

# COVID-19: PEOPLE: PRA AND FCA PUBLISH GUIDANCE ON KEY WORKERS IN FINANCIAL SERVICES (UK)

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Legal Briefings

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On 19 March, the UK Government published guidance requesting that schools and other educational institutions provide limited care for children whose parents have roles that are critical to the COVID-19 response. This includes parents working in certain financial services roles that are essential to the functioning of the economy (referred to as “key financial workers” or “KFWs”).

The [PRA](#) and [FCA](#) and have now published their own guidance on this topic setting out the steps that firms should take in relation to identifying KFWs.

## IDENTIFYING KFWs

- A KFW is any individual who fulfils a role which is necessary for the firm to continue to provide (i) essential daily financial services to consumers, or (ii) ensure the continued functioning of markets. The guidance provides a list of example KFWs ([PRA](#)) ([FCA](#)).
- KFWs could work for any categorisation of financial institution (e.g. dual or solo regulated, payment service providers, market infrastructure providers).
- Firms are best placed to identify their KFWs; they should start by identifying the firm’s activities, services or operations which are essential to services in the real economy or financial stability and then identify the individuals essential to support those functions.
- The PRA/FCA expects that most firms will have a limited number of KFWs.

## OUTSOURCED FUNCTIONS

- When considering KFWs, firms should also identify any critical outsource partners that are essential to the continued provision of services, even if these are not financial services firms.

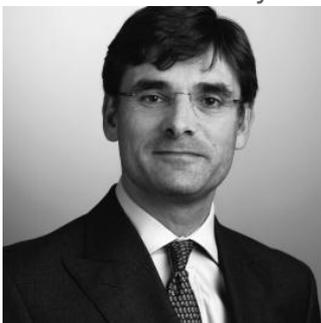
## PROCESS

- The PRA/FCA recommends that the Chief Executive Officer Senior Management Function (SMF1) (or, if not applicable, an equivalent senior member of the management team) is accountable for ensuring an adequate process so that only roles meeting the KFW definition are designated.
- Firms should consider issuing letters to all individuals identified as KFWs as evidence of their status.

Our general briefing on COVID-19 – Key Issues for Employers is available [here](#).

## KEY CONTACTS

If you have any questions, or would like to know how this might affect your business, phone, or email these key contacts.



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