

Handbook Notice No 113

October 2023

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1 Overview

Legislative changes

- 1.1 On 12 September 2023, the Board of the Financial Conduct Authority (FCA) made the relevant changes to the Handbook as set out in the instrument listed below.

| CP | Title of instrument | Instrument No | Changes effective |
|-------------------------|--|---------------|-------------------|
| CP22/28 | Senior Management Arrangements, Systems and Controls (Remuneration Codes) (No 9) Instrument 2023 | FCA 2023/28 | 31/10/2023 |

- 1.2 On 26 October 2023, the FCA Board made the relevant changes to the Handbook as set out in the instrument listed below.

| CP | Title of instrument | Instrument No | Changes effective |
|-------------------------|---|---------------|-------------------|
| CP22/27 | Financial Promotion (Approver Permission) Instrument 2023 | FCA 2023/38 | 06/11/2023 |

Summary of changes

- 1.3 The legislative changes referred to above are listed and briefly described in Chapter 2 of this notice.

Feedback on responses to consultation

- 1.4 Consultation feedback is published in separate policy statements.

FCA Board dates for 2023 and 2024

- 1.5 The following table lists forthcoming FCA board meetings. These dates are subject to change without prior notice.

| FCA board meetings | | |
|--------------------|----|------|
| November | 23 | 2023 |
| December | 14 | 2023 |
| January | 25 | 2024 |
| February | 29 | 2024 |
| March | 28 | 2024 |
| April | 25 | 2024 |
| May | 23 | 2024 |
| June | 27 | 2024 |
| July | 25 | 2024 |
| September | 26 | 2024 |
| October | 31 | 2024 |
| November | 28 | 2024 |
| December | 19 | 2024 |

2 Summary of changes

- 2.1 This Handbook Notice describes the changes to the FCA Handbook and other material made by the FCA Board under its legislative and other statutory powers on 12 September 2023 and 26 October 2023. Where relevant, it also refers to the development stages of that material, enabling readers to look back at developmental documents if they wish. For information on changes made by the Prudential Regulation Authority (PRA) please see www.bankofengland.co.uk/news/publications.

Senior Management Arrangements, Systems and Controls (Remuneration Codes) (No 9) Instrument 2023

- 2.2 Following consultation in [CP22/28](#), the FCA Board has made changes to the Handbook sections listed below:

SYSC 19D.1 and 19D.3

- 2.3 In summary, this instrument makes changes to the FCA Handbook to strengthen the effectiveness of the remuneration regime by increasing the proportion of compensation that can be subject to the incentive setting tools within the framework. Over time, these changes should also help to remove unintended consequences of the bonus cap, particularly the growth in the proportion of the fixed component of total remuneration, which reduces a firm's ability to adjust costs to absorb losses or for material poor performance or misconduct that subsequently comes to light.
- 2.4 This instrument comes into force on 31 October 2023. Feedback is published in a separate policy statement.

Financial Promotion (Approver Permission) Instrument 2023

- 2.5 Following consultation in [CP22/27](#), the FCA Board has made changes to the Handbook sections listed below:

Glossary of definitions
FEES 3.2, 3 Annex 14R
COBS 4.10
ICOB 2.2
MCOB 3A.1
BCOBS 2.1
CMCOB 3.2
FPCOB 4.2
SUP 16.1, 16.3, 16.31, TP 14
DEPP 2 Annex 1G, 2 Annex 2G
CONC 3.2

- 2.6 This instrument introduces the following new chapter:

SUP 6A

- 2.7 This instrument also introduces the following new annex:
SUP 16 Annex 55R
- 2.8 The FCA Board also resolved to make changes to the following material outside of the Handbook:
PERG 8.2, 8.3, 8.9, 10.5
- 2.9 In summary, this instrument makes changes to the FCA Handbook to implement the regulatory gateway for all authorised persons that want to approve financial promotions for unauthorised persons (the section 21 gateway). The gateway and our accompanying approach to firms that apply are designed to strengthen our oversight of approvals and improve the standard of approved financial promotions.
- 2.10 The instrument comes into force on 6 November 2023. Feedback was published in [PS23/13](#) (Introducing a gateway for firms who approve financial promotions), along with a near-final version of the instrument. Since [PS23/13](#) was published, a small number of minor and consequential changes have been made to the instrument, which has now been made. The only change of substance is to add an additional field to the rules on notifying approvals of amendments to, or withdrawals of approval of, financial promotions for reasons of a notifiable concern (SUP 16.31.6R). The additional field requires the notifying firm to indicate the date on which the relevant promotion was first approved.

3 Additional information

Making corrections

- 3.1 The FCA reserves the right to make correctional or clarificatory amendments to the instruments made at the Board meeting without further consultation should this prove necessary or desirable.

Publication of Handbook material

- 3.2 This notice is published on the FCA website and is available in hard copy.
- 3.3 The formal legal instruments (which contain details of the changes) can be found on the FCA's website listed by date, reference number or module at www.handbook.fca.org.uk/instrument. The definitive version of the Handbook at any time is the version contained in the legal instruments.
- 3.4 The changes to the Handbook are incorporated in the consolidated Handbook text on the website as soon as practicable after the legal instruments are published.
- 3.5 The consolidated text of the Handbook can be found on the FCA's website at www.handbook.fca.org.uk. A print version of the Handbook is available from The Stationery Office's shop at www.tsoshop.co.uk/Financial-Conduct-Authority-FCA.
- 3.6 Copies of the FCA's consultation papers referred to in this notice are available on the FCA's website.

Obligation to publish feedback

- 3.7 This notice, and the feedback to which paragraph 1.4 refers, fulfil for the relevant text made by the Board the obligations in sections 138I(4) and (5) and similar sections of the Financial Services and Markets Act 2000 ('the Act'). These obligations are: to publish an account of representations received in response to consultation and the FCA's response to them; and to publish (where applicable) details of any significant differences between the provisions consulted on and the provisions made by the Board, with a cost benefit analysis and a statement under section 138K(4) of the Act if a proposed altered rule applies to authorised persons which include mutual societies.

Comments

- 3.8 We always welcome feedback on the way we present information in the Handbook Notice. If you have any suggestions, they should be sent to handbook.feedback@fca.org.uk (or see contact details at the end of this notice).

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This Handbook Notice describes the changes to the Handbook and other material made by the Financial Conduct Authority (FCA) Board under its legislative and other statutory powers on 12 September 2023 and 26 October 2023.

It also may contain information about other publications relating to the Handbook and, if appropriate, lists minor corrections made to previous instruments made by the Board.

Contact names for the individual modules are listed in the relevant consultation papers and policy statements referred to in this notice.

General comments and queries on the Handbook can be addressed to:

Mary McGowan

Tel: 020 7066 1321

Email: Mary.McGowan@fca.org.uk

However, queries on specific requirements in the Handbook should be addressed first to your normal supervisory contact in the FCA. For most firms this will be the FCA's Contact Centre:

Tel: 0300 500 0597

Fax: 0207 066 0991

Email: firm.queries@fca.org.uk

Post: Contact Centre
Financial Conduct Authority
12 Endeavour Square
London E20 1JN

All our publications are available to download from www.fca.org.uk. If you would like to receive this paper in an alternative format, please call 020 7066 0790 or email publications_graphics@fca.org.uk or write to Editorial and Digital Department, Financial Conduct Authority, 12 Endeavour Square, London E20 1JN.