

Quarterly KPIs: 2018/2019

As at June 2018

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:

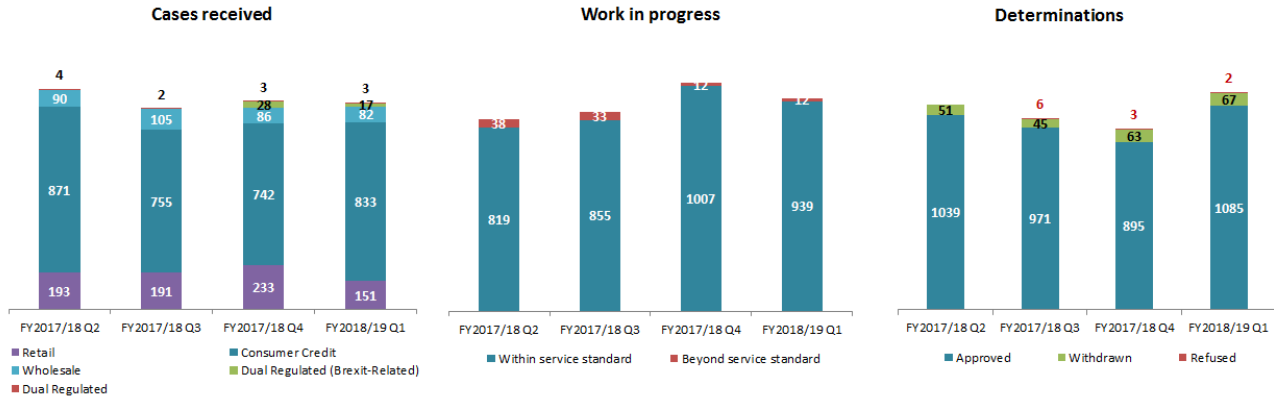
- Authorisations;
- Cancellations;
- Variations of Permission;
- Payment Services and E-money;
- Waivers;
- Change in Control;
- Approved Persons; and
- Passporting.

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:2018/2019

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
FY2017/18 Q2	<1	12.3	<1	5.9	141
FY2017/18 Q3	<1	11	<1	6.6	152.7
FY2017/18 Q4	<1	13.9	<1	9.7	163
FY2018/19 Q1	<1	12.2	<1	9.1	177

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2017/18 Q2	987	978	99.1%
FY2017/18 Q3	1225	1217	99.3%
FY2017/18 Q4	1185	1180	99.6%
FY2018/19 Q1	1118	1110	99.3%

Retail authorisation cases received reduced by 35% in Q1 2018/19. Consumer Credit cases received increased by 9% while Wholesale Authorisation cases received reduced by 5%. These changes are consistent with historical fluctuations in volumes. Determinations exceeded receipts resulting in a 6.7% reduction in Work in Progress.

Timelines for dual-regulated firms are set by the PRA. However, for transparency and completeness, we include the cases here. We consider dual-regulated cases closed as at the time we communicate our decision to the PRA. Overall volumes for new dual-regulated authorisations are low but these cases required an average of 36 weeks to process, from date of receipt to communication to PRA, during the four quarters. Pre-application, and mobilisation cases are excluded from the figures. The mean average time to complete all types of new authorisation application was 12.2 weeks.

Our work on Brexit related applications continues to focus mainly on dual regulated cases in the form of applications for authorisation in the UK by currently inwardly passported banks or insurance firms ahead of Brexit. The total number of Brexit-related applications in Q1 was 17 across banking and insurance.

Glossary:

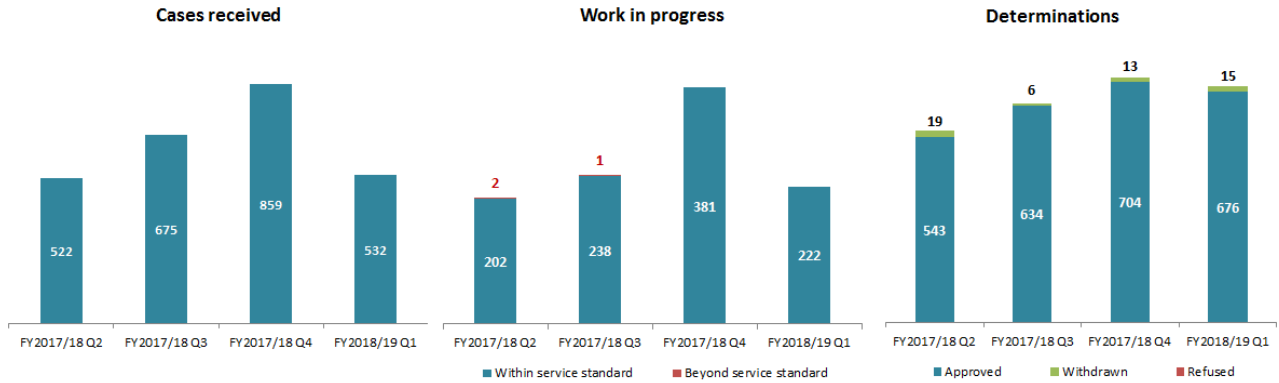
- Retail: Solo-regulated retail investment firms
- Wholesale: Solo-regulated wholesale investment firms
- Consumer Credit: Solo-regulated firms carrying on credit-related regulated activities
- Dual-regulated: Firms regulated by both the Prudential Regulation authority (PRA) and the FCA.

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:2018/2019

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
FY2017/18 Q2	<1	5.8	<1	1.4	51
FY2017/18 Q3	<1	4.9	<1	1.1	52
FY2017/18 Q4	<1	4.9	<1	1.6	52
FY2018/19 Q1	<1	4.7	<1	2.1	51.1

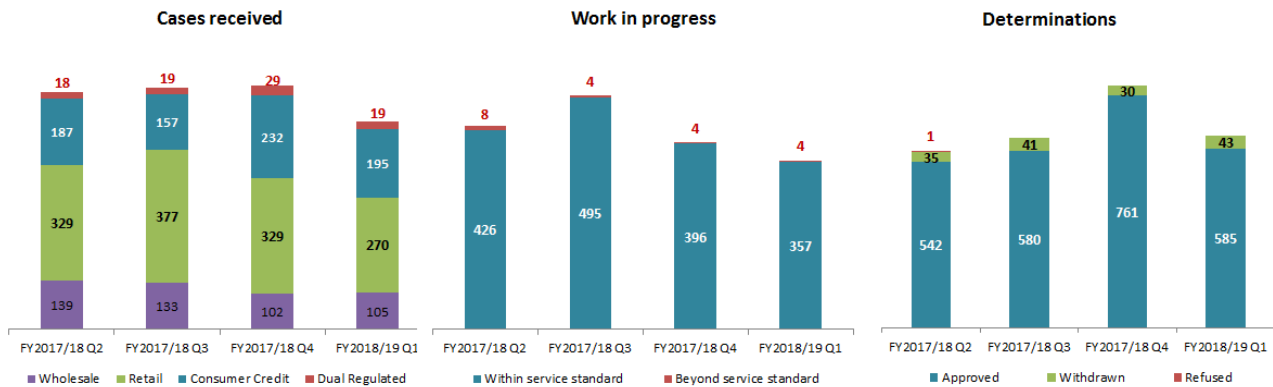
Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2017/18 Q2	734	732	99.7%
FY2017/18 Q3	454	453	99.8%
FY2017/18 Q4	447	447	100.0%
FY2018/19 Q1	624	624	100.0%

The normal seasonal reduction of cases has seen the work in progress reduce.

Variations of Permission quarterly KPIs: 2018/2019

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
FY2017/18 Q2	<1	8.1	<1	5.6	131
FY2017/18 Q3	<1	10.3	<1	8	138.9
FY2017/18 Q4	<1	8.2	<1	6.6	52.7
FY2018/19 Q1	<1	7.8	<1	6.7	51.4

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2017/18 Q2	692	687	99.3%
FY2017/18 Q3	605	603	99.7%
FY2017/18 Q4	574	569	99.1%
FY2018/19 Q1	594	593	99.8%

