

Forward financial thinking

A data driven Regulator

What are they key areas of focus?

Forward financial thinking

REGULATORY
EXPERTISE

BUSINESS
SUPPORT

FINANCIAL
TECHNOLOGY

FCA focus for 2025 onwards

- Portfolio Strategy Letter
- Sent out on 7th October 2024
- Sets the agenda for next two years
- Important reading for all SMFs



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7 October 2024

Dear CEO/Director,

FCA's expectations for financial advisers and investment intermediaries

We are writing to you because your firm's primary business is financial advice or investment intermediation. This letter provides a summary of our priorities, our expectations of you, and the work we intend to do.

Firms like yours play a vital role in helping consumers make complex financial decisions. The support provided is significant, with 4.4 million consumers paying for financial advice last year. However, we know most people do not access traditional channels of support. This can deprive them of valuable help and the economy of investment.

As we look to the future, we expect the sector will continue to evolve. This is likely to be driven by, among other things, ageing consumer and adviser populations, the transfer of wealth, a shift from defined benefit to defined contribution pensions, geopolitical and climate uncertainty, interest rates, industry consolidation, technology advancements, and regulatory requirements.

This presents opportunities for firms to grow and serve new markets. It also poses challenges and risks, which could lead to harm to consumers and the market. We want to work with you to ensure consumers receive consistently good outcomes from a sector which is sustainable and well placed for the future. We also want to empower more consumers to manage their finances.

To help achieve this, our priorities over the next two years are to:

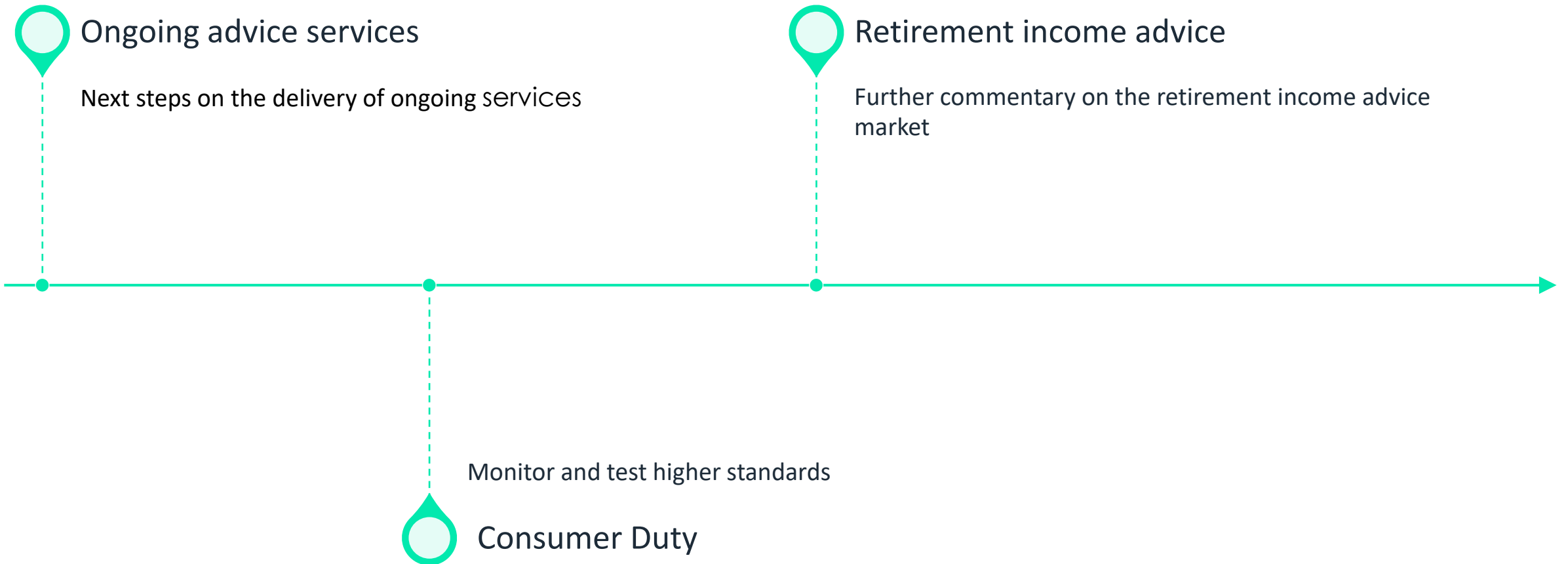
1. **Reduce and prevent serious harm** – with a focus on retirement income advice, ongoing advice services, ensuring the 'polluter pays', and consolidation. These are explained below.
2. **Monitor and test higher industry standards under the Consumer Duty** – you should be able to evidence your firm has implemented the Duty and complies on an ongoing basis.
3. **Enable more consumers to pursue their financial objectives through the Advice Guidance Boundary Review** – we encourage your firm to actively engage with us on the review and consider the opportunities it may provide to better support your clients.

