

Integrated Regulatory Reporting

Information pack to help
you get ready for GABRIEL



July 2008

We are developing a new electronic reporting system named GABRIEL (Gathering Better Regulatory Information Electronically). GABRIEL is designed to be a flexible and user friendly web-based reporting platform. It will replace the majority of the FSA's current reporting systems and has been designed to make it easier for firms to submit regulatory data to the FSA.

This pack aims to help you get ready for GABRIEL and to answer some of the questions you may have at this stage.

We will launch GABRIEL in 3 phases: 26 August, 1 September and 1 October 2008. In addition, following earlier consultations, we are implementing the revised reporting requirements on 1 July, 1 September and 1 October 2008.

This pack is targeted at firms that are in Phases 1 and 2, although it also sets out the high level reporting changes that will impact Phase 3 firms. A tailored guide for Phase 3 firms will be available in August 2008.

Specifically, Part C sets out how each phase will apply to your firm and what data requirements are being introduced and when.

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Part A: IRR – Changes to reporting requirements during 2008

IRR Background

One of the FSA's principal strategic aims is to improve our business capability and effectiveness. Integrated Regulatory Reporting (IRR) contributes to achieving this by:

- only requiring firms to provide data we have a clear use for and
- introducing a new strategic reporting platform that will make data submission more efficient and effective for our firms.

The concept of IRR was originally outlined in Consultation Paper 198 (Regulatory Reporting – a new integrated approach) published in September 2003 when we also consulted on our policy of mandatory electronic reporting. Since then we have been revising all our reporting requirements to bring them in line with our IRR strategy and removing redundant data which we will no longer collect.

Mandatory Electronic Reporting (MER)

MER is a key component of the IRR Programme. We have committed to introducing MER on a phased basis, with appropriate reporting rules being introduced as the revised reporting requirements are rolled out (only credit unions and recognised bodies are exempt from MER). The first phase of MER implementation saw the launch of the Retail Mediation Activities Return (RMAR), Mortgage Lending and Administration Return (MLAR) and revised Complaints Return in 2005; affected firms have been submitting these returns electronically using the Firms Online Regulatory Reporting system.

Changes to reporting requirements

During 2008, we will make electronic reporting mandatory for the majority of regulated firms. At the same time, we are also implementing a series of new reporting requirements.

Your firm's reporting requirements are determined by your firm's prudential category and the regulated activities you are permitted to undertake. The format and content of these reporting requirements are set out in Chapter 16.12 of the Supervision Manual (SUP16):

<http://fsahandbook.info/FSA/html/handbook/SUP/16/12>

To make it easier for firms to understand their new regulatory reporting requirements (which replaced their previous regulatory reporting for reporting dates falling on and after 1 January 2008), we have developed a Reporting Reference Guide based on the reporting categories that previously existed in SUP 16.7. This is available on our website at:

www.fsa.gov.uk/Pages/Doing/Regulated>Returns/IRR/reference_guide

Part B: GABRIEL – the new electronic reporting system – an overview

We are introducing a new reporting system called GABRIEL (Gathering Better Regulatory Information Electronically); GABRIEL is designed to make it easier for firms to submit regulatory data to the FSA.

In 2008 GABRIEL will replace the Early Reporting System and the Firms Online Regulatory Reporting system. It will also replace the legacy systems used to collect data from banks, building societies, investment management firms and securities and futures firms. The main group of firms that will continue using legacy systems after 2008 will be life, general insurers, credit unions and some authorised professional firms. The insurers will move over to GABRIEL at the same time as the implementation of revised reporting requirements arising from Solvency 2, which is expected in November 2012. Also, those firms currently reporting on the Transaction Reporting System (TRS) will continue to report the relevant data using the TRS (e.g. product sales data).

When will reporting commence on GABRIEL?

Originally we planned to deliver GABRIEL in 3 phases: on 1 July, 1 September and 1 October 2008. Unfortunately due to the complexities of the development, we have had to defer the implementation for Phase 1 firms by 8 weeks to 26 August 2008. We wrote to Phase 1 firms regarding the deferral on 8 May 2008, a copy of the email is available online at:

http://www.fsa.gov.uk/pages/Doing/Regulated/Returns/IRR/pdf/email_may08.pdf

Revised GABRIEL implementation timetable	
Phase 1 Reporting	26 August 2008
Phase 2 Reporting	1 September 2008 (for reporting periods ending on and after 31 August)
Phase 3 Reporting	1 October 2008 (for reporting periods ending on and after 30 September)

During the early stages of GABRIEL post go-live there will be some scheduled downtime to undertake maintenance and performance upgrades. We will provide timely updates of such occurrences.

