

RETIREMENT ADVICE STANDARD ADVISER GUIDANCE NOTES



Introduction

SOLLA Enterprises has introduced the Retirement Advice Standard (RAS) to enable you to offer reassurance to your clients looking for advice on their retirement planning. This will give your clients the confidence that their adviser is appropriately qualified in this area, active in advising clients and maintains a high level of understanding of current practice and legislation surrounding retirement provision.

If you already offer advice extensively to later life clients, you should be considering the Later Life Adviser Accreditation (LLAA) as this is now the established as the industry standard of excellence for those advising in the later life sector.

What is the Retirement Advice Standard?

There are three key components that make up the Standard:

Knowledge Base and Business Activity Specific qualifications

FCA regulated advisers with a current SPS, along with the appropriate qualifications that demonstrate knowledge in pensions and retirement areas.

Advisers must be actively involved in the at- and in-retirement market. The Standard requires advising on at minimum of 10 retirement cases each year, involving annuity, drawdown or encashment. This can include ongoing advice in the form of reviews to existing clients, so not necessarily all new cases. Please note that this relates to the number of clients you have advised, and is not based on the number of products sold.

Ongoing relevant professional development

In addition to meeting FCA regulatory requirements for CPD, the Standard will look to establish that the adviser has an appropriate amount of CPD which is specifically relevant to retirement. The Standard does not set a mandatory number of CPD hours or subject matter, but will assess an adviser's CPD as part of their overall application.

Maintaining a supportive working environment

The Standard is an entirely personal award and cannot be achieved by or applied to a firm or practice. However, as part of an adviser's assessment, they will need to demonstrate that they operate within a supportive environment. This will require statements concerning how the applicant maintains knowledge levels and how they are supported to undertake personal development within the retirement sector.

Maintaining the Retirement Advice Standard

In addition to achieving the initial Standard, successful advisers are required to undertake an annual re-license submission relating to their CPD, business activity, upheld complaints and any changes in their supportive environment.

How is my application assessed?

Each individual application is subject to the following process:

Stage 1 – Application

The first stage is completion of the application form. This will involve preparation of the information and evidence required to satisfy the Standard. Alongside submission of this form, you will also need to supply the required additional information as listed within the form. By applying you are agreeing to follow the Retirement Advice Standard Code of Practice, which can be downloaded from <http://retirementstandard.co.uk/for-advisers>.

Stage 2 – Payment of Application and Registration Fee

Once your application has been submitted, you will be sent details of how to pay your application and registration fee. This must be paid before your application is processed. Details of payment are on page 4.

Stage 3 – Desk Top Review

Once the application form has been submitted, it will be subject to an administrative desk top review. This will ensure that all required documentation has been provided. At this stage advisers will be advised of any information which may be missing or incomplete.

Stage 4 – Application Review

Once the first two stages are complete, the application form and supporting information will be reviewed to ensure that authorisation, qualifications, CPD and supportive environment are appropriate to achieve the Standard.

Stage 5 - Decision

Applicants will be advised as soon as practically possible and within one month from the date of application, subject to any requirement for further information to be submitted. Please note that the initial application and registration fee must be paid in order for your application to be processed.

Appeal

In the event that the application is not deemed to have reached the appropriate standard, advisers have a right of appeal which will be independently reviewed. A fee of £50 is payable when an appeal is lodged, which will be refunded if the appeal is upheld.

How do I apply?

You can apply online at <https://retirementstandard.co.uk/Application-Form>

Before applying

Before you apply, you should:

- Make sure you hold the appropriate qualifications.
- Have read the prospectus and application form in detail and familiarise yourself with the evidence to be submitted.
- If you have any concerns, email info@retirementstandard.co.uk or telephone 0333 2020 455.
- Allow plenty of time to complete the application and gather the details required. (you can save it as you go, and return to the form to complete)

Application and registration Fee

There is an application and registration fee which must be paid once your application has been submitted. Your application will not be processed until your fee has been paid. The initial application fee is £200, and the annual renewal fee is £150. All prices quoted are subject to VAT.

Once your application has been submitted you will be sent a link to set up a Direct Debit authorisation to SOLLA via GoCardless. To do this you simply need to enter your contact details and bank details. Once you have done this, we will set up the payment as a one-off amount, and you will receive notification of the payment details.

Once your application has been approved, we will then set up a yearly Direct Debit for your annual renewal fee, which you will receive notification about when set up, and a reminder before the payment is taken next year.

What information will I need to apply?

Full details of what is required can be found by reading the application form. We would encourage all advisers to familiarise themselves with the questions before beginning the process of application.

There are a number of sections which may need some particular thought and preparation:

Spread of business

Advisers are asked to submit a simple summary of their business areas. This requires percentage based allocations to a series of business categories. Advisers are also asked for a breakdown of their retirement business to help monitor continuing activity in the retirement market.

CPD

CPD records for the previous 12 months should be submitted as a PDF highlighting items which they feel are relevant to retirement business. This process will help an adviser to determine the extent of their retirement CPD during the last year. The applicant is asked to select two items and explain their specific relevance to at- and in-retirement planning. These do not necessarily have to be financial or investment matters.

As *an indication* we would expect advisers to be able to demonstrate understanding of the following:

- The new pensions regime introduced by the Taxation of Pensions Act 2014
 - Legislative requirements
 - Reporting requirements
 - Compliance requirements
- New developments in pension provision and income options
- The main provisions for scheme members wishing to transfer their benefits including, where appropriate, transfers from DB schemes
- Changes to State Pension provision
- Key factors affecting decisions on how to derive an income in retirement
- The effect of health and mental capacity on retirement planning
- Longevity, underwriting and the effect of health on annuity rates
- IHT and death benefits
- Mortgages, loans and other debt
- Use of property (downsizing and equity release)
- Investment choices and asset classes
- Interaction of the options with State benefits

Supportive environment statement

This is designed to demonstrate the environment in which the adviser works and how this supports them in providing advice in the retirement sector.

It is provided by the adviser's answers to questions which include:

- How knowledge levels on retirement issues are maintained?
- How a firm supports development activities in the retirement and later life sector?

Much of this section is free text and is the adviser's opportunity to articulate, in a clear and concise manner, their working methods, activities and commitment to the retirement sector. Your answers should be 200-400 words per question.

SOLLA Full Members

SOLLA Full Members who actively advice on pensions will receive the Retirement Advice Standard as part of their SOLLA membership.

Enhanced Listing

You are able to upgrade your profile to an enhanced listing. This allows you to:

- display a picture of yourself or your company logo
- include a detailed profile highlighting your background, experience and areas of speciality
- list all relevant qualifications
- display client testimonials
- additional links to LinkedIn, Facebook and Twitter

An enhanced listing costs £150 per year (plus VAT). If you are a full SOLLA member, your enhanced profile will appear on both the SOLLA and Retirement Standard websites.

If you wish to upgrade to an enhanced listing you can do this within the My Details section of the Members Area.

Summary

The Retirement Advice Standard is intended to reassure clients that they will receive a high standard of advice on their retirement needs.

Information submitted with the self-audit should demonstrate that an adviser has a high level of understanding of retirement needs, how to meet those needs and that the adviser will maintain their competence in this area.

Contact details

If you have any questions about the Retirement Advice Standard, or want more information about how to apply for the Standard, please contact:

Telephone: 0333 2020 455
Email: info@retirementstandard.co.uk
Website: www.retirementstandard.co.uk