

Quarterly KPIs: 2019/2020

As at June 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:

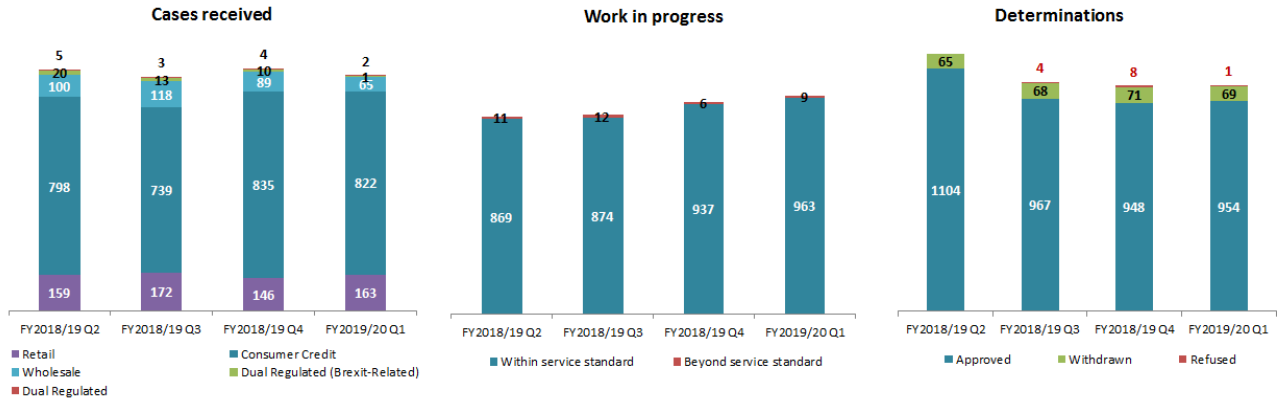
- Authorisations;
- Cancellations;
- Variations of Permission;
- Payment Services and E-money;
- Waivers;
- Change in Control;
- Part VII Transfers;
- Approved Persons; and
- Passporting.

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 Q2	<1	10.4	<1	7.3	185.4
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

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q2	1100	1096	99.64%
FY2018/19 Q3	1128	1111	98.49%
FY2018/19 Q4	1040	989	95.10%
FY2019/20 Q1	1249	1209	96.80%

Volumes received in Q1 2019/20 remained steady. However, determinations fell slightly, resulting in an increase in Work in Progress. Timelines for dual-regulated firms are worked alongside the PRA, however, for transparency and completeness, we include the cases here.

Our work on Brexit-related applications continues to focus mainly on dual regulated cases, both applications for authorisation in the UK by currently inwardly passported banks or insurance firms ahead of Brexit. We received one Brexit-related application for a banking third country branch in Q1.

Glossary:

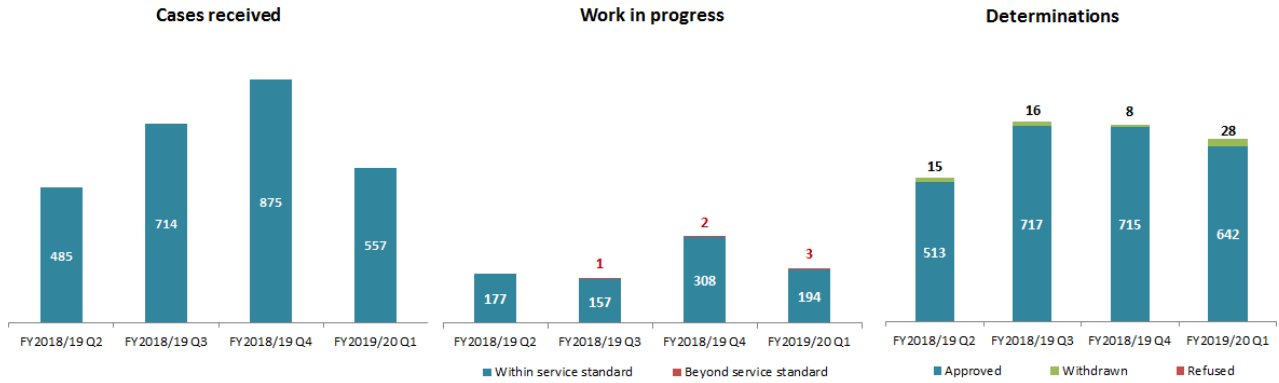
- Retail: Solo-regulated retail investment firms
- Wholesale: Solo-regulated wholesale investment firms
- Consumer Credit: Solo-regulated firms carrying on credit-related regulated activities
- Dual-regulated: Firms regulated by both the Prudential Regulation authority (PRA) and the FCA.

