

Quarterly KPIs: 2020/2021

As at September 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:

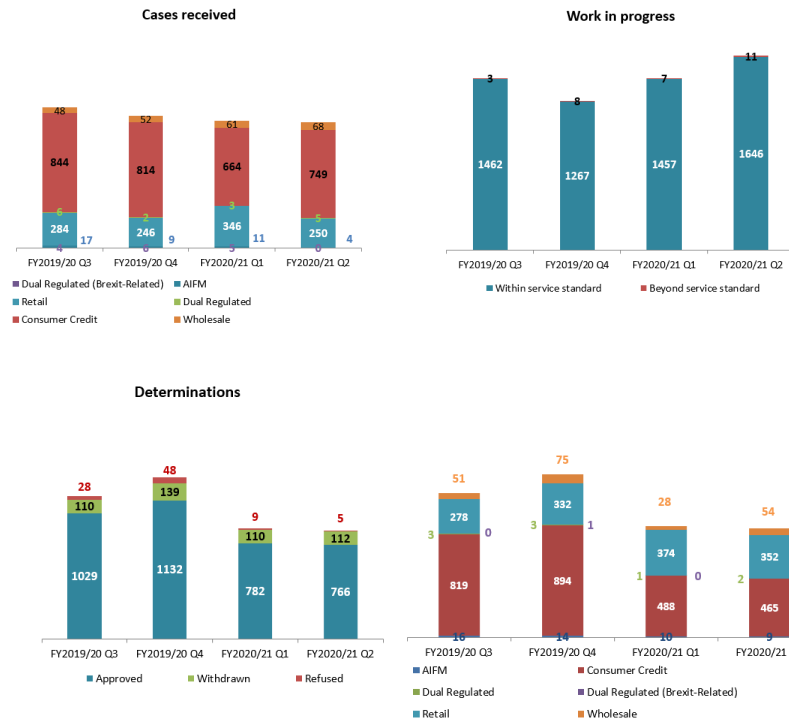
- Authorisations;
- Cancellations;
- Variations of Permission;
- Payment Services and E-money;
- Waivers;
- Change in Control;
- Part VII Transfers; and
- Approved Persons

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: 2020/2021

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 Q3	<1	13.6	<1	7.6	146.9
FY2019/20 Q4	<1	13.4	<1	9	87.4
FY2020/21 Q1	<1	17.1	<1	13.3	72.1
FY2020/21 Q2	<1	18.9	<1	16.3	108.7

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q3	1123	1086	96.71%
FY2019/20 Q4	1109	1067	96.21%
FY2020/21 Q1	1025	999	97.46%
FY2020/21 Q2	1224	1199	97.96%

FY2020/21 Q2					
AIFM	4	24.4	36	21.4	52.1
Consumer Credit	<1	11.4	<1	9.3	52.1
Dual Regulated	50.9	51.7	51	51.7	52.6
Dual Regulated (Brexit-Related)	n/a	n/a	n/a	n/a	n/a
Retail	0.3	27	18	24.1	56.1
Wholesale	1.9	26.5	25	23.9	98.9

Overall volumes received and determined remained steady in the quarter. However, receipts outpaced determinations, particularly in respect of consumer credit firms, resulting in an increase of Work in Progress.

The proportion of cases withdrawn or refused remains stable.

Applications to become a dual regulated firm are assessed in conjunction with the PRA. For transparency and completeness, we include these cases here.

Glossary:

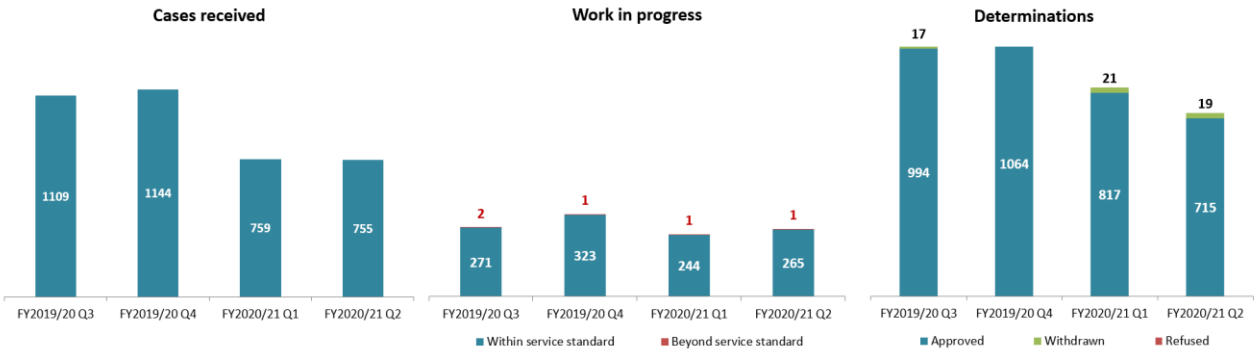
- Retail: Solo-regulated retail investment firms
- Wholesale: Solo-regulated wholesale investment firms
- AIFM: Solo-regulated wholesale investment firms
- Consumer Credit: Solo-regulated firms carrying on credit-related regulated activities
- Dual-regulated: Firms regulated by both the Prudential Regulation 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: 2020/2021

