

Service standards

As at May 2018

Introduction

Parliament has given us a strategic objective to make sure that relevant markets function well, and 3 operational objectives:

- **protect consumers** – to secure an appropriate degree of protection for consumers
- **enhance market integrity** – to protect and enhance the integrity of the UK financial system
- **promote competition** – to promote effective competition in consumers' interests

Our aim is to serve the public interest by improving the way the UK financial system works and how firms conduct their business. We have important standards for this work. These reflect how timely and effective of our interactions with firms, consumers, and others have been.

This document lists these 'service standards' and how well we have performed against them. It includes voluntary commitments and statutory standards prescribed by the Financial Services and Markets Act 2000 (FSMA) and other legislation.

What this publication covers

This document provides information about our performance in a range of areas. It covers 63 service standards on activities like dealing with regulatory applications, telephone enquiries, and other correspondence.

We describe our commitments in 3 sections, each of which relates to our [Mission](#):

1. **Open communication.** The Mission commits us to being as transparent as possible. This means providing appropriate information about our regulatory decisions, and being open and accessible to the firms we regulate as well as the general public. In this document, this is reflected by our standards, like the timeliness of our responses to consumers, firms, MPs and others.
2. **Enabling business.** We recently published 'Our Approach to Authorisation' to provide more detail to support Our Mission. This explains how we look to prevent harm by considering key questions like whether a firm has adequate financial resources for the regulated activities that it wishes to provide. We are committed to making it easier for firms and individuals to work with us through this process. We do this by adopting a service mind-set in our approach to authorisation, ensuring our decision-making is adaptive, transparent, timely and consistent. This is reflected by standards in this document on how promptly we authorise firms and individuals.
3. **Adapting to changes.** We also respond to requests to vary the way firms work, for example by varying regulatory permissions. This ensures firms maintain regulatory standards, and allows us to deal with requests from firms and individuals efficiently. This is reflected by standards in this document eg on how quickly we process requests for variation of permission.

Further detail on voluntary standards is included in the Annex to this document, along with standards that relate to the work of the FCA's Primary Market Oversight and Listing Transactions functions, previously known as the UK Listing Authority (UKLA).

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1. Open communication

Our Mission commits us to being transparent about how we operate to reduce harm. In turn, this should make us more responsive to the public we serve. We communicate with firms in a variety of ways, with audiences ranging from MPs and firms, to consumers and the wider public.

Standards

Customer Contact Centre

Our Customer Contact Centre is our first point of interaction with firms and consumers, so it is important that we are available to provide online and telephone help when it is needed.

We aim to provide a prompt and high-quality service. If we cannot provide a conclusive response within our target timescale, we keep affected consumers and firms updated with our progress. We use customer satisfaction research to assess the quality of service.



Letters, emails, web forms, webchat or faxes

We aim to provide prompt answers to questions from firms or entities that we regulate. These standards apply to correspondence that:



- requires a response
- is addressed to our Customer Contact Centre
- is from a regulated firm or entity (or from its professional adviser where the firm or entity name is given), or a consumer

These standards do not include correspondence subject to statutory service standards such as requests for information under the Data Protection Act 1998, the Freedom of Information Act 2000 or the Environmental Information Regulations 2004.

Firms



| | | | April 2017 to March 2018 performance | | |
|-------------------|--|--|---|---------|------------------------|
| ID | Standard | Target | Performance | % | Cases met / applicable |
| CM1.1b | To provide a substantive response to email/web form/webchat correspondence from firms or their advisers within 2 working days. | (Voluntary) 90% within 2 working days |  | (95.3%) | 29,040 / 30,479 |
| CM1.1c | To provide a substantive response to letter correspondence from firms or their advisers within 5 working days | (Voluntary) 90% within 5 working days |  | (97.2%) | 2,133 / 2,194 |
| Rag rating | Green Target ≥ 90% | Amber 90% < CM1.1b and CM 1.1c ≥ 81% | Red < 81% | | |

