

# Background to Senior Manager & Certification Regime



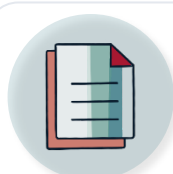
## Background

The key aim of the Senior Manager & Certification Regime (SMCR) is to reduce harm to consumers and to strengthen market integrity, by raising standards of conduct for everyone who works in financial services.



## Senior Manager Regime – additional requirements

For Core and Enhanced firms, Senior Managers will also have additional prescribed responsibilities.



## The different levels of SMCR

There are three main 'levels' which determine how intensively the SMCR will apply to a firm:

**Limited Scope, Core and Enhanced.**



## Certification Regime

This regime covers individuals who are not senior managers, but whose jobs mean they have a significant impact on customers, markets or the firm.



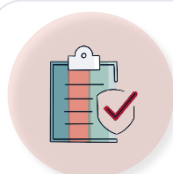
## Scope of the regulations

The main elements of each regime are: Senior Managers Regime, Certification Regime, The Conduct Rules and Fitness & Propriety.



## Conduct Rules

The Conduct Rules came into force on 31 March 2021 and will apply to almost all people working in financial services. See the **Conduct Rule Fact Sheet** for more details.



## Senior Manager Regime

In all firms Senior Managers will be approved by the FCA and are required to have:

**A Statement of Responsibilities**

**A Duty of Responsibility**



## Fitness & Propriety

The FCA requires firms to make sure anyone performing a Senior Manager or a Certification Function is fit and proper for their role.

Firms must complete checks at least once a year.