Our priorities will be underpinned by:

- **Increased industry engagement and collaboration** – we want to engage with you to gain insights into the issues and challenges you see, help shape our future regulatory proposals, and share our expectations. We will increase our engagement across the country, including through in person events and keynote speeches.
- **A forward-looking and data-led approach** – our aim is to maximise the power of data within the sector. We recognise we are in a unique position, with access to data from firms across the sector. This can provide valuable insights to firms and the wider industry, including on the sector's current position, its sustainability, and how it is likely to change. As part of our engagement, we will proactively seek views on what insights would be most useful to share. This will focus on data that is easily accessible to minimise the burden on firms. We expect to follow by issuing a survey to firms next year to obtain these insights and aim to start retiring the collection of less valuable data.

Registered as a Limited Company in England and Wales No. 1920523. Registered office as above.

Focus areas for firms



Approach to supervision

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Adviser Survey 2025



FCA Survey - Advice Firms

- Sent out on 1st July all IFA firms
- Mandatory completion
- Expected to have 8-12 weeks to complete
- 29 questions
- To support and supervise the sector



Information Request under s165 of the Financial Services & Markets Act 2000 – Advisers and Intermediaries Sector

Key themes

- Information about staff
- Your 'active' clients
- Advice process and controls
- Business model
- Future plans



Ongoing advice themes



Section 1 - Information about staff

1. How many individuals at your firm and its appointed representatives undertake the following roles?

Para planners
(level 4 or more qualified)

Other support to financial advisers/planners
(unqualified or working towards qualifications)

Section 2 - Active clients

4. In the last 12 months how many active clients does your firm and its appointed representatives have?

Retail

5. What is the approximate split of service provided to the active retail clients in **question 4**?

[Home](#) > [Publications](#) > Ongoing financial advice services

Ongoing financial advice services

Multi-firm reviews | Published: 24/02/2025 | Last updated: 24/02/2025

We set out findings from our review of whether financial advisers are delivering the ongoing advice services that consumers have paid for.

Financial advisers can charge their clients for ongoing advice and related services.

We were concerned that ongoing advice services, which can be of great benefit to consumers, may not always have been delivered where they should have been, so we carried out a piece of work to assess this.

On 15 February 2024, we wrote to 22 of the largest advice firms asking for information and data on their delivery of ongoing advice covering the previous 7 years.

Our sample firms offered a wide range of services which generally included ongoing suitability reviews as part of their ongoing advice service. As such, our review focused on delivery of suitability reviews.

Overall, based on the data provided to us, these reviews were delivered in around 83% of cases. In a further 15% of cases, clients either declined or did not respond to the firm's offer of a review. In fewer than 2% of cases the firm had not attempted to conduct a review and this will need to be put right. Therefore, we do not currently view this issue to be systemic but will continue to monitor the situation.

All firms should read our findings and take the necessary action to make sure consumers are getting the service they are paying for.

Ongoing financial advice services

1. Introduction

2. What we found

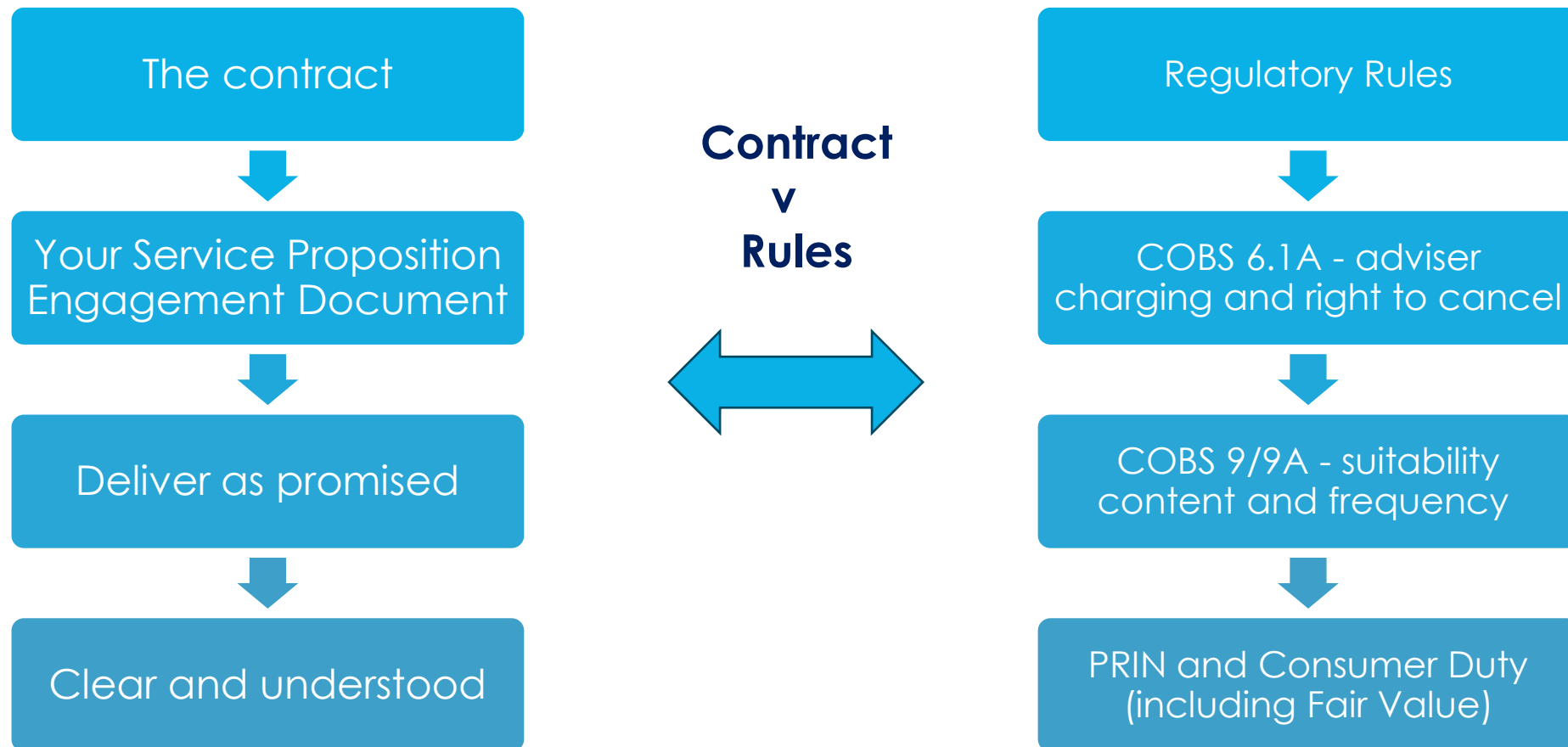
3. Next steps for firms

4. Next steps for consumers

5. Wider work

Annex: Conduct of business rules and guidance

Ongoing Reviews



Ongoing Advice Service – self assessment



Are you up to date with your ongoing reviews?



Do you have this data available to evidence?



Can you spot non delivery and manage risk?



Do you have adequate resource to deliver?



Do you monitor the quality of the ongoing advice service delivered?



Do you have a disengagement policy?



When would you consider a refund?



Consumer Duty themes



Vulnerable clients

8. How do you support retail clients with characteristics of vulnerability (use your firm's own definition of a vulnerable client).

