

## SMCR Project Implementation Checklist and Outline Plan

WORKSTREAM	TASK ID	TASK DETAIL	TIMEFRAME	COMMENTS
Project Setup	1a	Gather key documents (see Policies and Processes)	Q4 2018/Q1 2019	
Project Setup	1b	Kick-off meeting	Q4 2018/Q1 2019	
Project Setup	1c	Agree project team & responsibilities	Q4 2018/Q1 2019	
Project Setup	1d	Create Project Plan	Q4 2018/Q1 2019	
Project Setup	1e	Set up and diarise project team meetings	Q4 2018/Q1 2019	
Project Setup	1f	Research HR IT solutions	Q4 2018/Q1 2019	May need separate workstream for IT implementation.
Project Setup	1g	Agree resource/budget/internal comms plan	Q4 2018/Q1 2019	
Project Setup	1h	Assess whether firm is within limited/core/enhanced scope regime	Q4 2018/Q1 2019	
Training	2a	Create and deliver SMCR overview training to Senior Managers and NEDs	Q1 2019	Consider whether to deliver separate training for (non-approved) NEDs.
Training	2b	Create and deliver SMCR overview training to certified/all staff	Q1 2019	Consider whether to deliver overview training for certified staff only or for all staff.
Training	2c	Create SMCR/Conduct Rules training for Senior Managers and NEDs	Q2 2019	Consider whether to deliver separate training for (non-approved) NEDs.
Training	2d	Deliver SMCR/Conduct Rules training for Senior Managers and NEDs	Q3/Q4 2019	Must be delivered by 9 December 2019. Could be delivered earlier if desirable, with refresher shortly before commencement.
Training	2e	Create SMCR/Conduct Rules training for certified staff	Q2 2019	Training must ensure that all conduct rules staff have a broad understanding of the conduct rules, and a deeper understanding of the specific rules relevant to them.
Training	2f	Deliver SMCR/Conduct Rules training for certified staff	Q3/Q4 2019	Must be delivered by 9 December 2019.
Training	2g	Create Conduct Rules training for other Conduct Rules staff	Q3 2019	Training must ensure that all conduct rules staff have a broad understanding of the conduct rules, and a deeper understanding of the specific rules relevant to them.
Training	2h	Deliver Conduct Rules training for other Conduct Rules staff	Q4 2019	Must be delivered by 9 December 2020. May be preferable to deliver training as part of main implementation in 2019, with refresher in late 2020.
Training	2i	Create annual Conduct Rules refresher training for Senior Managers and all staff	Q3 2019	
Employment	3a	Draft revised employment contracts	Q1 2019	Consider whether changes to staff handbook will be sufficient without needing to change contracts.

Employment	3b	Consider undertaking collective staff consultation	Q1 2019	Consultation may be advisable, and in some circumstances may be mandatory.
Employment	3c	Implement new contracts	Q2 2019	
Employment	3d	Draft revised settlement agreement	Q1 2019	Could be done at any time but sensible to do at same time as contracts.
Policies and Processes	4a	Devise/amend process/policy for recruitment/selection	Q1 2019	
Policies and Processes	4b	Devise/amend process/policy for new joiners to ensure they receive all relevant training and assessments and records updated	Q1 2019	
Policies and Processes	4c	Devise/amend process/policy for exits to ensure all notifications made and correct reference and settlement agreement	Q1 2019	
Policies and Processes	4d	Devise/amend disciplinary policy dealing with conduct/performance issues and assessing if there are fitness and propriety (F&P) concerns or a Conduct Rules breach	Q1/Q2 2019	Will need to be done in time for earliest Conduct Rules training
Policies and Processes	4e	Devise process/policy for monitoring, recording and reporting any Conduct Rules breaches or F&P matters that have resulted in disciplinary action (and retaining that information for certification and references)	Q1/Q2 2019	Will need to be done in time for earliest Conduct Rules training
Policies and Processes	4f	Amend document retention/updating policy	Q1/Q2 2019	Will need to be done in time for earliest Conduct Rules training
Policies and Processes	4g	Devise process and policy for F&P assessment for Senior Managers and certified staff	Q1 2019	F&P assessment must be carried out for SMs and CPs by 9 December 2020. It may be necessary to create new procedure early so that F&P assessment ties in with existing annual appraisal timetable.
Policies and Processes	4h	Amend annual appraisal process and form to address F&P and Conduct Rules	Q1 2019	
Policies and Processes	4i	Devise process and policy for updating list of all staff and which categorisation they fall in and why	Q2 2019	
Policies and Processes	4j	Draft template and policy for duty of responsibility framework document (optional)	Q1 2019	Consider training session in good time before SMs need to act on materials/guidance i.e. before summer 2019.
Policies and Processes	4k	Devise handover policy, process and template	Q3 2019	Mandatory for enhanced scope firms only. Must be done by 9 December 2019.
Policies and Processes	4l	Amend employee Code of Conduct	Q1/Q2 2019	Will need to be done in time for earliest Conduct Rules training
Policies and Processes	4m	Draft SMCR Handbook	Q1/Q2 2019	Will need to be done in time for earliest Conduct Rules training
Policies and Processes	4n	Devise/amend whistleblowing policy	Q1/Q2 2019	Will need to be done in time for earliest Conduct Rules training
Policies and Processes	4o	Review governance and identify and remedy gaps	Q1 2019	Should follow SMCR overview training to Senior Managers and NEDs

