



# Financial Services Act 2021

## 2021 CHAPTER 22

### *Prudential regulation of credit institutions and investment firms*

#### **5 Prudential regulation of credit institutions etc by PRA rules**

- (1) In Schedule 3—
  - (a) Part 1 inserts Part 9D of the Financial Services and Markets Act 2000 (prudential regulation of credit institutions etc),
  - (b) Part 2 amends the Prudential Regulation Authority's powers under Part 12B of that Act (approval of certain holding companies),
  - (c) Part 3 contains minor and consequential amendments, and
  - (d) Part 4 contains transitional provision.
- (2) Subsections (3) to (5) apply where a provision of the Capital Requirements Regulation, or of an instrument made under that Regulation, has been revoked by regulations under section 3.
- (3) In the Capital Requirements Regulation and in other enactments, except as otherwise provided—
  - (a) pre-revocation references to the revoked provision are to be treated as references to the corresponding CRR rule, and
  - (b) pre-revocation references to the Capital Requirements Regulation or the instrument, or to a division of that Regulation or instrument that included the revoked provision, are to be treated as including the corresponding CRR rule.
- (4) The Prudential Regulation Authority must—
  - (a) prepare a document setting out whether and, if so, how CRR rules correspond to the revoked provision,
  - (b) update the document from time to time, and
  - (c) publish the document, and any update, in the manner best calculated to bring it to the attention of those likely to be affected by the Capital Requirements Regulation and CRR rules.

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**Changes to legislation:** Financial Services Act 2021, Section 5 is up to date with all changes known to be in force on or before 28 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

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- (5) For the purposes of subsection (3), whether a CRR rule corresponds to a revoked provision is to be determined by reference to the document published under subsection (4), as updated from time to time.
- (6) In this section, references to instruments made under the Capital Requirements Regulation include EU tertiary legislation made under that Regulation which forms part of [F1assimilated] law.
- (7) In this section—
- “CRR rules” has the same meaning as in the Financial Services and Markets Act 2000 (see section 144A of that Act, inserted by Schedule 3 to this Act);
  - “EU tertiary legislation” has the same meaning as in the European Union (Withdrawal) Act 2018 (see section 20 of that Act);
  - “pre-revocation reference” means, in connection with the revocation of a provision described in subsection (2), a reference contained in an enactment immediately before the revocation (whether or not the reference is in force at that time).

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#### Textual Amendments

- F1** Word in s. 5(6) substituted (1.1.2024) by [The Retained EU Law \(Revocation and Reform\) Act 2023 \(Consequential Amendment\) Regulations 2023 \(S.I. 2023/1424\)](#), reg. 1(2), **Sch. para. 100(2)**
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#### Commencement Information

- I1** S. 5 in force at 9.6.2021 by [S.I. 2021/671](#), **reg. 2(c)**

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**Changes and effects yet to be applied to :**

- specified provision(s) amendment to earlier commencing S.I. 2021/671, reg. 5 by [S.I. 2021/1163 reg. 2](#)