What is the number of your active retail clients in question 4 that have been identified as having characteristics of vulnerability?

What is the number of the clients identified above as having characteristics of vulnerability has the firm made service adjustments for?

Primary objectives for seeking advice

10. What do you view as the active retail clients' primary objectives for seeking advice from your firm (approximate percentages based on figures in question 4)?

i Please provide the percentage (%) in the available boxes below.
Percentages should add up to 100%

	Estimated percentage of active retail clients
	-
Saving for retirement	<input type="text"/>
Saving for another objective	<input type="text"/>
Consolidating pensions and/or investments	<input type="text"/>
Wanting to access pensions/investments to pay off loans or other debts or support family/friends	<input type="text"/>
Accessing pensions or investments at retirement/part retirement.	<input type="text"/>
Inheritance planning	<input type="text"/>

File checking

17. In the last 12 months what internal or external compliance oversight of client files took place at your firm and its appointed representatives?

	Percentage of Files reviewed	Percentage deemed unsuitable / not compliant	Percentage deemed unclear
	%	%	%
Suitability of Initial Advice	<input type="text"/>	<input type="text"/>	<input type="text"/>
Suitability of advice following an Ongoing Advice Review	<input type="text"/>	<input type="text"/>	<input type="text"/>
Suitability of advice resulting in replacement business (including pension transfers)	<input type="text"/>	<input type="text"/>	<input type="text"/>

Monitoring feeds into Board Report



Culture &
Governance



Price &
Value



Products &
Services



Consumer
Understanding



Consumer
Support



Vulnerable
Customers



Some key data feeds

 Products and services	 Price and value	 Consumer understanding	 Consumer support
<ul style="list-style-type: none">• Key Performance Indicators• File Review Outcomes• Training and Competence• Ongoing Service• Complaints		<ul style="list-style-type: none">• Customer Feedback• Vulnerable Customers• Staff Feedback• Client communications• Compliance Reports	

Documentation available to support

- Annual Monitoring of outcomes
- Board Report sign-off
- Proportionality
- Deadline of 31st July 2025

Governing Body Report – Consumer Duty

Executive Summary *(provide a short critique of your firm's performance overall in demonstrating that it is delivering good outcomes)*

- XXXXXXXXXXXX

The following improvements have been made in the period *(e.g. new or updated data metrics/policies and procedures updated/ technology adopted)*

- XXXXXXXXXXXX

The following risks have been identified and will be addressed moving forward *(amber/red flags from the monitoring report):*

- XXXXXXXXXXXX [to be actioned by [date]]

The following individual instances where our clients have not received good outcomes have been identified *(e.g. foreseeable harm/complaints)*

- XXXXXXXXXXXX [details of root cause analysis/redress to be paid]

Our future business strategy is compatible with the expectations of the Consumer Duty.

We don't envisage any substantial changes to our business activities and strategy in the year ahead

or

We expect the following changes to our business activities in the year ahead but we have provisions in place to ensure compliance with the Consumer Duty.

[Insert details of change. Where the firm is recruiting, CD is embedded in the recruitment process and ongoing supervision. Carrying out a new regulated activity, the firm will use pre-sale file checking from an independent source etc. Where the firm is looking to sell the business/their client bank, due diligence will be undertaken on the purchaser and clients will be kept informed and supported.]

[Name of individual(s)] at [name of firm] is satisfied that the firm is acting to deliver good outcomes for our customers, complying with the cross-cutting rules and the consumer outcomes. Our future business strategy is consistent with these obligations.

Review and Approval Date:	
Signed by	
Next review due:	



Retirement Income Advice themes



Retirement Income Advice

19. Has your firm made changes since February 2024 to any of the below following publication of the retirement income advice thematic review findings?

	Yes	No	Considering	Implementing
Approach to calculating sustainability of income	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Risk profiling approach	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fact finding	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Record keeping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Periodic review of suitability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Control framework/ management information (MI)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Self-assessment checklist

- Aligns with TR24/1 chapter by chapter
- Covers all key FCA objectives
- Record gaps or areas for improvement
- Provides evidence of review

Self-Assessment checklist

Firm name has considered the FCA Thematic Review of Retirement Income Advice findings and document below steps taken to meet FCA requirements on retirement income advice, including the Consumer Duty. Where action is required as a result of our review, this has been noted in the 'Actions taken in response to Findings' section at the end of the assessment.

