



# Professional Development Events R1

## Compliance Update

March 2025

Forward financial thinking

REGULATORY  
EXPERTISE

BUSINESS  
SUPPORT

FINANCIAL  
TECHNOLOGY



# Learning Objectives

**01**

Identify the key features of the FCA RIAAT tool

**02**

Describe where we are with capital adequacy reform

**03**

Summarise the FCA Advice Guidance Boundary Review proposals



# RIAAT Tool



A closer look



## Part of a suite of advice assessment tools

- Developed by the Financial Conduct Authority (FCA)
- Sets out the regulator's methodology for checking advice
- There to support a firm to identify the key information for the file.
- The template itself is an Excel workbook with various tabs

[Access the DBAAT](#)

[Access the RIAAT](#)

Investment Advice  
Assessment Tool





# FCA RIAAT tool

- Has anyone used the tool?
- What has been your experience so far?

**RETIREMENT INCOME ADVICE ASSESSMENT TOOL**

FCA Reviewer  
Date of review

QA Completed?  
QA Specialist (Name)  
Date of QA review

**Advice details**

Date of advice  
Initial advice or ongoing review?  
Date of last KYC at time of advice  
Does advice include a switch/recommendation?  
Has the client treated as insolvent?  
Initial advice charge basis  
Initial advice charge (%)  
Ongoing advice charge (%)  
Ongoing advice charge (%)

Additional comments

IRCA  
AB (if different)  
Advice Status

**Adviser details**

Adviser name  
Adviser reference (IRV)

**Client referrals**

Client referred from third party firm?  
Third party is regulated/unsupervised?  
Third party firm name  
Third party firm FSN  
Third party adviser name  
Third party adviser reference (IRV)

**Self investor**

Is the client a "self investor"?

Page Ref.

Has the firm obtained the necessary information to provide advice?

Has the firm obtained the essential facts about the client?

Was the advice on a single or joint life basis?

Reviewer QA

**Client**

Surname  
First name  
Date of birth (Age at time of advice)  
Marital status  
Employment status  
Current tax rate  
UK Resident  
Health status  
Notes on health (if not good)  
Notes on any dependents  
Is the client considered vulnerable?  
Notes on vulnerability

Page Ref.

**Partner**

Surname  
First name  
Date of birth (Age at time of advice)  
Marital status  
Employment status  
Current tax rate  
UK Resident  
Health status  
Notes on health (if not good)  
Notes on any dependents  
Is the client considered vulnerable?  
Notes on vulnerability

Page Ref.



## Required information

Input box	Summary	Required information
Information Obtained	There is enough information on file to assess the suitability of the recommendation.	case summary
		the essential facts about the client
		the client's investment and retirement objectives
		client's investment risk profile
		client's knowledge and experience
		estimated expenditure throughout retirement
		Necessary information on client's financial situation
		Switch only - ceding and proposed scheme info



## Indicators of suitability

Input box	Summary	The recommendation:
Suitability	This suitability section contains examples which tend to show compliance with the suitability requirements.	<ul style="list-style-type: none"> <li>allows the client suitable access their retirement savings</li> <li>is compatible with client objectives</li> <li>is suitable given client/partners health or lifestyle factors</li> <li>does not result in unnecessary charges</li> <li>does not result in an unnecessary tax charge or liability</li> <li>makes client aware of ongoing requirements</li> <li>demonstrates necessary risk appetite and capacity for loss</li> <li>does not result in loss of valuable benefits / incur a penalty</li> <li>takes into account “wider factors”</li> </ul>



## Other checks

Input box	Summary	The recommendation:
Insistent client  <i>[be aware of PII]</i>	Client goes against the recommendation and the firm facilitates	<ul style="list-style-type: none"> <li>• Has the firm followed the correct process</li> <li>• Is there a record on file?</li> </ul>
Consumer Duty	Only be used for advice given after 31 July 2023	<ul style="list-style-type: none"> <li>• Product meets client needs</li> <li>• Costs are reasonable relative to benefits</li> <li>• Risks, costs and benefits are understood</li> <li>• Clients supported to make a decision</li> </ul>
Disclosure	All disclosures are fair and not misleading	<ul style="list-style-type: none"> <li>• Initial disclosure of firm's services and adviser charges</li> <li>• Specific disclosure of charges as early as practicable</li> <li>• Product disclosure</li> <li>• Suitability report</li> <li>• Explanation of possible disadvantages</li> </ul>





