

Extending the implementation deadlines for the Certification Regime and Conduct Rules

Policy Statement

PS20/12

October 2020

This relates to

Consultation Paper 20/10
which is available on our website at
www.fca.org.uk/publications

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1 Summary

Introduction

- 1.1** In response to our request, the Treasury has made a statutory instrument to delay, from 9 December 2020 until 31 March 2021, the deadline for solo-regulated firms to have undertaken the first assessment of the fitness and propriety of their Certified staff.
- 1.2** In July 2020, we consulted to change to the same date, the deadline for certification in the FCA Handbook. We also consulted to give corresponding extensions to the deadline for training staff in the Conduct Rules and reporting Directory Person data.
- 1.3** We proposed to extend these deadlines to give firms significantly affected by the coronavirus pandemic (Covid-19) time to fully and properly implement the Certification Regime and to train staff effectively in the Conduct Rules.
- 1.4** This Policy Statement (PS) sets out our final rules and summarises the feedback received to [Consultation Paper \(CP\) 20/10](#) and our responses.

Who does this affect?

- 1.5** These changes affect all FCA solo-regulated firms authorised to provide financial services under the Financial Services and Markets Act 2000 (FSMA).
- 1.6** Appointed Representatives (ARs) are in scope of the extension to the reporting deadline for Directory Persons.
- 1.7** These changes do not apply to benchmark administrators.

Context

- 1.8** Some financial services firms have been put under exceptional stress by the coronavirus (Covid-19) pandemic and their business has been affected. The proposals we consulted on in CP20/10, and finalise in this PS, form part of our response to reduce the burden on firms affected by the pandemic, while continuing to ensure that consumer protections and regulatory standards are upheld.
- 1.9** The Senior Managers & Certification Regime (SM&CR) is designed to reduce harm to consumers and strengthen market integrity. By creating a system in which staff take responsibility for their actions, there is improved conduct at all levels and it's easy to understand who does what. A key feature of the SM&CR is to reinforce that firms need to take responsibility for their staff being fit and proper to do their jobs. The SM&CR also enables firms and regulators to hold people to account. This is a key part of our continuing focus on culture in firms.

- 1.10** Significant effort is required for firms to fully and properly implement the Certification Regime and to train staff effectively in the Conduct Rules. Extending the deadlines as proposed in CP20/10, means that firms will not have to choose between meeting their regulatory deadlines and realising their plans to achieve a full and effective implementation of the Certification Regime and Conduct Rules.
- 1.11** In giving extra time to firms that need it, we are reiterating the importance of the Certification Regime and Conduct Rules.

Finalised rules

- 1.12** This PS confirms that we will extend the deadline for the following requirements correspondingly from 9 December 2020 to 31 March 2021 as consulted on:
- the date the Conduct Rules come into force, for staff who are not Senior Managers, Certification Staff or board directors
 - the date by which relevant employees must have received training on the Conduct Rules (this automatically follows from the extension in the previous bullet point)
 - the deadline for submission of information about Directory Persons to the Register
 - references in our rules to the statutory deadline for assessing Certified Persons as fit and proper following agreement with the Treasury
- 1.13** We will also extend the implementation deadlines for Claims Management Companies (CMCs) by an equivalent period. This means that a CMC receiving full authorisation on or after 9 December 2019 will have just over 15 months after the date of its full authorisation to meet the same set of requirements in paragraph 1.12.
- 1.14** The feedback we received indicates that most firms will be able to meet the original deadline of 9 December 2020 and we encourage them to do so. Once your firm's Directory Persons data has gone live on the Register, the information you report to us ahead of the new March 2021 deadline will appear as you report it.