Completed by:
(SMF responsible for decumulation advice)

Record of Action Taken

In light of the findings presented in the **Thematic Review of Retirement Income Advice**, our firm has undertaken a review of our retirement income advisory services. The review has highlighted the following areas for improvement.

In response, we have implemented the actions below aimed at aligning our business with FCA expectations.

Gaps Identified	Action required	Responsible individual and date for completion

17

Retirement Income Support

- Webinar recording
- FCA publications
- Our Guidance and templates
- Further support
- Website > Compliance > Policy > RIA

Retirement Income Advice

The FCA has published its report and findings on how financial adviser firms are delivering retirement income advice and the quality of outcomes consumers are getting. We summarize the findings in the video below. We also provide details of our support. This will develop further as we digest the contents of the FCA publication in full.

Thematic Review of Retirement Income Advice

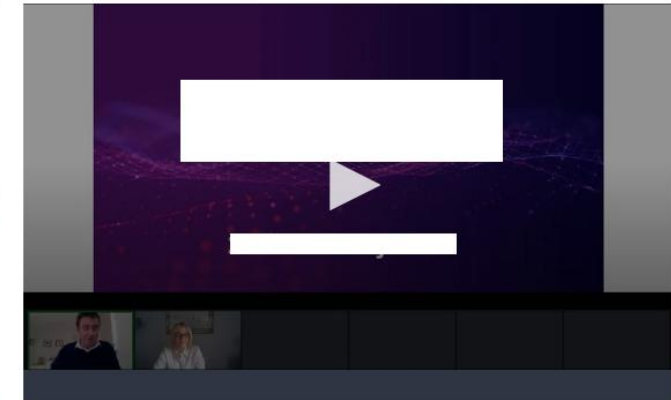
This is a link to the full publication from the Regulator.

[CLICK HERE](#)

Template Documentation

For copies of relevant support and templates to help strengthen your advice.

[VIEW DOCUMENTS](#)



Support Services and Tools

Centra Retirement Income Modeller

Income Drawdown workflow allows you to assess the impact that drawing a regular income

[LAUNCH](#)

Business Consultancy

For assistance with building a Centralised Retirement Proposition

[LAUNCH](#)

Advice Quality Unit

For pre-sale and post-sale file checks

[LAUNCH](#)

