



# Priscum November Newsletter

## Egypt

### Welcome to the Priscum November Newsletter

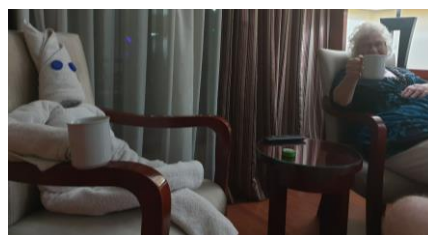
The Christmas party has unfortunately had to be cancelled due to more people than usual being busy on the 5<sup>th</sup> of December. I and Keith shall still be attending so we don't lose the deposit. But for those who will be traveling a long way we have cancelled it to save you petrol Diesel or Electricity.



I have also gathered some articles for the dreaded Election. Its about time I started my plan for World Domination then we wouldn't have to have elections every month. So instead of pictures of stupid politicians lying to the world I have decided to illustrate this newsletter with pictures from our Holiday to Egypt. For those who didn't know I have been my parents Carer on a trip down the Nile. One of my Tasks was to make sure Keith had his sun hat. He kept

leaving it on the coach.

There is quite a lot of Updates coming out of the FCA in the regulation round up. The most important one is to make sure your company is registered for the new



Connect system see below for details.

SMCR Priscum is working hard on the SMCR and will have an update of what you need to do soon.

The FCA are changing lots of things next year the Register and the Connect system. You can register for the new system now.



## In Todays Issue

- It's the Most Wonderful Meal of the Year. But it has been canceled!!!!
- Register for Connect
- Advisers told they need not worry about SMCR
- Advisers should speak to schools about financial awareness
- Industry calls for simpler pensions tax system
- How to work out the IR35 rules
- The Invesco High Income downgrade to negative.
- Pensions Update
- Mortgage Update
- Evil Political machinations
- FCA Regulation Roundup
- Naughty people!
- Latest News



## Priscum Update

### **It's the Most Wonderful Meal of the Year. But it has been canceled!!!!**

Due to lack of interest. Keith and I will still be going so we don't waste the deposit. But to save people driving long distances it has been canceled for everyone else. If you still want us to hold these annual events or if you have any suggestions of dates and venues for next year please let me know and we can try something different next year maybe in late

November instead of December as it can be a busy month. I really like our Christmas Lunch so it would be nice if we can keep it going so I have an excuse to wear my Xmas Jumpers.



### Advisers told they need not worry about SMCR

Priscum is currently working on an update and what we need to do to comply once we have finalised our actions you will all be informed of what if anything you need to do about SMCR.

### Advisers should speak in schools to raise financial awareness – Star Letter 15/11/2019

Keith is already speaking in Schools for his church they are going to talk about the Bible in Assembly's. He has bought a lovely Egyptian outfit from our

holiday that he will use for future assembly's



## Pensions Update

- FCA's plan to shake up non-workplace pensions market
- Understanding how death benefits work
- FCA's plan to shake up non-workplace pensions market
- TPR updates DB transfer guidance for trustees
- Pension schemes to carry out extra checks on advisers
- Industry calls for simpler pensions tax system

## Mortgage Update

- IMLA calls for reform of 'excessive' stress tests and stamp duty
- Almost half of households fear they will never own a home – Fidelity
- Sellers hesitant as property listings crash 15 per cent – Rightmove
- Brokers must identify opportunities and scenarios to benefit from new build – Calder
- The pitfalls of Bank of Mum and Dad
- Making property as boring as pensions





- [Landlords may need advice on HMO licensing but it's not a broker's duty – Marketwatch](#)
- ['I worry about how much more landlords can take' – Rickards](#)
- [High street banks refusing mortgages on new builds with escalating estate fees – exclusive](#)
- [Brexit 'urgency' helping boost property transactions](#)



