 20% or more to less than 20%; or~~
 - (c) ~~decreasing the percentage of voting power which it is entitled to exercise, or control the exercise of, in the firm from 20% or more to less than 20%; or~~
 - (d) ~~decreasing the percentage of voting power which it is entitled to exercise, or control the exercise of, in a parent undertaking of the firm from 20% or more to less than 20%;~~
- (3) ~~an existing controller becoming or ceasing to be a parent undertaking.~~

~~A summary of these notification requirements is provided in Annex 1G of SUP 11.~~

~~This section of the return replaces the annual controllers reporting requirement in SUP 16.4.5R, which does not now apply to those firms subject only to the RMAR for the purposes of regulatory reporting. Moreover, the exemptions for certain other firms from the existing reporting requirement in SUP 16.4.1G are retained.~~

~~Guide for completion of individual fields~~

Close links	
Has there been a notifiable change to the firm's close links?	See SUP 11.9. All firms should have notified the FCA immediately if they have become aware that they have become or ceased to be closely linked with another person.

	If there have been any changes in <i>close links</i> that have not been notified to the <i>FCA</i>, you should do this now. For detailed <i>guidance</i> on what constitutes a <i>close link</i>, see <i>COND 2.3</i>.
If yes, has the FCA been notified of it?	See <i>SUP 11.9</i>. All <i>firms</i> should have notified the <i>FCA</i> immediately if they have become aware that they have become or ceased to be closely linked with another person. If there have been any changes in <i>close links</i> that have not been notified to the <i>FCA</i>, you should do this now. For detailed <i>guidance</i> on what constitutes a <i>close link</i>, see <i>COND 2.3</i>.
Controllers	
Has there been a notifiable change to the firm's controllers including changes to the percentage of shares or voting power they hold in your firm?	See <i>SUP 11.4</i>. If there have been any changes in <i>controllers</i> that have not been notified to the <i>FCA</i>, you should do this by means of your usual supervisory channels.
If yes, has the FCA been notified of it?	See <i>SUP 11.4</i>. If there have been any changes in <i>controllers</i> that have not been notified to the <i>FCA</i>, you should do this by means of your usual supervisory channels.

...

16 Data items for SUP 16.12**Annex****24R**

...

The following sections are deleted in their entirety. The deleted text is not shown.

- FSA007 (Operational risk);
- FSA009 (Key data);
- FSA010 (Mismatch liquidity);
- FSA012 (Non-deposit-taking EEA bank liquidity);
- FSA013 (Stock liquidity);
- FSA018 (UK integrated groups - large exposures);
- FSA020 (ELMIs balance sheet);
- FSA021 (Income statement ELMIs);
- FSA022 (ELMIs Capital requirements);
- FSA023 (Foreign Exchange Risk (electronic money institutions));
- FSA024 (Large exposures (electronic money institutions));
- FSA025 (Liquidity (electronic money institutions));
- FSA026 (ELMI Questions);

- FSA028 (Non-EEA sub-group);
- FSA031 (Capital Adequacy (for exempt CAD firms subject to IPRU(INV) Chapter 9));
- FSA032 (Capital Adequacy (for exempt CAD firms subject to IPRU(INV) Chapter 13));
- FSA037;
- FSA039 (Client Money and Client Assets);
- FSA041 (Asset Managers that use Hedge Fund Techniques Report);
- FSA042 (UCITS);
- FSA043 (Key data (for exempt CAD firms));
- FSA044 (Analysis of assets and deposits by maturity band);
- FSA045 (IRB portfolio risk);
- FSA046 (Securitisation: Non-Trading Book);
- FSA047 (Daily Flows);
- FSA048 (Enhanced Mismatch Report);
- FSA049 (Intentionally left blank);
- FSA050 (Liquidity Buffer Qualifying Securities);
- FSA051 (Funding Concentration);
- FSA052 (Pricing Data);
- FSA053 (Retail, SME and large enterprises Type B Funding);
- FSA054 (Currency analysis);
- FSA055 (Systems and controls questionnaire); and
- FSA058 (Securitisation: Trading book).

16 Guidance notes for data items in SUP 16 Annex 24R

Annex

25G

...

The following sections are deleted in their entirety. The deleted text is not shown.

- FSA007 (Operational risk);
- FSA007 (Operational risk validations);
- FSA018 (Exposures from the core UK group to the noncore large exposures group);
- FSA020 (Balance sheet (ELMis));
- FSA020 (Balance sheet (ELMis) validations);
- FSA021 (Income statement (ELMis));
- FSA021 (Income statement (ELMis) validations);
- FSA022 (Capital adequacy (ELMis));
- FSA022 (Capital adequacy (ELMIs) validations);
- FSA023 (Foreign exchange risk (ELMis));
- FSA023 (Foreign exchange risk (ELMIs) validations);
- FSA024 (Large exposures (ELMis));
- FSA024 (Large exposures (ELMIs) validations);
- FSA025 (Liquidity (ELMis));
- FSA025 (Liquidity (ELMIs) validations);

- FSA026 (ELMI questions);
- FSA026 (ELMI questions validations);
- FSA028 (Non-EEA sub-groups) ;
- FSA028 (Non-EEA sub-groups validations) ;
- FSA031 (Capital Adequacy (for exempt CAD firms subject to IPRU(INV) Chapter 9));
- FSA031 (Capital Adequacy (for exempt CAD firms subject to IPRU(INV) Chapter 9) validations);
- FSA032 (Capital Adequacy (for exempt CAD firms subject to IPRU(INV) Chapter 13));
- FSA036 (Capital Adequacy (for UCITS firms));
- FSA039 (Client Money and Client Assets);
- FSA039 (Client Money and Client Assets validations);
- FSA041 (Asset Managers that use Hedge Fund Techniques Report);
- FSA042 (UCITS);
- FSA042 (UCITS validations);
- FSA045 (IRB portfolio risk);
- FSA045 (IRB portfolio risk validations);
- FSA047 (Daily Flows);
- FSA048 (Enhanced Mismatch Report);
- FSA050 (Liquidity Buffer Qualifying Securities);
- FSA051 (Funding Concentration);
- FSA052 (Pricing Data);
- FSA053 (Retail, SME and Large Enterprises Type B Funding);
- FSA054 (Currency Analysis);
- FSA055 (Systems and Controls Questionnaire);
- FSA058 (Securitisation: trading book); and
- FSA058 (Securitisation: non-trading book validations).

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