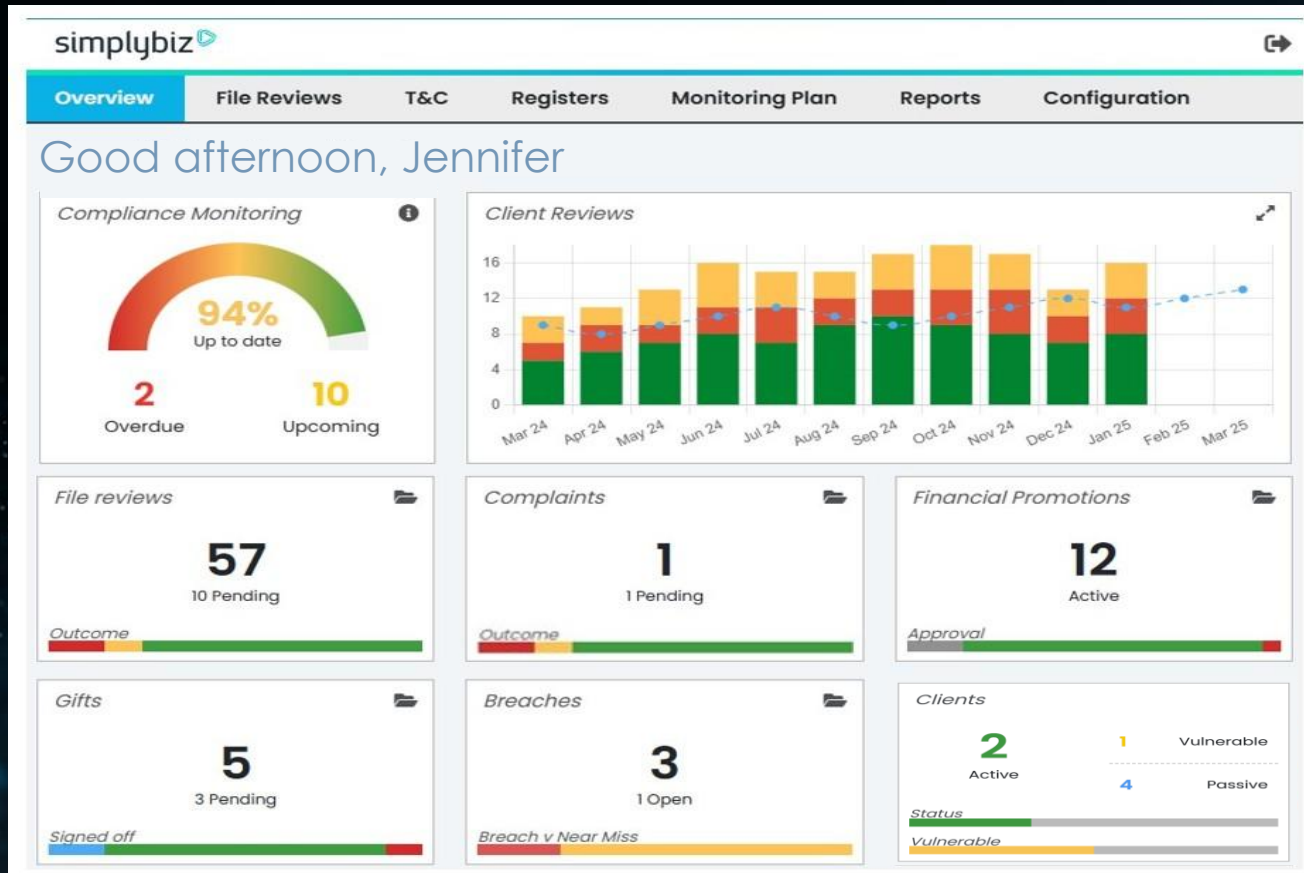


How can we support you being Data Led?





Navigator



- Central Compliance Hub
- Compliance Dashboard
- Effective Risk Management
- Efficiency & Reduced Worry
- Included in Simplybiz membership
- Designed by Compliance Team
- Robust control – peace of mind

navigator simplybiz

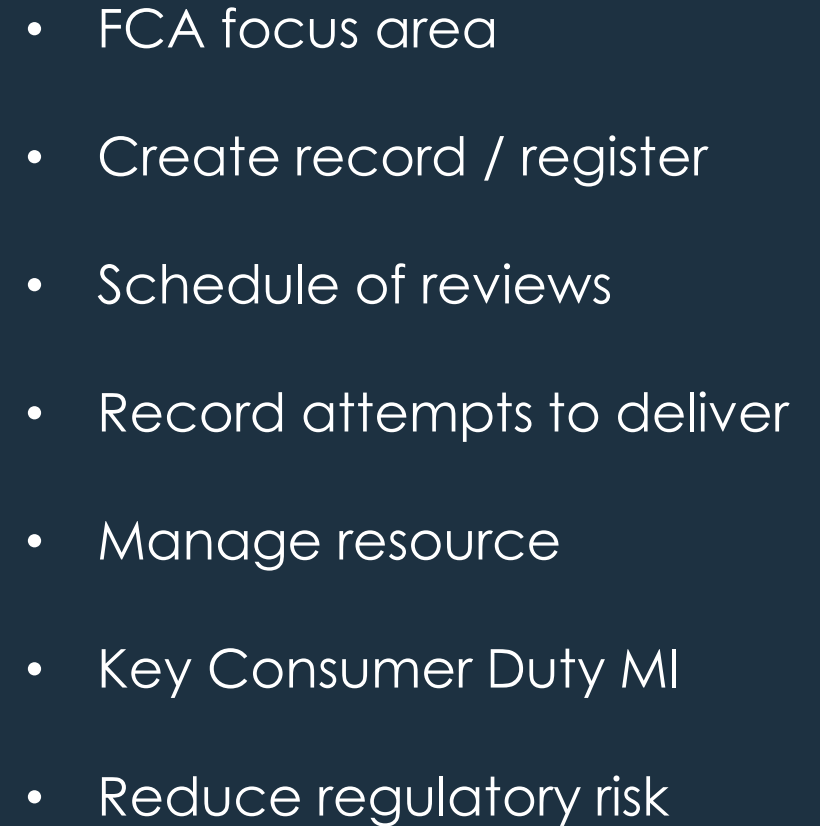
> Registers > Client Reviews > Amanda Jensen