When will reporting end on the Early Reporting System (ERS)?

For all firms currently submitting data items (FSA003, FSA004 and FSA011) via the ERS:

- firms with reporting period end date (year end) on or before 24 August 2008 should submit their data via ERS by the normal due date;
- firms with reporting period ending on or after 25 August 2008 should submit their data via GABRIEL.

E.g. If a firm's reporting period ends on 15 August 2008 and has 20 business days to complete data item FSA003, it will have until 15 September to submit FSA003 on ERS.

Part B: GABRIEL – the new electronic reporting system – an overview

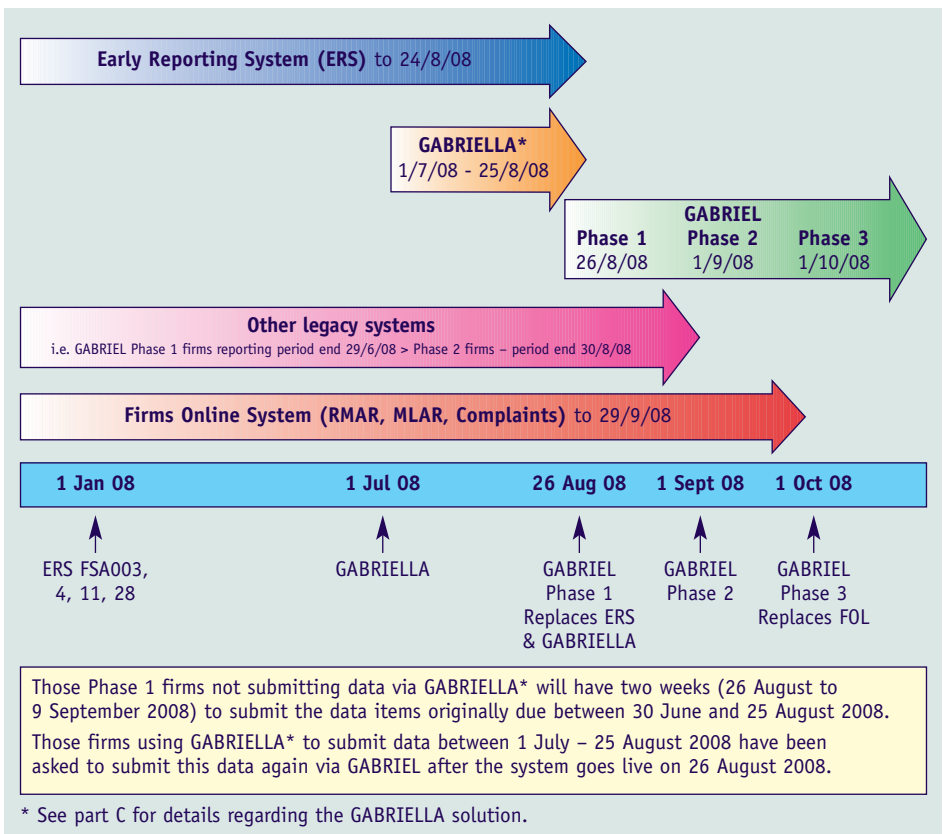
When will reporting end on the Firms Online (FoL) Regulatory Reporting system?

For all firms currently submitting the RMAR, MLAR and the Complaints Return via FoL:

- firms with reporting period end (year end) on or before 29 September 2008 should submit their data via FoL by the normal due date;
- firms with reporting period ending on or after 30 September should submit their data via GABRIEL.

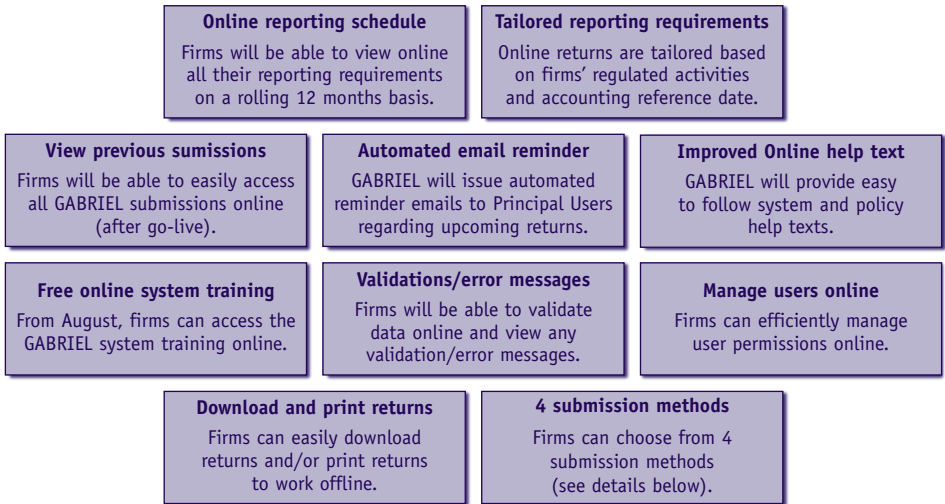
E.g. If a firm’s reporting period ends on 19 September 2008 and has 20 business days to complete the RMAR, it will have until 17 October 2008 to submit the RMAR on FoL.