Outcome we are seeking

- 1.15** Our aim is to avoid firms having to choose between meeting their regulatory deadlines and realising their plans to achieve a full and effective implementation of the Certification Regime and Conduct Rules. We want to support firms to make lasting changes to their governance, culture, conduct and capability.
- 1.16** Over the longer-term, the extra time will allow firms who need it to effectively implement the SM&CR. This will help ensure markets work well by supporting firms to implement more robust control frameworks, higher standards of fitness and propriety and lasting improvements to the culture of the firm. It should also reduce consumer harm, as individuals within firms should receive proper training in how the Conduct Rules apply to them.
- 1.17** The 16-week extension to the implementation periods confirmed in this PS is intended to carefully balance the benefits of giving firms more time for a full and proper implementation against the benefits of the SM&CR coming into full force.

We recognise that uncertainty around Covid-19 persists, but even so, we think this extension should give all firms sufficient time to implement the SM&CR. So we won't make a further extension.

Measuring success

- 1.18** The key measure of success is that firms implement the SM&CR and the associated outcomes we are seeking are achieved under the Certification Regime and Conduct Rules, using the extra time firms have been afforded as appropriate. In particular, that firms:
- certify relevant staff, based on sound fitness and propriety assessments
 - deliver high-quality training to staff on the Conduct Rules
 - submit the required Directory Persons data to the FCA in time for it to be included on the Register

Summary of feedback and our response

- 1.19** We received 16 responses to CP20/10, the majority supportive of our proposals. One respondent disagreed and others raised some points of clarification. This feedback is discussed in Chapter 2.

Equality and diversity considerations

- 1.20** In CP20/10, we set out our analysis of equality and diversity considerations. We did not receive feedback on this from respondents so our analysis remains unchanged.
- 1.21** Overall, we do not consider that the consultation proposals materially affect any of the groups with protected characteristics under the Equality Act 2010. We note that the final rules in this PS have no obvious implications for equality and diversity. It is possible that, by allowing firms more time to develop effective certification processes, that these processes will be fairer and this will benefit members of groups who might encounter bias at work.

Next steps

- 1.22** Solo-regulated firms (except benchmark administrators) must have fully implemented the Certification Regime and Conduct Rules, and reported information on Directory Persons by 31 March 2021 as explained in paragraphs 1.12-1.14. Full requirements are set out in Appendix 1 of this PS.
- 1.23** We encourage all firms to meet the original deadline of 9 December 2020 wherever possible. The Senior Managers Regime is already in force and Senior Managers remain fully accountable for their areas of responsibility during and after the pandemic. The Conduct Rules also continue to apply for Senior Managers and Certified staff.

- 1.24** For more information on how firms can submit information on Directory Persons for inclusion on the Register, including in relation to landing slots, firms should refer to separate correspondence from the FCA or check our [website](#).
- 1.25** Firms can refer to the [SM&CR Guide for FCA solo-regulated firms](#) for further information on applying the SM&CR.

2 Feedback to CP20/10

2.1 In this chapter, we summarise the feedback received on our proposals to extend the implementation deadlines for the Certification Regime and Conduct Rules and our response.

Our proposal

2.2 In CP20/10, we set out our proposals to extend the deadline for the following requirements from 9 December 2020 to 31 March 2021 for solo-regulated firms that are not benchmark administrators:

- the date the Conduct Rules come into force for staff who are not Senior Managers, Certification Staff or board directors
- the date by which relevant employees must have received training on the Conduct Rules (this automatically follows from the extension in the previous bullet point)
- the deadline for submission of information about Directory Persons to the Register
- references in our rules to the deadline for assessing Certified Persons as fit and proper (which has been agreed by the Treasury)

2.3 We also consulted to extend the implementation deadlines for Claims Management Companies (CMCs) by an equivalent period. This means that a CMC receiving full authorisation on or after 9 December 2019 would have just over 15 months after the date of its full authorisation to meet the same set of requirements in paragraph 2.2 above.

Feedback on our proposed approach

Q1: *Do you agree with our proposed approach?*

2.4 Most respondents agreed with our consultation proposals. Reasons given to support this view included that the extension would:

- reduce the burden placed on firms most adversely affected by the pandemic
- give firms more time to fully and properly implement the Certification Regime and Conduct Rules, including ensuring their staff receive relevant training
- support firms in achieving the intended outcomes of the SM&CR

Importance of firms continuing to meet the 9 December deadline

2.5 Many respondents reiterated the importance of encouraging firms to still meet the original deadline where possible. Some commented that while most firms would be able to meet the original deadline, they welcomed the flexibility for those who cannot.

Our response

We agree with respondents that most firms will not need to use this extension. We strongly encourage all firms able to complete certification assessments, Conduct Rules training and Directory Persons reporting sooner than 31 March 2021 to do so, provided they can do this without compromising the quality of their assessments or training. Firms must also still take prompt action to remove staff from any roles they are not fit and proper to carry out.

2.6 Importance of the SM&CR

One respondent did not agree with our proposals to extend implementation deadlines. They felt the extension would reduce the perceived importance of the SM&CR and that some firms who were able to meet the original deadline could take advantage of the extra time where they do not need it. They also suggested that staff (including furloughed employees) should be able to complete relevant training by the original deadline of 9 December 2020.

Our response

We acknowledge there is a small risk that delaying implementation periods may reduce the perceived importance of the SM&CR. We have balanced this against the need to support firms under exceptional stress from the coronavirus pandemic and to give them the time to fully and properly implement the Certification Regime and to train staff effectively in the Conduct Rules.

Effective implementation of the Certification Regime and the training of staff in the Conduct Rules are essential for delivering an enduring positive impact on capabilities and culture – and therefore reducing harm in the long term.

It is precisely because the SM&CR is so important that we want to give firms the time they need to make lasting improvements to their conduct and culture. Extending the deadlines as we proposed means that firms will not have to choose between meeting their regulatory deadlines and realising their plans to achieve a full and effective implementation of the Certification Regime and Conduct Rules.

No delay in applying the Conduct Rules to staff in scope of the Certification Regime

- 2.7 Another respondent felt our proposals did not go far enough and that staff in scope of the Certification regime should also not need to apply the Conduct Rules until 31 March 2020.

Our response

Staff at solo-regulated firms in scope of the Certification Regime have been subject to the Conduct Rules from 9 December 2019. This means that they should have completed all necessary training before the UK went into lockdown and these staff are already subject to the Conduct Rules and are held accountable for any misconduct.

Keeping open the possibility of further action

- 2.8 One respondent asked us to keep open the possibility of further action in the event of a second wave of coronavirus.

Our response

The 16-week extension to the implementation periods confirmed in this PS is intended to carefully balance the benefits of giving firms more time for a full and proper implementation against the benefits of the SM&CR coming into full force.

Although most respondents welcomed the additional time for those firms who need it, we also received feedback that most firms would still be able to meet the original deadline of 9 December 2020.

This is because firms have increasingly found ways to adapt and continue to operate during periods of lockdown or other restrictions imposed by governments and local authorities in relation to Covid-19. We recognise that uncertainty persists around the timing and extent of such measures but, even with this, we consider this extension should give all firms enough time to implement the SM&CR. So we will not make a further extension.

Meaning of a firm 'significantly affected' by Covid-19

- 2.9 We also received further requests for clarification on what qualifies as being 'significantly affected by the coronavirus pandemic'.

Our response

In our proposals, we explained that the purpose of extending certain implementation periods is to give firms significantly affected by the coronavirus pandemic time to make the changes needed.

Firms have been affected in different ways by Covid-19. The amendment in legislation made by the Treasury applies unconditionally, so all firms can rely on this extension. We do not intend to set additional conditions or thresholds a firm needs to meet to use the extension.

We expect firms to use their own judgement on the circumstances where it would be beneficial for them to rely on the additional time to achieve a full and proper implement the SM&CR requirements. We would not take action against any firm for relying on the additional time. Firms able to fully and properly implement the SM&CR requirements ahead of 31 March 2021 deadline, are still encouraged to do so.

Further information on the Financial Services Register (FS Register)

- 2.10** Respondents requested further information on the FS Register and the process around landing slots for Directory Persons submissions.

Our response

We acknowledge the desire for further information on the approach to submission and landing slots for solo-regulated firms. We have communicated this information to the relevant firms.

- 2.11** All feedback has been considered and responded to above. No comments were received on our cost benefit analysis or equality and diversity considerations so these remain unchanged.

Annex 1

List of non-confidential respondents

Association of Mortgage Intermediaries

Aviva

Consumer Finance Association

Debt Managers Standards Association

Financial Services Consumer Panel

Retirement Bridge Management

The Personal Investment Management and Financial Advice Association

Annex 2

Abbreviations used in this paper

AR	Appointed Representative
CBA	Cost Benefit Analysis
CMC	Claims Management Company
FCA	Financial Conduct Authority
FS Register	Financial Services Register
FSMA	Financial Services and Markets Act 2000
LPCC	Limited Permission Consumer Credit
PRA	Prudential Regulation Authority
SI	Statutory Instrument
SM&CR	Senior Managers and Certification Regime
SMR	Senior Managers Regime



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Appendix 1

Made rules (legal instrument)

**INDIVIDUAL ACCOUNTABILITY (FCA-AUTHORISED FIRMS) (COVID-19 AND
EXTENSION OF DEADLINES) INSTRUMENT 2020**

Powers exercised

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 63E (Certification of employees by authorised persons);
 - (2) section 63F (Issuing of certificates);
 - (3) section 64A (Rules of conduct);
 - (4) section 64C (Requirements for authorised persons to notify regulator of disciplinary action);
 - (5) section 137A (The FCA’s general rules);
 - (6) section 137T (General supplementary powers);
 - (7) section 139A (Power of the FCA to give guidance);
 - (8) section 347 (The record of authorised persons etc); and
 - (9) paragraph 23 of Schedule 1ZA (Fees).
- B. The rule-making powers listed above are specified for the purpose of section 138G(2) (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 23 October 2020 except as follows:

Annex	Date comes into force
Part 2 of Annex B	7 December 2020
Part 2 of Annex A	31 March 2021
Part 2 of Annex C	31 March 2021

Amendments to the Handbook

- D. The modules of the FCA’s Handbook of rules and guidance listed in column (1) below are amended in accordance with the Annexes to this instrument listed in column (2) below:

(1)	(2)
Glossary of definitions	Annex A
Senior Management Arrangements, Systems and Controls sourcebook (SYSC)	Annex B
Code of Conduct (COCON)	Annex C
Client Assets (CASS)	Annex D
Supervision manual (SUP)	Annex E

Amendments to the Individual Accountability (FCA-Authorised Firms) Instrument 2019

- E. Part 3 of Annex B (Amendment to the Glossary definition of certification employee coming into force on 9 December 2020) and Part 3 of Annex D (Amendments to the Code of Conduct sourcebook coming into force on 9 December 2020) of the Individual Accountability (FCA-Authorised Firms) Instrument 2019 are revoked.

Citation

- F. This instrument may be cited as the Individual Accountability (FCA-Authorised Firms) (COVID-19 and Extension of Deadlines) Instrument 2020.

By order of the Board
22 October 2020

Annex A

Amendments to the Glossary of definitions

In this Annex, underlining indicates new text and striking through indicates deleted text.

Part 1: Comes into force 23 October 2020

Amend the following definition as shown.

certification employee ...

- (3) (in relation to an *SMCR firm* that is an *FCA-authorised person* and subject to SYSC TP 8 (Bank of England and Financial Services Act 2016: Application to claims management companies)) an employee (as defined in section 63E of the *Act*) of an *SMCR firm* who performs a *certification function* under an arrangement entered into by the *SMCR firm* in relation to the carrying on by the *SMCR firm* of a *regulated activity*, even though the obligation of the *SMCR firm* to issue a certificate under section 63F of the *Act* has not yet come into force.

[Note: Paragraph (3) of this definition applies until 9 ~~December 2020~~ 31 March 2021.]

Part 2: Comes into force 31 March 2021

Amend the following definition as shown.

certification employee ...

- (3) ~~(in relation to an *SMCR firm* that is an *FCA-authorised person* and subject to SYSC TP 8 (Bank of England and Financial Services Act 2016: Application to claims management companies)) an employee (as defined in section 63E of the *Act*) of an *SMCR firm* who performs a *certification function* under an arrangement entered into by the *SMCR firm* in relation to the carrying on by the *SMCR firm* of a *regulated activity*, even though the obligation of the *SMCR firm* to issue a certificate under section 63F of the *Act* has not yet come into force.~~

[Note: Paragraph (3) of this definition applies until 31 ~~March 2021~~.]

Annex B

**Amendments to the Senior Management Arrangements, Systems and Controls
sourcebook (SYSC)**

In this Annex, underlining indicates new text and striking through indicates deleted text.

Part 1: Comes into force 23 October 2020

TP 7 Bank of England and Financial Services Act 2016: Certification and regulatory references

7.1 Application, purpose and definitions

...

7.1.2 R Table: Application of SYSC TP 7

Type of firm	Parts of SYSC TP 7 that apply
...	...
<i>A firm</i> in SYSC TP 7.4.8R	Does not apply, except as follows. SYSC TP 7.4.6R, SYSC TP 7.4.7G, SYSC TP 7.4.8R and SYSC TP 7.6 apply. <u>The material in the row of SYSC TP 7.2.4G (Table: How the certification regime applies in the certification transitional period) whose first column is labelled “SYSC 22” about providing references applies.</u>
All other <i>firms</i>	Does not apply, except as follows. <u>The material in the row of SYSC TP 7.2.4G (Table: How the certification regime applies in the certification transitional period) whose first column is labelled “SYSC 22” about providing references applies to an <i>SMCR firm</i>.</u> ...

...

7.1.4 G (1) The main time period for which SYSC TP 7 operates is 2018 to ~~2020~~
2021.

(2) ...

...

7.1.6 R Table: glossary of bespoke terms used in SYSC TP 7

Part One: General	
Defined term	Meaning
...	...
solo firms commencement SI	The Bank of England and Financial Services Act 2016 (Commencement No. 6 and Transitional Provisions) Regulations 2019 (SI 1136/2019) (SI 2019/1136) as amended by The Bank of England and Financial Services Act 2016 (Commencement No. 6 and Transitional Provisions) (Amendment) Regulations 2020 (SI 2020/929)
...	...

Part Two: Dates		
(1) Defined term	(2) Meaning: Insurers	(3) Meaning: Others
certification transitional period	...	the one-year period beginning on the general commencement date and ending on 9 December 2020 <u>31 March 2021</u> (as referred to in regulation 2(6) of the solo firms commencement SI)
...		

7.2 Certification: The certification transitional period

...

7.2.4 G Table: How the certification regime applies in the certification transitional period

Provision in the Act or the Handbook	What that provision is about	How it applies in the certification transitional period

...		...
SYSC 27.2 and the parts of the Act on which it gives guidance	Issuing certificates and fitness	<p>Does not apply <u>except as follows.</u></p> <p><u>A firm may issue a certificate during the certification transitional period. The reason it may wish to do this is so that when the requirement in the Act to issue certificates comes into force, the firm will have issued all the certificates that it needs to have issued to allow its <i>certification employees</i> to carry on their jobs after the certification transitional period.</u></p> <p><u>If it does issue a certificate during the certification transitional period, that certificate is valid after the end of the certification transitional period for the <i>twelve-month</i> period provided for in section 63F of the Act (Issuing of certificates). That <i>twelve-month</i> period runs from the date of issue, even though it was issued during the certification transitional period.</u></p> <p><u>This means that a certificate issued before 31 March 2020 will not be effective.</u></p> <p><u>All the provisions of the Act and the FCA Handbook about certificates apply to a certificate issued in the certification transitional period.</u></p>
...

SYSC 22	Regulatory references	<p>Obligation <u>Except as explained later in this row about SYSC 22, the obligation to obtain a reference does not apply because the obligation to get a reference is triggered by issuing a certificate.</u></p> <p>SYSC TP 7.4 has exemptions that apply after the certification transitional period.</p> <p><u>If a firm wishes to issue a certificate during the certification transitional period as described in the row of this table column 1 of which is titled “SYSC 27.2 and the parts of the Act on which it gives guidance” the obligation on the firm to ask for a reference and the obligation of other firms to give one apply.</u></p>
...

...

7.4 Transitional provisions about regulatory references

7.4.1 R (1) If on the **general commencement date** an *employee* (P) is already performing an *FCA certification function* for an *SMCR firm* (A), the obligation under SYSC 22 (Regulatory references) for A to obtain a reference when issuing a certificate (including reissuing a certificate) for P for that *FCA certification function* does not apply ~~either on~~ during, at the end of or after the end of the **certification transitional period**.

(2) ...

...

TP 8 Bank of England and Financial Services Act 2016: Application to claims management companies

8.1 Application, purpose and definitions

...

8.1.5 R Table: glossary of bespoke terms used in SYSC TP 8

Part One: General	
Defined term	Meaning
...	...
individual transitional period	<p>the one-year period of <u>fifteen months and twenty two days</u> referred to in regulation 3(2) of the solo-regulated firms' commencement SI.</p> <p>If a <i>firm's permission</i> is varied to include <i>regulated activities</i> in addition to <i>regulated claims management activities</i>, it means the shorter period (if any) provided for by regulations 3(2) and 3(3) of the solo-regulated firms' commencement SI.</p>
solo-regulated firms' commencement SI	<p>The Bank of England and Financial Services Act 2016 (Commencement No. 6 and Transitional Provisions) Regulations 2019 (SI 1136/2019) (<u>SI 2019/1136</u>) as amended by The Bank of England and Financial Services Act 2016 (Commencement No. 6 and Transitional Provisions) (Amendment) Regulations 2020 (SI 2020/929)</p>

...

8.3 Transitional period for certification for claims management firms

...

- 8.3.2 G (1) A *firm's individual transitional period* is the period that:
- (a) begins on (and includes) the date on which the *firm's claims management temporary permission* comes to an end under the *Claims Management Order* and the *firm's* full authorisation for *regulated claims management activities* comes into effect; and
 - (b) ends on (and excludes) the day falling ~~one-year~~ fifteen months and twenty two days later.
- (2) If other activities are included in a *firm's permission* part of the way through the ~~one-year~~ period in (1), its **individual transitional period** ends at once.
- (3) If other activities are included in a *firm's permission* before it receives full authorisation for its *regulated claims management*

activities, the transitional arrangements described in SYSC TP 8 do not apply and the *firm* will have no **individual transitional period**. However, the transitional arrangements in SYSC TP 7 (Bank of England and Financial Services Act 2016: Certification and regulatory references) will still apply if it is authorised before 9 ~~December 2020~~ 31 March 2021.

...

Part 2: Comes into force 7 December 2020

TP 7 Bank of England and Financial Services Act 2016: Certification and regulatory references

7.1 Application, purpose and definitions

...