Details

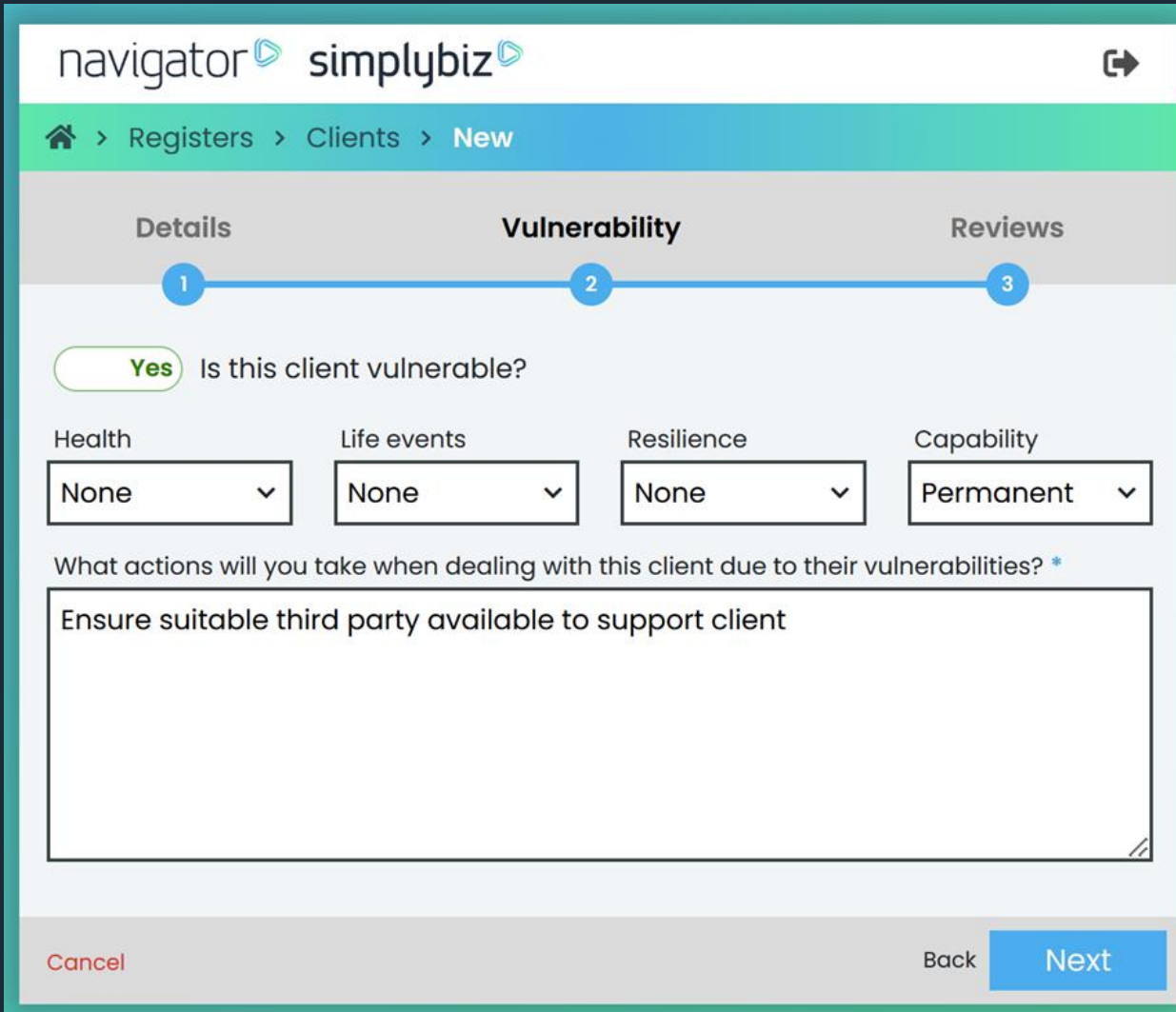
Client	Amanda Jensen
Due by	27/03/2025
Type	Full
Status	Scheduled