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 Q3	<1	2.7	1	1	103.7
FY2019/20 Q4	<1	3.2	1	1.3	91.4
FY2020/21 Q1	<1	3.9	1	1.4	52.1
FY2020/21 Q2	<1	4	1	1.4	46.1

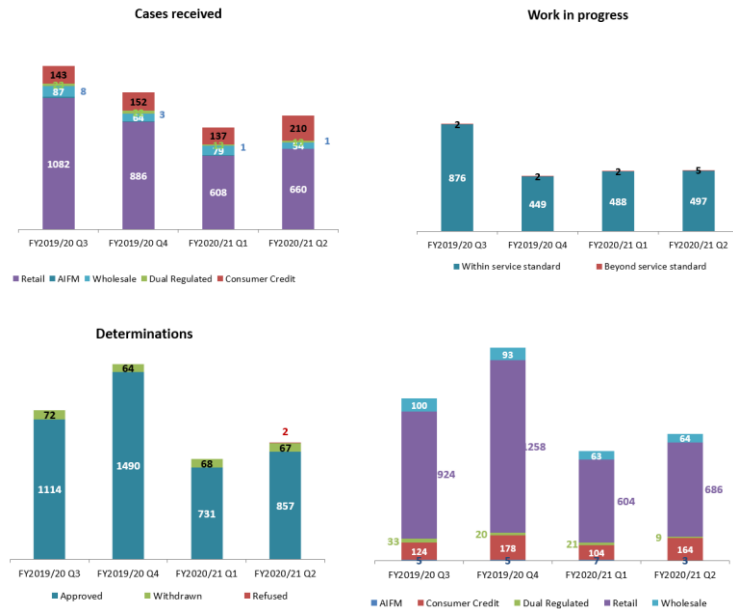
Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q3	582	581	99.83%
FY2019/20 Q4	632	631	99.84%
FY2020/21 Q1	958	957	99.90%
FY2020/21 Q2	1014	1014	100.00%

Quarter-on-quarter volumes in Cancellations tend to fluctuate, with a peak usually seen in Q4. Although quarterly fluctuations are in line with historical trends, overall volumes, (particularly in Q3 and Q4 2019/20) have been higher than in previous years. Determinations have largely kept pace with receipts and Work in Progress remains stable.

Variations of Permission quarterly KPIs: 2020/2021

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 Q3	<1	7.8	2	5.1	66
FY2019/20 Q4	<1	7.9	1	4.7	74.4
FY2020/21 Q1	<1	7.7	2	4	57.7
FY2020/21 Q2	<1	7.1	2	3.6	101.4

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q3	697	692	99.28%
FY2019/20 Q4	1076	1072	99.63%
FY2020/21 Q1	1409	1406	99.79%
FY2020/21 Q2	1218	1212	99.51%

FY2020/21 Q2					
AIFM	12	31.3	12	37.3	44.6
Consumer Credit	<1	6.3	<1	<1	55.7
Dual Regulated	1	17.5	1	15.4	52.1
Retail	0.1	6	2	3.4	57.3
Wholesale	0.1	18.2	9	11.4	101.4

Work in Progress and average processing time remained stable.

Applications from dual regulated firms to vary their permissions are assessed in conjunction with the PRA. For transparency and completeness, we include these cases here.