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 Q2	<1	5.2	<1	1	52
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

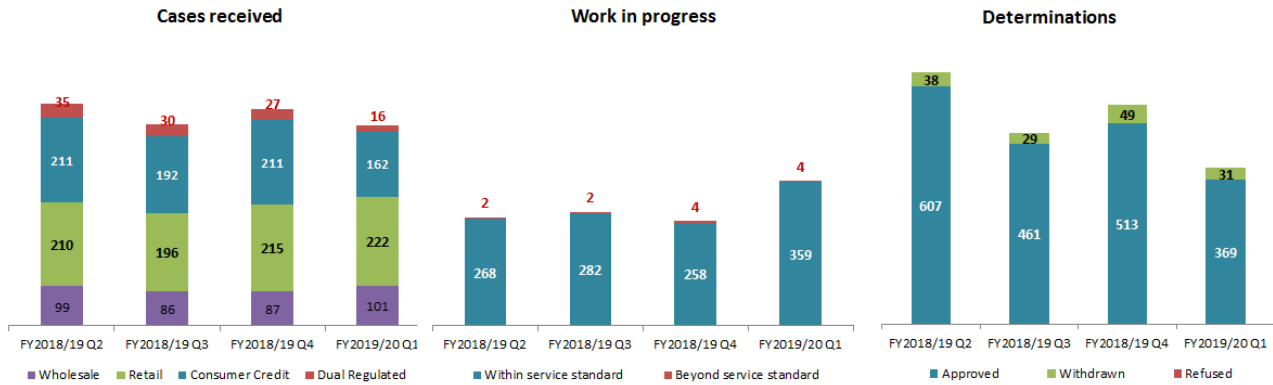
Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q2	718	718	100.00%
FY2018/19 Q3	591	590	99.83%
FY2018/19 Q4	581	580	99.83%
FY2019/20 Q1	744	742	99.73%

Determinations have been high for the time of year which has allowed us to get our Work in Progress down quickly following our usual seasonal spike at the end of Q1.

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 Q2	<1	7	<1	5	77.9
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

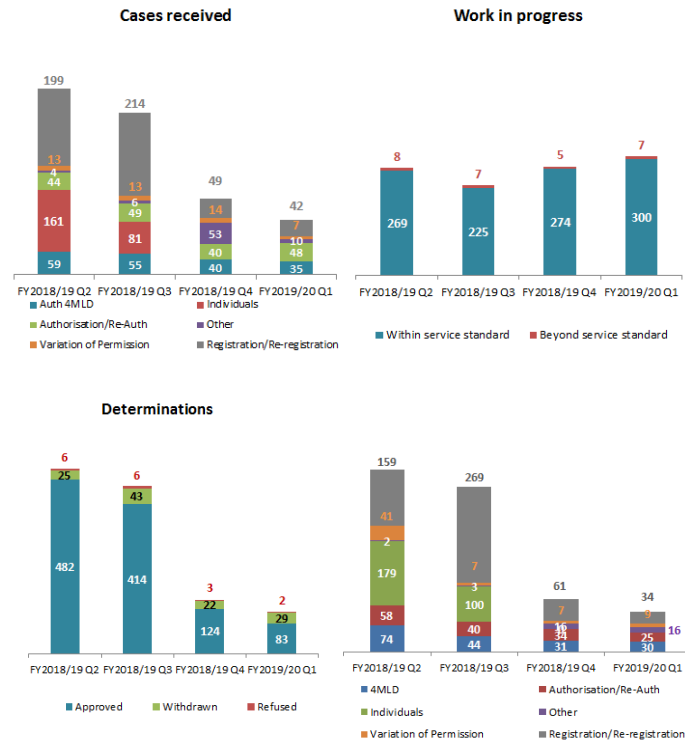
Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q2	660	659	99.85%
FY2018/19 Q3	611	610	99.84%
FY2018/19 Q4	672	668	99.40%
FY2019/20 Q1	581	576	99.14%

