

MINUTES OF MONTHLY AMPS COMMITTEE MEETING		
20 th February 2019	10:00hrs – 14:00hrs	Offices of Barnett Waddingham 2 London Wall Place London EC2Y 5AU
Attendees:	Kelly Cullum	Alan Finch
	Samina Kausar	Jacqui Lane
	Claire Trott	Zoe Smith
	Joy West	
Apologies:	Geoff Buck	Tas Ul-Haq
	Sarah Hawkins	
Minutes taken by:	Claire May – Secretariat	

APPROVAL OF MINUTES AND COMPETITION DOCUMENT		
Claire Trott		
Apologies from GB, TUH & SH. Minutes were approved and the Competition Document was revisited for the new members of the committee.		
Action Items/Carried Forward:	Person	Deadline
Last months signed minutes to be uploaded to website	CM	ASAP
Invoice Marketplace to be carried forward	CM	This week

HMRC UPDATE
Sarah Hawkins (written report in advance)
HMRC report circulated prior to meeting and attached to these minutes. Responses to the Pension Ombudsman and Pension dashboard consultations have been submitted. There were no further comments.

FCA UPDATE
Geoff Buck written report circulated and Kelly Cullum delivered it with additions
FCA report circulated prior to meeting and attached to these minutes
KC Comments: Retirement Outcomes review – The Policy Statement has nothing contentious other than lots of paperwork involved. SK said that Tisa are putting together a working group to create a document that could be used as a standard. CP 18/40 and DP 18/10 on Permitted links – Aviva and ILAG are preparing a response. AMPS agreed not to respond. CP 19/9 on FSCS Levy Paper – this appears to be a done deal with nothing further to add. There is a Treasury Select Committee Enquiry looking at post Brexit views. SMCR response was circulated and with 3 committee approval received, this will now be lodged as the AMPS response. SK advised that there will be further meetings and will circulate the dates. SK had circulated FCA clarification saying that that there is no change in the qualification requirements for those involved in an overseeing activity.

CP 19/3 – Guidance on Cryptoassets –KC is working with Crypto Currency Task Force at FCA. The paper is informative. However, given these would be classed as non-standard assets it is unlikely that there would be relevant for pensions.

International Organization of Securities Commissions (IOSCO) published a paper on environmental, social and governance (ESG). This is something that FCA/PRA have been mentioning increasingly in papers so appears to be one of their key areas. There are 200 data items in the directory and it could potentially be as large as MFIID II and SIPP providers may get caught. SK to draft a response for CP.

Work and Pensions Select Committee on 5 Feb – Andrew Bailey stated that FCA will be undertaking a review of non-standard assets and SIPPs in 2020.

Duty of Care update from FCA –KC expressed concern about the content of the response from the FCA., but hopefully little impact in the short term. KC to keep a watch on this issue to see how it develops.

Brexit - there have been a number of documents published by both FCA and HMT.

CP 19/05 - So far only TUH has responded to GB draft response. Committee agreed that the tone of the response was correct as AMPS need to be firmer, whilst understanding the need to develop a relationship. AF provided comments to KC to feed back to GB. A meeting hosted by Kevin Jack was discussed – CT will contact KJ to secure dates and then venue, possible pre-meeting questionnaire to be sent out.

Action Item:	Person	Deadline
TISA meeting	SK	On going
SMCR response to be lodged	KC	ASAP
IOSCO response	SK	ASAP
Meeting dates from KJ if willing to host AMPS members meeting on CP19/05	CT	ASAP

BREXIT

Kelly Cullum

FCA have agreed MOU's with ESMA and a number of draft statutory instruments have been released. There has also been an increase in FCA releasing CP's which are dependent on either a deal or no deal Brexit.

Larger firms are planning for worst case scenario, but smaller firms can not afford the time to put anything in place.