7.1.2 R Table: Application of SYSC TP 7

Type of firm	Parts of SYSC TP 7 that apply
...	...
<i>A pure benchmark SMCR firm</i>	<p>All applies, except that SYSC TP 7.2 (<u>except as explained in the following paragraph</u>), SYSC TP 7.3, SYSC TP 7.4.1R and SYSC TP 7.7.3G to SYSC TP 7.7.6G do not apply.</p> <p><u>The material in the row of SYSC TP 7.2.4G (Table: How the certification regime applies in the certification transitional period) whose first column is labelled “SYSC 22” about providing references applies to an SMCR firm. The material about obtaining references does not apply as the certification regime does not apply to a pure benchmark SMCR firm.</u></p>
...	...

...

Annex C

Amendments to the Code of Conduct sourcebook (COCON)

In this Annex, underlining indicates new text and striking through indicates deleted text.

Part 1: Comes into force 23 October 2020

1 Application and purpose

1.1 Application

...

To whom does it apply?

...

1.1.2 R Table: To whom does COCON apply?

Persons to whom COCON applies		Comments
...
(6) (C) This row (6) also does not apply to an <i>employee</i> of an <i>SMCR firm</i> that is an <i>FCA-authorized person</i> until 9 December 2020 <u>31 March 2021</u> .
...

...

TP 1 Transitional provisions: Miscellaneous

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision coming into force
...

2	Row (6) of the table in <i>COCON</i> 1.1.2R (Table: To whom does COCON apply?)	G	<p>The effect of <i>COCON</i> TP 1.1R is that an <i>employee</i> described in column (1) of row (6) of the table in that <i>rule</i> is not subject to <i>COCON</i> during the <i>firm's</i> individual transitional period. If the <i>firm</i> does not have an individual transitional period (see <i>SYSC</i> TP 8.3.2G(3)), <i>COCON</i> TP 1.1R does not apply.</p> <p><u>The definition of individual transitional period for the purposes of <i>COCON</i> TP 1.1R takes into account the extension of the period referred to in <i>SYSC</i> TP 8.1.5R made by The Bank of England and Financial Services Act 2016 (Commencement No. 6 and Transitional Provisions) (Amendment) Regulations 2020 (SI 2020/929)</u></p>
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Part 2: Comes into force 31 March 2021

1 Application and purpose

1.1 Application

...

To whom does it apply?

...

1.1.2 R Table: To whom does COCON apply?

Persons to whom COCON Applies	Comments
...	
(6) Any <i>employee</i> of an <i>SMCR firm</i> not coming within another row of this table, except one listed in column (2) of this row (6) of this table.	<p>...</p> <p>(C) This row (6) also does not apply to an <i>employee</i> of an <i>SMCR firm</i> that is an <i>FCA authorised person</i> until 31 March 2021.</p>
...	

...

Annex D

Amendments to the Client Assets sourcebook (CASS)

In this Annex, underlining indicates new text and striking through indicates deleted text.

1A CASS firm classification and operational oversight

...

1A.3 Responsibility for CASS operational oversight

...

The senior managers regime and the certification regime

...

1A.3.1B G ...

(1A) (1A) There are three elements of the regime for *SMCR firms* that are particularly relevant to CASS 1A, although they do not all apply to all *SMCR firms*:

...

(c) the certification regime (see the certification regime is explained in SYSC 27 (Senior managers and certification regime: Certification regime) and SYSC TP 7 (Bank of England and Financial Services Act 2016: Certification and regulatory references) explains that the certification regime comes into force sometime after other parts of the senior managers and certification regime).

...

...

11 Debt management client money chapter

...

11.3 Responsibility for CASS operational oversight

...

CASS large debt management firms

11.3.3 G ...

- (4B) There are three elements of the regime for *SMCR firms* that are particularly relevant to *CASS 11.3*, although they do not all apply to all *SMCR firms*:

...

- (c) the certification regime (see the certification regime is explained in SYSC 27 (Senior managers and certification regime: Certification regime) and SYSC TP 7 (Bank of England and Financial Services Act 2016: Certification and regulatory references) explains that the certification regime comes into force sometime after other parts of the senior managers and certification regime).