The timeline below sets out the key reporting system dates for 2008



Part B: GABRIEL – the new electronic reporting system – an overview

Some key benefits of GABRIEL...



Submission methods

GABRIEL offers you 4 ways to submit your data to us. You may choose the method that is most suitable to your firm.

1. **Online Return** – you will be able to enter data directly into the online system.
2. **Offline Return** – you can download a PDF version of the online return from GABRIEL and input your data offline before uploading it for review and submission online.
3. **Web Upload** – you will produce an XML file that is compliant with definitions published in the FSA's Data Reference Guide before uploading it for review and submission online.
4. **Direct Communication** – you will produce an XML file that is compliant with the definitions published in the Data Reference Guide. This file is then transferred to GABRIEL for automatic data processing, validation and submission.

For methods 3 and 4 please refer to the Data Reference Guide online at:

<http://www.fsa.gov.uk/pages/Doing/Regulated/Returns/IRR/mer/drg/index.shtml>

Further information regarding the submission methods are available at:

<http://www.fsa.gov.uk/Pages/Doing/Regulated/Returns/IRR/mer/system/submission/index.shtml>

Part C: Summary of reporting requirements for firms affected by GABRIEL

PHASE 1 FIRMS	Firms subject to the Capital Requirements Directive (CRD) requirements, and certain other deposit takers
When	GABRIEL available from 26 August 2008, for reporting dates falling on and after 30 June 2008.
Who	<p>For reporting dates falling on and after 30 June 2008:</p> <p>UK Banks, building societies, and BIPRU investment firms (including UCITS investment firms): GABRIEL will replace the Early Reporting System (ERS) and GABRIELLA (GABRIEL Late Alternative) from 26 August 2008 and these firms will be required to submit certain data via GABRIEL.</p> <p>Non-EEA banks, EEA banks that have permission to accept deposits (other than those with permission for cross border services only), and EEA banks that do not have permission to accept deposits (other than those with permission for cross border services only): these firms will be required to submit certain data via GABRIEL, and not via existing systems or GABRIELLA.</p>
What data (see note on page 7)	<p>For reporting dates falling on and after 30 June 2008:</p> <p>Balance Sheet (FSA001); Income Statement (FSA002); Capital Adequacy (FSA003); Credit Risk (FSA004), Large Exposures (FSA008); Mismatch Liquidity – banks (FSA010); Building Society Liquidity (FSA011); Non-deposit taking EEA bank liquidity (FSA012); Stock Liquidity (FSA013); Solo consolidation (FSA016); Large Exposures for Integrated Groups (FSA018); Pillar 2 Information (FSA019); and IRB Portfolio Risk (FSA045).</p> <p>For reporting dates falling on and after 31 August 2008:</p> <p>Market Risk (FSA005); Operational Risk (FSA007); Forecast data (FSA014); and Interest Rate Gap (FSA017); Volumes and Types of Business (FSA038); Client Money and Client Assets (FSA039); CTFC (FSA040); Asset Managers using Hedge Fund Techniques (FSA041); and UCITS (FSA042).</p> <p>For reporting dates falling on and after 30 September 2008:</p> <p>Sectoral Information (FSA015); Analysis of Assets and Deposits by Maturity Band (FSA044); Securitisation (FSA046); Retail Mediation Activities Return, Mortgage Lending and Administration Return, and Complaints Return.</p>
Important	<p>Due to the deferral of GABRIEL's implementation date from 1 July to 26 August 2008 we are collecting the new data from <u>some</u> Phase 1 firms via an interim solution (GABRIELLA); these firms have also been asked to submit the new data again after GABRIEL goes live (the relevant firms have been informed of this by email in June).</p> <p>For the remaining Phase 1 firms that are not reporting via GABRIELLA, we have modified certain SUP16.12 rules by consent. These firms will be required to submit relevant data items electronically via GABRIEL, but at a later date – i.e. after 25 August 2008 and will have two weeks from 26 August 2008 to 9 September 2008 inclusive to do so. We have issued a targeted email to relevant firms.</p> <p>Further details regarding GABRIELLA and the Modification by Consent are available at: Returns/IRR/gabriella/index.shtml">www.fsa.gov.uk/Pages/Doing/Regulated>Returns/IRR/gabriella/index.shtml</p>