Consumers

| | | | April 2017 to March 2018 performance | | |
|-------------------|--|---|---|---------|----------------------|
| I.D | Standard | Target | Performance | % | Cases met/applicable |
| CM2.1b | To provide a substantive response to email/web form/webchat correspondence received by the Customer Contact Centre (consumers) | (Voluntary) 90% within 2 working days |  | (93.2%) | 41,516 / 44,546 |
| CM2.1c | To provide a substantive response to letter correspondence received by the Customer Contact Centre (consumers) | (Voluntary) 90% within 5 working days |  | (94.2%) | 3,088 / 3,277 |
| Rag rating | Green (Target) ≥ 90% | Amber 90% > CM2.1b and CM2.1c ≥ 81% | Red < 81% | | |



Telephone calls

We monitor the performance of our telephony service by the number of calls that are ended before they are answered ('abandoned'). This happens if no advisers are available to answer a call promptly and the caller decides to end the call rather than wait. We minimise the number of abandoned calls by predicting when the contact centre will be busiest and making staff available. Our standards measure how well we do this.

| | | | April 2017 to March 2018 performance | | |
|-------------------|---|---|---|--------|------------------------------|
| I.D | Standard | Target | Performance | % | Cases abandoned / applicable |
| CM2.3 | The telephone call abandonment rate for calls made directly to the Customer Contact Centre (consumer) | (Voluntary) not more than 5% |  | (2.2%) | 1,514 / 70,343 |
| CM3.1 | The telephone call abandonment rate for calls made directly to the Customer Contact Centre (firms) | (Voluntary) not more than 5% |  | (1.6%) | 2,070 / 130,535 |
| Rag rating | Green (Target) ≤ 5% | Amber 5% > CM2.3 and CM3.1 ≤ 5.5% | Red > 5.5% | | |





We are frequently contacted by telephone, so answering calls quickly is important. We measure this by monitoring the percentage of calls answered within 20 seconds.

Calls directed via the switchboard and direct calls to others in the organisation are not subject to the following standards.

| | | | April 2017 to March 2018 performance | | |
|-------------------|--|---|---|---------|-------------------|
| I.D | Standard | Target | Performance | % | Cases applicable |
| CM2.4 | To answer telephone calls made directly to the Customer Contact Centre (consumers) | (Voluntary) 80% within 20 seconds |  | (81.8%) | 57,548 / 70,343 |
| CM3.2 | To answer telephone calls made directly to the Customer Contact Centre (firms) | (Voluntary) 80% within 20 seconds |  | (83.0%) | 108,328 / 130,535 |
| Rag rating | Green (Target) ≥ 80% | Amber 80% > CM2.4 and CM3.2 ≥ 72% | Red < 72% | | |

We offer our customers a post-call survey to measure our Customer Contact Centre's performance. The standards below reflect our latest customer satisfaction score. We are reviewing our current service standards in line with our commitment to improve our service.

Customer satisfaction

| | | | April 2017 to March 2018 performance | |
|---|-----------------------------------|--------------------------------------|--|---------|
| ID | Standard | Target | Performance | % |
| Customer satisfaction index for enquiries made to the Customer Contact Centre | | | | |
| CS2.1 | Consumers - Telephony | (voluntary) >80% satisfaction |  | (95.5%) |
| | Consumers - Correspondence | (voluntary) >80% satisfaction |  | (79.3%) |
| CS2.2 | Firms – Telephony | (voluntary) >80% satisfaction |  | (92.8%) |
| | Firms - Correspondence | (voluntary) >80% satisfaction |  | (82.3%) |
| Rag rating | Green (Target) >80% | Amber >60% but <80% | Red <60% | |

Our correspondence satisfaction scores were typically lower than our telephony scores but they have improved since we increased the level of webchat we use. We have seen an annual improvement from 73.9% to 79.3%. Achieving 1-day turnaround times in some months of the reporting period has also contributed to this improvement and we continue to look for areas to improve, informed by benchmarking our performance against similar service offerings.



MPs' letters

We are an independent financial regulator, accountable to the Treasury and Parliament. Every year we report to the Treasury on our progress through our Annual Report. The Treasury then submits a report to Parliament on our performance against our statutory objectives and how we have dealt with major regulatory cases.

