**FCA Authorisation**

**Top tips for landing straightforward authorisation**

With impending FCA approval regulations just around the corner, the question on many lenders, brokers and car dealer’s mind is ‘how do we get through the authorisation process?’

Since the FCA took responsibility of the consumer credit regulation in April this year, lenders, brokers and dealers are now required to obtain authorisation to continue selling or providing finance. From a previously lighter touch regulatory framework, the unfamiliar process of authorisation is proving to be quite an obstacle for many providers.

Gordon Docherty, Risk and Compliance Director at Internal Control Ltd, has therefore highlighted four key pointers for a straightforward authorisation process.

**Tip 1 – Decide what type of authorisation you want to apply for**

Through the FCA’s new rules, there are three ways to apply for authorisation:

* Becoming directly authorised;
* Joining a network and becoming an Appointed Representative; or
* Becoming an introducer

Deciding which application best suits your business is the key first step and whether you will require full or limited permissions. Make sure you know the allocated landing slot for your chosen application type. The overall authorisation process opens on 1 October and lasts until 31 March 2016, however, within this period there are different landing slots for each application type which last for only three months, and slightly different slots depending on your location.

**Tip 2 – Prepare**

The authorisation process can be lengthy so preparation is vital. This means, sort out all supporting documentation for your application, including ownership credentials, financial information and policies and procedures, understanding your business risks and how you will monitor compliance. The more supporting evidence you can provide at the start, the more likely your application will pass through successfully.

**Tip 3 – Anticipate on-going challenges**

The FCA has six months to authorise applications once a landing slot has closed. In this time the regulator can make on-going requests for additional evidence and information; it is always useful to be prepared for this as well as requests for business visits. It is best to be open and honest from the word go; if you fail to provide sufficient evidence, your application can be declined, therefore, the more prepared you are the easier the process will be.

**Tip 4 – Be ready for when authorisation is given**

Once your business is authorised it is, by law, a regulated entity and the firms approved persons will be responsible for ensuring that business is conducted in an appropriate manner and in line with the FCA’s business rules. It is necessary to maintain levels of reporting to the regulator, in particular to show that the business is treating customers fairly.

The FCA will only authorise firms that they believe are ‘**Ready, Willing and Organised’**. For further details or if you require support through the authorisation process, see the website www.internalcontrol.co.uk or contact Gordon to discuss.