Action Item:	Person	Deadline
FCA briefings to be highlighted in newsletter.	CM	End Feb

COMMITTEE BUSINESS – Chair's Business

Claire Trott

CT regularly posting on LinkedIn

AMPS and AJ Bell had a recent call regarding LEIs with FCA. The only clear statement was that there was no need to renew LEI's. ZS said that the FCA were emphatic that LEI's were needed at a member level for SIPP's. At end of call the FCA accepted that AMPS can put their view in writing so that it can be reviewed. SK and ZS are both coming from slightly different angles in the business set up. Gareth James has prepared a report which AMPS will comment on.

It was agreed that AMPS should attack this from various view points as it is a significant issue. CT to share GJ correspondence with committee. SK to contact TISA

Committee@ampsonline email to be reviewed. James to check again.

Website – agreed to appoint Molokini following last months presentations. Contract has been signed and deposit to be paid today. The next planning meeting is 21 March if anyone else wishes to attend. Views on any likes/dislikes on websites welcomed and to be given to CM.

Action Item:	Person	Deadline
Committee email	CM	ASAP
LEI's actions	CT/SK	ASAP
Views on website to CM	All	21 March

COMMITTEE BUSINESS – Treasurer's Report

Claire Trott in Tas UL Haq absence

£138,784 in bank . Website deposit and due to be paid (£3,000).

CT did send documentation to Barclays to add to add TUH to account. There has been no response so CT will chase up.

JW to post cheques to bank and give TUH update.

Committee approved increase to CM to £800 a month

Committee approved spend on new website – expected to total around £6700

Action Item:	Person	Deadline
Chase Barclays and secure new contact details	CT	ASAP

COMMITTEE BUSINESS – Secretary's Report

Alan Finch

CT sent a letter of thanks to ZG for his service to AMPS.

AF received a random phone call regarding a member firm. Ex staff member stating that the firm are explicitly involved in scams. She wanted to know how she gets the firm removed from AMPS. AF asked her to put her concerns in writing and the committee with consider it. There has been no email. It was agreed that this could be a disgruntled employee and she needs to report to Action Fraud with her evidence.

Francis Moore posted comments on LinkedIn with negative comments about AMPS.

COMMITTEE BUSINESS – Membership Report including Website

Joy West

New members

Application received from Interactive Investor Services Ltd (SIPP Operator)

Committee discussed and agreed to offer membership

Application received from Rectory Accounting Ltd

No website but do check out on companies' house. 1 SSAS at £5million
Committee felt a little uncomfortable so JW to check purpose of joining and more information on their 1 SSAS.

Amalgamations

Rowanmoor, Liberty & Hornbuckle to Embark – to be actioned

Additional Log-ons

Ascentric: Tamara Ingamells, Barry Hale, Simon Tedridge, Zena Willis, Guy Pullen, Emily Rockett
Talbot & Muir: Peter Barker, Paul Darvill

Change of Rep

Brown Shipley change from Christopher Lampkowski to George Hicks
Talbot & Muir change from Peter Moran to Jacqui Lane

Membership

138 Member Firms paid (105 Full and 33 Associate) for year to 5/4/19
Cater Allen waiting for new payment year and will send payment after 5th April.

CT Suffolk Life owed £400 from previous years – just to be invoiced £25

Website

January Newsletter No 79 published; stats received from Claire:
3 Unsubscribed CM to check who
Successful deliveries 316 90.0%
Total opens 809
Last opened 19/2/19 11:03
Forwarded 0
Clicks per unique opens 31.7%
Total clicks 107

Forum Posts:

SSAS Forum
SIPP Forum

No posts since last report
No posts since last report

Members Forum

Inviting views on allowing SIPP member (not a Trustee)
to conduct a claim involving unquoted shares

1 post (Beverley Davies Sanlam),
136 views

Committee discussed the above. SK felt that SIPP member could not claim. It was agreed that it is not possible to reply to this with certainty and that they should seek legal advice. CT to respond.

Marketplace

7 firms displaying; no updates received

Action Item:	Person	Deadline
Market place invoices to be raised	CM	ASAP
3 Unsubscribed from newsletter - to check who?	CM	ASAP
Reply to Beverley Davies	CT	ASAP

EVENTS UPDATE

Claire May

21 May 2019 – Annual Conference

CT had contact with GB and some suggestions for the Investment Due Diligence debate.

