



Australian Government

FNSSUP410 Establish and administer retirement income streams

Release: 1

FNSSUP410 Establish and administer retirement income streams

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 2.0.

Application

This unit describes the skills and knowledge required to establish and administer retirement income streams that comply with legislative requirements.

It applies to individuals who use specialised industry knowledge and work systematically to review and process information and data following defined procedures.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the FNS Implementation Guide Companion Volume or the relevant regulator for specific guidance on requirements.

Unit Sector

Superannuation

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Receive application and verify data	1.1 Receive new income stream application, including payment where it is not an internal transfer within the organisation, and compile necessary documentation 1.2 Check the documentation is correct and complete including certified copies of appropriate identification 1.3 Identify and address issues or irregularities and seek advice from team members or authorised personnel if required 1.4 Gather further information from appropriate sources to proceed with application if required 1.5 Update new and additional information accurately according to organisational procedures

ELEMENT	PERFORMANCE CRITERIA
2. Calculate amount of retirement income stream	2.1 Calculate the amount of a non-account based income stream taking into account minimum and maximum annual limits 2.2 Check the payment selected by the member in an account based income stream is within the age related limits 2.3 Calculate a transition to retirement account based income stream, including from a hybrid fund, taking into account minimum and maximum annual limits
3. Set up new member records	3.1 Extract information needed to set up income stream from application form and information collected, including setting up Pay As You Go (PAYG) instalments 3.2 Enter data into organisational system and follow checking and authorisation procedures for setting up new income streams including reversionary pensions 3.3 Process client's nominated investment choice for an account based income stream according to organisational procedures 3.4 Send confirmation, policy documents or investor certificate and details of cooling off period to client according to organisational procedures 3.5 File documentation according to organisational procedures
4. Meet compliance requirements	4.1 Send out periodic statement and PAYG summary, if required, with income stream details 4.2 Provide clients and government departments with information regarding their income stream product as requested 4.3 Implement system checks and follow organisational procedures to check for any irregularities of payments 4.4 Identify consequences of incorrect payments and correct accordingly 4.5 Comply with regulations and legislation determining compliance of retirement income streams
5. Maintain member records	5.1 Process requests for changes to client's nominated investment choice within organisational guidelines 5.2 Apply earning rates and consumer price index (CPI) adjustments to retirement income stream 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 5.4 Maintain changes of client's personal details including allowable

ELEMENT	PERFORMANCE CRITERIA
	changes to nominated beneficiaries

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	1.1-1.3, 2.2, 3.1, 3.2, 5.3	Interprets written and numerical information from a range of sources and identifies relevant and key information
Writing	1.4, 1.5, 3.2-3.4, 4.1, 4.2, 5.4	- Accurately records and completes organisational documents and correspondence using accurate terminology, grammar and spelling to ensure clarity and readability - Prepares and structures documentation logically and concisely according to organisational formats and correct procedures and protocols
Oral Communication	1.3, 1.4	- Uses language and concepts appropriate to audience and purpose to convey and clarify information - Uses questioning and active listening in verbal exchanges to determine and confirm client requirements
Numeracy	1.1, 2.1-2.3, 4.3, 4.4, 5.2, 5.3	Uses mathematical operations to perform calculations and check accuracy of financial data relating to retirement income streams
Navigate the world of work	1.3, 3.2, 4.5	Recognises and follows explicit and implicit protocols and legislative and ethical requirements and meets expectations associated with own role
Interact with others	1.3, 1.4	Selects and uses the appropriate conventions and protocols when communicating in a range of familiar work contexts
Get the work done	1.1-1.5, 3.3-3.5, 4.1-4.4, 5.1, 5.3, 5.4	- Plans, sequences and prioritises tasks and own workload to achieve organisational requirements - Uses a formal decision-making process in undertaking evaluations against set criteria - Uses the main features and functions of digital tools and systems to access and manage information required to complete work tasks and to communicate

		with others
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Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSSUP410 Establish and administer retirement income streams	FNSSUP403 Administer retirement income streams	Updated unit. Establish retirement income streams added to reflect industry practice.	No equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSSUP410 Establish and administer retirement income streams

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Performance Evidence

Evidence of the ability to:

- follow organisational procedures to process applications and establish retirement income streams for clients including processing all documentation accurately
- process rollover payments according to organisational requirements
- access member contract guidelines and prepare income benefit documentation
- process commutations and explain to clients how pensions and annuities are taxed
- calculate the tax payable on an income stream paid to a client taking into account the client's age
- accurately process incoming payments and outgoing benefits.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- describe the key features and benefits of retirement income stream products
- outline key features of organisational policies and guidelines in relation to the establishment of income stream products including the steps in:
 - setting up an income stream and the documents required including the verification process
 - maintaining an income stream and the documents required including proof of life for non-account based income streams
- explain key features of regulatory requirements relevant to the establishment of retirement income streams
- identify key features of the Australian Privacy Principles
- discuss ethical considerations in handling confidential and private client information
- explain the ways and processes by which a person can purchase a retirement pension or annuity

- explain the position and implications for beneficiaries in establishing a retirement income stream including relevance to reversionary pensions, account based income streams, death benefit nominations and estate planning
- explain requirements for accessing an income stream
- identify the consequences of incorrect processing of income stream payments, incorrect maintenance of the income stream and other breaches.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the superannuation field of work and include access to:

- office equipment, technology, software and consumables
- organisational policies and procedures including requirements relevant to establishing retirement income streams.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

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