



**POLICY AND REGULATORY
NETWORK MEETING 3
NOVEMBER 2021 – DRAFT
AGENDA**

POLICY AND REGULATORY NETWORK MEETING

DATE: 3 NOVEMBER 2021 (11:00 – 12:30)

DRAFT AGENDA

SECTION A – GENERAL

1. **Intro/AFB Competition Law Guidance** (attached)
2. **Overview of AFB Policy Initiatives** (attached)

SECTION B - ISSUES FOR DISCUSSION BY PRN MEMBERS

3. **FCA – Approach to International Firms (February 2021) and PRA – International Bank: Approach to Branch and Supervisory Supervision (PS 19/21) – General Feedback**

A group of 20 AFB members met virtually with members of the FCA's Authorisations and Policy teams on 24 June to discuss a list of questions. The questions raised and answers received can be found [here](#).

4. **FCA Remote/Hybrid Working Expectations Guidance (published 11 October 2021)**

On Monday 11 October the FCA set out its remote/hybrid working expectations for firms ([here](#)). In the guidance the FCA noted that it will evaluate firms on a case-by-case basis to assess the suitability of their remote/hybrid working arrangements. Firms will be required to prove that remote working does not or is unlikely to affect the ability of the firm to oversee its functions, cause detriment to consumers, damage the integrity of the market or increase the risk of financial crime.

Of particular note is the section on firms' engagement with the FCA and a section relating potential FCA home visits. The FCA expects to "access firms' sites, records and employees... [and] that the FCA has powers to visit any location where work is performed, business is carried out and employees are based (including residential addresses) for any regulatory purposes. This includes supervisory and enforcement visits." The FCA states it is the role of firms to take responsibility for informing their employees that such visits may take place and to ensure they are prepared for this eventuality.

5. **AFB/Marsh - Cyber Governance Report/Next Steps**

The launch of the report took place on 20 July (see [here](#)).

6. **PRA Supervisory Statement 5/21 - Gap Analysis**

Members have noted from the Statement that the PRA expects firms within the scope of the SS to complete a gap analysis against the expectations set out in [SS5/21](#) and submit this to the PRA by 31 March 2022. Firms should set out their timeframe for addressing any gaps.

SECTION C – ISSUES ARISING FROM AFB POLICY WORKING GROUPS/FOR NOTING

7. **FCA/PRA/Bank of England DP 21/2 – Diversity and Inclusion in the Financial Sector**

The AFB's [response](#) to the consultation was submitted on 30 September. The response included a survey of members' view on the key questions in the DP.

8. **HMT – Money Laundering Consultation and Call for Evidence**

On 20 October, the AFB submitted its responses to HM Treasury on its [Consultation](#) on proposed amendments to the Money Laundering Regulations 2017 and its [Call for Evidence/Review](#) of the UK AML/CTF Regime. Feedback is expected from HMT in Q1 2022.

9. HMT - Review of Bank Corporation Tax Surcharge

Following the increase in corporation tax from 19% to 25% in March 2021, HMT conducted a review of the level of the bank surcharge. A group of AFB members attended a meeting with HMT on 15 June to provide feedback. A note of the meeting can be found [here](#).

10. PRA DP 1/21 – ‘A strong and simple prudential framework for non-systemic banks’

DP 1/21 looked at options for developing a simpler prudential framework for firms that are not systemically important, which is relevant to AFB members operating via a subsidiary. A meeting with the PRA to discuss the DP was held on 6 July and a response to the DP can be found [here](#).

11. AFB update on Financial Services Skills Commission – published November 2021

To follow

12. FCA CP 21/25 ‘Issuing Statutory Notices – A New Approach to Decision Makers’

The AFB response to CP 21/25 can be found [here](#).

13. AFB Member Survey on Plans for Returning to the Office

The survey was conducted between 16 August and 3 September and can be found [here](#).

AOB

