Australian Government

# FNSSUP420 Establish and administer retirement income streams

**Release: 1**

# FNSSUP420 Establish and administer retirement income streams

## Modification History

| Release | Comments |
|---|---|
| Release 1 | This version first released with FNS Financial Services Training Package Version 5.0. |

## Application

This unit describes the skills and knowledge required to set up and manage retirement income streams in compliance with current legislation and regulations.

The unit applies to those who use specialised industry knowledge and work systematically to review and process information and data according to defined procedures.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Users are advised to check with the relevant state and territory regulatory authorities to confirm those requirements.

## Unit Sector

Superannuation

## Elements and Performance Criteria

| ELEMENT | PERFORMANCE CRITERIA |
|---|---|
| *Elements describe the essential outcomes.* | *Performance criteria describe the performance needed to demonstrate achievement of the element.* |
| 1. Receive application and verify data | 1.1 Receive new income stream application and payment where required, and compile required documentation<br>1.2 Check that documentation is correct and complete<br>1.3 Identify and address issues or irregularities and seek advice from team members or authorised personnel as required<br>1.4 Gather further information from appropriate sources to proceed with application if required<br>1.5 Update new and additional information according to organisational policies and procedures |
| 2. Calculate amount of retirement income stream | 2.1 Calculate amount of a non-account based income stream according to minimum and maximum annual limits<br>2.2 Confirm payment selected by the member in an account-based |

| ELEMENT | PERFORMANCE CRITERIA |
|---|---|
| | income stream is within age-related limits<br>2.3 Calculate payment for transition to retirement account-based income stream, according to minimum and maximum annual limits<br>2.4 Administer incoming payments and outgoing benefits using required portals and systems |
| 3. Set up new member records | 3.1 Extract information required to set up income stream from application form and information collected, including setting up pay as you go (PAYG) instalments<br>3.2 Enter data into organisational system and follow checking and authorisation procedures for setting up new income streams including reversionary pensions<br>3.3 Process client's nominated investment choice for an account-based income stream according to organisational policies and procedures<br>3.4 Send confirmation, policy documents or investor certificate and details of cooling off period to client according to organisational policies and procedures<br>3.5 File documentation according to organisational policies and procedures |
| 4. Meet compliance requirements | 4.1 Send to client periodic statement and PAYG summary with income stream details<br>4.2 Provide to clients and relevant government departments information relating to income stream products, within legislative and regulatory limits<br>4.3 Conduct system checks according to organisational policies and procedures and check for any irregularities of payments<br>4.4 Identify and rectify consequences of incorrect payments<br>4.5 Determine compliance of retirement income streams according to legislative and regulatory requirements |
| 5. Maintain member records | 5.1 Process requests for changes to client's nominated investment choice according to organisational guidelines<br>5.2 Apply earning rates and consumer price index (CPI) adjustments to retirement income stream<br>5.3 Determine, on an annual basis, that nominated account-based income stream payments are within the relevant age range set out by legislation, and make adjustments where required<br>5.4 Update client's personal details and allowable changes to nominated beneficiaries as required |

## Foundation Skills

*This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.*

| SKILL | DESCRIPTION |
|---|---|
| Numeracy | • Uses mathematical operations to perform calculations and check accuracy of financial data relating to retirement income streams |
| Oral communication | • Uses appropriate conventions and protocols, including language and concepts relevant to audience and purpose, to convey and clarify information in a range of familiar work contexts<br>• Uses active listening and questioning techniques in verbal exchanges to determine and confirm client requirements |
| Reading | • Interprets written and numerical information from a range of sources and identifies key information |
| Writing | • Records and completes organisational documentation and correspondence using accurate terminology, grammar and spelling to ensure clarity and readability<br>• Prepares and structures documentation logically and concisely according to organisational formats and correct procedures and protocols |
| Planning and organising | • Plans, sequences and prioritises tasks and own workload to achieve organisational requirements<br>• Uses a formal decision-making process in undertaking evaluations against set criteria |
| Self-management | • Follows legislative and ethical requirements and organisational policies and procedures to meet expectations associated with own role |
| Technology | • Uses the main features and functions of digital tools and systems to access and manage information |

## Unit Mapping Information

Supersedes and is equivalent to FNSSUP410 Establish and administer retirement income streams.

## Links

Companion Volume Implementation Guide is found on VETNet - https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe