

Handbook Notice No 116

February 2024

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1 Overview

Legislative changes

- 1.1 On 29 February 2024, the Board of the Financial Conduct Authority (FCA) made the relevant changes to the Handbook as set out in the instruments listed below.

CP	Title of instrument	Instrument No	Changes effective
CP23/25	General Provisions (Interpretation) Instrument 2024	FCA 2024/4	01/03/2024

Summary of changes

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

Feedback on responses to consultations

- 1.3 Consultation feedback is published in Chapter 3 of this notice.

FCA Board dates for 2024

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

FCA board meetings		
March	28	2024
April	25	2024
May	23	2024
June	27	2024
July	25	2024

FCA board meetings

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 29 February 2024. 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.

General Provisions (Interpretation) Instrument 2024

Following consultation in [CP23/25](#), the FCA Board has made changes to the Handbook sections listed below:

GEN 2.2

- 2.2 In summary, this instrument makes changes to the FCA Handbook to make all references to enactments in Handbook rules made by the FCA (including Glossary terms where they are used by rules) ambulatory in nature unless there is a contrary indication.
- 2.3 This instrument comes into force on 1 March 2024. Feedback is published in Chapter 3 of this notice.

3 Consultation feedback

- 3.1 This chapter provides feedback on consultations that will not have a separate policy statement published by the FCA.

CP23/25: General Provisions (Interpretation) Instrument 2024

Background

- 3.2 At present, references in the FCA Handbook to enactments (other than references to the FCA Handbook, PRA Handbook or certain provisions of retained EU law) are generally not ambulatory in nature. This means that such references to enactments are presently static – for instance, a reference to section 1A of the Financial Services and Markets Act (FSMA) 2000 that was added to the Handbook on 1 January 2023 would generally be to section 1A of FSMA 2000 as it stood on 1 January 2023 and would not pick up any subsequent changes to that provision unless a later Handbook instrument updated the reference.
- 3.3 This can make it difficult to interpret the Handbook, as Handbook users need to analyse amending instruments to determine which historic version of an enactment the Handbook refers to. We mitigate the effects of this issue by periodically updating the Glossary definitions of enactments through Handbook instruments. However, this means updates to the Handbook definitions may be made at a different time to amendments to enactments.

Summary of proposals

- 3.4 Section 66 of FSMA 2023 made amendments to FSMA 2000 so that FCA rules can make ambulatory references to enactments. In [CP23/25](#), we proposed to use this new power to amend Chapter 2.2 of the General Provisions manual (GEN) to make all references to enactments in Handbook rules (including Glossary terms where they are used by rules) ambulatory in nature unless there is a contrary indication.
- 3.5 The change will make it easier for Handbook users to establish what Handbook rules require, as users will not need to determine which historic version of an enactment a reference relates to.
- 3.6 The change will mean that amendments to enactments will flow automatically through to Handbook rules. For instance, if a Handbook rule refers to activities specified in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (RAO) and the Government amended the RAO to expand its scope, this would automatically expand the scope of the corresponding provision in the FCA Handbook. This limits the need for Handbook definitions to be updated on an ad-hoc basis and ensures that Handbook rules stay in step with legislative developments as they occur. We will continue to monitor legislative changes which could affect Handbook references and make any consequential or transitional provisions that might be needed.

How this links to our objectives

- 3.7 The amendment will make it easier to interpret the Handbook, ensuring that firms can more easily comply with their obligations – something which is both compatible with our strategic objective and furthers our integrity objective. We consider these proposals to be compatible with the FCA’s secondary international competitiveness and growth objective as the proposals will simplify the regulatory regime for firms.

Feedback

- 3.8 Only one response was received and it was supportive of the measures and suggested no changes.

Our response

- 3.9 We have not made any changes in response to the feedback received.

- 3.10 But, following further consideration, we have made two changes to the instrument we consulted upon. First, we have removed references made to the Financial Ombudsman Service’s (FOS) rules from the new provision as it is for the FOS to make rules governing the application of the Handbook to its own rules. Second, we have de-italicised some references to ‘rules’ in new provisions so that they capture all rules in the Handbook.

Cost benefit analysis

- 3.11 Section 138I(2)(a) of FSMA requires us to publish a cost benefit analysis (CBA) when proposing draft rules unless, in accordance with section 138L(3) of FSMA, we believe that there will be no increase in costs or that the increase will be of minimal significance. In [CP23/25](#), we explained our view that no CBA was required for our proposals because the amendments would not lead to an increase in costs or the increase would be of minimal significance. Our position remains unchanged.

Equality and diversity statement

- 3.12 We continue to believe that the rules we have made will not have a negative impact on any of the groups with protected characteristics under the Equality Act 2010 and no concerns were raised during consultation.

Environmental, social and governance considerations

- 3.13 We have considered the environmental, social and governance implications of our proposals and our duty under sections 1B(5) and 3B(c) of FSMA to have regard to contributing towards the Secretary of State achieving compliance with the net zero emissions target under section 1 of the Climate Change Act 2008. Overall, we do not consider that the proposals are relevant to contributing to those targets.

Rule Review Framework

- 3.14 We have taken into account our duties under the Rule Review Framework and consider that these changes do not require ongoing monitoring.

4 Additional information

Making corrections

- 4.1 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

- 4.2 This notice is published on the FCA website and is available in hardcopy.
- 4.3 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.
- 4.4 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.
- 4.5 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/.
- 4.6 Copies of the FCA's consultation papers referred to in this notice are available on the FCA's website.

Obligation to publish feedback

- 4.7 This notice, and the feedback to which paragraph 1.3 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.

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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 29 February 2024.

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:

Michelle Scott-Ashcroft

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Email: michelle.scott-ashcroft@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

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