Policies and Processes	4p	Devise materials/guidance on duty of responsibility and policy for SM about ongoing record-keeping/evidencing (optional )	Q1 2019	Consider training session in good time before SMs need to act on materials/guidance i.e. before summer 2019.
Policies and Processes	4q	Draft management responsibilities map	Q2 2019	Mandatory for enhanced scope firms only. Must be done by 9 December 2019.
Insurance	5a	Check D&O coverage	Q1 2019	In good time before annual review
Insurance	5b	Put in place new D&O cover (at point of renewal) if necessary	Q1 2019	Prior to renewal
Non-Executives	6a	Identify if NED will be SM or not. If SM then refer to SM section	Q4 2018	
Non-Executives	6b	Undertake checks and assess F&P	Q2 2019	Tie in with any appraisal/board effectiveness review process. Does not apply to limited scope firms and application to other firms will depend on non-SMCR rules (e.g. MiFID II).
Non-Executives	6c	Devise process for ongoing recruitment and vetting including obtaining regulatory references and criminal records checks from commencement	Q3 2019	Does not apply to limited scope firms.
Non-Executives	6d	Form K to be submitted for non-executive chair (if applicable)	Q3/Q4 2019	Must be submitted by 2 December 2019
Senior Managers	7a	Identify who will be a senior manager	Q1 2019	
Senior Managers	7b	Identify relevant prescribed responsibilities	Q1 2019	
Senior Managers	7c	Identify relevant overall responsibilities	Q1 2019	Mandatory for enhanced scope firms only.
Senior Managers	7d	Allocate prescribed/overall responsibilities to senior managers	Q1 2019	Must be done by 9 December 2019.
Senior Managers	7e	Discuss and agree allocation with individual senior managers	Q1 2019	
Senior Managers	7f	Check proposed SMs are all FCA-approved; if not consider obtaining approval under existing approved persons regime	Q1 2019	
Senior Managers	7g	Draft Statements of Responsibilities	Q2 2019	Must be done by 9 December 2019.
Senior Managers	7h	Check job descriptions and SoRs are consistent	Q2 2019	
Senior Managers	7i	SMs sign SoRs	Q3 2019	Must be done by 9 December 2019. Enhanced scope firms must also submit SoRs with Form K.
Senior Managers	7j	Individual senior managers to complete their own reasonable steps framework documents setting out how they discharge their responsibilities (optional)	Q3 2019	
Senior Managers	7k	Discuss and agree with senior managers their approach to ongoing record-keeping/evidencing (optional)	Q2 2019	
Senior Managers	7l	(If needed) apply for approval for senior managers who will not be automatically converted to SMF roles	Q4 2019	Applications must be made using the SMCR Form A from three months before commencement (i.e. from September 2019 onwards).

Senior Managers	7m	Check accuracy of Financial Services Register	Q4 2019	Firms must check that the register correctly reflects their senior management roles by 16 January 2020.
Certification staff	8a	Identify who/which roles will be certified and record this	Q1 2019	
Certification staff	8b	Conduct F&P assessments (ideally at annual appraisal) and produce certificates	Q2 2020	Must be done by 9 December 2020.
Conduct Rules staff	9a	Identify Conduct Rules staff	Q2 2020	
Conduct Rules staff	9b	Provide communications about key impact of SMCR and Conduct Rules on them	Q2 2020	
Conduct Rules staff	9c	Consult and re-issue employment contracts (in line with pay review)	Q2 2020	
Conduct Rules staff	9d	Issue staff with copy of SMCR Handbook and notify of any other relevant new policies and Code of Conduct	Q3 2020	
Conduct Rules staff	9e	Provide more detailed Conduct Rules training and annual refresher	Q3 2020	
Post-implementation	10a	Decide upon ownership and execution of SMCR obligations post-implementation	Q1 2019	A senior manager (typically the CEO) will have the prescribed responsibilities for compliance with the SMR and CR. Consider whether a dedicated team should be established to support the SM in discharging these responsibilities.
Post-implementation	10b	Hire/re-train post-implementation SMCR team	Q2-Q3 2019	
Post-implementation	10c	Project team handover to post-implementation SMCR team	Q4 2019	

#### Notes:

1. This checklist and outline project plan is intended as an initial guide only. Not all steps may be necessary or appropriate for all firms, and there may be necessary or appropriate steps for some firms that are not shown here. The timeframe is indicative and the project could be structured differently and delivered according to a different timeframe.
2. Actions which are only required to be done by enhanced scope firms are indicated as such. However, some core or limited scope firms may wish to carry out some of these actions for their own governance and management purposes.