Other speakers suggested were:

AJ Bell on investment due diligence – CT to contact Gareth James

Rob Yuile – SK to contact re dashboard

DWP for Brexit – CT, and if that is a no then CM will contact Tobin Ashby

CM to circulate revised schedule with potential names and those to contact speakers.

8 October 2019 – Joint Seminars and AGM

Retirement Outcomes – on going

There may be updates on either Carey's case or In specie case if there has been any developments.

Action Item:	Person	Deadline
Approach speakers as above		

NEWSLETTER, PRESS AND PR

Claire Trott

CT to draft introduction to February 2019 newsletter.

Press Coverage is positive at present from AMPS point of view. The James Hay VAT issue was discussed, but as it is not going to affect majority of the members not worth drawing attention too. CT asked committee if there were any other items in press that needed addressing – to keep Lou updated.

Action Item:	Person	Deadline
Newsletter to be sent at end of month	CM	End of month

OUTSTANDING ITEMS NOT COVERED ABOVE

All

As a note CT explained to new committee members that there is no AOB to comply with advice given from lawyers regarding the competition document.

Meeting closed at 1241hrs. Next meeting to be held at Barnett Waddingham on Wednesday 20th March 2019



Date: 20/3/19.

ATTACHMENTS

- HMRC report – Sarah Hawkins
- FCA report - Geoff Buck

DWP/HMRC – Feb 2019 report (17.01.19 to 20.02.19)

Pension Scheme Newsletters

- 106 – published 30 January

(<https://www.gov.uk/government/publications/pension-schemes-newsletter-106-january-2019/pension-schemes-newsletter-106-january-2019>)

1. Pension flexibility stats for the quarter have been published.
Tax repayment claims forms yielded
 P55 = 7,770 forms
 P53Z = 4,537 form
 P50Z = 1,685 forms
 Total repaid = £30,242,426
2. The LTA for the 2019/20 tax year is announced at £1,055,000.
3. Previous instructions for the reporting of non-taxable death benefits were confirmed as incorrect.
It was confirmed that the starting field should be left blank, instead of stating 06/04/2018.
The annual amount should be zero.
Applies to lump sum and regular payments.
4. HMRC are changing their email addresses from @hmrc.gsi.gov.uk to @hmrc.gov.uk.
Redirections will be in place for a while.
5. Following the Lloyds Banking Group Pensions Trust Limited High Court case, HMRC are considering pension tax issues arising around GMP equalisation.
6. RAS notification of residency status report have been issued (see detailed points below).
7. A draft RAS annual return of information declaration has been added to the newsletter (see [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/774682/Appendix 1 - Pension scheme administrator declaration - annual return of information.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/774682/Appendix_1_-_Pension_scheme_administrator_declaration_-_annual_return_of_information.pdf))
8. Master Trusts application windows closes 31st of March 2019, for schemes that want to continue as a Master Trust.
“Fit & Proper” evidence must be given by the Master Trust.
More information can be found on TPRs website (see [https://www.thepensionsregulator.gov.uk/en/master-trust-pension-schemes/authorisation-of-master-trust-schemes?utm_source=HMRC106&utm_medium=email&utm_campaign=Master Trusts Jan 19](https://www.thepensionsregulator.gov.uk/en/master-trust-pension-schemes/authorisation-of-master-trust-schemes?utm_source=HMRC106&utm_medium=email&utm_campaign=Master_Trusts_Jan_19))

- RAS – published 17 January

(<https://www.gov.uk/government/publications/relief-at-source-pension-schemes-newsletter-january-2019/relief-at-source-pension-schemes-newsletter-january-2019>)

1. Scottish draft budget has been released and the Scottish Income Tax rates for 2019/20 tax year were provided.
Pension scheme administrators using RAS should continue to claim tax relief at rate of 20% for Scottish taxpayers.
HMRC will not recover difference between Scottish starter and basic rate tax rates.
Scottish members are entitled to reclaim the additional 1% relief above the 20%, which HMRC will deal with through adjusting tax codes, or can be dealt with via self assessments.
The Scottish Parliament is to agree the Scottish Rate Resolution and HMRC will update in a future pension scheme newsletter.
2. The Welsh government have confirmed that the rates of Income Tax paid by Welsh taxpayers will be the same as England/N Ireland taxpayers.
3. Notifications of residency were released through SDES on 14 January.
Technical specs had been circulated to scheme administrators on their mailing list in December 2018.
Also included in Appendix 1 of the newsletter.