...

...

13 Claims management: client money

...

13.2 Organisational requirements and responsibility for CASS operational oversight

...

13.2.5 G ...

- (4) There are three elements of the senior managers and certification regime that are particularly relevant to *CASS 13.2.3R*, although they do not all apply to all *SMCR firms*:

...

- (c) the certification regime (see the certification regime is explained in SYSC 27 (Senior managers and certification regime: Certification regime) and SYSC TP 7 (Bank of England and Financial Services Act 2016: Certification and regulatory references) explains that the certification regime comes into force sometime after other parts of the senior managers and certification regime).

...

...

Annex E

Amendments to the Supervision manual (SUP)

In this Annex, underlining indicates new text and striking through indicates deleted text.

TP 1 Transitional provisions

...

TP 1.13 Reporting of information about Directory persons

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision coming into force
...
2	SUP 16.26	R	<p>...</p> <p>(4) The <i>firm</i> must submit to the FCA all reports about the <i>Directory persons</i> specified in (3) by 9 December 2020 <u>31 March 2021</u>, which is set out in Part 1, SUP 16 Annex 47AR (Directory persons report), submitted online through the appropriate system which is accessible from the FCA website and in the appropriate format.</p> <p>(5) SUP 16.26.13R to SUP 16.26.19R apply only on and from 9 December 2020 <u>31 March 2021</u>.</p> <p>(6) ...</p>	From 9 December 2019 to 9 December 2020 <u>31 March 2021</u>	9 December 2019
3	SUP 16.26	R	<p>...</p> <p>(2) SUP TP 1.13.2R is adjusted so that a reference to:</p> <p>(a) 9 December 2019 is a</p>

		<p>reference to the start of a <i>firm's</i> individual transitional period; and</p> <p>(b) 9 December 2020 <u>31 March 2021</u> is a reference to the end of a <i>firm's</i> individual transitional period.</p> <p>(3) Individual transitional period has the meaning in SYSC TP 8.1.5R (Table: glossary of bespoke terms used in SYSC TP 8), <u>taking into account the amendment to that definition made by the Individual Accountability (FCA-Authorised Firms) (COVID-19 and Extension of Deadlines) Instrument 2020.</u></p>		
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TP 11A Bank of England and Financial Services Act 2016: Approved persons in solo-regulated firms

11A.1 Application, purpose and definitions

...

- 11A.1.5 R (1) The terms in the first column of the table in *SUP* TP 11A.1.5R, where they appear in bold in *SUP* TP 11A, have the meanings in the corresponding entry in column 2 for the purposes of *SUP* TP 11A.
- (2) For a **pure benchmark SMCR firm** the table is modified by *SUP* 11A.25A.3R.

Part One: General	
Defined term	Meaning
...	
solo-regulated firms commencement SI	the Bank of England and Financial Services Act 2016 (Commencement No. 6 and Transitional Provisions) Regulations 2019 (SI 1136/2019) (<u>SI 2019/1136</u>) as amended by The Bank of England and Financial Services Act 2016 (Commencement No. 6 and Transitional Provisions) (Amendment) Regulations 2020 (<u>SI 2020/929</u>)
...	

...

11A.21 Reporting under SUP 15.11

...

- 11A.21. G *SUP* TP 11A.21.1R(2)(a) applies however short the resulting reporting
2 period may be. It applies notwithstanding the postponement of the commencement of part of *COCON* by the Individual Accountability (FCA-Authorised Firms) (COVID-19 and Extension of Deadlines) Instrument 2020.

...

11A.24 Claims management firms

...

Reporting under SUP 15.11

...

- 11A.24. G *SUP* TP 11A.24.8G applies however short the resulting reporting period
9 may be. It applies notwithstanding the postponement of the commencement of part of *COCON* by the Individual Accountability (FCA-Authorised Firms) (COVID-19 and Extension of Deadlines) Instrument 2020.

...

