

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

Chapter 25

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25.9 Handover procedures and material

Application

- 25.9.1 **R** This section applies to a *firm* that meets the following conditions:
- (1) it falls within ■ SYSC 25.1.1R (Application and purpose); and
 - (2) it falls within one of the following categories:
 - (a) it is a *UK SMCR firm*; or
 - (b) it is an *overseas SMCR banking firm*.

- 25.9.2 **R** For *overseas SMCR banking firms*, references in this section to an *SMF manager* are references to the *SMF manager* when acting as an *SMF manager* for the *firm's branch* in the *United Kingdom*.

- 25.9.3 **R** This section does not apply to a *full-scope UK AIFM* in relation to its *managing an AIF*.

Rules about handover material

- 25.9.4 **R** A *firm* must take all reasonable steps to ensure that:
- (1) a *person* who is becoming an *SMF manager*;
 - (2) an *SMF manager*:
 - (a) taking on a new job or new responsibilities; or
 - (b) whose responsibilities or job are being changed; and
 - (3) anyone who has management or supervisory responsibilities for the *SMF manager* in (1) or (2);
- has, when the *SMF manager* starts to perform their new or revised responsibilities or job, all information and material that a *person* in (1) to (3) could reasonably expect to have to perform those responsibilities or that job effectively and in accordance with the requirements of the *regulatory system*.
- 25.9.5 **R** (1) A *firm* must have a policy about how it complies with ■ SYSC 25.9.4R, including the systems and controls it uses.

25.9.6 **G** (2) A *firm* must make and maintain adequate records of the steps taken to comply with ■ SYSC 25.9.4R.

25.9.6 **G** The information and material in ■ SYSC 25.9.4R that should be made available includes details:

- (1) about unresolved or possible breaches of the requirements of the *regulatory system*; and
- (2) of any unresolved concerns expressed by the *FCA*, the *PRA* or another *regulatory body*.

25.9.7 **G** (1) The main purpose of ■ SYSC 25.9.4R is to help the *SMF manager* with their new or revised responsibilities or job and to help the managers of *SMF managers*.

- (2) The information and material should be practical and helpful and not just a record.
- (3) The material should include an assessment of what issues should be prioritised.
- (4) The information and material should include judgement and opinion, not just facts and figures.

Handover arrangements and certificates.....

25.9.8 **G** (1) Where the responsibilities or job in ■ SYSC 25.9.4R are being taken over from another *person*, the *firm* should have arrangements for an orderly transition.

- (2) As part of these arrangements, the *firm* should take reasonable steps to ensure that the predecessor contributes to the information and material in ■ SYSC 25.9.4R all that would be reasonable to expect the predecessor to know and consider relevant, including the predecessor's opinions.
- (3) One way of doing this could be for the predecessor to prepare a handover certificate.
- (4) However, the *FCA* accepts that there will be cases in which it will be impractical to ask the predecessor to prepare a handover certificate.

Application of this section to other parts of a firm's management.....

25.9.9 **G** A *firm* should consider whether to apply the procedures in this section to other parts of its management.