

Quarterly KPIs: 2019/2020

As at September 2019

Introduction

To enable transparency and as part of our journey to become operationally excellent, these Authorisations Quarterly Key Performance Indicators (KPIs) provide key metrics on the performance of the FCA's Authorisations Division.

What is in this publication?

We publish our service standards on our 'Measuring our Performance' webpages, along with these quarterly KPIs, covering the number of applications received and in flight, and the distribution of processing times and outcomes. Details of applicable services standards are provided in appendices.

We provide KPIs for:

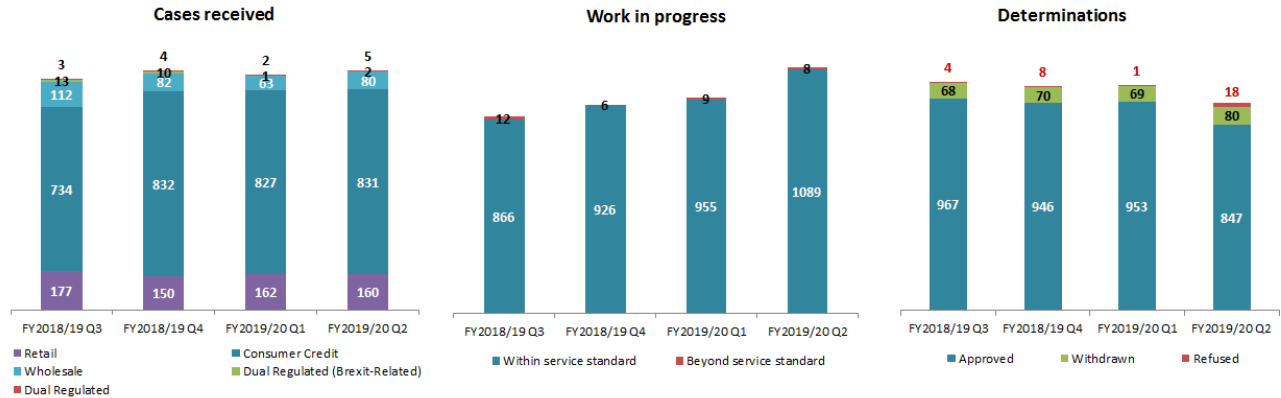
- Authorisations;
- Cancellations;
- Variations of Permission;
- Payment Services and E-money;
- Waivers;
- Change in Control;
- Part VII Transfers;
- Approved Persons; and
- Passporting.

Minimum, maximum, mean average, modal (ie most common) and median average processing times are provided by quarter. In addition, open and closed cases that have exceeded service standard timings are shown.

Authorisations quarterly KPIs:2019/2020

Authorisations: to process a firm application for a Part 4A permission

(Applicable service standards: Appendix I)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2018/19 Q3	<1	10.1	<1	5	186.6
FY2018/19 Q4	<1	10.3	<1	3.7	238.7
FY2019/20 Q1	<1	9.7	<1	4.4	84
FY2019/20 Q2	<1	12.1	<1	6.4	62.7

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q3	1128	1111	98.49%
FY2018/19 Q4	1038	986	94.99%
FY2019/20 Q1	1246	1209	97.03%
FY2019/20 Q2	1116	1079	96.68%

Volumes received in FY Q2 2019/20 remained steady. However, determinations fell slightly, resulting in an increase in Work in Progress.

The volume of consumer credit applications remains high, leading to an increasing Work in Progress. We have seen an uptick in withdrawals reflecting earlier intervention on applications which do not meet threshold conditions. Firms most commonly withdraw when they face challenge from the FCA, choosing to withdraw rather than risk receiving a refusal decision on their case, or when they no longer want to pursue authorisation, typically for commercial reasons.

Timelines for dual-regulated firms are worked alongside the PRA, however, for transparency and completeness, we include the cases here. For (non-Brexit related) dual-regulated firms we received the highest volume (5) this quarter for the year, however volumes are low.

Our work on Brexit-related applications continues to focus mainly on the dual regulated cases, receiving applications for authorisation in the UK by currently inwardly passported banks or insurance firms ahead of Brexit. Wholesale volumes have increased, partly reflecting Brexit-related applications where we are proceeding at pace.