Review

Scheduling attempts	1
Scheduled for	30/03/2025
Completed on	<div style="background-color: #c8e6c9; padding: 2px 5px; display: inline-block;">Record</div>



Vulnerable Clients



The screenshot shows the 'navigator simplybiz' interface for creating a new client record. The breadcrumb trail is 'Registers > Clients > New'. The process is divided into three steps: 1. Details, 2. Vulnerability (current step), and 3. Reviews. In the 'Vulnerability' step, the user is asked 'Is this client vulnerable?' with a 'Yes' button selected. Below this, there are four dropdown menus: 'Health' (None), 'Life events' (None), 'Resilience' (None), and 'Capability' (Permanent). A text area asks 'What actions will you take when dealing with this client due to their vulnerabilities?' with the response 'Ensure suitable third party available to support client'. At the bottom, there are 'Cancel', 'Back', and 'Next' buttons.

navigator simplybiz

Registers > Clients > New

Details Vulnerability Reviews

1 2 3

Yes Is this client vulnerable?

Health Life events Resilience Capability

None None None Permanent

What actions will you take when dealing with this client due to their vulnerabilities? *

Ensure suitable third party available to support client

Cancel Back Next

- Create record / register
- Reason for vulnerability
- Reporting functionality
- Update when required
- Key Consumer Duty MI

Compliance Monitoring Plan

navigator simplybiz

Overview

File Reviews

T&C

Registers

Monitoring Plan

Reports

Configuration

Overview

Advice Process

Consumer Outcomes

FCA Reporting PI & CA

Governance & Risk Management

Supervision & Monitoring

Systems & Controls

8

Overdue

2

Due soon

2

Within 30d

7

Within 90d

Baseline Financial Resilience Report (FIN073)

Assigned to: Unassigned Last completed: -

Due: 28/04/2025

Record

Complete Half Year Reg Data

Assigned to: Unassigned Last completed: 21/03/2025

Due: 12/11/2024

Record

External Compliance Health Check(Audit)

Assigned to: Elevated User Last completed: 20/04/2024

Due: 20/04/2025

Record

Ensure Introducer Register up to date

Assigned to: Unassigned Last completed: 20/09/2024

Due: 20/03/2025

Record

RegData Section M (DB Pension Transfer Data)

Assigned to: Unassigned Last completed: -

Due: 30/04/2025

Record



simplybiz

Overview

File Reviews

T&C

Registers

Monitoring Plan

Reports

Configuration

Good Morning, Paul

Compliance Monitoring

94% Up to date

2 Overdue 10 Upcoming

Client Reviews

Bar chart showing reviews over time

File reviews

57 10 Pending

Complaints

1 1 Pending

Financial Promotions

12 Active

Gifts

5 3 Pending

Breaches

3 1 Open

Quick links

Submit a file review

Help & Support

Upgrade

Round table discussion – over to you

Adviser survey 2025

Ongoing advice services

Consumer Duty Board Report

Retirement Income Advice

Simplybiz

We deliver more value and control to financial professionals.

Combining regulatory expertise with the most comprehensive technology platform in the market, we help financial professionals operate more effectively.

Who we are

Award winner in business and regulatory support for retail financial services.



Part of Fintel plc, the leading provider of fintech and support services to the UK retail financial services sector

What we do

We help over 30% of the directly authorised intermediary market to operate more effectively.

- Delivering more income, freedom and control to financial professionals.

How we do it

An integrated compliance and technology platform.

- Delivering cost and tech driven efficiencies
- Flexible services adapted to your needs