## Pros and cons

Advantages	Disadvantages
Gives context to existing COBS rules	Time-consuming
Sets out consistent methodology	92-page instruction guide
Highlights training needs	Tick-box approach
Gives valuable MI for Consumer Duty Report	Subjective statements

**Feedback: Send to [compliance@simplybiz.co.uk](mailto:compliance@simplybiz.co.uk) marked for the attention of the Policy Team**

# RIA Landing page

- FCA publications
- Self-assessment template
- A retirement income advice process
- Consultancy services
- Tools and technology

The screenshot shows the 'Compliance First' website's 'Retirement Income Advice' landing page. At the top, there is a navigation bar with the company logo and phone number (0141 616 4161). Below the navigation, the main heading 'Retirement Income Advice' is displayed. A paragraph of text explains that the FCA has published a report on how financial adviser firms are delivering retirement income advice and the quality of outcomes consumers are getting. Below this text is a large video player featuring a 'simplybiz' logo and a play button. The video title is 'Thematic Review of Retirement Income Advice' and the subtitle is 'Overview, Practical Support and Document Updates'. Below the video player, there are six content blocks arranged in two rows. The first row includes 'FCA publications', 'Our Guidance', and 'Document Updates'. The second row includes 'Retirement Income Health-check', 'Advice Quality Unit', and 'Business Consultancy - bespoke support'. Each block contains a brief description and a 'VIEW DOCUMENTS' button.

**Compliance First** 0141 616 4161 | Q

Investments | Compliance | Pensions | Mortgages Protection & CI | Events | Connect | Your Proposition | Your Business | MediaHub | Product NewsHub | Additional Support | Horizon

## 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.

simplybiz ▶

Thematic Review of Retirement Income Advice

Overview, Practical Support and Document Updates

Forward Financial Planning

**FCA publications**

Links to the various FCA publications relating to its review of retirement income advice

VIEW DOCUMENTS

**Our Guidance**

Guidance issued to members including a self-assessment checklist and a proposition template.

VIEW DOCUMENTS

**Document Updates**

Links to documents we have updated as a result of the TR24/1 publication. Documents on the Operating Centre have been updated to reflect these changes too.

VIEW DOCUMENTS

**Consultancy Services**

**Retirement Income Health-check**

A half day remote consultancy health-check, in line with FCA findings, which includes:

- Review of current firm processes
- Feedback on key areas from thematic

**Advice Quality Unit**

An external check by an independent critical friend. Our Advice Quality unit can conduct pre and post sale file checks which align with the FCA standards outlined in their Retirement

