



## Update on FSA Authorisation process (June 2012)

### Submission requirements

From 1 June, the FSA has changed how applications for authorisation should be submitted. A link to the FSA guidance on this is attached below. Any applications being submitted from 1 June 2012 must be submitted both in hard copy and electronically. This is to take into account contingency planning that the FSA has introduced during July and August when transport arrangements for the 2012 London Olympics may mean short term changes in working arrangements for FSA staff. These requirements also cover change in legal status applications.

<http://www.fsa.gov.uk/doing/authorisation-changes>

### Timescales

The length of time that new financial services firms are having to wait to obtain FSA authorisation continues to increase. The average timescale for routine applications is currently 17 weeks and for non-routine 30 weeks although obviously this can vary depending upon the complexity of the application and proposed new business. It will also vary depending on the completeness of the application pack itself.

These are average timescales and do not reflect the FSA's stated service standards or statutory timescales under the Financial Services and Markets Act 2000 which can be longer. Applicants should also bear in mind any likely fluctuations in the FSA Authorisations Department resourcing including during holiday periods and also potential disruptions during the Olympics.

### Feedback on approach

The FSA has stated that it wishes to see applications that reflect a firm's business and not just a standard 'template' approach to the application.

In the past, FSA staff have not normally requested to meet with firms as part of the new business application. However, firms may wish to bear in mind that as part of their overall 'more intrusive' approach to supervision, they may request such meetings if they need to clarify the firm's business and/or compliance arrangements. They have also increased carrying out interviews of key senior management of new firms.

The FSA has also indicated that it will be updating authorisation application packs prior to the introduction of the Financial Conduct Authority in early 2013. Therefore, applicants must ensure that they always use the most up to date packs available otherwise applications may be rejected.

### Questions from applicants

Planning, preparing and submitting an application for FSA authorisation or an application for change in legal status takes a considerable amount of internal resource. It is important to ensure that a clear and complete application is submitted on a timely basis that reflects the nature of the firm's own circumstances when new businesses are planning to launch.

*The above note is intended as a summary only of current requirements, feedback and changes and is not full and/or firm specific advice. For further information including enquiries for full support and project management of FSA authorisation applications, please contact Gillian Gallacher for further guidance.*

# Gem Briefing Note 12/5



July 2012

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