

FCA timings for Investment Authorisations

- The statutory timelines for the FCA to decide on an investment application upon receipt is 6 months for application deemed to be 'complete' and 12 months for applications deemed to be 'incomplete.' With a majority of investment applications, the FCA is likely to have at least a couple questions for clarification. What this means is that most investment applications will be deemed 'incomplete' giving the FCA the full statutory limit of 12 months to make a decision on an application.
- So that's the legal bits, the FCA strives to authorise investment applications ahead of the statutory limits. In our experience, at the moment, applications take around 10 working days for a Case Officer to be assigned, and around 3 to 4 months to be authorised. More complex business models such as retail CFD Brokers and other derivative brokers may fall into the upper end of this timeline. Complex authorisations such as MTFs and OTFs can take around 6 months to be authorised from submission.
- We have seen an improvement in FCA turnaround times during the Q&A sessions that take place prior to authorisation. The FCA tends to work on a 10-working day response cycle which means that they have up to around 2 weeks to get back to firm responses.
- Providing the right level of information and communicating information clearly in your application can help cut down the FCA Q&A sessions and increase authorisation speed.

Top tip

Writing all authorisation application documents such as the Regulatory Business Plan in simple, clear, and plain English will help Case Officers easily understand the information presented and reduce Q&A effort. This also applies to prudential documents such as the ICAAP (Internal Capital Adequacy Assessment Process) which should be drafted in simple English for the reader to be able to understand the content with ease.