The volume of cases received in Q1 was fairly consistent with prior quarters, with a slight increase in Wholesale and Retail applications and a decline in Consumer Credit VoP applications. Determinations fell short of receipts, resulting in an increase of Work in Progress of around 40%. Despite the increase, average processing times remained relatively low, with half of applications being completed in 5.3 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 Q2	<1	7.8	1	3.4	73.6
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

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q2	452	445	98.45%
FY2018/19 Q3	327	319	97.55%
FY2018/19 Q4	322	319	99.07%
FY2019/20 Q1	141	134	95.04%

All PSD2 application windows are now closed and receipts and determinations have returned to normal levels. However, we have seen a slight increase in applications for authorisation, predominantly driven by an increase in applications to become Authorised E-Money Institutes (AEMI).

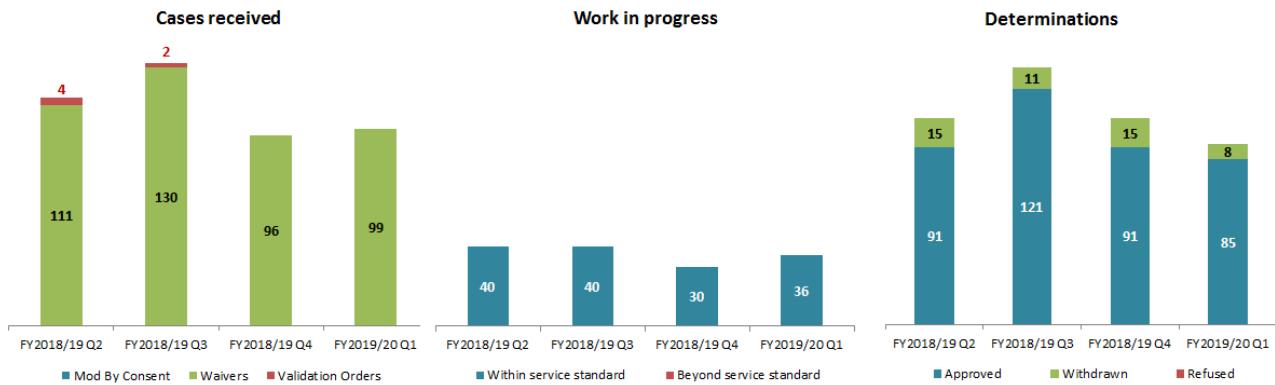
We have seen a significant increase in the percentage of withdrawals as a proportion of all determinations. Withdrawals rates are up from 9% in Q3 2018/19 to 25% in Q1 2019/20. Withdrawals are typically caused by one of three factors: 1) the firm fails to meet a minimum requirement for approval in advance of the statutory deadline, for example the firm fails to get a suitable safeguarding account; 2) the firm does not have appropriate knowledge and experience in financial services and/or PSD2; and 3) the firm is not based in the UK and therefore does not meet the conditions for authorisation. We will continue to focus on achieving withdrawals where firms clearly fail to meet 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 Q2	<1	4.3	<1	0.9	115.9
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