**Business Consultancy - bespoke support**

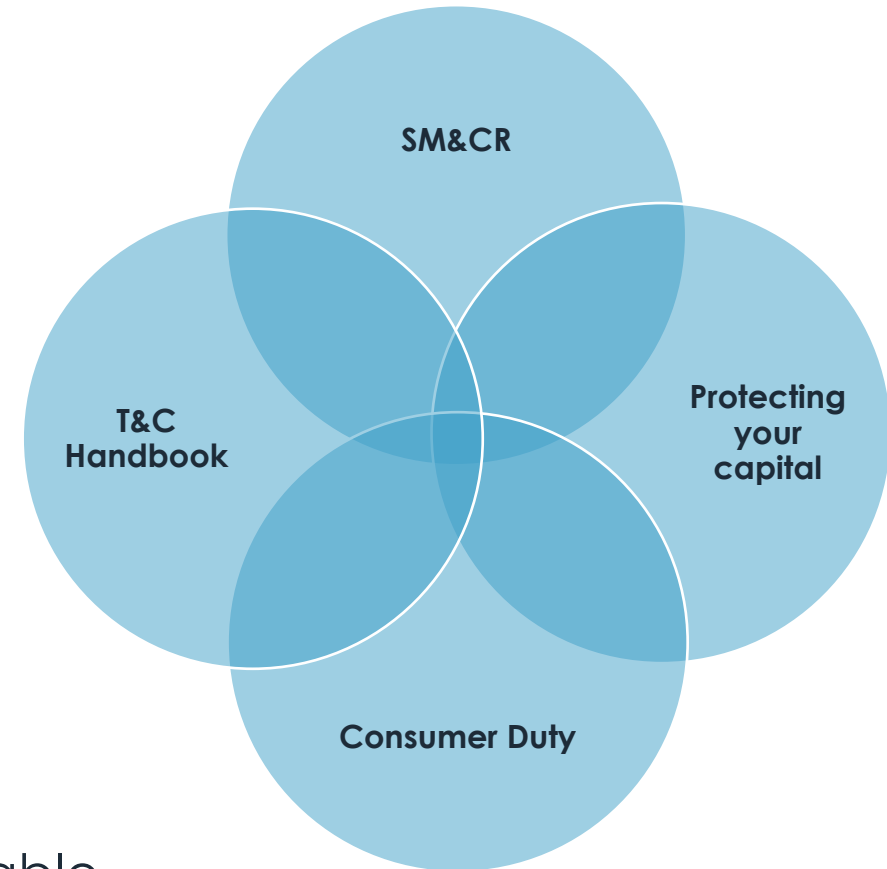
Business Consultancy is a focussed service providing support in designing

Centralised Retirement/Investment



# The importance of file checks

- Protect you and your business
- Gives you confidence in your process
- Can identify improvements
- ‘Independent critical friend’
- Compliance First - Advice Quality Unit available





# Other ongoing regulatory initiatives



Bitesize round-up



# FCA update on ongoing service delivery

- FCA has published its findings
- Action required for all firms

**BOOK ONTO COMPLIANCE CLINIC**

**7<sup>TH</sup> April 2025 at 2pm**

The graphic features the Simplybiz logo at the top left. The main title 'Compliance Policy Update' is in a large, bold font. Below it, the subtitle 'FCA publishes review of ongoing advice services' is in a smaller font. The background is dark blue with a glowing, abstract shape on the right side. The text is white and light blue.

**simplybiz**

## Compliance Policy Update

### FCA publishes review of ongoing advice services

The FCA has published long-awaited findings from its review into the delivery of ongoing advice services.

Generally speaking, the results of this exercise are good news for the industry and indicate no industry-wide review (yet), however the FCA are careful to highlight the population was not a representative sample.

The FCA is now asking the advice industry, as a whole, to review their findings and consider whether they have delivered all the services they were required to deliver and whether a remedy is required. The FCA has stated it will check on firms progress later in 2025.

We continue to remind firms that they must deliver reviews in line with their contract with the client, and ensure these are correctly documented, given the risk of future claim through FOS.

[Click here for the full update >](#)

