



## Variation of Permission FAQs

### What is a Variation of Permission (VoP)?

The business that a firm carries on, which is regulated by the PRA or FCA, is shown on the firm's entry on the Register (under the heading 'Permissions'). If a firm wishes to make any changes to its regulated activities that alter its permission on the Register, the firm must complete and submit a VoP application form.

### What is a 'regulated activity'?

A business activity carried on by a firm which is regulated by the PRA and/or the FCA. If the firm has a Part 4A permission, its regulated activities are listed in its Scope of Permission Notice and on the Register. For further information about regulated activities, see the [Regulated Activities Order \(RAO\)](#).

### Which regulator should a firm apply to (PRA or FCA)?

Dual-regulated firms must apply to the PRA for a change in permission for any of the regulated activities in the RAO. In addition, firms prudentially regulated by the FCA must apply to the PRA for a change in permission to add any PRA regulated activities in the RAO (accepting deposits, effecting or carrying out contracts of insurance, or managing the underwriting capacity of a Lloyd's syndicate as a managing agent at Lloyd's). Firms should apply to the FCA if they are an FCA-only regulated firm and they wish to carry out any other regulated activity.

### Do I need a pre-application meeting?

If the proposed variation is a substantial change to the firm's business model (such as adding deposit taking as a new activity) a pre-application meeting may be advantageous for both the firm and the regulators. Please contact your normal supervisory contact if you believe a discussion about the proposed change may be of value.

### How do firms pay the application fee?

The application fee can be paid by:

- credit or debit card, with details of:
  - a. the amount of payment;
  - b. card type (for example Visa, Mastercard, Switch, Delta);
  - c. card number; and
  - d. expiry date.

Note there will be a 2% surcharge on credit card transactions.

- Cheque made payable to the Financial Conduct Authority. The FCA is responsible for fee administration.

The PRA does not charge a fee for applications to reduce a firm's permitted business activities.

### What happens if a firm needs a VoP by a specific date?

Inform the PRA when submitting the application. If the PRA has any further questions and/or requests for information, the firm is asked to reply as soon as possible. Where possible the PRA will process the application by the requested date.

### What do the terms valid/invalid mean for a firm's application?

The PRA will only treat a firm's application as 'valid' once both the VoP application form and the full application fee (where an application fee is payable) have been received.

### Who will assess the application?

When an application is received, it will be assigned to a supervisor or case officer who will contact the firm within ten business days. The PRA will lead on the application and both the PRA and the FCA will assess the application. The firm is dual regulated so both regulators will work together on what needs to be assessed for their own objectives. The PRA is the lead regulator even if the firm is requesting the removal of all PRA-designated activities.



**Adding investment business: A firm wants to advise on/arrange investment business. What should it do?**

Firms wishing to conduct investment business must complete and submit a VoP application as below:

- Dual-regulated firms must apply to the PRA for a change in permission for any regulated activities including investment business.
- FCA-only regulated firms applying to undertake investment business should apply to the FCA.

**A firm is FCA-only regulated and wishes to apply to deal in investments as principal. Who should it apply to?**

The PRA is responsible for the prudential regulation of certain, very significant, investment firms with permission to deal in investments as principal. An investment firm applying to deal in investments as principal should, however, initially apply to the FCA for authorisation. If the PRA identifies that the firm may in future be designated, the FCA will involve the PRA in the determination of the application.

**What does a firm need to do to change its legal status?**

If a firm is regulated by the PRA and wishes to change its legal status, for example from being a partnership to a limited company, it must apply to the PRA for authorisation for the new legal entity. The firm should contact its supervisor in the first instance to discuss how to proceed.