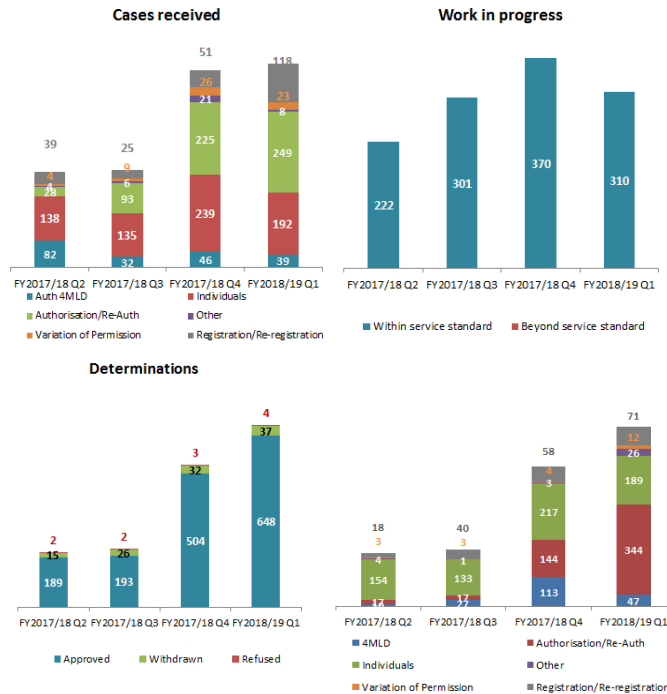
The volume of cases received decreased in both Retail and Consumer Credit, but are in line with historical fluctuations. Determinations outpaced receipts slightly, resulting in a decrease in Work in Progress.

Although the median processing time is around seven weeks, a large number of straightforward Consumer Credit cases are processed in under a week.

Payment services and e-money quarterly KPIs: 2018/2019

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
FY2017/18 Q2	<1	6	1	2.1	52
FY2017/18 Q3	<1	9.1	1	1	157.1
FY2017/18 Q4	<1	10	2	3	162.1
FY2018/19 Q1	<1	7.2	3	4.3	68.9

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2017/18 Q2	25	25	100.0%
FY2017/18 Q3	19	19	100.0%
FY2017/18 Q4	21	21	100.0%
FY2018/19 Q1	68	68	100.0%

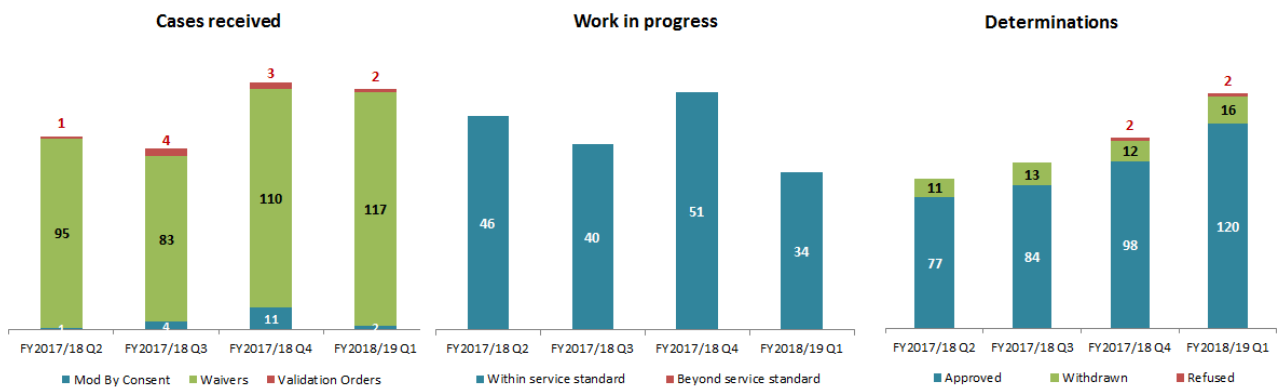
Receipts have increased from Q4 FY2017/18 onwards as a result of PSD2 Reauthorisation applications. As at FY2018/19 Q1 quarter-end, we had determined 420 of these. This has increased the number of determinations and reduced the overall mean average processing time of cases completed in the quarter.

Case processing times for Open Banking cases remain higher than mean average across Payment Services and e-money applications as a whole.