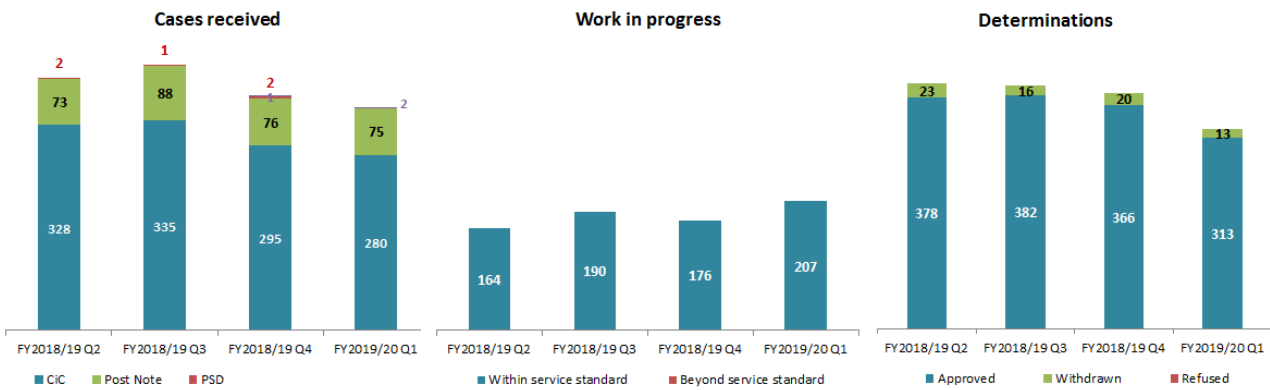
Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q2	n/a	n/a	n/a
FY2018/19 Q3	n/a	n/a	n/a
FY2018/19 Q4	n/a	n/a	n/a
FY2019/20 Q1	n/a	n/a	n/a

The number of Waiver applications received increased slightly in Q1 and with a reduction in the number of cases determined this resulted in a slight increase in the Work in Progress. Overall the WiP remained stable along with the median processing time in the quarter.

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 Q2	<1	5.7	1	4.1	55.1
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

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q2	267	267	100.00%
FY2018/19 Q3	283	283	100.00%
FY2018/19 Q4	300	300	100.00%
FY2019/20 Q1	277	277	100.00%

It remains the case that all Change in Control cases have been determined within the statutory deadlines. Total determinations fell by over 15% compared to the previous quarter, caused primarily by the mean time to complete cases rising.

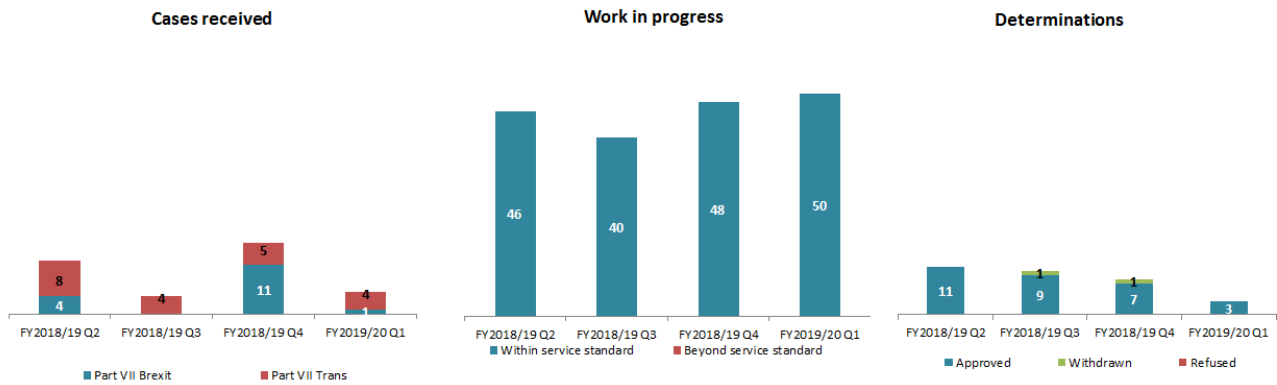
Glossary:

- 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 Q2	1.3	41.3	7	12.6	109.7
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

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

The increase in Brexit-related transfers in Q4 FY2018/19 was due to eligibility for the saving provision (this allows for firms to have up to two years to complete their transfer provided their Part VII application was submitted prior to the Brexit date).

Determinations relate to sanctions hearings at the end of the Part VII process. Although determinations are low, this is 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. It is also important to note that where firms have entered the Savings Provisions, they do not all have a clear timetable for completion of their transfer and some may not proceed depending on whether there is a 'deal' or no deal' Brexit.

