

Quarterly KPIs: 2019/2020

As at March 2020

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:

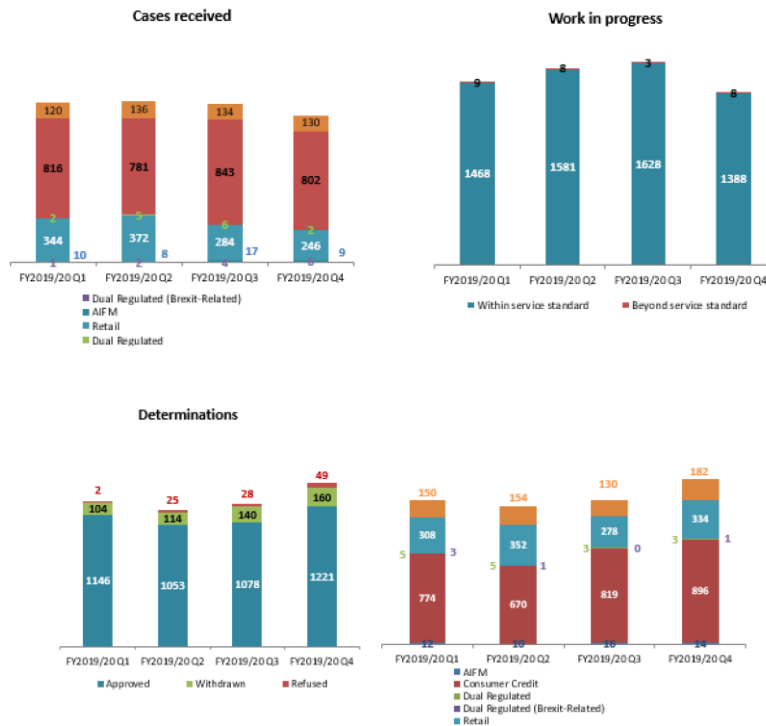
- Authorisations;
- Cancellations;
- Variations of Permission;
- Payment Services and E-money;
- Waivers;
- Change in Control;
- Part VII Transfers; and
- Approved Persons

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
FY2019/20 Q1	<1	12.4	<1	6.7	84
FY2019/20 Q2	<1	15.1	<1	11.9	62.7
FY2019/20 Q3	<1	14.7	<1	8.6	146.9
FY2019/20 Q4	<1	14.3	<1	10.3	87.4

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q1	1515	1461	96.44%
FY2019/20 Q2	1374	1313	95.56%
FY2019/20 Q3	1212	1169	96.45%
FY2019/20 Q4	1184	1130	95.44%

FY2019/20 Q4					
	Min	Mean	Mode	Median	Max
AIFM	10.1	23	16	22.4	36.9
Consumer Credit	<1	7	<1	3.5	51.4
Dual Regulated	29.9	45	30	51.7	53.6
Dual Regulated (Brexit-Related)	n/a	n/a	n/a	n/a	n/a
Retail	0.1	27.1	33	26	87.4
Wholesale	1.4	24.9	20	23	55

The volume of cases received declined slightly in Q4. Meanwhile determinations increased, resulting in an overall decrease in Work in Progress.

The uptick in withdrawals and refusals reflects earlier intervention in 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. Proportion of wholesale cases withdrawn were similar to Q3 although we expect this to increase for Q1 2020/21 following the impact of Covid-19.

Glossary:

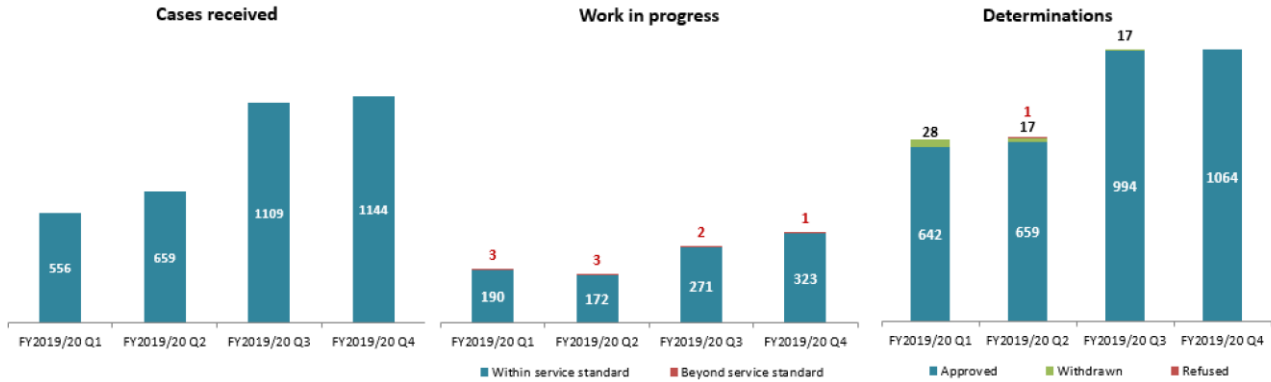
- Retail: Solo-regulated retail investment firms
- Wholesale: Solo-regulated wholesale investment firms
- AIFM: Solo-regulated wholesale investment firms
- Consumer Credit: Solo-regulated firms carrying on credit-related regulated activities
- Dual-regulated: Firms regulated by both the Prudential Regulation 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
FY2019/20 Q1	<1	5.2	1	1.9	166.1
FY2019/20 Q2	<1	3.5	<1	0.9	51.9
FY2019/20 Q3	<1	2.7	1	1	103.7
FY2019/20 Q4	<1	3.2	1	1.3	91.4

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q1	743	742	99.87%
FY2019/20 Q2	797	796	99.87%
FY2019/20 Q3	582	581	99.83%
FY2019/20 Q4	631	630	99.84%

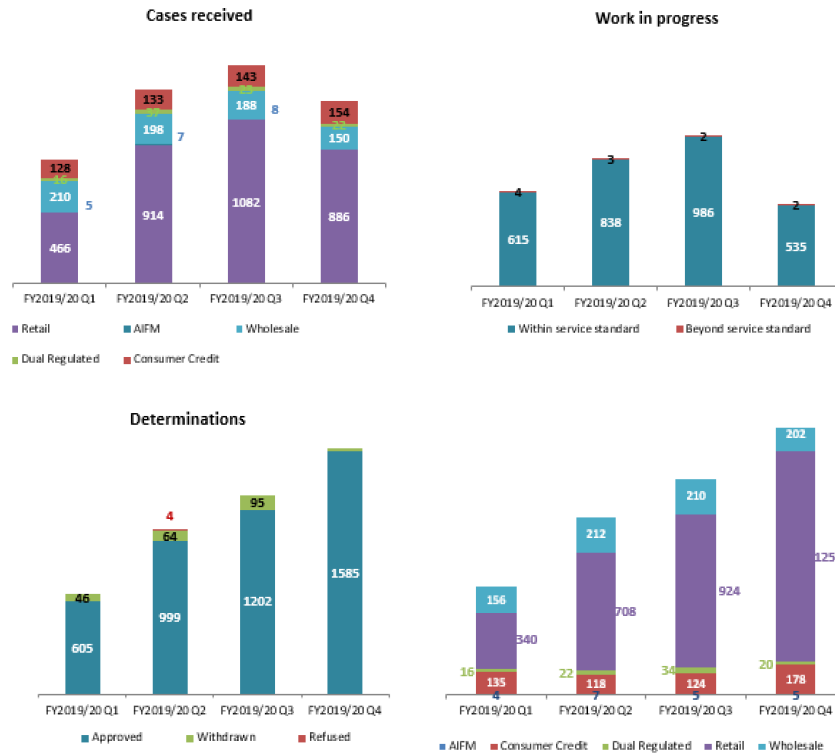
Volumes received in Q3 and Q4 FY19/20 have been significantly higher than previous quarters. The increase in receipts is largely a result of ongoing data cleanse projects and general communications to firms in certain sectors, such as consumer credit.

Determinations did not keep pace with this increase in receipts. This has resulted in an increase in work in progress over the last two quarters.

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
FY2019/20 Q1	<1	7.9	<1	5.4	52
FY2019/20 Q2	<1	7.9	<1	5.9	52
FY2019/20 Q3	<1	8.6	2	5.6	66
FY2019/20 Q4	<1	8.2	1	4.9	74.4

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q1	923	914	99.02%
FY2019/20 Q2	872	858	98.39%
FY2019/20 Q3	783	775	98.98%
FY2019/20 Q4	1166	1162	99.66%

FY2019/20 Q4					
	Min	Mean	Mode	Median	Max
AIFM	11.3	23.6	11	26.3	34
Consumer Credit	<1	6.8	<1	2.9	51.9
Dual Regulated	0.3	15.8	18	17.6	62.4
Retail	<1	7.4	1	4.6	49.9
Wholesale	<1	13.7	<1	11	74.4

The volume of cases received in Q4 decreased following an increase quarter-on-quarter for the previous three quarters. The largest decrease is in Retail-related applications.