Glossary:

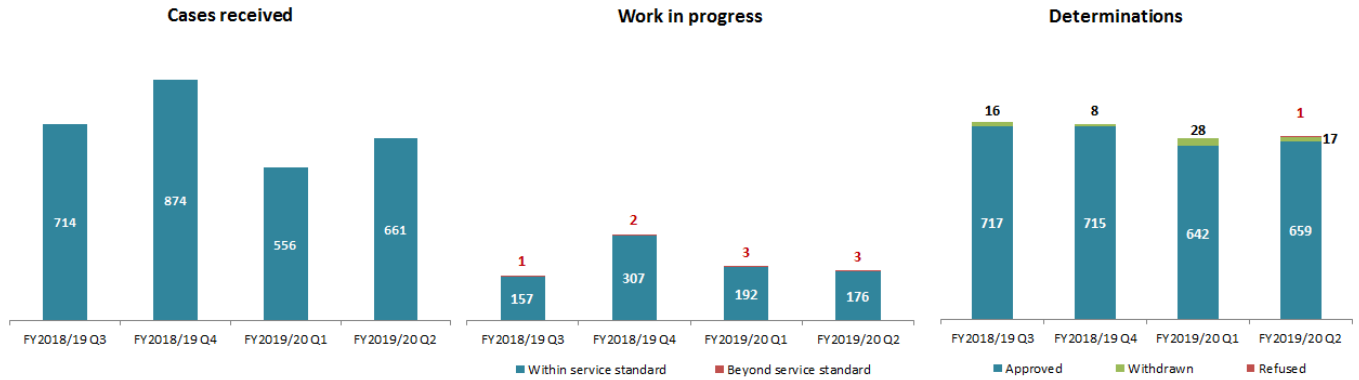
- Retail: Solo-regulated retail investment firms
- Wholesale: Solo-regulated wholesale investment firms
- Consumer Credit: Solo-regulated firms carrying on credit-related regulated activities
- Dual-regulated: Firms regulated by both the Prudential Regulation authority (PRA) and the FCA.

Note that solo-regulated firms may fall into more than one of the above categories. Cases are assigned to one of the relevant areas according to permissions applied for and overall nature of the firm.

Cancellations quarterly KPIs:2019/2020

Cancellations: to determine an application for Cancellation of Part 4A Permission

(Applicable service standards: Appendix I)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2018/19 Q3	<1	3.6	<1	0.7	51.1
FY2018/19 Q4	<1	3.4	<1	0.7	52
FY2019/20 Q1	<1	5.2	1	1.9	166.1
FY2019/20 Q2	<1	3.5	<1	0.9	51.9

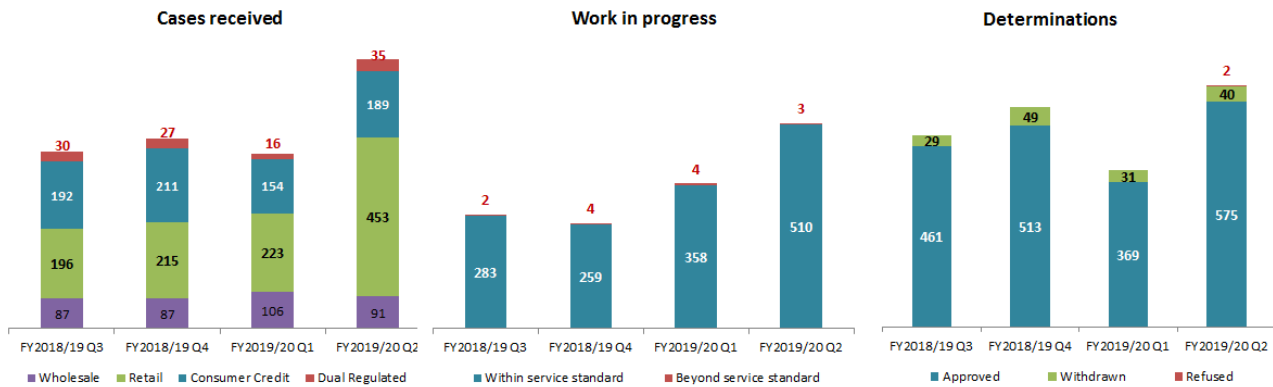
Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q3	590	590	100.00%
FY2018/19 Q4	581	580	99.83%
FY2019/20 Q1	744	742	99.73%
FY2019/20 Q2	797	796	99.87%

Determinations kept pace with receipts and average processing time remained steady.