We appear before Parliament's Treasury Select Committee (TSC) in a general accountability hearing twice a year to scrutinise all aspects of our work. We also regularly give evidence to the TSC and other Parliamentary committees.


As part of our accountability to Parliament, we respond to requests for information from MPs and peers through letters, parliamentary questions and evidence to All Party Parliamentary groups.

We must give a full and prompt reply to any letter addressed to the FCA or any member of staff from Members of Parliament, Members of the House of Lords, Members of the Scottish Parliament, Welsh Assembly and Northern Ireland Assembly. These letters may be sent on behalf of a constituent or groups of constituents. They may also be about a specific topic. As a public authority accountable to Parliament, it is important we respond professionally to such letters so we set ourselves target Service Level Agreements (SLA) for responding.

| April 2017 to March 2018 performance | | | | | |
|---|--|--|---|-------------------------------------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| CM5.1a | To provide a substantive reply to letters from MPs | (Voluntary) 80% within 15 working days |  | (73.5%) | 216/294 |
| CM5.1b | To provide a substantive reply to letters from MPs | (Voluntary) 100% within 20 working days |  | (98.0%) | 288/294 |
| <p>CM5.1a - An increase in volume of letters during this period has largely contributed to our performance in terms of SLAs. We had a total of 78 letters that exceeded the 15 day SLA with 72 of these being completed within the 20 day SLA.</p> <p>CM5.1b - We had a number of letters that exceeded the 20 day SLA as they were complex and sensitive requiring significant additional attention.</p> | | | | | |
| Rag rating | Green (Target) CM5.1a 80% CM5.1b 100% | Amber 80% > CM5.1a ≥ 60% 100% > CM5.1b ≥ 90% | | Red CM5.1a < 59% CM5.1b < 89% | |

Freedom of Information Act (FOIA) requests


The Freedom of Information Act provides a general right of access to all information held by a public authority, subject to relevant exemptions and other conditions.

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|---|--|---|----------------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| CM6.1 | To reply to 'right to know' requests for information made under the Freedom of Information Act 2000 | (Statutory) 100% within Legislative deadlines: 20 working days |  | (94.4%) | 663/ 702 |
| Rag rating | Green (Target) ≥ 90% | Amber 89.9% > CM6.1 ≥ 85% | | Red < 84.9% | |

Our statutory target is to respond to 100% of requests within the set timeframe; however the Information Commissioner has accepted that public bodies (including the FCA) may not be able to meet the statutory requirements in every case. We have therefore set targets of 90% for both Freedom of Information Act requests and Data Protection Act requests. These are in line with the Information Commissioner's guidelines and expectations.

Data Protection Act (DPA) requests




Under the Data Protection Act 1998 individuals have a right to request access to any of their personal data which we hold (known as a subject access request).

| | | | April 2017 to March 2018 performance | | |
|---|---|--|---|---------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| CM7.1 | To reply to 'subject access' requests for information made under the Data Protection Act 1998 | (Statutory) 100% within Legislative deadlines : 40 calendar days |  | (87.7%) | 93/ 106 |
| We received high volumes of requests, many of which were complex in nature; we have reviewed our resourcing to improve future response times. | | | | | |
| Rag rating | Green (Target) ≥ 90% | Amber 89.9% > CM7.1 ≥ 85% | Red < 84.9% | | |

Complaints


The Complaints Scheme was set up in April 2013 in line with the Financial Services Act 2012. It requires us to be able to investigate complaints made about alleged actions or inactions under the Act.