## Evil Political machinations

- [Christmas election looms](#)
- [Labour strikes tenant 'right to buy' policy from election manifesto](#)
- [Why aren't general election campaigns about pensions?](#)
- [Landlords fear election could 'end' buy-to-let](#)
- [Greens pledge radical tax overhaul](#)
- [Labour and Lib Dems reveal manifesto pension and tax policies](#)
- [Labour promises Help to Buy revamp and major social housing programme in manifesto](#)
- [Tories pledge 'lifetime' fixed rate mortgages and](#)

[discounts for first-time buyers](#)

- [Labour pledges tax hike for £80k earners](#)
- [Conservatives target pension tax at both ends](#)
- [It is time politicians saved like the rest of us](#)
- [Labour's £58bn WASPI pledge branded 'regressive and appalling'](#)

## This is Deadlock

Sterling remained around \$1.29 as polling showed the Conservatives well ahead of the other parties. Unfortunately, this is the same position as in the 2017 election and some constituency-level analysis suggests that a parliament just as gridlocked as the previous one still cannot be ruled out at this stage. In the event of a hung parliament, the political deadlock might continue but it would probably reduce the chance of a no-deal Brexit. 'Flash' economic activity data for the UK in November reflected election uncertainty and the unwind of inventory build by companies and is indicative of the economy contracting by around 0.2% in the fourth quarter. We 'Brits' are fed up with politicians and general elections. However, something did make us smile last week. PM Boris Johnson was presenting at the CBI and apologised for calling a 'Dyno-rod' election. Apparently, it is needed to clear the blockage in parliament!



## FCA Regulation Roundup

- [FCA to charge advisers for invoices](#)
- [FCA publishes damning report on gender diversity](#)
- [FCA must rethink equity release before it becomes 'a very serious problem' – Blackwell](#)
- [FCA says open finance can improve advice](#)
- [Regulator needs to adapt](#)
- [LCF victims to join protest outside FCA headquarters](#)



### Register for Connect today.

You will need to use our online platform - [Connect](#) - to submit your firm's details - also known as a mandatory annual update. **This will be a requirement from January 2020**, so we suggest you register now in good time.

If you need help to register and update your firm's details, visit our [website](#), watch our [video guide](#), or call us on 0300 500 0597.

***From January 2020, [you will be required](#) to update and confirm the accuracy of your firm details annually (even if there is no change), in line with your Accounting Reference Date (ARD). This must be done using Connect.***



## Financial Advisers

We have improved the information on [our website](#) and online system, [Connect](#). This includes information about what makes a good application, how to avoid delays and common mistakes to look out for.

We want to make good quality decisions in an efficient way, that works for both us and firms. The improved information should help firms submit better quality applications, and lessen the time it takes for them to receive our decision.

We have updated the information for these application types:

- [Wholesale investment firms- authorisations](#)
- [Waivers & modifications](#)
- [Change in control](#)
- [Cancellations](#)
- [Sensitive Business Names](#)

We will be publishing further updates across other application types soon.

Other helpful information and updates include:

- [Authorisation: what's involved](#) – find out exactly what we mean by 'ready, willing and organised'.
- [Wholesale investment firms and authorisation forms](#) – find out what application forms you need to complete, depending on the type of firm you are.
- [Requirements for a change in control](#) – find out who is required to submit a notification under the change in control regime.
- [Vary or cancel a waiver](#) – what to do if your firm's business changes and you need to apply for a new waiver or modification.



## Mortgage Lenders

### Changes to mortgage responsible lending rules

On 28 October, we published a [Policy Statement](#) setting out changes we are making to our responsible lending rules and guidance. The changes are based on the proposals in our [Consultation Paper](#). This set out our concerns that some consumers cannot switch to a more affordable mortgage despite being up to date with their mortgage payments – including 'mortgage prisoners'.

Our conclusion is that consumers in this position, or who may be in the future, are suffering harm, as they are paying higher than necessary mortgage payments.

So, we have amended our rules to help remove barriers to consumers switching to a more affordable mortgage and to reduce the time and costs of switching for all relevant consumers.