Variations of Permission quarterly KPIs: 2019/2020

Variations of permission (VoP): to process an application from an authorised firm for VoP

(Applicable service standards: Appendix I)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2018/19 Q3	<1	6.2	<1	4	48.4
FY2018/19 Q4	<1	7.5	<1	4.1	192.7
FY2019/20 Q1	<1	7.8	<1	5.3	52
FY2019/20 Q2	<1	7.9	<1	6	52

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q3	611	610	99.84%
FY2018/19 Q4	672	669	99.55%
FY2019/20 Q1	583	576	98.80%
FY2019/20 Q2	559	552	98.75%

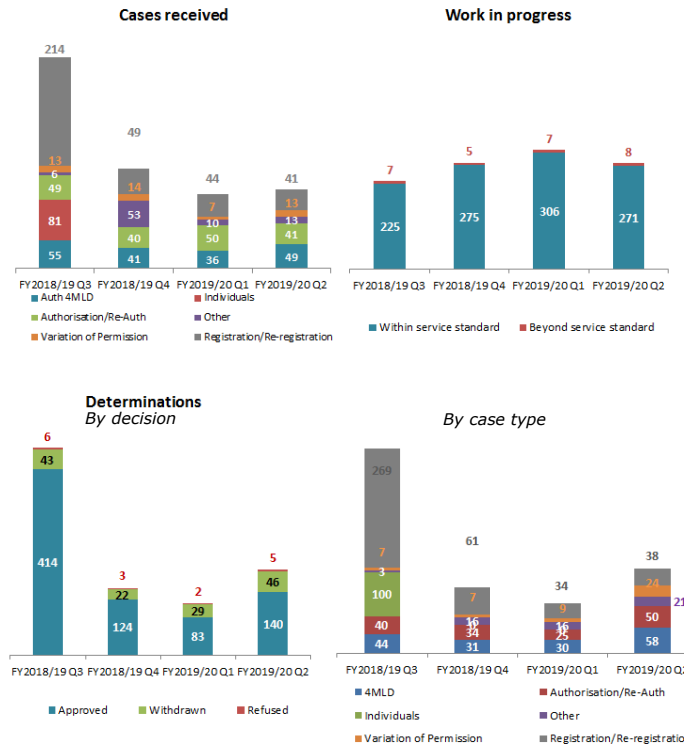
The volume of cases received in Q2 significantly increased over Q1, with a large increase in all areas other than Wholesale. In particular, Retail Intermediary Variations of Permission cases (VoPs) increased significantly. Much of the increase is attributable to advisory firms who are applying to remove pension transfer advice permissions.

Determinations increased but fell short of receipts, resulting in an increase of Work in Progress. Despite the increase, average processing times remained relatively low, with half of applications being completed in 6 weeks or less.

Payment services and e-money quarterly KPIs: 2019/2020

Payment services and e-money: to process firm application for authorisation/registration or variation of authorisation/registration

(Applicable service standards: Appendix II)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2018/19 Q3	0.1	8.5	2	4.9	84.9
FY2018/19 Q4	<1	16.8	13	12.9	87.4
FY2019/20 Q1	0.1	17.8	6	12.9	69.6
FY2019/20 Q2	<1	21.3	8	18.3	52

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q3	327	319	97.55%
FY2018/19 Q4	317	314	99.05%
FY2019/20 Q1	146	140	95.89%
FY2019/20 Q2	123	118	95.93%

With the volume of receipts having returned to normal levels following the introduction of PSD2, we have been able to focus our efforts on reducing work in progress.

The number of withdrawals remains high, matching Q1's figure of 25% of all cases received. Key issues remain as 1) firms failing to meet a minimum requirement for approval in advance of the statutory deadline; 2) firms not having appropriate knowledge and experience in financial services and/or PSD2; and 3) firms not being based in the UK and therefore not meeting the conditions for authorisation.