Part C: Summary of reporting requirements for firms affected by GABRIEL

PHASE 2 FIRMS	Firms not subject to the CRD requirements and Electronic Money Institutions (ELMIs)
When	Reporting dates falling on and after 31 August 2008
Who	<p>For reporting dates falling on and after 31 August 2008:</p> <p>Exempt BIPRU commodity firms; exempt CAD firms; non-BIPRU investment firms (including UCITS management companies, but excluding firms subject to IPRU(INV) Chapter 13 other than exempt CAD firms); operators of personal pension schemes; and ELMIs: these firms will be required to submit certain data via GABRIEL, and not via existing systems.</p>
What data (see note below)	<p>For non-BIPRU investment firms with reporting dates falling on and after 31 August 2008:</p> <p>Balance Sheet (FSA001 or FSA029); Income Statement (FSA002 or FSA030); Capital Adequacy (FSA031 or FSA032 or FSA033 or FSA034 or FSA035 or FSA036); Volumes and Types of Business (FSA038); Client Money and Client Assets (FSA039); CFTC (FSA040); Asset Managers using Hedge Fund Techniques (FSA041); and UCITS (FSA042).</p> <p>For non-BIPRU investment firms with reporting dates falling on and after 30 September 2008:</p> <p>Retail Mediation Activities Return, Mortgage Lending and Administration Return, and Complaints return.</p> <p>For ELMIs with reporting dates falling on and after 31 August 2008:</p> <p>Balance Sheet (FSA020); Income Statement (FSA021); Capital Adequacy (FSA022); Market Risk (FSA023); Large Exposures (FSA024); Liquidity (FSA025); and ELMI questionnaire (FSA026).</p>

PHASE 3 FIRMS	Retail Mediation Firms; Mortgage Lending and Administration Firms, and firms reporting on Complaints
When	For reporting dates falling on and after 30 September 2008
Who	<p>For reporting dates falling on and after 30 September 2008</p> <p>Mortgage/insurance intermediaries; personal investment firms (other than exempt CAD firms) subject to IPRU(INV) Chapter 13: these firms will be required to submit certain data via GABRIEL, and not via the Firms Online Regulatory Reporting System (FoL RR).</p>
What data (see note below)	<p>For reporting dates falling on and after 30 September 2008:</p> <p>Retail Mediation Activities Return, Mortgage Lending and Administration Return, and Complaints Return.</p>

Note: The 'What data' sections contain all the data items we are implementing in 2008. You may not necessarily need to report every data item listed. If you wish to identify which data items apply to your firm before GABRIEL is available, you can refer to SUP16.12 at:

<http://fsahandbook.info/FSA/html/handbook/SUP/16/12>

Part D: IRR – What firms need to do to prepare for GABRIEL go-live

Before the introduction of each phase we will migrate the firm user information from both the Firms Online (FoL) Regulatory Reporting and Early Reporting Systems (ERS) to GABRIEL. This will include the relevant Principal User (PU) details. As a result:

- If your firm is registered on the FoL Regulatory Reporting system, your FoL PU will be transferred to become the new PU for GABRIEL;
- If your firm is registered on ERS, your ERS PU will be transferred to become the new PU for GABRIEL;
- If your firm uses both FoL and ERS, as GABRIEL only allows only one PU, the PU of ERS will be transferred across to GABRIEL.

As a result, by no later than **8 August 2008**, all firms should check to ensure that they have the correct PU on FoL and/or ERS. If you wish to have a different PU for GABRIEL, you must update FoL and/or ERS by 8 August 2008 so the right person receives the PU log-in details before go-live, see instructions below.

If your firm wishes to maintain the same PU for GABRIEL, no action is required.

Together with this information pack, we have emailed your PU of FoL/ERS (if non FoL user) requesting him/her to assess his/her suitability as the PU for GABRIEL.

How to update your PU on FoL?