The new rules allow lenders to use a different and more proportionate affordability assessment for customers who meet certain criteria. These criteria include being up-to-date with payments

under their existing mortgage and not looking to move house, or borrow more (except to finance certain fees).

Customers of inactive lenders and firms not authorised for mortgage lending will also have to be contacted and told that it has become simpler for them to switch to another lender.

We want customers to benefit from these changes as soon as possible so the new rules came

into force on 28 October 2019. We have been working closely with firms through our [Implementation Group](#) to help them get ready.



### **Live & Local 2019/20 events**

Our series of monthly Q&A roundtable discussions for mortgage intermediaries and lenders across the UK continues. Our next events are in Birmingham, London, Manchester and Newport.

There is no set agenda for these sessions; attendees at each session decide the topics for discussion. We will be joined by the Financial Ombudsman Service and an industry expert at each session.

These informal monthly 'Ask the regulator' events will run until March 2020. Visit our [Live & Local webpage](#) for further details and to register.

### **Connect Systems for all**



### **Insurance companies submit your certified persons data for the new directory**

Providing public information on certified people working in financial services is part of the [Senior Managers and Certification regime \(SM&CR\)](#). This directory of certified persons will become an important new component of the [Financial Services Register](#).

The deadline for banks, building societies, credit unions and insurance companies to submit their data is 9 March 2020.

For more information about the data submission process which uses the [Connect](#) system see our [website](#).

A new look FS Register with a new user interface with this directory information will launch next spring once the deadline for data submission has passed.

### **Consumer Credit & Claims Management**

#### **Regulatory reporting for E-money firms**

During December we will be adding all authorised E-money firms to our online reporting portal, Gabriel. This will make it easier for these firms to provide us with most of the periodic regulatory reports which we will schedule as and when they are due.

We will be sending Gabriel joining instructions with a list of the returns affected to each firm at the beginning of December to enable them to submit returns from January 2020.

**Please ensure your contact details including email address are up to date on [Connect](#) now.**



### Reporting requirements for CMCs

Claims Management Companies (CMCs) are reminded of reporting requirements which apply to all firms, including those with temporary permissions. Firms must send us their returns electronically within 30 business days of the end of the relevant reporting period.

Firms that do not submit their return on time can be charged a £250 administration fee. Further information about reporting dates, what needs to be submitted and how to submit returns are on our [website](#).



## Life Insurance & Pension Providers

### Finalised guidance for insurance product manufacturers and distributors

In the latest stage of our general insurance distribution chain work we have published [finalised guidance for insurance product manufacturers and distributors](#). It clarifies our expectations for the design and distribution of insurance products. We are also reminding firms that they need to act in their customer's best interests.



Insurance product manufacturers and distributors should read this guidance and make changes, if necessary.

We have also published a summary of the [consultation feedback](#).

Earlier this year we published the key findings from our distribution chain [thematic work](#) and [wrote to CEOs](#) outlining our expectations.

## Brexit

### ACPR response to EIOPA Brexit Recommendations for the Insurance Sector

The European Insurance and Occupational Pensions Authority (EIOPA) [published](#) member state responses to its hard Brexit recommendations for the insurance sector. The French Autorité de Contrôle Prudentiel et de Résolution (ACPR) response indicated that it does not intend to comply with EIOPA's Recommendation 6, involving insurance policies originally sold in the UK by UK insurers to policyholders now resident/established in France. ACPR [encouraged](#) firms to seek passports before exit to benefit from the French run-off regime. Together with the Prudential Regulation Authority (PRA), we [encourage](#) affected firms to seek legal advice and consider getting passports.



### Is your firm prepared for Brexit?

The UK and the EU have agreed to extend the date for the UK's departure from the EU to 31 January 2020. Unless a deal is approved or a further extension is agreed the UK will leave the EU without an implementation period on 31 January 2020. We expect all firms to continue to plan for all scenarios, including a no-deal Brexit at the end of January 2020. You should consider the impact of Brexit on your business. You should have plans in place to address any risks for your firm and any impact it could have on your customers.