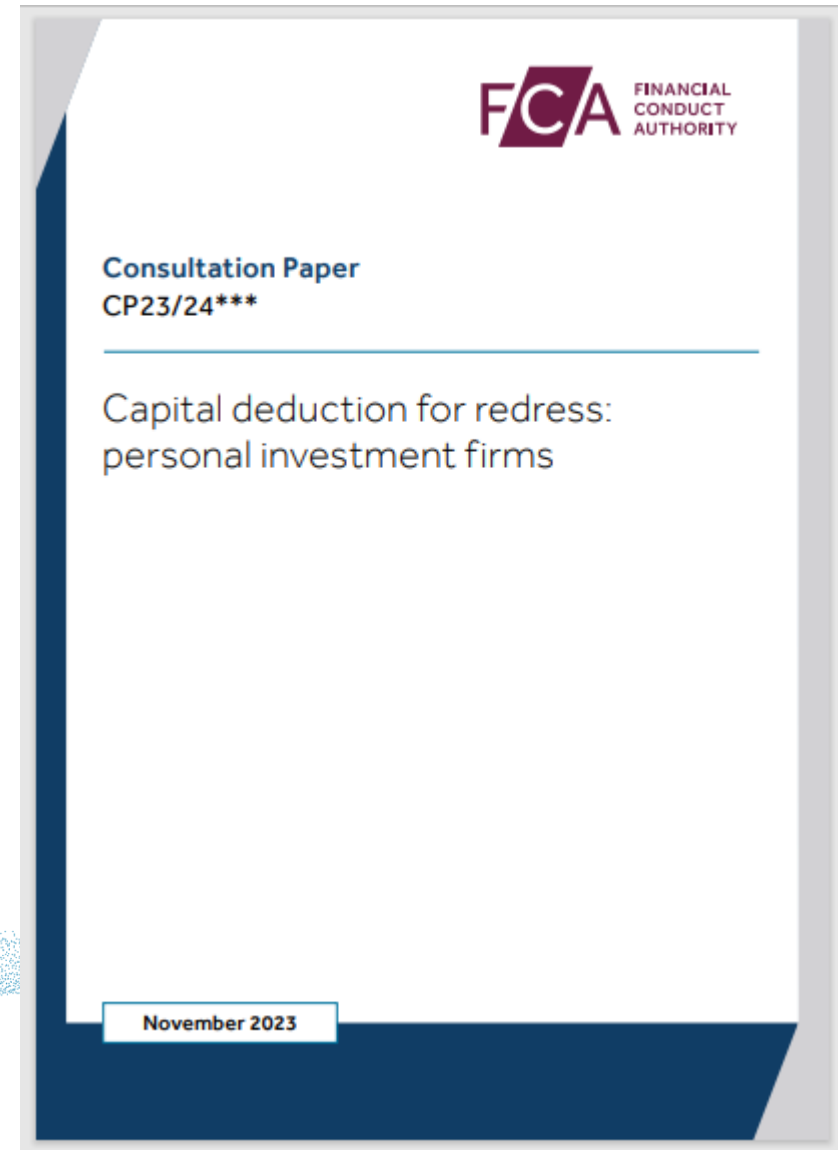
We will look at this in more detail at our next Compliance Clinic on 7th April at 2pm. To register [CLICK HERE](#).

As always if you have any queries, please contact the Compliance Helpdesk on [compliance@simplybiz.co.uk](mailto:compliance@simplybiz.co.uk) or 01484 43 91 20.



# Polluter pays

- New FCA webpages – important reading for any firm looking to buy, sell or re-structure
- A 'capital deduction' consultation - for investment firms (PIFs) – overdue - awaiting final rules
- Known liabilities.....? Set aside capital





