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By email

19 July 2017

Our Ref: FOI5204

Dear

Freedom of Information : Right to know request

We refer to your requests for information under the Freedom of Information Act 2000 ("the Act"), full details of which can be found at Annex A below.

You submitted two separate requests which have been aggregated and are being processed in accordance with the Act as one request. Under guidance issued by the Ministry of Justice, a public authority may aggregate requests in the following circumstances (amongst others):

- Two or more requests for information have been made to the same public authority;
- The requests are from the same person;
- The requests relate to the same or similar information.

The guidance can be found [here](#).

Your request has now been considered and the relevant information is below.

For points 1, 2 and 3 of your request (see Annex A), we do not hold this information as work is still on-going. As part of this piece of work we will undertake initial discovery work to find out if the non-workplace pensions market is sufficiently competitive to work effectively in consumers' interests. We will also undertake further work on non-standard assets and self-invested pension plans to look at the culture and governance of SIPP providers.

For point 4 (see Annex A) of your request, the FCA has reviewed the returns of the firms that have submitted data under the new requirements for the periods ending 31 March 2017, 30 April 2017 and 31 May 2017.

Three of these firms did not hold the required capital. Of these, one firm has agreed to rectify this position and the FCA have raised the issue with the other two firms.

In addition to these two firms, 14 appear to have wrongly reported their capital rather than not holding the required capital. We are asking these firms to resubmit their data.

Finally for point 5 of your request, as at 21 June 2017 of all the SIPP Operators that have submitted data under the new SIPP Capital Adequacy requirement 11 firms had

used tier two capital to meet their capital adequacy requirement. Of these 11 firms, 7 have used more than 25% to make up their overall capital from tier two.

Yours sincerely

Information Disclosure team
Financial Conduct Authority

Your right to complain under the FoI Act

If you are unhappy with the decision made in relation to your request, you have the right to request an internal review. If you wish to exercise this right you should contact us within three months of the date of this response.

If you are not content with the outcome of the internal review, you also have a right of appeal to the Information Commissioner at Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF. Telephone: 01625 545 700. Website: www.ico.org.uk

Annex A

Request 1 – received on 20 June 2017:

I am seeking information on the work the Financial Conduct Authority is carrying out as part of its work looking into Sipp providers which it recently announced in its regulation round up in April 2017.

- 1. As part of this work by the FCA, how many Sipp providers has the FCA visited in 2017?*
- 2. Out of these Sipp providers which the FCA visited how many of these visits led to follow up work by the FCA?*
- 3. What areas did the FCA raise concern over with these Sipp providers?*

Request 2 – received on 21 June 2017:

I am seeking information on the number of Sipp firms who have failed to meet their FCA capital adequacy requirements.

Please respond to the following:

- 4. As of 21 June 2017 how many Sipp firms (without naming them) did not hold the requisite capital to meet their required capital adequacy position which is required of them by the FCA? What follow up action has the FCA taken over firms which did not hold the requisite capital position?*
- 5. As of 21 June 2017 how many used tier 2 capital in order to meet their required capital adequacy position? Out of these Sipp firms which used tier two capital, how many used more than 25% to make up their overall capital from tier two?*

Please note I have numbered your request for ease in answering your request.