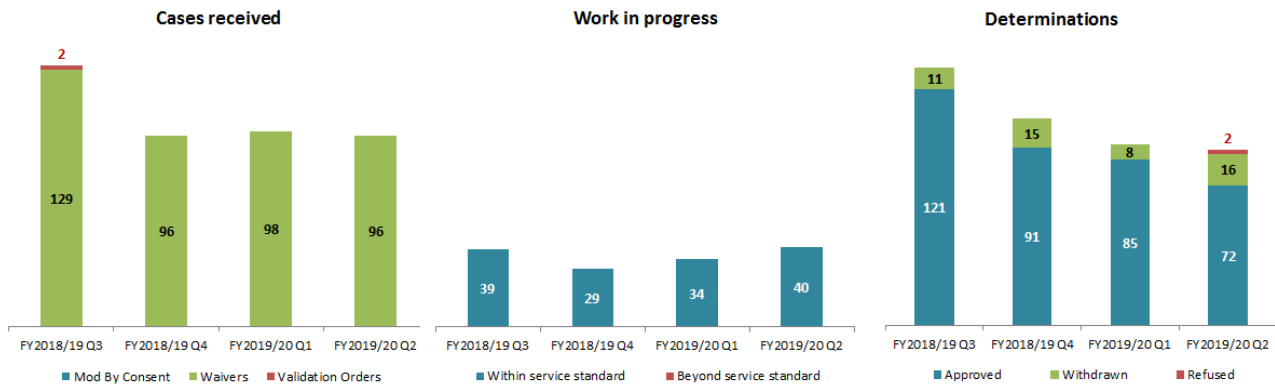
Glossary:

- 4MLD: Fourth Money Laundering Directive cases
- API: Authorised Payment Institution
- AEMI: Authorised E-Money Institution
- SPI: Small Payment Institution
- SEMI: Small E-Money Institution

Waivers KPIs: 2019/2020

To process a waiver or modification request

(No applicable service standards)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2018/19 Q3	<1	3.2	1	1.7	21.3
FY2018/19 Q4	<1	3	<1	1.3	20.4
FY2019/20 Q1	<1	3.4	1	1.4	29.9
FY2019/20 Q2	<1	3.4	1	2.3	21.4

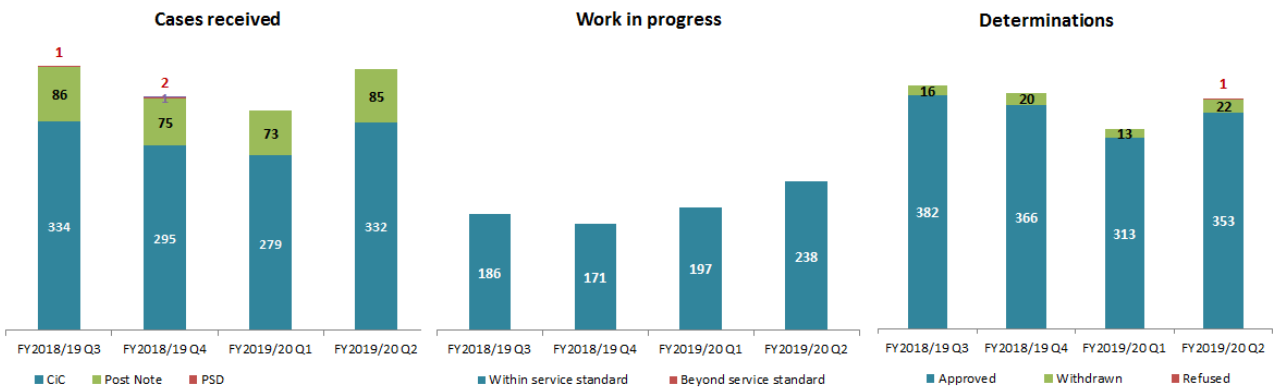
Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q3	n/a	n/a	n/a
FY2018/19 Q4	n/a	n/a	n/a
FY2019/20 Q1	n/a	n/a	n/a
FY2019/20 Q2	n/a	n/a	n/a

The number of Waiver applications received in Q2 is comparable with previous quarters. Determinations fell slightly resulting in a slight increase in Work in Progress. Average processing times remain steady.

Change in Control KPIs: 2019/2020

Change in Control: to process an application from an authorised firm for a Change in Control (CiC)

(Applicable service standards: Appendix I)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2018/19 Q3	<1	5.3	1	3.9	25.3
FY2018/19 Q4	<1	5.9	1	4.5	46.9
FY2019/20 Q1	<1	6.3	1	4.9	50.6
FY2019/20 Q2	<1	7.1	1	5	71.6

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q3	283	283	100.00%
FY2018/19 Q4	300	300	100.00%
FY2019/20 Q1	274	274	100.00%
FY2019/20 Q2	268	268	100.00%

All Change in Control cases have been determined within the statutory deadlines. Total determinations increased by 15% compared to the previous quarter. However, average time to process has increased.