To ensure an accurate response, we may ask complainants for further written information. We may not be able start investigating until we receive this but we aim to resolve all complaints as quickly as possible and will write to complainants regularly to keep them informed of progress.

| | | | April 2017 to March 2018 performance | | |
|---|--|--|--|---------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| Service standard 1 | The local area subject to the complaint should complete an investigation and send a response to the complainant within 10 working days of receipt (This should inform the complainant of their right to ask for a Stage one investigation) | (Voluntary) Local area: 95% within 10 working days of receipt |  | (100%) | 93/93 |
| Service Standard 2 | To acknowledge a complaint within 5 working days of receipt, as detailed in paragraph 6.1 of the scheme (The complainant should be provided with a leaflet explaining how the Complaints Scheme works) | (Voluntary) Stage 1: 95% acknowledge within five working days of receipt |  | (100%) | 502/502 |
| Service Standard 3 | Within 20 working days of receiving a complaint, to either complete our investigation or provide a reasonable timescale that we plan to deal with the complaint. (See Paragraph 6.4 of the Complaints Scheme.) | (Voluntary) Stage 1: 95% within 20 working days of receipt |  | (92.2%) | 236/256 |
| The Complaints team underwent reorganization and this resulted in some cases breaching the Service Standard 3, although only by a few days. We do not believe that there was any detriment to the complainants. | | | | | |
| Rag rating | Green (Target) ≥ 95% | Amber 95% > Service Standards 1, 2 and 3 ≥ 85% | Red < 85% | | |






Payment of suppliers

We aim to pay all valid, received invoices quickly, in line with industry best practice.

| | | | April 2017 to March 2018 performance | | |
|-------------------|--|--|---|---------------------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| CM10.1 | Payments of suppliers – to pay correct invoices from suppliers | (Voluntary) 90% within 30 working days of receipt of a correct invoice |  | (94.8%) | 8725/ 9207 |
| Rag rating | Green (Target) ≥ 90% | Amber 90% > CM10.1 ≥ 81% | | Red < 81% | |

FCA systems

We have set standards to ensure that we are monitoring the availability of our customer-facing Information Services (IS) systems.¹

| | | | April 2017 to March 2018 performance | | | |
|-------------------|--|--|---|-----------------------|-------------------------------------|-------------------------------------|
| I.D | Standard | Target | Performance | % | Total Service Unavailable (Minutes) | Total Period Service Time (Minutes) |
| CM11.4 | To ensure availability of customer-facing IS systems | (Voluntary) 98.5% within times below |  | (99.8%) | 1,505 | 1,134,720 |
| | To ensure availability of the FCA Register system | (Voluntary) Mon-Fri, 7am-8pm |  | (99.2%) | 1,505 | 196,560 |
| | To ensure availability of the FCA website | (Voluntary) 24 hours x 365 days |  | (99.9%) | 304 | 525,600 |
| | To ensure availability of the Fee calculator | (Voluntary) Mon-Fri, 7am-8pm |  | (100%) | 0 | 196,560 |
| | To ensure availability of the GABRIEL system | (Voluntary) Mon-Fri, 8am-10pm |  | (100%) | 0 | 216,000 |
| Rag rating | Green (Target) ≥ 98.5% | Amber 98.5% > CM11.4 ≥ 88.6% | | Red < 88.6% | | |

¹ **These systems are:**

FCA Register system

A public record of financial services firms, individuals and other bodies under our regulatory jurisdiction, as defined in FSMA.

FCA website

Our website is our main digital channel for our consumer and firm audiences.

Fee calculator

This enables firms to estimate their FCA fees, Financial Services Compensation Scheme (FSCS) levy and Financial Ombudsman Service (FOS) general levy for different financial periods and scenarios (either the consulted rates or the final rates for that period).

GABRIEL (Gathering Better Regulatory Information Electronically) submission system

Our regulatory reporting system for collecting, validating and storing regulatory data.

2. Enabling business

The Financial Services and Markets Act 2000 states that no individual or firm can legally carry out regulated activities unless authorised to do so or exempt. This is covered in the 'general prohibition' in section 19 of the Act. An individual or firm must apply to us for a 'Part 4A permission' to carry out those activities.



It is therefore important that we authorise firms in a timely and efficient way.

We use authorisation to prevent harm from occurring. We do this by ensuring that all authorised firms meet common sets of minimum standards at the start. We refer to these standards as the Threshold Conditions (the 'conditions').

We will only authorise firms where they meet the conditions and continue to do so. Where they do not, we will not allow them to enter the relevant financial market. We aim to prevent harm to consumers and stop threats to effective competition and to market integrity. For example, money laundering registrations helps to prevent the harm to society caused by money laundering.