# Wider capital adequacy reforms? A risk-based approach?

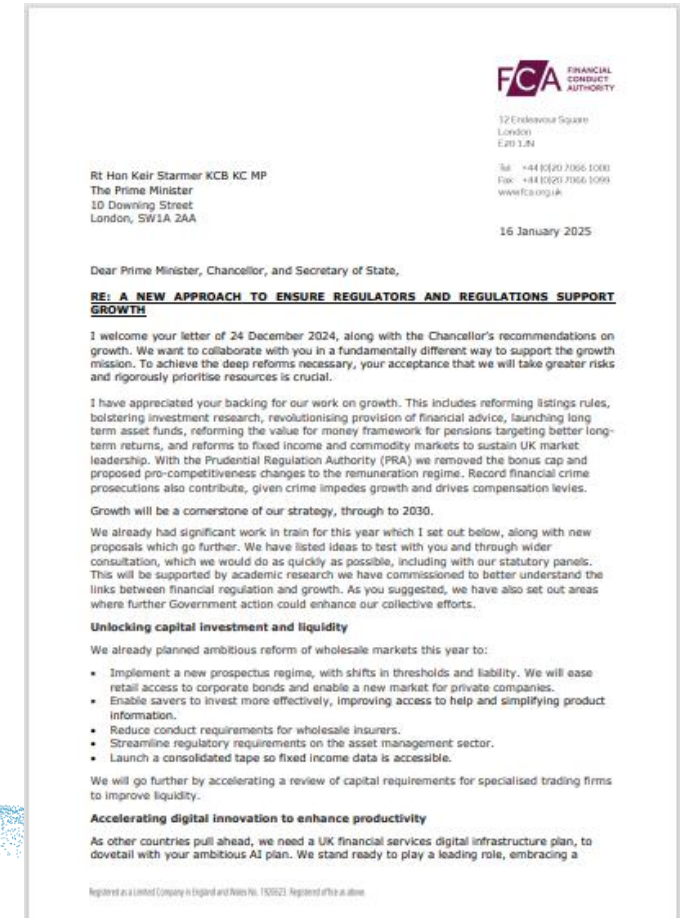
- No change to the minimum capital resource requirement - FOR NOW
- FCA to look at a range of mechanisms for reform
- Will be subject to consultation (and challenge!)
- Business Risk Awareness (BRAW)

Risk Indicators	Mitigations	Risk Status	Risk Owner
<b>Business Model Risk</b>			
<i>Business model risks are key measures that impact on the firm's operations, financial stability, reputation, and compliance with regulatory requirements.</i>			
Firm is unable to satisfy being able to be supervised effectively in the UK. The firm must have its "mind and management" located in the UK.	The firm maintains offices in the UK. The firm keeps records of address updated on Companies House/FCA register. Senior management and key decision makers are located in the UK. The firm does not have an office outside of the UK.	LOW	
Discrepancies on the FCA register/company house and/or the firm's website having material inconsistencies with the practice/activities of the firm.	Firm checks the Financial Services Register to ensure all company information and permissions are accurate. Companies House records are up to date and consistent with records held by FCA with a consistency of registered name, registered office address and financial year-end.	MEDIUM	
<b>Staff Recruitment</b>			
<i>Recruitment of staff is a major risk to a business with the risk of staff being hired on the basis of false credentials for the role or overlooking previous misconduct/termination. This could lead to client harm.</i>			
Significant Staff attrition Complaints arising around staff conduct Concerns/Skill Gaps in New Hires	Senior Management to embed a culture centred on growth, respect and shared values. Effective & documented onboarding process. Encouraging engagement and personal investment with formal personal development plans in place and active encouragement to pursue professional qualifications. Providing opportunities of career advancement whilst conducting formal 3-2s to monitor engagement. Comprehensive exit interview process is carried out to ascertain reasons for resignation. Recruitment strategies include:	MEDIUM	



# FCA Letter - new approach to support growth

- Avoid additional regulations for AI
- Streamline the handbook following industry input
- Review the proportionality of reporting requirements and remove redundant returns
- Revolutionise the provision of financial support/advice







# Advice Guidance Boundary Review

Review to gather pace in 2025. Create a continuum of support.

## Clarifying the boundary

Enable FCA-authorised firms to provide consumers with greater levels of support by operating closer to the boundary.

## Targeted Support

A new regulatory framework that enables firms to use limited information to suggest products or courses of action

## Simplified Advice

A new advice regime, enabling firms to deliver a simplified form of advice taking into account only relevant information about a specific consumer need.



## Targeted Support for Pensions



For those that can't afford/don't want advice

A suggestion based on people in similar circumstances

For groups of customers with common characteristics.