Glossary:

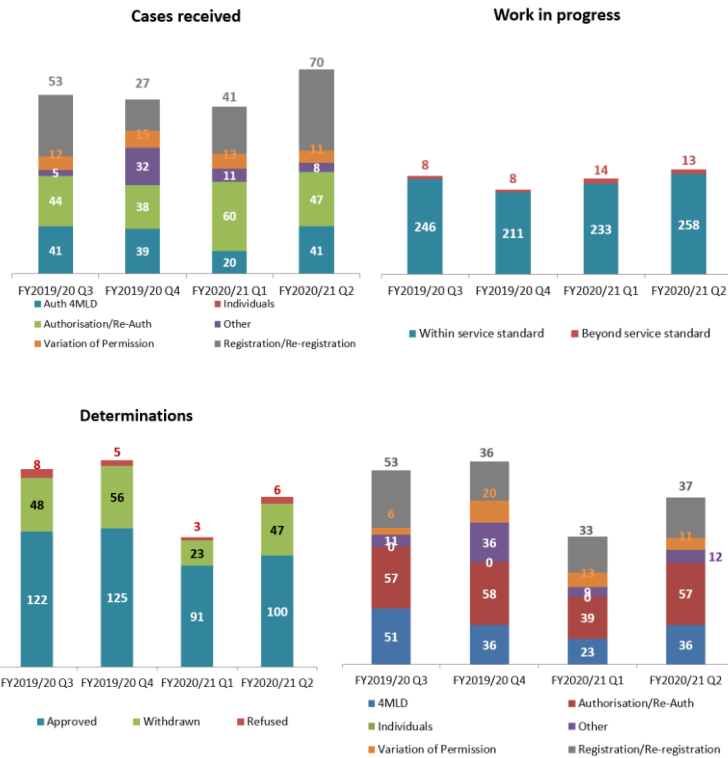
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- Wholesale: Solo-regulated wholesale investment firms
- AIFM: Solo-regulated wholesale investment firms
- Consumer Credit: Solo-regulated firms carrying on credit-related regulated activities
- Dual-regulated: Firms regulated by both the Prudential 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.

Payment services and e-money quarterly KPIs: 2020/2021

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 Q3	<1	20.7	<1	15.9	107
FY2019/20 Q4	0.1	20.7	1	13.9	112.7
FY2020/21 Q1	0.1	20.4	2	17.9	86
FY2020/21 Q2	<1	20.3	4	12.9	104.6

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q3	182	176	96.70%
FY2019/20 Q4	146	138	94.52%
FY2020/21 Q1	130	119	91.54%
FY2020/21 Q2	121	112	92.56%

We have seen an increase in applications for registration under the Payment Services Regulations and E-Money Regulations in Q2 2020/21. There is no obvious driver for the significant increase in applications for registration and there has been no change in the other types of applications received, so we are unclear as to whether this position will continue next quarter. As a result of the increase in volumes and firms experiencing delays to their own preparations because of the current environment, our work in progress has increased and we expect this to persist in the next quarter.

We continue to see a significant number of withdrawals with the primary reasons being a lack of knowledge and experience or firms not being ready, willing and organised to meet the conditions for authorisation or registration.

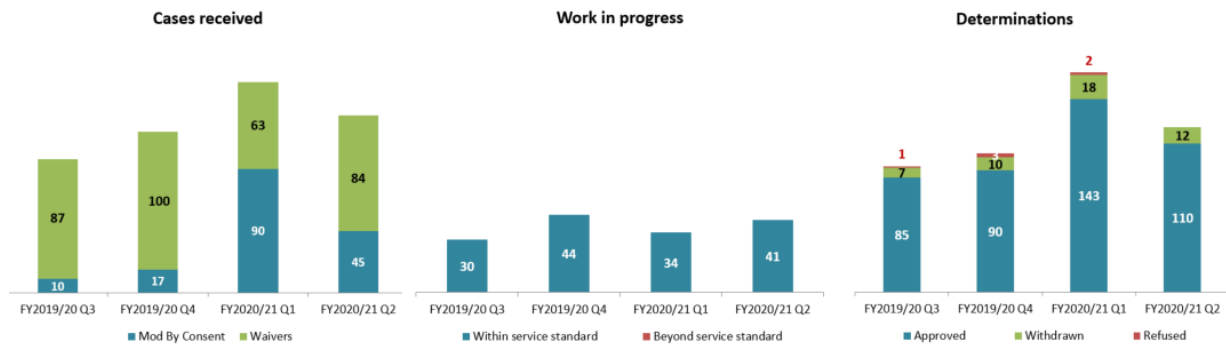
Glossary:

- 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: 2020/2021

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 Q3	<1	4	1	2.7	24.3
FY2019/20 Q4	<1	3.3	1	2.4	17.7
FY2020/21 Q1	<1	2.1	<1	0.9	33.3
FY2020/21 Q2	<1	4.4	<1	1.4	54.3

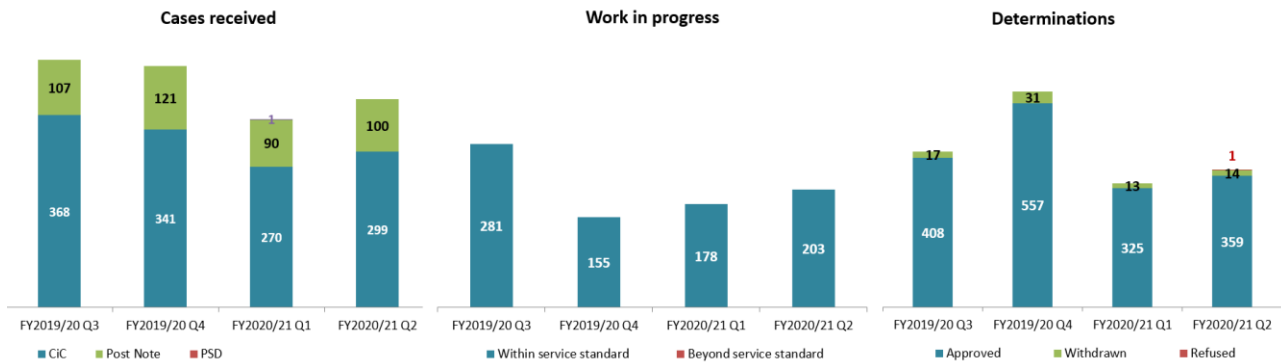
Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q3	n/a	n/a	n/a
FY2019/20 Q4	n/a	n/a	n/a
FY2020/21 Q1	n/a	n/a	n/a
FY2020/21 Q2	n/a	n/a	n/a

The number of cases received in Q2 reduced slightly following a peak in Q1 following the introduction of a specific Modification By Consent published in May for solo-regulated firms impacted by Covid-19. Following this peak, processing times have returned to more usual levels as the case mix returns to normal.

Change in Control KPIs: 2020/2021

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 Q3	<1	6.7	2	4.3	70.6
FY2019/20 Q4	<1	6.6	1	4	69.4
FY2020/21 Q1	<1	5.7	1	3.4	33.4
FY2020/21 Q2	<1	6.8	1	5	37.9

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q3	302	302	100.00%
FY2019/20 Q4	341	341	100.00%
FY2020/21 Q1	307	307	100.00%
FY2020/21 Q2	273	273	100.00%

All Change in Control cases have been determined within the statutory deadlines. There was a slight increase in the volume of cases both received and determined in Q2 2020/21.

Average time to process has increased compared to the previous quarter. We have seen an increase in the complexity of cases received and there were a number of large acquisitions across some sectors, which has had an impact on determination times this quarter and may continue to impact determination times should this trend continue.

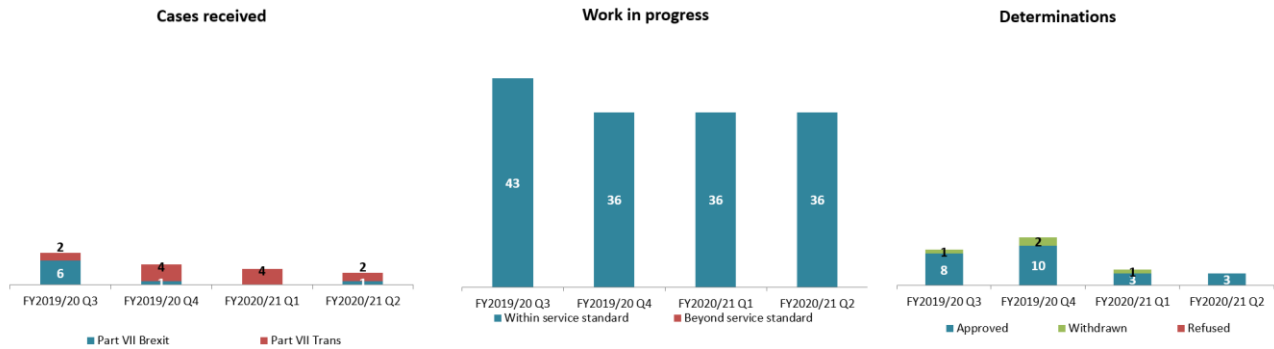
Glossary:

- 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: 2020/2021

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 Q3	4.9	62.5	5	85	127.1
FY2019/20 Q4	5.1	55.7	5	51.6	134
FY2020/21 Q1	3	51	3	53.8	93.6
FY2020/21 Q2	51.6	83	52	57.4	139.9

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q3	n/a	n/a	n/a
FY2019/20 Q4	n/a	n/a	n/a
FY2020/21 Q1	n/a	n/a	n/a
FY2020/21 Q2	n/a	n/a	n/a

Determinations relate to the completion of the sanction hearing at the end of a Part VII Business Transfer process, but this is not the sole measure of activity. The data does not account for directions hearings, which are a key interim milestone of a Part VII case. Each sanction hearing is preceded by a directions hearing earlier in the process, but not always in the same quarter. In this period there were 9 directions hearings.

Only 1 additional Brexit-related transfer was received in Q2 2020/21 and Non-Brexit related receipts also decreased from 4 to 2. Determinations remain steady and in line with the previous quarter. This is in line with what was expected.

We expect performance figures for Q3 2020/21 to reflect an increase in determinations due to a concentration of Part VII transfers scheduled to complete before the end of the calendar year.

The performance data is a mix of UK Part VII business transfers and EEA-EEA business transfer notifications to which the FCA is asked to provide a consultation response. This explains the large variance in minimum (3 weeks) to maximum (51.6 weeks) determination times.

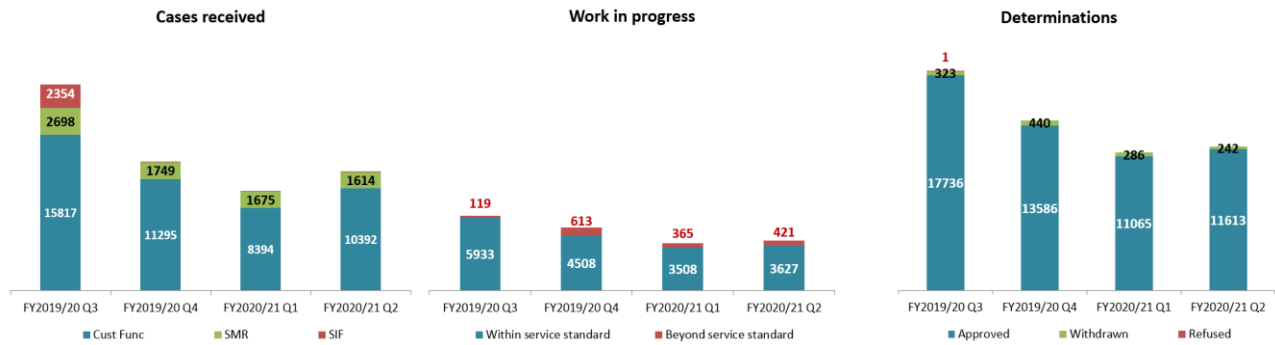
Glossary:

- 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: 2020/2021

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 Q3	<1	1.9	<1	0.1	107.7
FY2019/20 Q4	<1	4.8	<1	1.6	78.3
FY2020/21 Q1	<1	4.7	<1	1.4	119
FY2020/21 Q2	<1	3.6	<1	1.1	127

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q3	6210	6022	96.97%
FY2019/20 Q4	7254	5737	79.09%
FY2020/21 Q1	3038	2743	90.29%
FY2020/21 Q2	2733	2306	84.38%

The continuing levels of cases beyond service standard is the direct result of the spike in SMR applications seen in Q3 2019/20 as solo-regulated firms responded to the 9/12/19 deadline for the extension of SM&CR to them.

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 relevant information having been received from the applicant). To help deal with the high volumes in cases we brought in overtime working for Q4 2019/20, which reduced significantly the work in progress volume of cases. In Q3 2020/21 we have put in place measures including additional resources with the aim of returning to a more sustainable position by the end of the Financial Year 2020/21.

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