

Handbook Notice 28 - Supervision manual

Financial Conduct Authority (FCA)

RPC rating: **validated**

Description of the measure

The assessment explains that the Financial Conduct Authority (FCA) has made changes to its data requests to general insurance intermediaries on their client money holdings. These changes will provide the FCA with more accurate and useful data on these holdings.

Impacts of the measure

The FCA consulted industry and states that there are over 1,500 UK authorised firms holding client money in connection with insurance mediation activities that will be affected.

The changes made will remove, amend or add questions to firms. The FCA used the consultation to test whether amending the questions asked would result in cost savings, or would any savings be more than offset by the cost of familiarisation and the need to change data collection systems. The response was that such questions now align with existing client money rules and firms, therefore, did not expect any additional impacts. As such, the FCA expects that there will be no impact on firms.

The RPC verifies the estimated equivalent annual net direct cost to business (EANDCB) of £0.0 million. This will be a qualifying regulatory provision that will score under the business impact target.

Quality of submission

The assessment explains that the changes to the questions asked of firms will, by aligning with existing client money rules, avoid imposing any further costs on firms. This appears reasonable.

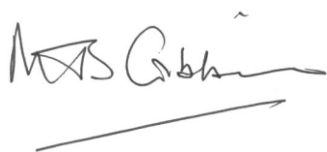
Departmental assessment

Classification	Qualifying regulatory provision (IN)
Equivalent annual net direct cost to business (EANDCB)	£0.0 million

Business net present value	£0.0 million
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RPC assessment

Classification	Qualifying regulatory provision (IN)
EANDCB – RPC validated ¹	£0.0 million
Business Impact Target (BIT) Score ¹	£0.0 million



Michael Gibbons CBE, Chairman

¹ For reporting purposes, the RPC validates EANCB and BIT score figures to the nearest £100,000.