No explicit or small charge

Not expected to be offered by advice firms



# Compliance Digitisation



Helping you manage your regulatory obligations  
and providing you with MI/Data to evidence  
good customer outcomes



# Compliance digitisation



Digitised compliance solution for all included in membership



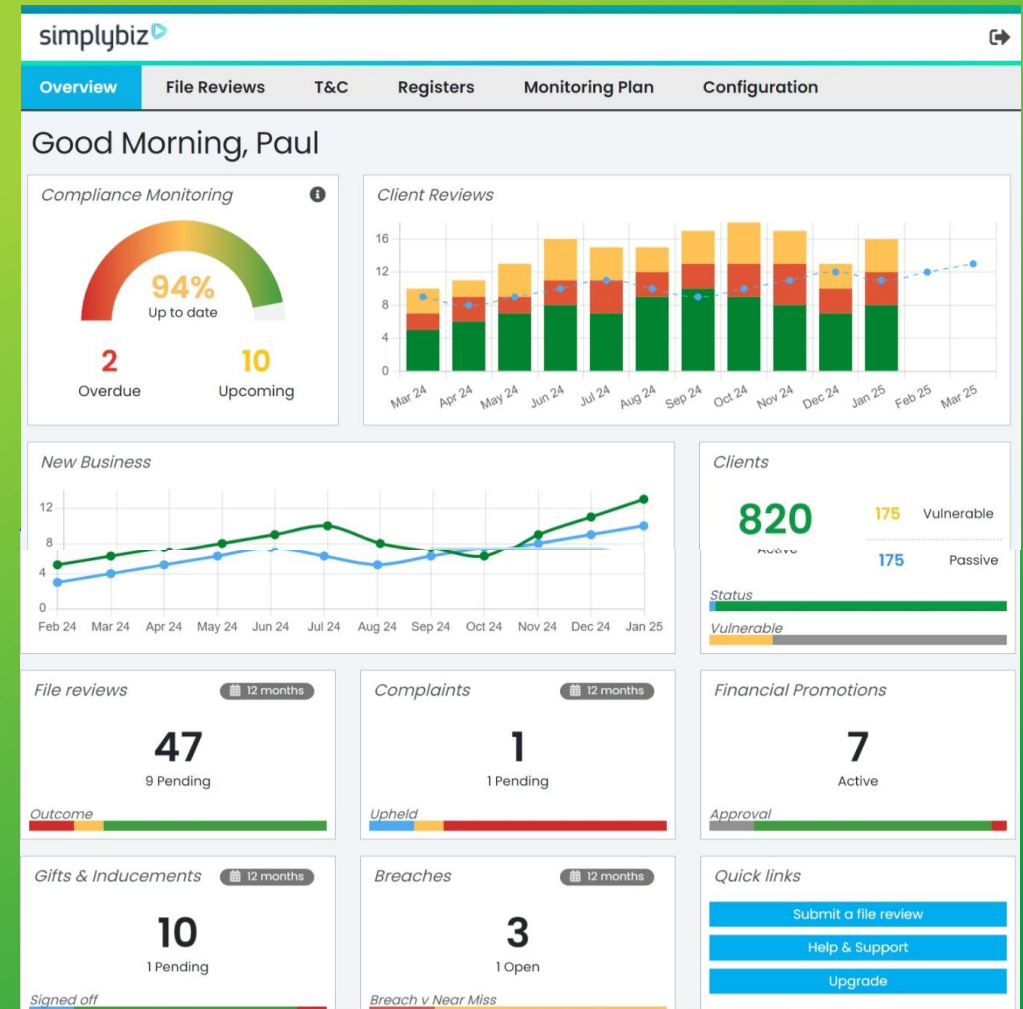
Compliance Dashboards & Registers



Track activities & key risks – reduce worry



