

Senior Managers & Certification Regime

The Senior Managers & Certification Regime (SM&CR) replaced the Approved Persons Regime changing how people working in the insurance sector are regulated.

“The aim of SM&CR is to reduce harm to consumers and strengthen market integrity by creating a system that enables firms and regulators to hold people to account. As part of this, the SM&CR aims to:

- encourage staff to take personal responsibility for their actions
- improve conduct at all levels
- make sure firms and staff clearly understand and can show who does what”

(The Senior Managers and Certification Regime: Guide for FCA solo-regulated firms)

The FCA expects firms to be able to demonstrate how they have embedded in their organisation the processes and cultural change, as required by the regime.

The practical experience of our client service teams allows us to deliver realistic solutions for your business based on both need and budgets.

Some of the typical SM&CR advisory and support services we offer are shown on the reverse of this document.

Please contact us if you would like to discuss your requirements in complete confidence.



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ADVISORY | RESOURCING | TRAINING



For authorised firms already operating under SM&CR we can:

- Carry out an SM&CR audit of your firm's policies, processes and governance structure, assessing if you are meeting the requirements under the regime;
- Provide support and advice for any SMF applications or notifications required to be made to the Regulator;
- Review SMFs Statement of Responsibilities;
- Review your firm's SM&CR Policy;
- Provide advice on any Fit and Proper issues that may have arisen;
- Assist in reporting Conduct Rule breaches to the regulator;
- Assist in reviewing and advising on Regulatory References; and
- Carry out SM&CR, including Conduct Rule refresher or new joiner training for Senior Managers or Certified Staff.

For the HR or Compliance Functions at your firm we can provide advice or review the development and delivery of your processes for:

- On-boarding SMFs, NEDs, and Certified Staff;
- The on-going assessment of the Fitness and Propriety of SMFs, Certification staff and NEDs;
- The process of certification for Certified staff;
- Exiting SMFs, NEDs and Certified Staff;
- Mapping Statements of Responsibilities into performance management;
- Mapping Conduct Rules into performance management;
- Obtaining and providing regulatory references when required.

For firms seeking regulatory authorisation and who are therefore new to the regime, we can:

- Advise you on the high-level effects of SM&CR on your firm;
- Help you to determine your SM&CR firm type - Limited Scope, Core or Enhanced;
- Assist in the identification of those individuals whose roles will cause them to be SMFs or Certified Staff;
- Assist in the identification of which SMFs will hold which Prescribed Responsibilities;
- Assist in the drafting of SMFs Statement of Responsibilities;
- Assist in making Form A applications for SMFs to the regulator;
- Draft your firm's SM&CR Policy;
- Prepare senior management function holders for any interviews by the PRA and/or FCA as a part of their application; and
- Provide SM&CR training to all affected staff at your firm, be that at Board Level or staff who are only affected by the Conduct Rules.