1. PU logs into FoL: www.fsa.gov.uk/pages/Doing/Regulated/Firms/index.shtml and selects 'Search for User'.
2. Either search using the criteria fields (e.g. First Name), or leave them blank and select the 'Search for User' option, this will list your firm's users. Select '+' next to the user's name, FoL will display the User Type (i.e. Principal User, User).
3. If the PU wishes to transfer their PU rights to another user, select the radio button next to their details, and click 'Remove/Transfer'.
4. FoL will ask the PU to select the firms for which he/she would like to remove access from, and a list of firms for which he/she is registered will be presented. The PU should select the 'Transfer' link alongside the firm they will transfer PU rights from.
5. FoL will ask the PU whether they wish to transfer PU rights to an existing user (selects users from drop down list) or to a new user (PU to complete new user details).

How to update your PU on ERS?

1. PU logs into ERS <https://www.fsa.gov.uk/ER/Login.aspx>
2. Select the 'My Details' section under 'User Admin' to update your details

If required, please refer to the ERS quick reference guide for more details:

http://www.fsa.gov.uk/pages/Doing/Regulated>Returns/IRR/pdf/ers_principal.pdf

Part E: 'Using the GABRIEL system' – an online training package

To enable firms to learn more about GABRIEL we are developing a detailed e-learning package, which will be available **free of charge**. We strongly encourage all firms to access this learning tool prior to using GABRIEL. The tutorial will take approximately 40 minutes to complete, and contains audio and movie demonstrations of the system.

How to access the e-learning?

From early August 2008, the learning package can be accessed from our website at: www.fsa.gov.uk/Pages/Doing/Regulated/Returns/IRR

We will also email the access details to your Principal User.

Structure and Content

The tutorial provides a structured and flexible programme that can either be followed in order, or visited on a stand-alone basis. The areas covered are as follows:

TOPICS	LEARNING FOCUS
Topic 1: Overview of GABRIEL	<ul style="list-style-type: none">• Why has GABRIEL been developed?• The risk-based supervision approach• Firms' reporting requirements• Summary of the submission methods
Topic 2: Getting Started	<ul style="list-style-type: none">• How to register• Roles of the Principal User, Firm Administrator and Normal Firm User• Log In/Log Out• Password and reset password• Change Personal Details
Topic 3: Submitting Data Online	<ul style="list-style-type: none">• View Firm Schedule and Prepare Online Return• Save as Draft• Validate Data Item and Cross Validate Data Items• Submit Data Item• View Submission History and Request Resubmission• View Resubmission Requests
Summary	<ul style="list-style-type: none">• Tips for using GABRIEL• Additional Resources, including advanced topics on:<ul style="list-style-type: none">– Firm and user administration– Download and upload data items

Minimum Computer Specification

- Microsoft Internet Explorer 6 or 7
- Windows 2000® or higher
- Sound enabled with speakers or headphones

Part F: Other important information

We are committed to make the transition to GABRIEL as smooth as possible for affected firms. In addition to this information pack you will also receive the following communication on how to use the new system:

Phase 1 & 2 firms: Early August 2008
E-learning programme available We will email the e-learning link to the registered Principal Users.
For Phase 1 & 2 firms: End August 2008
Activation email with Registration Fact Sheet Principal Users will receive their new login details and Registration Fact Sheet via email. The fact sheet will detail the registration process.

Where can I get further information?

- You can get further background information on IRR at our website:
www.fsa.gov.uk/Pages/Doing/Regulated/Returns/IRR
- Handbook guidance on the new data items:
www.fsa.gov.uk/pubs/other/sup_chapter16_annex25g.pdf
- Frequently Asked Questions (including data items specific FAQs), these FAQs will be updated on a regular basis:
www.fsa.gov.uk/Pages/Doing/Regulated/Returns/IRR/gabriel/index.shtml

What could happen if you don't submit your return?

Our aim is to help firms submit their returns accurately and on time. The GABRIEL system helps to do this by providing a schedule on what and when data needs to be submitted. The system will also generate a reminder email to firms that a forthcoming submission is due. However, if your firm fails to submit its return on time we can charge you an administrative fee of £250.

You should also be aware that failure to submit a return may result in enforcement action and ultimately could result in the firm losing its permission to undertake regulated activities.

If you are uncertain about how the reporting requirements affect your firm, please speak to your normal supervisory contact at the FSA. If you do not have a specific supervisor, please contact the FSA Customer Contact Centre (Tel: 0845 606 9966, email: fcc@fsa.gov.uk).

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