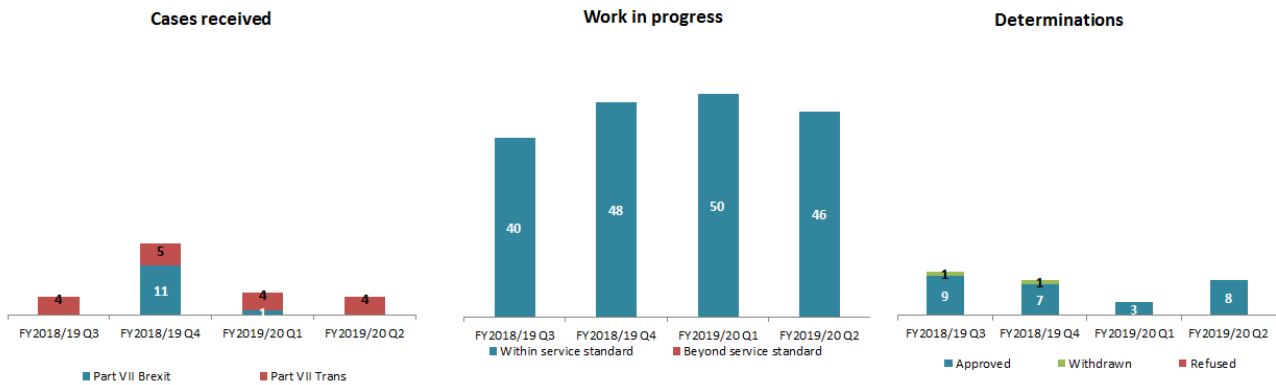
Glossary:

- CiC: Notification of an intended Change in Control
- Post Note: A case where notification has been made after the change in control has taken place
- PSD: Payment Services Directive-Related Case

Part VII Transfer KPIs: 2019/2020

To process a Part VII Transfer

(No applicable service standards)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2018/19 Q3	2	43	3	12.6	112.6
FY2018/19 Q4	51.9	75.6	52	70.2	134.1
FY2019/20 Q1	2.1	50	2	68	80
FY2019/20 Q2	9.3	103.6	9	101.6	187.6

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q2	n/a	n/a	n/a
FY2018/19 Q3	n/a	n/a	n/a
FY2018/19 Q4	n/a	n/a	n/a
FY2019/20 Q1	n/a	n/a	n/a

Determinations relate to sanctions hearings at the end of the Part VII process. Determinations are not the sole measure of activity levels and the data does not account for directions hearings which are a key interim milestone of a Part VII case. There were five Directions Hearings in Q2. The received figures include two EEA-EEA transfers and one of these was determined. We intend to record these separately to PVII transfers going forward.

Q3 figures will reflect a spike in Brexit-related transfers.

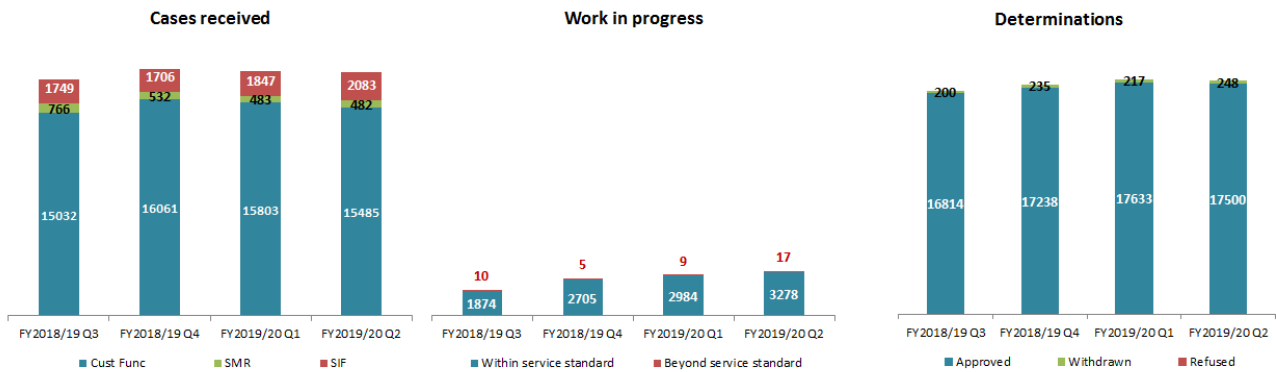
Glossary:

- Part VII Transfer: A court-sanctioned transfer of insurance business between entities under Part VII of the Financial Services & Markets Act 2000
- Part VII Trans: A case relating to a Part VII Transfer application
- Part VII Brexit: A case relating to a Brexit-related Part VII Transfer application

Approved Persons KPIs: 2019/2020

Approved Persons: to process an application for approved person status

(Applicable service standards: Appendix III)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2018/19 Q3	<1	0.9	<1	0.1	191.4
FY2018/19 Q4	<1	1.3	<1	0.1	128.9
FY2019/20 Q1	<1	1.5	<1	0.1	118.7
FY2019/20 Q2	<1	2.3	<1	0.1	176.9

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q3	5631	5601	99.47%
FY2018/19 Q4	5853	5820	99.44%
FY2019/20 Q1	6547	6521	99.60%
FY2019/20 Q2	6550	6475	98.85%

Overall volumes of cases received this quarter are broadly consistent with volumes received during the previous period. However SIF receipts continue to show a marked increase, and volumes remain much higher than we have seen historically. This increase is likely due to firms preparing for the implementation of the Senior Managers & Certification Regime in December 2019.

The increase in Work in Progress is impacted by the increase in case complexity across case types and is reflected in higher mean times to complete cases.

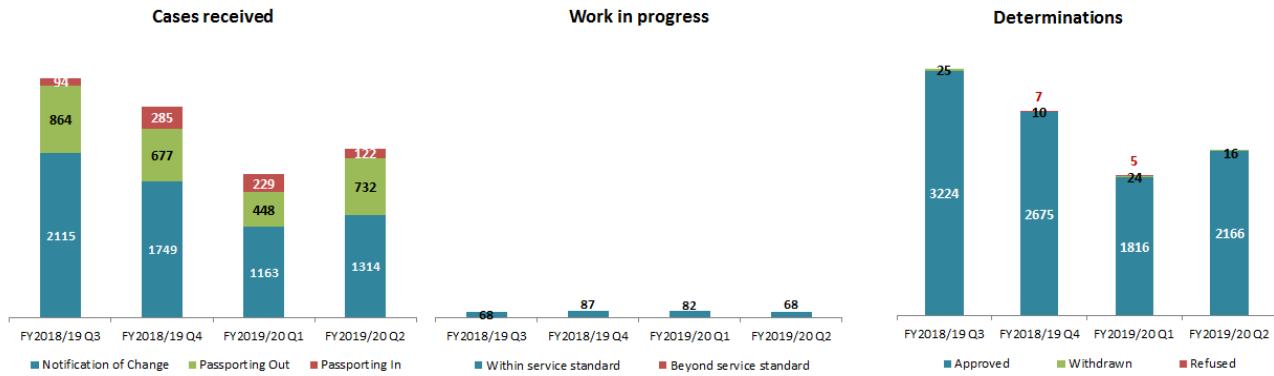
Glossary:

- SMR: An application in respect of individuals from a firm covered by the Senior Managers & Certification Regime.
- SIF: Any application from an individual performing or applying to perform a "Significant Influence Function."
- Customer Function: Any application from an individual, approved person or appointed representative not covered under the above two categories. For example, an application to become an approved person, or an application to cancel an approved person permission.

Passporting KPIs: 2019/2020

Passporting: to process an application from a firm authorised in the UK to carry out business in another EEA member state or process an application from a firm authorised in another EEA member state to carry out business in the UK and process a notification of change from the same

(Applicable service standards: Appendix IV)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2018/19 Q3	<1	0.6	<1	0.1	13.9
FY2018/19 Q4	<1	0.4	<1	0	11.7
FY2019/20 Q1	<1	0.6	<1	0.1	9
FY2019/20 Q2	<1	0.3	<1	0.1	8

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q3	3085	3082	99.90%
FY2018/19 Q4	2833	2830	99.89%
FY2019/20 Q1	2132	2130	99.91%
FY2019/20 Q2	2030	2027	99.85%

There was a 19% increase in cases received this quarter compared with Q1 volumes. We continue to see steady volumes of Passporting activity in and out of the UK and we continue to proactively signpost firms and national competent authorities to the TPR (Temporary Permissions Regime).