[Check our website](#) for more information, which includes information on specific financial service sectors.

### Temporary Permissions Regime for inbound passporting EEA firms and funds

**Firms** - In light of the extension, the notification window for solo-regulated firms (and whose passports do not include PRA-regulated activities) will now close at the end of 30 January 2020. Firms that have already submitted a notification do not need to do anything else.

**Funds** - The window for fund managers to notify us which of their stock of passported funds they wish to continue to market in the UK temporarily will now also close at the end of 30 January 2020. Firms must make any changes to existing notification by 15 January 2020.



### News & Publications



#### The future of regulation

On 21 October, Executive Director Christopher Woolard gave a [speech](#) on the FCA's wide-ranging review of how it regulates at an event organised jointly by the Corporation of the City of London and Cicero. We are looking at our regulatory model to consider whether it is still the right one, and is ready to respond to the changes we see coming. Much has changed in and around the sectors we regulate over the last few years, with more change to come. So, we need to have an open discussion about what outcomes we want from financial services to determine what type of regulation will best deliver for the public.

We are clear that we need to do things differently, moving away from narrow compliance with rules to a focus on delivering the outcomes we want for the users of financial services. Key steps towards this goal include settling on agreed outcomes, making better use of our regulatory toolkit, working better with other agencies, reviewing our requirements on firms and better utilising technology. It's vital that our approach has the confidence and consent of our stakeholders and the wider public. Over the coming months we will be engaging in a public conversation, issuing an open invitation for thoughts and ideas and setting out our own, and publishing detailed papers on related topics like our [Principles](#) and the future dynamics of financial markets.

#### Complaints data

We published our six-monthly firm [complaints data](#) covering the first half of 2019. The data showed an increase in complaints from 3.91m in the second half (H2) of 2018 to 4.29m for the first half (H1) of 2019. The increase in complaints was mainly due to a 34% increase in the volume of PPI complaints, from 1.58m to 2.12m. PPI complaints made up 49% of all complaints received during this period, continuing to be the most complained about product. If you have any feedback or suggestions for future data publications please send an email to [fcadataandanalysis@fca.org.uk](mailto:fcadataandanalysis@fca.org.uk)

### Product Sales Data

We have published our [Product Sales Data \(PSD\)](#) statistics. Every year we publish the aggregated PSD received from firms operating in the mortgages, retail investments, and protection sectors. This publication covers sales made during the period from 1 January 2014 up to 30 June 2019. To complement the UK geographic area breakdowns for the mortgage PSD that we published for the first time last year, we have published some [interactive maps](#) of some of the key geographic breakdowns. If you have any feedback or suggestions for future data publications please send an email to [fcadataandanalysis@fca.org.uk](mailto:fcadataandanalysis@fca.org.uk)



### Proposed introduction of administration charge for fee-payers requiring paper invoices

[Consultation Paper 19-30](#) issued 13 November, consults (Chapter 5) on introducing £50 charge for fee-payers who want us to issue paper invoices instead of using the online invoicing portal, from April 2020. The deadline for comments is 13 January 2020.

Currently, 92% of firms use the portal. As fewer fee-payers require paper invoicing, the costs per firm of printing/posting documents becomes more expensive. It is unfair for other fee-payers to continue to bear these additional costs; hence the proposal. Firms that do not want to use the portal can have a pdf of their invoice attached to email notifications.

### Firms' obligations around 'cold-shouldering'

Following a [ruling](#) by the Panel on Takeovers and Mergers on 'cold-shouldering', firms are reminded that they should not deal with David Cunningham King, the Chairman of Rangers International Football Club PLC, on any transaction subject to the Takeover Code for a period of 4 years from the date of the ruling (2 October 2019).

The relevant obligations for FCA-Regulated entities are set out under [MAR 4.3](#) (Support of the Takeover Panel's functions). Please see our website for our full [statement](#).