Usual 6 days/144 hours to download the file before it is deleted.

If not downloaded in time administrators must email

MDTSSETCustomerManagement@hmrc.gsi.gov.uk

before the 23 January.

Pension scheme administrators to contact reliefatsource.administration@hmrc.gsi.gov.uk if notification from HMRC has not been received to download the file.

The lookup service can be used to check the residency tax status for single or multiple members, if a report has not been received.

rUK residency status must be applied to members where a residency status cannot be applied – must not apply a tax rate based on member's address.

Once a status has been used it must be used for the whole of the tax year.

Unmatched members will be shown with a U status.

This could be due to unstructured data in 2017/18 annual return of information (ARI), untraceable members due to submitted incorrect personal information, life events such as marriage/divorce/death/

Lookup service to be used in these events.

rUK status to be used as default if still cannot match and info to be corrected for future returns.

Administrators should contact members to check information and submit corrected info on next ARI.

If info still cannot be reconciled then members should check their personal tax account, or contact National Insurance general enquires to confirm correct NINO/personal details via <https://www.gov.uk/government/organisations/hm-revenue-customs/contact/national-insurance-enquiries-for-employees-and-individuals>

If HMRC can trace a corrected NINO for a member they will provide correct on in an additional column on the 2019 notification of residency status report.
They will not correct the NINO if only the suffix is different.

4. For tax months ending on or after 5 April 2018, scheme administrators have 90 days to provide HMRC with a schedule of excess relief, from discovering too much tax relief has been claimed.
Interest will be charged from the date that the excess relief was paid to the scheme administrator if the repayment of excess is not made within 90 days.

For tax months ending before 5 April 2018 no need to include details in an interim claim or excess relief schedule.

APSS106 to be submitted instead.

PTM and GOV.UK guidance will be updated in due course.

Amendment has been made to the APSS106 for claim periods 2018/19 onwards to correct a legislative reference about excess relief before box C.

- Manage and Register services – published 25 January

Service renamed “Managing Pension Schemes”

- Revenue Scotland – published 25 January

(<https://www.revenue.scot/news/news/guidance-updated-reflect-land-and-buildings-transaction-tax-tax-rates-and-bands-etc>)

Revenue Scotland has updated its guidance to reflect the changes resulting from the [Land and Buildings Transaction Tax \(Tax rates and Bands etc\) \(Scotland\) Amendment Order 2018](#) which was approved by the Scottish Parliament on 23 January 2019.

The changes implemented by the Order, which take effect from 25 January 2019, are :

- to reduce the lower rate of non-residential LBTT from 3% to 1%;
- to increase the upper rate of non-residential LBTT from 4.5% to 5%;

- to reduce the starting threshold of the upper rate of non-residential LBTT from £350,000 to £250,000; and
 - to increase the Additional Dwelling Supplement (ADS) rate from three to four percent (payable on purchases of second residential dwellings over £40,000).
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- Pensions Ombudsman Consultation (dispute resolution)

Committee response was submitted to DWP on the 18th of January

- Pension Dashboard Consultation

Committee response was submitted to DWP on the 25th of January.

FCA output – Feb 2019 report

- PS19/1 Retirement Outcomes Review

Summary sent round the group. Changes to wake up packs, retirement risk warnings, costs and charges.

- CP19/5 Retirement Outcomes Review

Summary sent round group together with draft consultation response. Roundtable discussion with FCA already in the diary for 20th March after the next AMPS meeting. Proceeding with investment pathways and non-defaulting into cash.