Standards



Authorisation application targets

| April 2017 to March 2018 performance | | | | | |
|---|---|---|---|-------------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| Non-Consumer Credit | | | | | |
| A1.1 | To process a complete ² application for Part 4A permission | (Statutory) 100% within 6 months of a complete application (s55v 1) or within 12 months of receiving an incomplete application (s55v 2) |  | (99.3%) | 1022 / 1029 |
| 7 cases breached the service standard. In two cases this was avoidable and we have reviewed our processes to avoid recurrence. In the others the applications were legally or technically complex and therefore required significant engagement with the firms. | | | | | |
| Consumer Credit | | | | | |
| A1.1 | To process a complete application for Part 4A permission | (Statutory) 100% within 6 months of a complete application (s55v 1) or within 12 months of receiving an incomplete application (s55v 2) |  | (95.9 %) | 3230 / 3369 |
| We largely concluded the work to transfer the authorisation of consumer credit firms from the OFT in 2016. However, a very small number of highly technical and legally complex applications remained, and were concluded during the period. | | | | | |
| Rag rating | Green (Target) 100% | Amber 100% > A1.1 ≥ 90% | | Red <90% | |

Approved persons status

A firm applying to carry on regulated activities must also apply under Part V of FSMA for approval of one or more individuals to perform the controlled functions on its behalf once authorised (its 'approved persons'). We must be satisfied that approved persons are fit and proper. This means that they have the honesty integrity, reputation, competence and capability and financial ability to perform their role and comply with the code of conduct in the Handbook.

² Supplying the information requested on the application form will not necessarily be enough for the application to be 'complete.' A application is complete only when we have received all the required information and evidence.

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|--|---|---|---------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| R1.1a | To process an application for 'approved person' status | (Statutory) 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 application for part 4A Permission) (s61 3A) |  | (100%) | 23113 / 23113 |
| R1.1b | | (Voluntary) 85% in 5 days for customer function and 10 days for Significant Influence Function (SIF) |  | (91.4%) | 21127 / 23113 |
| Rag rating | Green (Target) R1.1a ≥ 100% R1.1b ≥ 85% | Amber 100% > R1.1a ≥ 90% 85% > R1.1b ≥ 76.5% | Red R1.1a < 90% R1.1b < 76.5% | | |


Money laundering registrations

Provisions relating to registration of 'Annex 1 financial institutions' under the Money Laundering Regulations 2017 state that, within 45 days of either:

- the date on which we receive a registration from an Annex 1 financial institution
- where the application is incomplete, the date on which we receive any further information


we must give the applicant notice:


- of our decision to register the applicant
- that we are minded not to register them, the reason for this and the right they have to make representations to us within a specified period (which may not be less than 28 days)

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|---|---|--|--------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| A1.2 | To process Money Laundering registrations | (Statutory) 100% within 45 calendar days of receipt of an application or receipt of any further required information (Reg 57(3) MLRs) |  | (100%) | 209/209 |
| Rag rating | Green (Target) 100% | Amber 100% > A1.2 ≥ 90% | Red < 90% | | |

Authorised unit trusts (AUT), open-ended investment companies (OEIC) and authorised contractual schemes (ACS)


This covers all applications requesting us to authorise all types of UK-based collective investment schemes.

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|--|--|--|--------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| A2.1 | To process applications for the authorisation of new schemes under section 242 for AUT, regulation 12 for OEIC and 261C for ACS. | (Statutory) 100% within 6 months of a complete application or within 12 months of receipt of an incomplete application |  | (100%) | 58/58 |
| Rag rating | Green (Target) 100% | Amber 100% > A2.1 ≥ 90% | | | Red < 90% |

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|--|--|---|--------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| A3.1 | To process applications for the authorisation of new schemes under section 242 for AUTs and regulation 12 for OEICs and 261C for ACS | (Voluntary) 100% within 2 months of receipt for Undertakings for Collective Investments in Transferable Securities (UCITS) and Non-UCITS Retail Schemes. 100% within one month for QIS |  | (100%) | 58/58 |
| Rag rating | Green (Target) ≥ 75% | Amber 75% > A3.1 ≥ 67.5% | | | Red < 67.5% |

Mutual Society registrations

A mutual society is an organisation owned by its members and run for their benefit or for the benefit of the community. They include building societies, friendly societies, credit unions and registered societies. Registered societies include co-operative and community benefit societies, formerly known as 'industrial and provident societies'.

