

25 March 2011

Implementation of the new significant influence controlled functions (SIFs) deferred

Last year, we published our proposals for improving the quality of governance within firms and the intensity of our supervisory regime (in PS10/15: *Effective corporate governance - Significant influence controlled functions and the Walker Review*). These proposals will also implement a number of the recommendations made by Sir David Walker in his review of corporate governance.

Specifically, we included plans to introduce a number of new significant influence controlled functions (SIFs) and changes to the scope and definition of certain, already existing SIFs within our approved persons regime.

We had expected that firms would submit applications or notifications on behalf of individuals to perform these new SIFs via our Online Notifications and Applications (ONA) system. However, there is currently a considerable programme of work underway on ONA and we have been unable to complete the necessary changes to allow us to accept these applications and notifications from 1 May 2011. So we are deferring the implementation of these changes to the approved persons regime until further notice.

We remain committed to all of the proposals in PS10/15 and will be pressing ahead with the other changes designed to promote effective governance within firms and, in particular, those elements aimed at managing risk. This deferral should not be interpreted as a change of policy on our part and we will ensure firms have two months' notice of the new implementation date.