Glossary:

- Notification of change: Notification of changes to particulars or to cancel a passport or tied agent.

Appendix I: Relevant Service Standards: Solo-Regulated Permissions

Summaries of relevant statutory service standards are provided. For full details of all service standards, please refer to the FCA Website.

ID	Area	Description	Target
A1.1a	Corporate Authorisations	To process a complete application for Part 4A permission	100% within 6 months of a complete application (s55V(1)) or within 12 months of receipt of an incomplete application (s55V(2))
R5.1	VoPs	To process a complete application from an authorised firm for Variation of Permission	100% within 6 months of becoming complete (s55v(1)) or 12 months of receipt of an incomplete application (s55v(2))
R8.1a	Cancellations	To determine an application for Cancellation of Part 4A Permission	100% within 6 months of becoming complete (s55V(1)) or 12 months of receipt of an incomplete application (s55V(2))
R6.1	Change in Control	To make a decision following receipt of a 'valid' notification to approve a change in control: either to notify the s178 notice-giver that the change in control has been approved or to give them a warning notice	100% within 60 working days of acknowledgment of receipt (s189(1))

Appendix II: Relevant Service Standards: Payment Services

Summaries of relevant statutory service standards are provided. For full details of all service standards, please refer to the FCA Website.

ID	Area	Description	Target
PS1	Payment Services	To process a complete application for authorisation under the Payment Services Regulations 2009	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
PS2	Payment Services	To process a complete application for authorisation under the Electronic Money Regulations 2011	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
PS3	Payment Services	To process a complete application for registration under the Payment Services Regulations 2009	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
PS4	Payment Services	To process a complete application for registration under the Electronic Money Regulations 2011	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
PS5	Payment Services	To process a complete application for a variation of registration under the Payment Services Regulations 2009	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
PS6	Payment Services	To process a complete application for a variation of registration under the Electronic Money Regulations 2011	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
PS7	Payment Services	To process a complete application for a variation of authorisation under the Payment Services Regulations 2009	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
PS8	Payment Services	To process a complete application for a variation of authorisation under the Electronic Money Regulations 2011	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
A1.2	Money Laundering Directives	To process Money Laundering registrations	100% within 45 calendar days of receipt of application or receipt of any further required information (Reg 34(4) MLRs)

Appendix III: Relevant Service Standards: Approved Persons

Summaries of relevant statutory service standards are provided. For full details of all service standards, please refer to the FCA Website.

ID	Area	Description	Target
R1.1a	Approved Persons	To process an application for approved person status	100% within 3 months of receipt unless attached to an application for part 4A permission (when it is the later of (i) 3 months after receipt or (ii) 6 months after receipt of a complete application for part 4A permission, or 12 months after receipt of an incomplete

Appendix IV: Relevant Service Standards: Passporting

ID	Area	Description	Target
R10.1	Passporting	To process a notification of changes by a firm authorised by the FCA already carrying out business in another EEA member state, under freedom of establishment, within the timeframe set by the relevant directive	100% within one month of notification
R10.2	Passporting	To process a notification of changes by a firm authorised by the FCA already carrying out business in another EEA member state, under freedom of services, within the timeframe set by the relevant directive	100% within one month of notification
N3.1	Passporting	(Inward establishment) To process a notification received via another EEA member state for one of its authorised firms to carry out business in the UK, under freedom of establishment, within timeframe set by relevant directive	100% within two months of receipt (Sch 3, 13)
N3.2	Passporting	(Inward service) To process a notification received via another EEA member state for one of its authorised firms to carry out business in the UK, under freedom of services, within the timeframe set by the relevant directive	100% within two months of receipt (Sch 3, 14)
N4.1	Passporting	(Outward establishment) To process a notification received from a UK authorised firm to carry out business in another EEA member state, under freedom of establishment, within the timeframe set by the relevant directive	100% within three months of receipt (Sch 3,19) [Note that the required period is less under some directives]
N5.1	Passporting	(Outward service) To process a notification received from a UK authorised firm to carry out business in another EEA member state, under freedom of services, within the timeframe set by the relevant directive	100% within one month of receipt (Sch 3, 20)