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|--|---|--|-------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| A8.1 | To process a complete registration application from a mutual society | (Voluntary) 90% within 15 working days of receipt |  | (97%) | 3,992 / 4,103 |
| Rag rating | Green (Target) ≥ 90% | Amber 90% > A8.1 ≥ 81% | | | Red < 81% |

Payment Services Regulations and Electronic Money Regulations

UK firms providing payment services must apply to become either an 'authorised' payment institution or 'registered' as a small payment institution. This does not apply if it is already another type of payment service provider or is exempt. This is a requirement of the Payment Services Regulations 2009 (the PSRs).

UK firms that intend to issue electronic money (as defined in the Electronic Money Regulations (EMR) 2011 by way of business in the UK, must apply to become either:

- an 'authorised' electronic money institution
- 'registered' as a small electronic money institution

Firms do not need to apply if they are already authorised as an electronic money issuer with Part 4A permission under FSMA or exempt.

A firm must apply with the required information and application fee if it wishes to become an authorised or registered payment institution, or an authorised or registered electronic money institution.









When firms apply to us for authorisation or registration as a payment institution, they set out in detail the payment services they wish to provide, and are registered by us for those services. A payment institution must apply for our approval if it intends to change the payment services it provides (either by increasing or decreasing the range).

Revised Payment Services Directive³ (PSD2)

The revised Payment Services Directive (PSD2) is the EU legislation which sets out regulatory requirements for firms that provide payment services. The revised Payment Services Directive is required to be implemented in the UK by 13 January 2018. It aims to:



- contribute to a more integrated and efficient European payments market
- level the field for payment service providers
- promote the development and use of innovative online and mobile payments
- make payments safer and more secure
- protect consumers
- encourage lower prices for payments

³ For more information please visit: www.fca.org.uk/firms/revised-payment-services-directive-psd2
www.fca.org.uk/firms/revised-payment-services-directive-psd2/implementation

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|--|---|--|--------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| Authorisation applications | | | | | |
| PS1 | To process a complete application for authorisation under the PSRs 2009 | (Statutory) 100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application |  | (100%) | 131 / 131 |
| PS2 | To process a complete application for authorisation under the EMRs 2011 | (Statutory) 100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application |  | (100%) | 65 / 65 |
| Registration applications | | | | | |
| PS3 | To process a complete application for registration under the PSRs 2009 | (Statutory) 100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application |  | (100%) | 150 / 150 |
| PS4 | To process a complete application for registration under the EMRs 2011 | (Statutory) 100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application |  | (100%) | 14 / 14 |
| Variations of registration | | | | | |
| PS5 | To process a complete application for a variation of registration under the PSRs 2009 | (Statutory) 100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application |  | (100%) | 6 / 6 |
| PS6 | To process a complete application for variation of registration under the EMRs 2011 | (Statutory) 100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application |  | (100%) | 4 / 4 |
| Variations of authorisation | | | | | |
| PS7 | To process a complete application for a variation of authorisation under the PSRs 2009 | (Statutory) 100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application |  | (100%) | 8 / 8 |
| PS8 | To process a complete application for a variation of authorisation under the EMRs 2011 | (Statutory) 100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application |  | (100%) | 2 / 2 |
| Rag rating | Green (Target) 100% | Amber 100% > PS1 to PS8 ≥ 90% | Red < 90% | | |

Introduction

PSD2 introduced a statutory requirement of 2 months for processing notifications for UK agents of payment services firms. The table below shows our reporting against that standard and, against our voluntary service standard to process these notifications within 10 working days.