- CP18/40 and DP18/10 Permitted Links/Patient Capital

Papers have been reviewed. I've been discussing with Kelly, Tas and Samina given where they 'sit' within the industry. Tas is awaiting some comment from her compliance team but for now we agreed this is an issue for insured funds. There could be an impact on SUIPPs that use insured funds and where the operator is subject to the non-standard cap ad adjustment for its regulatory capital. However, we haven't drafted a consultation response (due end Feb) as we have been concentrating on the Retirement Outcomes Review.

- FSCS levy paper CP19/9

Increase in levies. Reflects changes to groups from April 2019. I suspect there will be an increase to the interim levy too because of all the headlines about 'SIPP investments'. I thought Claire's article on the headlines was really good and articulated the issues. This is an area I think we could keep mentioning on a periodic basis.

- FSCS Plan and Budget 2019/20

Not yet read but I'm sure there will be no surprises.

- FCA / Treasury Select Committee

FCA have provided a written response to the Treasury Select Committee inquiry on consumers' access to financial services. Useful paper in that it highlights current FCA thinking in this area.

- FCA/TPR/TPAS joint protocol paper

This paper relates to DB pension transfers and highlights how they intend to work together to share information about concerns they have in this area and what interventions they might take with scheme Trustees.

- CP19/4 Optimising the Senior Managers & Certification Regime and feedback to DP16/4 – Overall responsibility and the legal function

Kelly has drafted a response to this and had some feedback. Essentially the paper is exempting admin staff from the certification regime.

- CP19/3 Guidance on Cryptoassets

Given focus on assets by FCA an interesting paper to read just to understand FCA thinking on these assets. Summary below:

The paper is designed to provide regulatory clarity for market participants. Whilst the paper has no direct relevance to what we do, it makes for an interesting read in terms of explaining how the FCA

view cryptoassets and at which point they consider cryptoassets to fall under their regulatory remit. Cryptoassets doesn't just include currencies such as Bitcoin or funds set up to mirror returns on cryptocurrencies.

The paper also has some interesting comments and statistics which are listed below.

- The number of firms carrying out cryptoasset activities in the UK remains small
- But there is growing evidence at a global level of increasing harm
- Cryptoassets used as a means of exchange are not considered to be currency or money. They are too volatile to be a good store of value. ('Means of exchange' is defined as usually functioning as a decentralised tool to enable the buying and selling of goods and services, or to facilitate regulated payment services.)
- Distributed Ledger Technology (DLT) in its blockchain form was first used in Bitcoin to facilitate peer-to-peer payments without a central third party. Blockchain is a type of DLT that has a specific set of features, organising its data in a chain of blocks. Each block contains data that are verified, validated and then 'chained' to the next block. Blockchain is a subset of DLT, and the Bitcoin Blockchain is a specific form of a blockchain. Today, all cryptoassets utilise various forms of DLT (be it blockchain or otherwise), although the use cases of DLT extends far beyond financial services.
- There are fewer than 15 cryptoasset spot exchanges headquartered in the UK
- There has been a significant fall in capital raising. Commentators identifying investor caution as a response to the large amount of fraudulent ICOs as well as a high failure rate of new enterprises that use the ICO process.
- Less than 600 independent shops, bars and cafes around the UK accept Bitcoin
- Bitcoin makes up just 0.39% of 24 hour global trading volumes in cryptoassets
- Preliminary findings from our consumer research suggest that consumers can overestimate their knowledge of cryptoassets and the underlying technology, with some respondents believing that, due to language such as 'mining' and 'coins', they were investing in tangible assets.
- **Recent research looked at listed tokens in 2017 with data provided for those ICOs with over \$50 million in market capitalisation and found that 78% of these listed tokens were scams.**
- **In the first half of 2018 alone, \$731 million worth of cryptoassets were stolen from exchanges. This included \$500 million from a hack on the Coincheck exchange and \$40 million from a hack on the Coinrail exchange. By October 2018, hacking of exchanges increased to \$927 million.**
- **Europol estimates that £3-4 billion is laundered using cryptoassets each year in Europe. This remains a relatively small proportion of total funds estimated to be laundered in Europe, however, which stands at £100 billion.**
- Cryptoassets have been added to the FCA's ScamSmart Warning List