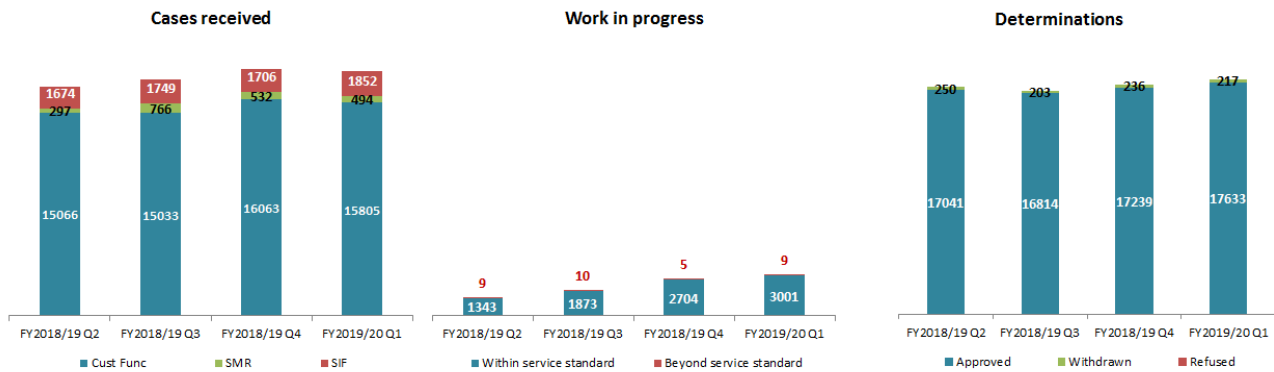
Glossary:

- 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 Q2	<1	1	<1	0.1	131.9
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

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q2	5836	5811	99.57%
FY2018/19 Q3	5629	5602	99.52%
FY2018/19 Q4	5844	5816	99.52%
FY2019/20 Q1	6540	6519	99.68%

Overall numbers received this quarter are broadly consistent with volumes received during the previous period. Both SIF and Customer functions receipts however are 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 cases received over the last six months and an increase in case complexity across case type reflected in higher mean times to complete cases.

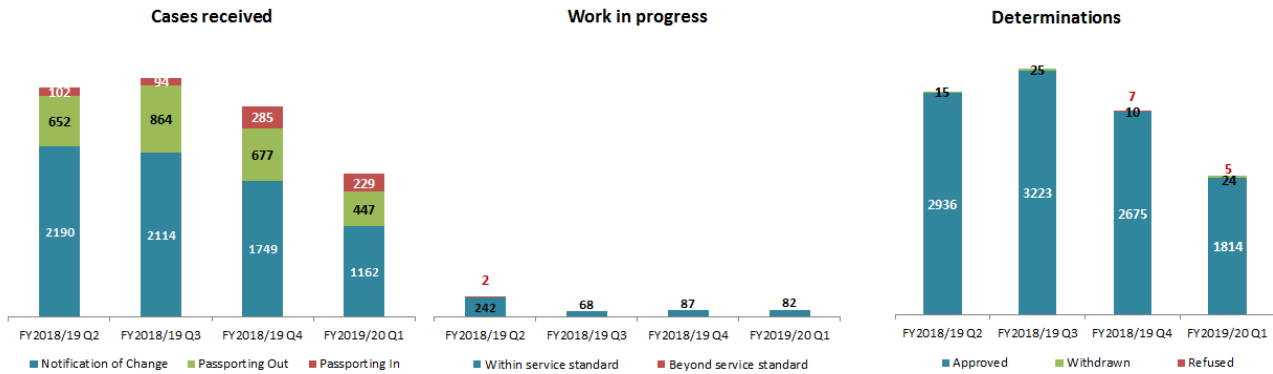
Glossary:

- 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 Q2	<1	0.7	<1	0	12.7
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

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2018/19 Q2	2770	2758	99.57%
FY2018/19 Q3	3084	3081	99.90%
FY2018/19 Q4	2833	2830	99.89%
FY2019/20 Q1	2131	2129	99.91%

There was a significant drop in the volume of cases received this quarter which might be expected in the current Brexit climate. We continue to see steady volumes of Passporting in notifications from firms 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 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)