

Senior managers and certification regime: Management responsibilities maps and handover procedures and material

Chapter 25

Senior managers and
certification regime:
Management responsibilities
maps and handover
procedures and material



25.1 Application and purpose

Main application rules

25.1.1

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This chapter applies to:

- (1) an *SMCR banking firm*;
- (2) an *SMCR insurance firm* that is a *Solvency II firm* (including a *large non-directive insurer*) but excluding:
 - (a) an *insurance special purpose vehicle*; and
 - (b) a *firm* in ■ SYSC 23 Annex 1 5.2R (*firms in run-off*); and
- (3) an *enhanced scope SMCR firm*;

except to the extent that this chapter applies a narrower scope to a particular provision.

25.1.2

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This chapter is not limited to *regulated activities* or other specific types of activities.

Territorial scope

25.1.3

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Subject to ■ SYSC 25.1.4R, there is no territorial limitation on the application of this chapter.

25.1.4

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This chapter applies to an *overseas SMCR firm* in relation to the activities of a *branch* maintained by the *firm* in the *United Kingdom*.

How this chapter applies to overseas SMCR firms

25.1.5

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Unless the context requires otherwise, the following terms in this chapter are modified as follows in relation to an *overseas SMCR firm*:

Reference in this chapter	Modification
<i>firm</i>	treated as a reference to the <i>branch</i>
<i>governing body, management body, senior management and senior personnel</i>	(a) treated as a reference to the <i>branch's governing body, management body, senior management or senior personnel</i> ; (b) the <i>Glossary</i> definitions of these terms are adjusted so as to refer to

Reference in this chapter	Modification
<i>group</i>	the <i>branch</i> rather than the <i>firm</i> as a whole treated as including the rest of the <i>firm</i>

Purpose

25.1.6

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- (1) One purpose of the *management responsibilities map* is to help the *firm* and the *FCA* satisfy themselves that the *firm* has a clear organisational structure (as required by the *regulatory system*).
- (2) It also helps the *FCA* to identify who it needs to speak to about particular issues.
- (3) The *management responsibilities map* helps the *FCA* to operate its powers and requirements for individuals. For example it helps the *FCA*:
 - (a) to identify who is accountable if something goes wrong;
 - (b) to understand the role of the *approved person* (or *candidate*) in the *firm* and therefore to judge how to use its powers under the regime for *SMCR firms*, such as the power to grant or refuse approval of an *SMF manager* or to amend or impose conditions.