Consumer Duty MI





# Compliance digitisation



Compliance Monitoring Plan



File review outputs

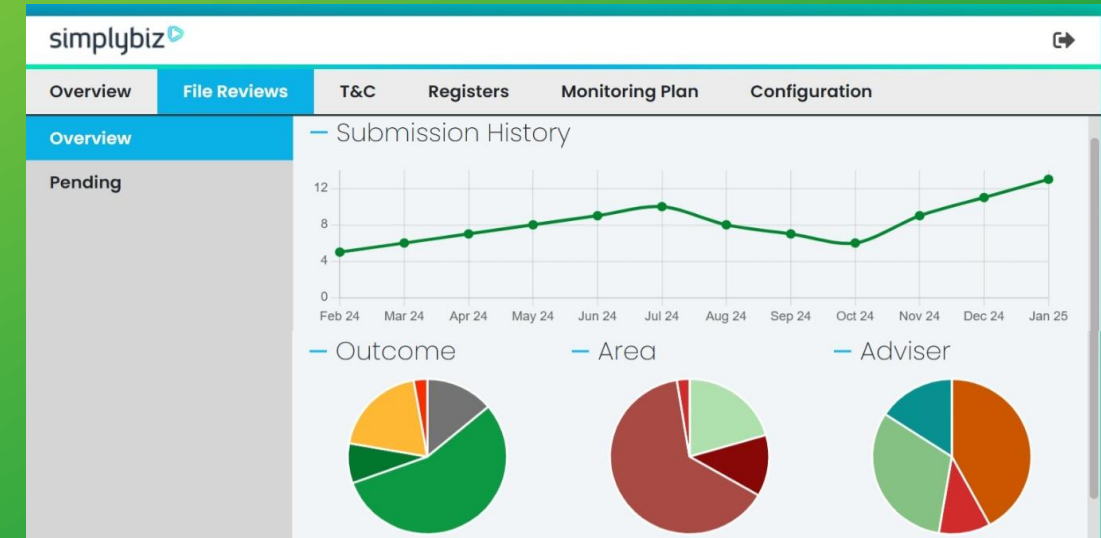
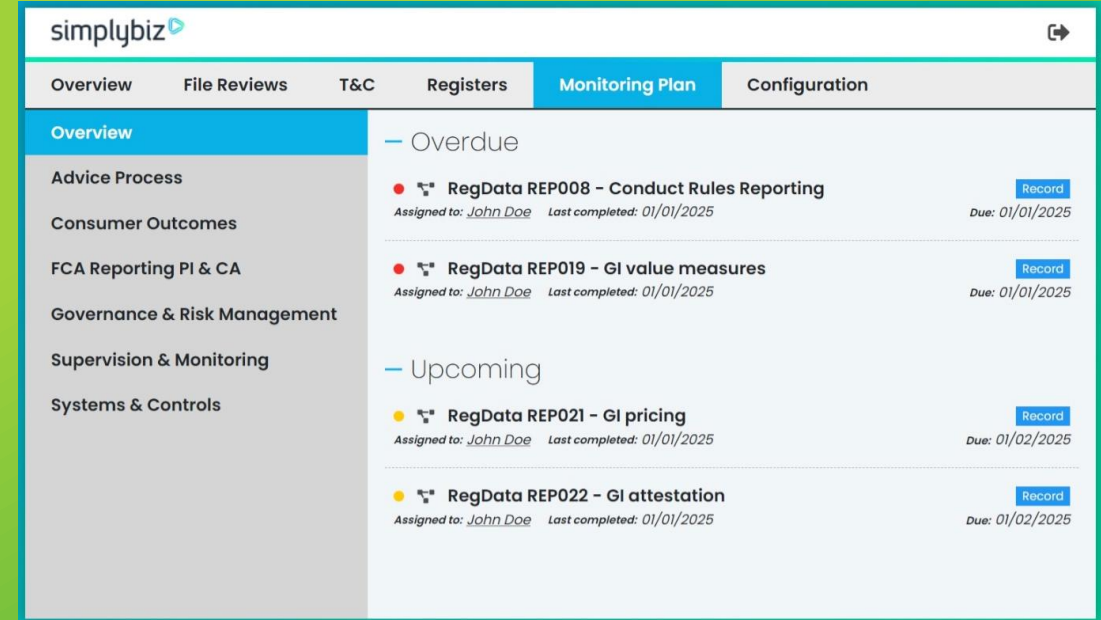


Annual Review Tracker



Easy Oversight – all in one place

Staged rollout from April – talk to us about priority access





# Learning Outcomes

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# Compliance First

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