Determinations increased, leading to an overall reduction in Work in Progress. Average processing times remained relatively low because we determined a greater number of simpler cases.

Timelines for dual-regulated firms are worked alongside the PRA, however, for transparency and completeness, we include the cases here.

Glossary:

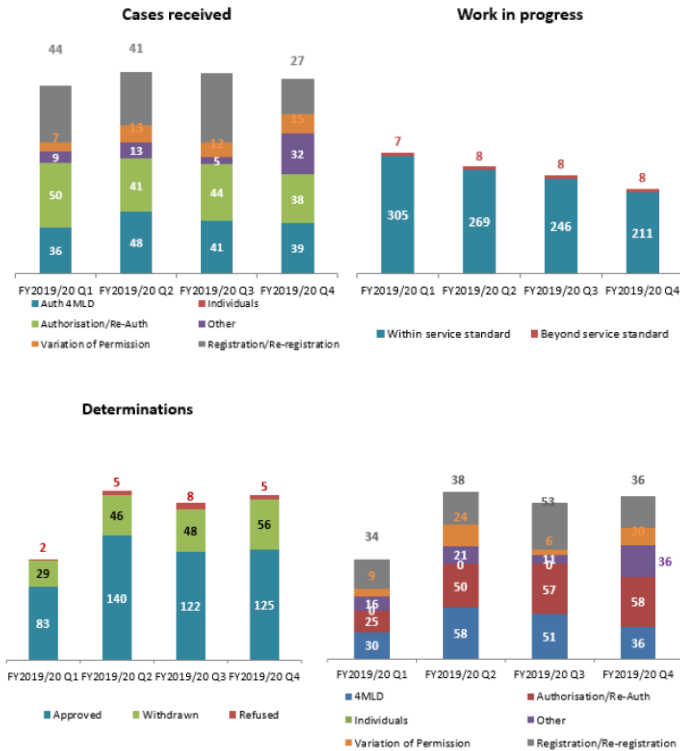
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Note that solo-regulated firms may fall into more than one of the above categories. Cases are assigned to one of the relevant areas according to permissions applied for and overall nature of the firm.

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
FY2019/20 Q1	0.1	17.8	6	12.9	69.6
FY2019/20 Q2	<1	21.3	8	18.3	52
FY2019/20 Q3	<1	20.7	<1	15.9	107
FY2019/20 Q4	0.1	20.7	1	13.9	112.7

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q1	144	139	96.53%
FY2019/20 Q2	121	117	96.69%
FY2019/20 Q3	182	176	96.70%
FY2019/20 Q4	146	138	94.52%

The volume of receipts remains steady. We continue to focus on reducing Work in Progress.

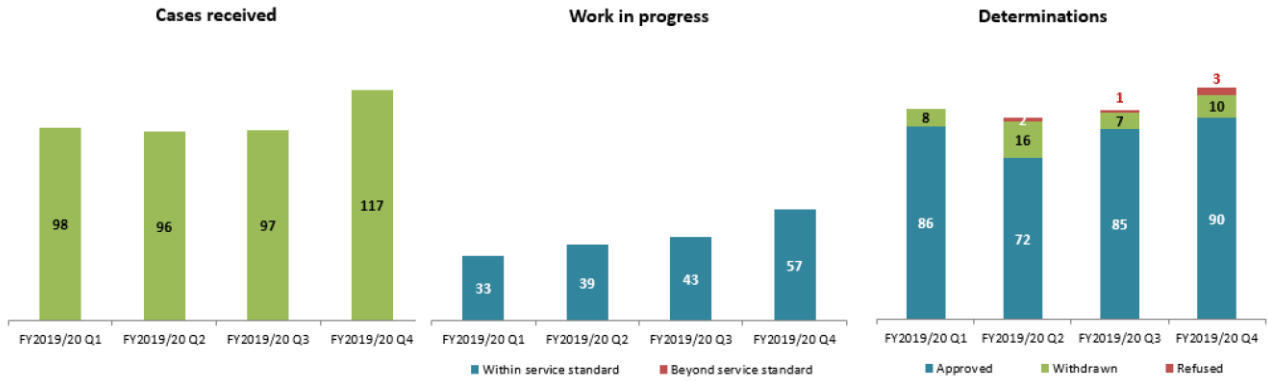
Glossary:

- 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
FY2019/20 Q1	<1	3.3	1	1.4	29.9
FY2019/20 Q2	<1	3.4	1	2.3	21.4
FY2019/20 Q3	<1	4	1	2.7	24.3
FY2019/20 Q4	<1	3.3	1	2.4	17.7

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

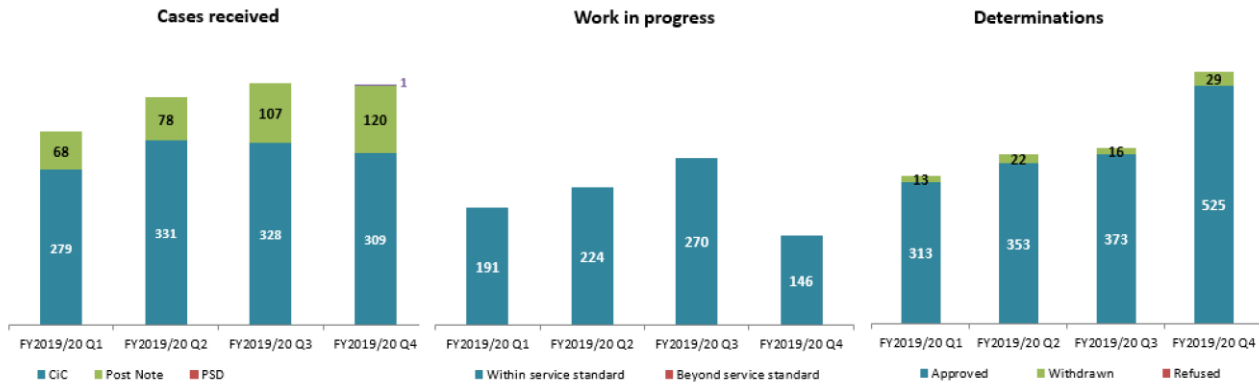
The number of Waiver cases received in Q3 increased in comparison to previous Quarters due to an uplift in both PRA applications and a range of Modification by Consent applications received.

Whilst volume of determinations increased from the previous Quarter, the overall volume of determinations in Q4 was lower than the volume of receipts and therefore resulted in an increase to work in progress.

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
FY2019/20 Q1	<1	6.3	1	4.9	50.6
FY2019/20 Q2	<1	7.1	1	5	71.6
FY2019/20 Q3	<1	7	2	5	70.6
FY2019/20 Q4	<1	6.8	1	4.2	69.4

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q1	274	274	100.00%
FY2019/20 Q2	269	269	100.00%
FY2019/20 Q3	290	290	100.00%
FY2019/20 Q4	300	300	100.00%

All Change in Control cases have been determined within the statutory deadlines. Receipts remained consistent in Q4 with those received in Q3. Total determinations increased significantly as a result of increased focus on tackling the growing work in progress, including by deploying additional resources.

Average time to process has remained broadly consistent with the previous quarter.

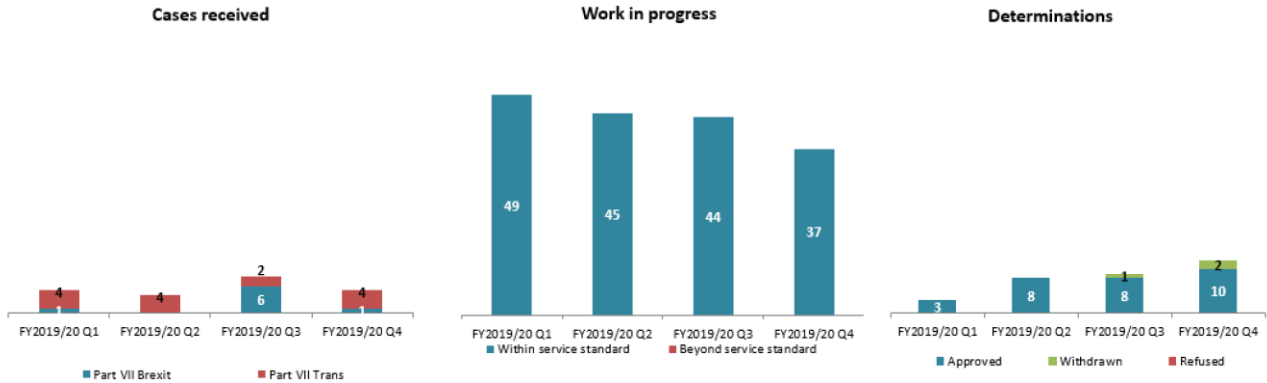
Glossary:

- 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
FY2019/20 Q1	2.1	50	2	68	80
FY2019/20 Q2	9.3	103.6	9	101.6	187.6
FY2019/20 Q3	4.9	62.5	5	85	127.1
FY2019/20 Q4	5.1	55.7	5	51.6	134

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

Determinations relate to sanction 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.

As expected we received a decrease in Brexit-related transfers in Q4 and we saw more determinations this quarter, resulting in a reduction of our Work in Progress.

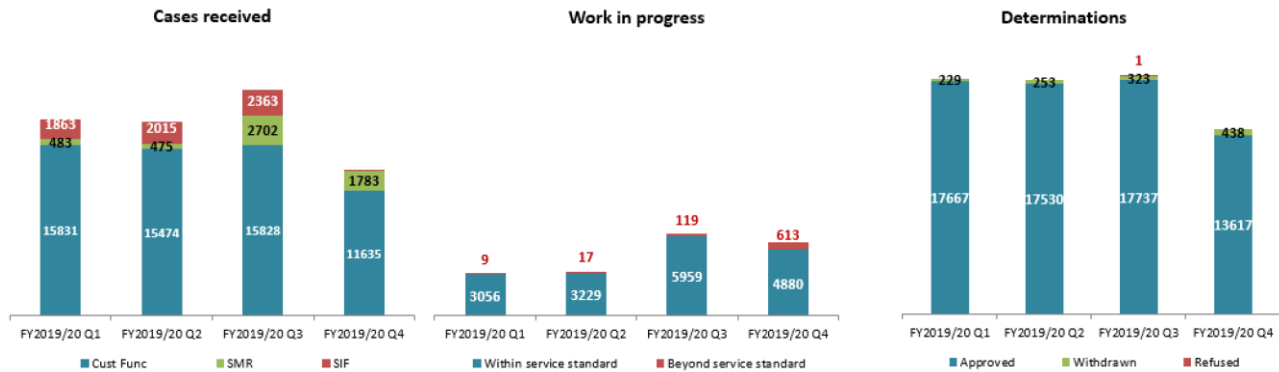
Glossary:

- 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
FY2019/20 Q1	<1	1.6	<1	0.1	232.9
FY2019/20 Q2	<1	2.3	<1	0.1	223.4
FY2019/20 Q3	<1	1.9	<1	0.1	107.7
FY2019/20 Q4	<1	4.8	<1	1.6	78.3

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q1	6584	6551	99.50%
FY2019/20 Q2	6606	6516	98.64%
FY2019/20 Q3	6203	6023	97.10%
FY2019/20 Q4	7245	5741	79.24%

In Q3 we saw a very sharp increase in the volume of SIF and SMR applications received as solo regulated firms responded to the 9 December 2019 deadline for the extension of SM&CR to them. Consequently, the number of cases received in Q4 corresponds more closely to that of other periods. We also experienced a reduced number of receipts in the last month of the quarter with the changes impacting firms from Covid-19. The overall Work in Progress declined by 9.6% in Q4 but the increase in cases beyond service standard is the direct result of the spike in applications seen in Q3. This caused the time for cases to be allocated to a case officer to lengthen. The statutory service standard for these applications is 90 days, subject to all information being received from the applicant. To help deal with the high volumes in cases we brought in overtime working for this quarter and we expect the position on beyond service standard cases to begin to ease from Q2 2020.

The introduction of SM&CR means a smaller number of individuals are now subject to FCA approval. In particular, the CF30 (Customer Function) is now only required for Appointed Representatives. This has meant a reduction in overall volumes determined. A number of withdrawals were as a result of firms applying for duplicate functions or functions which were not required.

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.

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 six 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	3MLD	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