| PSD agent registration | | | | | |
|------------------------|---|---|--|-------------------------|-------------|
| PS9 | To process a notification for a UK agent under the PSRs 2017 and EMRs 2017 | (Statutory) 100% within 2 months of the received date of a complete application |  | (100%) | 1,618/1,618 |
| Rag rating | Green (Target) 100% | Amber <100% but ≥ 90% | | Red < 90% | |
| PS10 | To process a notification for a UK agent under the PSRs 2017 and EMRs 2018 | (Voluntary) 85% within 10 days of the received date of a complete application |  | 96.7% | 1,565/1,618 |
| Rag rating | Green (Target) ≥ 85% | Amber <85% but ≥ 70% | | Red <70% | |

3. Adapting to changes

The decision to authorise a firm or individual is not a one-off. Firms and individuals may contact us to request changes to activities they are permitted to do. Our response to these requests should create public value by preventing harm. Standards in this section reflect how fast we have considered and responded to notifications and requests to vary permissions.

Standards

We must be informed in writing of any proposed changes to a trust, its trustee, or its manager (under s. 251 of FSMA). We need to be satisfied that any changes will not adversely affect a trust's compliance with our requirements.


Alterations to a collective investment scheme (CIS)

We need to be satisfied, and informed in writing, that any proposed changes to certain features of an authorised OEIC (under regulation 21 of the Open-Ended Investment Companies Regulations 2001) will not adversely affect the OEIC's compliance with our requirements.

We must be informed in writing of any proposed changes to certain features of an authorised contractual scheme (under regulation 261Q of FSMA). We need to be satisfied that following any changes, the scheme will continue to comply with our requirements.



Overseas collective investment schemes which are not UCITS (Undertakings for Collective Investments in Transferable Securities) may be recognised as individual schemes if the individual schemes satisfy the requirements set out in section 272 of FSMA. So, it must inform us in writing of any proposed changes to an individually recognised overseas scheme (under s. 277 of FSMA).

Our standard practice is to acknowledge and give written approval wherever feasible. However, if we do not, then the proposal (under s. 251, 261Q and 277 of FSMA and regulation 21 of the OEIC regulations) gets automatic approval 1 month from the date we received notice.

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|---|--|---|--------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| R2.1 | To consider notice of proposed alteration to a collective investment scheme and, if appropriate, issue a warning notice | (Statutory) 100% within one month of receipt |  | (100%) | 996/996 |
| Rag rating | Green (Target) 100% | Amber 100% > R2.1 ≥ 90% | Red < 90% | | |

Variation of permission


Firms may change the nature of their business and apply to add or remove any regulated activities, investment or customer types. They may also apply to add a requirement or limitation to, or remove a requirement or limitation from, the scope of their Part 4A permission.

| April 2017 to March 2018 performance | | | | | |
|---|---|---|---|----------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| Non- Consumer Credit | | | | | |
| R5.1 | To process a complete application from an authorised firm for variation of permission | (Statutory) 100% within 6 months of becoming complete (s55v(1)) or 12 months of receipt of an incomplete application (s55v(2)) |  | (100%) | 1599 / 1599 |
| Consumer Credit | | | | | |
| R5.1 | To process a complete application from an authorised firm for variation of permission | (Statutory) 100% within 6 months of becoming complete (s55v (1)) or 12 months of receipt of an incomplete application (s55v(2)) |  | (98.4 %) | 793/ 806 |
| There were a small number of breaches relating to two populations of cases: the last remaining legacy cases from the transfer of regulation from the OFT and other cases where the firms withdrew, after the statutory deadline had passed. | | | | | |
| Rag rating | Green (Target) 100% | Amber 100% > R5.1 ≥ 90% | Red <90% | | |

Cancellation of Part 4A permission


An authorised person with Part 4A permission can apply to us for their permission to be cancelled. Changes to individual regulated activities involve a variation of permission, whereas the cancellation of all permission means that the firm would no longer be permitted to carry on any FSMA-regulated activities in the UK.

We may refuse an application for cancellation if it potentially causes harm to consumers or potential consumers. This may be the case, for example, if a firm has outstanding customer complaints.