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: 2018/2019



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2017/18 Q2	<1	4	1	2	40
FY2017/18 Q3	0.1	5	1	2	33
FY2017/18 Q4	<1	4.9	<1	1.1	83.6
FY2018/19 Q1	<1	4	<1	1	68.1

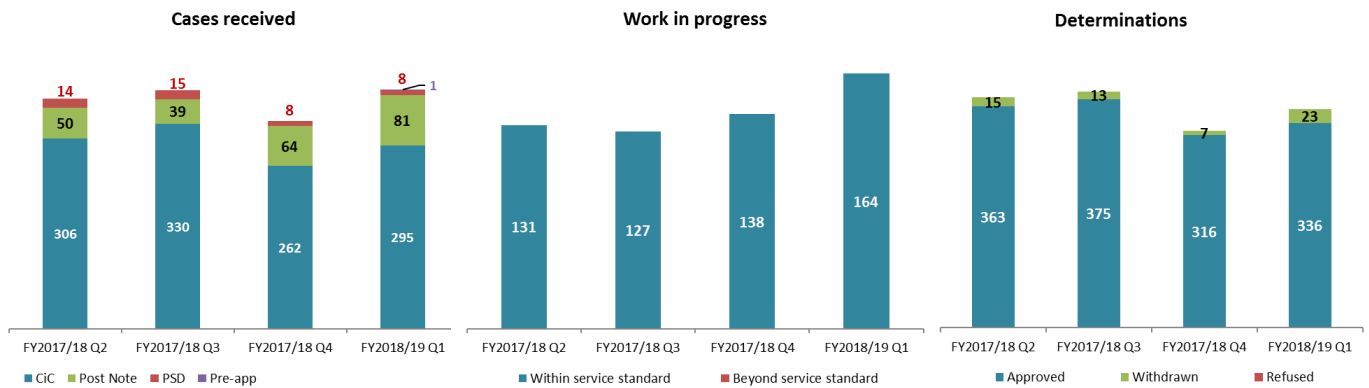
Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2017/18 Q2	n/a	n/a	n/a
FY2017/18 Q3	n/a	n/a	n/a
FY2017/18 Q4	n/a	n/a	n/a
FY2018/19 Q1	n/a	n/a	n/a

Receipts remained stable in Q1 FY2018/2019. Determinations exceeded the volume of cases received resulting in the lowest work in progress in the past four quarters.

Change in Control KPIs: 2018/2019

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
FY2017/18 Q2	<1	5.1	2	3.3	50
FY2017/18 Q3	<1	4.3	1	2.6	40.3
FY2017/18 Q4	<1	4.8	1	3.4	46
FY2018/19 Q1	<1	5.1	1	4	41

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2017/18 Q2	271	271	100.0%
FY2017/18 Q3	299	299	100.0%
FY2017/18 Q4	321	321	100.0%
FY2018/19 Q1	233	233	100.0%

All Change in Control cases have been determined within the statutory deadlines.

Approximately 90% of Change in Control cases are deemed to be low risk and/or straight-forward.

Where cases are not low risk or straight-forward, the FCA may need to liaise extensively with internal and external stakeholders including foreign regulators and/or pose questions to the notice-giver(s).

The absence of any case refusals in the prior twelve months is attributable to the 4% withdrawal rate. When an application cannot be approved, the notice-giver is encouraged to withdraw and re-submit when ready.

The 18% increase in Work in progress has been largely attributable to the increase in cases received between FY2017/18 Q4 and FY2018/19 Q1. If the increase is sustained, we will review resource allocation as part of our business planning process.

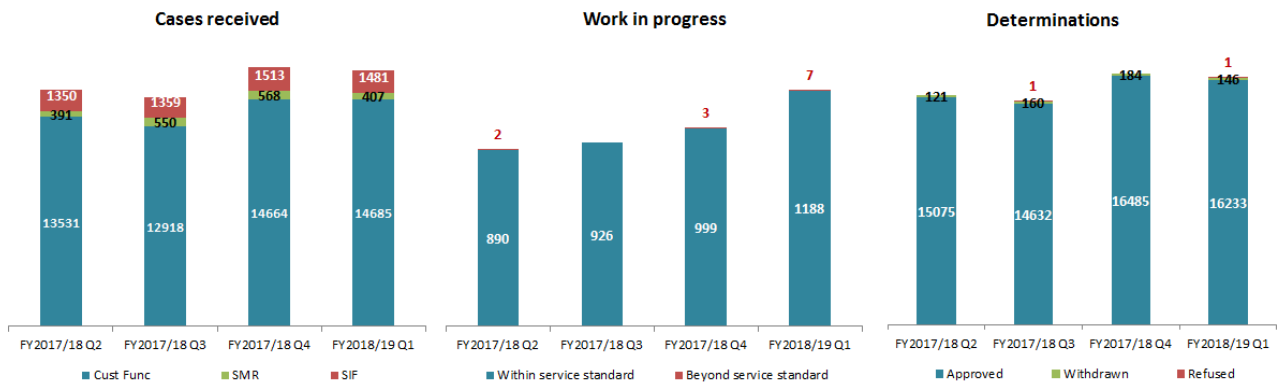
Glossary:

- CiC: Notification of an intended Change in Control
- Post Note: Notification a de-facto change in control (e.g. decrease in ownership)
- PSD: Payment Services Directive-Related Case

Approved Persons KPIs: 2018/2019

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
FY2017/18 Q2	<1	0.7	<1	0.1	81.4
FY2017/18 Q3	<1	0.7	<1	0.1	62.1
FY2017/18 Q4	<1	0.8	<1	0.1	108.9
FY2018/19 Q1	<1	0.6	<1	0.1	51.9

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2017/18 Q2	4875	4873	100.0%
FY2017/18 Q3	5141	5140	100.0%
FY2017/18 Q4	5034	5031	99.9%
FY2018/19 Q1	5383	5377	99.9%

Overall receipts remain stable.

Although Work in Progress has increased by 19%, most cases are short-lived and so the level of WiP at quarter-end is mostly a function of the number of cases received and determined in the preceding 1 - 2 weeks. Over the quarter, cases received were 16,573 and cases determined 16,380. Both cases received and determined have been in excess of 10% higher in the past two quarters compared to the two prior. The higher WiP has not led to an increase in processing times. The majority of cases are processed within a week.

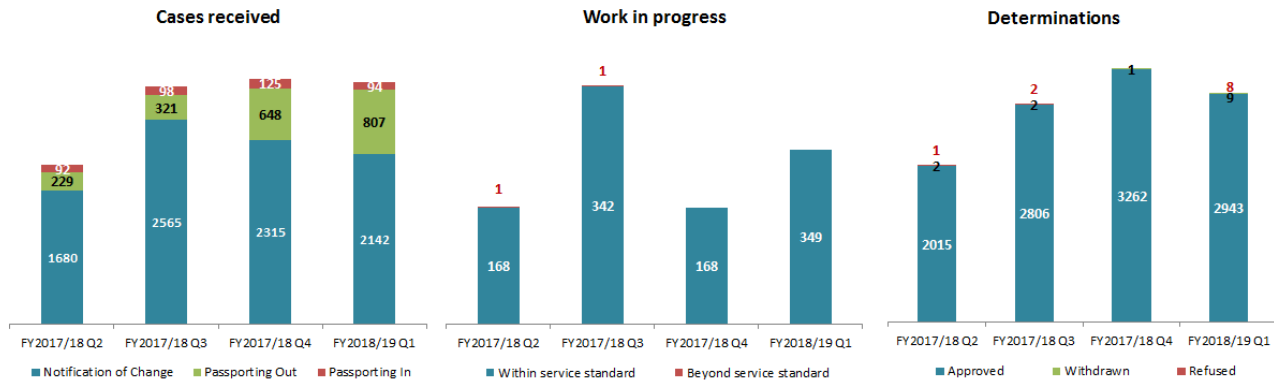
Glossary:

- 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: 2018/2019

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
FY2017/18 Q2	<1	1.3	<1	1	18.3
FY2017/18 Q3	<1	0.9	<1	0.3	11.9
FY2017/18 Q4	<1	0.9	<1	0.1	12.6
FY2018/19 Q1	<1	0.7	<1	0.1	12.7

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2017/18 Q2	1968	1967	99.9%
FY2017/18 Q3	2409	2406	99.9%
FY2017/18 Q4	2429	2429	100.0%
FY2018/19 Q1	3264	3263	100.0%

The past three quarters has seen a sustained increase in receipts. However, this reflects existing passported firms having to adjust their passports as required by MiFID II and PSD2 rather than a marked change in the number of new firms passporting into or out of the UK.

The mean average processing time for Passporting cases reduced to 0.7 weeks the lowest of the past four quarters.

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 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

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 FSA 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 FSA 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)