### Regulation of Cryptoasset Activities

In July 2019, the Government [announced](#) that the FCA would be supervisor of businesses carrying on cryptoasset activities. We are working on the implementation of the regime, which will come into force on 10 January 2020. We published our [consultation](#) on recovering the costs for regulation of these businesses in October 2019. The deadline for comments on

registration fees has closed, however we are still accepting comments on periodic fees.

Businesses carrying on cryptoasset activity will need to be compliant with the [The Money Laundering, Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulations 2017](#) (MLRs) from 10 January 2020. We have setup a dedicated cryptoassets [webpage](#) and will be providing more information on our approach and expectations in due course.

### Keeping pace with technological change

Nick Cook, Director of Innovation, recently delivered a [speech](#) at the Chief Data Officer Exchange Financial Services conference in London. Nick discussed how financial regulators must adapt to keep pace with technology-led change in the markets they regulate. Nick also outlined some areas where we may need to enhance our current Innovation services to broaden their relevance and appeal, including ways to better support RegTech solutions by creating a 'digital sandbox'.



## Naughty people!

- Berkeley Burke case to land £158m of claims at FSCS
- Tenet brokers paying tens of thousands to leave network over Intelligent Office row – exclusive
- Seeking redress from high cost short term credit companies
- SJP sued by ex-football stars over tax avoidance schemes
- SJP whistleblower accuses firm of 'sexism and data theft'
- Tenet brokers paying tens of thousands to leave network over Intelligent Office row – exclusive
- Adviser to pay out after pension switches led to higher costs



- Adviser fights client's corner over mental health disclosure
- Scottish Widows in 'data breach' over wrong letters
- High Court tells ombudsman to reconsider pension case
- Mortgage fraud investigators seize family's £8.1m property portfolio
- FSCS receives 733 claims against Sipp provider
- Court sides with ombudsman in death benefits case



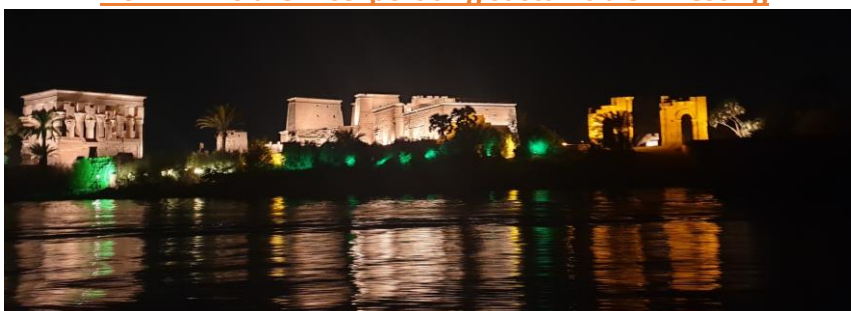
## Latest News

- How to work out the IR35 rules
- Seeking redress from high cost short term credit companies
- Govt to pay doctors' tax bills in emergency measure
- CII launches campaign to improve financial resilience
- Long/short strategies may work for some investors
- Fifth of assets



still pay adviser commission

- The wealth management industry needs to innovate
- UK equities are not defensive despite trade agreement
- Train blames Brexit optimism for underperformance
- Fund manager backs US tech despite pull back
- How DFMs are incorporating sustainable investing



- How to work out the IR35 rules
- Understanding how death benefits work
- HMRC considers options after tax defeat

- We need to attract the next generation
- Adapt to prepare for the future
- Woodford debacle sparks surge in UK property fund redemptions
- Major investor tells Hargreaves to 'grow up' after Woodford saga
- Woodford Income Focus closure still on table
- Adviser platforms face 'challenging time' as outflows mount
- Govt to pay doctors' tax bills in emergency measure



Commentary from Morningstar on the Invesco High Income fund and their downgrading to negative. <https://www.ftadviser.com/investments/2019/11/08/barnett-faces-woodford-sell-off-problem/>