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|--|--|---|--------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| R8.1 | To determine a complete application for cancellation of Part 4A permission | (Statutory) 100% within 6 months of becoming complete (s55V1) or 12 months of receipt of an incomplete application (s55V2) |  | (100%) | 854 / 854 |
| Rag rating | Green (Target) 100% | Amber 100% > R8.1 ≥ 90% | Red < 90% | | |


Appointed representatives

An appointed representative is a firm or individual that an authorised person (a principal) has contracted to carry on regulated activities on its behalf. The principal is responsible for the appointed representative complying with FSMA and our rules. As such, we can process notifications by a principal of its appointed representatives relatively quickly.


| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|--|--|---|-------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| N1.1 | To process a complete notification for appointed representative status | (Voluntary) 95% within 5 working days of request |  | (97%) | 19761 / 20379 |
| Rag rating | Green (Target) ≥ 95% | Amber 95% > N1.1 ≥ 85.5% | | | Red < 85.5% |

Post-event notification to change our static data on a regulated firm

'Static data' is basic information on firms that is essential to effective regulation. Static data must be kept up to date because it is used by us, the Financial Ombudsman Service, the Financial Services Compensation Scheme and Financial Services Register users.

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|--|--|--|---------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| N2.1 | To process a complete 'post event' notification to change our firm details on a regulated firm | (Voluntary) 95% within 5 working days of receipt |  | (99.9%) | 12,359 / 12,377 |
| Rag rating | Green (Target) ≥ 95% | Amber 95% > N2.1 ≥ 85.5% | | | Red < 85.5% |



Pre-event notification to change our static data on a regulated firm.

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|---|--|---|--------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| N2.2 | To process a complete 'pre event' notification to change our firm details on a regulated firm | (Voluntary) 95% within 5 working days of receipt |  | (100%) | 76 / 76 |
| Rag rating | Green (Target) ≥ 95% | Amber 95% > N2.2 ≥ 85.5% | | | Red < 85.5% |

Passporting notifications





Under passporting rights, introduced by the European financial services directive⁴, firms that are authorised to carry out regulated activities in another EEA member state are also entitled to carry on business in the UK. To exercise this right, the directives require the firm to notify us, through its own home state regulator, of its intention to do business in the UK.

'Passporting in'

| | | | April 2017 to March 2018 performance | | |
|---|---|---|---|---------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| N3.1 | To process a notification from another competent authority in an EEA member state for one of its authorised firms to carry out business in the UK, under 'freedom of establishment', within the timeframe set by the relevant directive | (Statutory) 100% within the relevant deadlines for each directive (Sch 3, 13) |  | (98.7%) | 228/231 |
| There were 3 cases where further information was required from the home regulator before a decision could be made. As a result of this the service standard was missed. | | | | | |
| N3.2 | To process a notification from another competent authority in an 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 | (Statutory) 100% within the relevant deadlines for each directive |  | (99.8%) | 1,205/1,208 |
| There were 2 cases where further information was required from the home regulator before a decision could be made which caused the service standard to be missed. There was 1 other case that was logged incorrectly causing the service standard to be missed by 2 days. | | | | | |
| Rag rating | Green (Target) 100% | Amber <100% but ≥ 90% | Red < 90% | | |

⁴ The directives covered within the passporting service standards N3.1, N3.2, N4.1, N5.1, R0.1 and R10.2 are those for which the FCA has responsibility for processing notifications. Markets in Financial Instruments Directive; Insurance Mediation Directive; Undertakings for Collective Investment in Transferable Securities Directive; Alternative Investment Fund Managers Directive; Mortgage Credit Directive; Payment Services Directive and E-Money Directive

'Passporting out'


| April 2017 to March 2018 performance | | | | | |
|---|--|---|---|---------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| N4.1 | To process a notification from an FCA-authorised firm to carry out business in another EEA member state, under 'freedom of establishment,' within the timeframe set by the relevant directive | (Statutory) 100% within the relevant deadlines for each directive |  | (99.6%) | 223 / 224 |
| In 1 case due to additional information we required the service standard was missed. | | | | | |
| N5.1 | To process a notification from an FCA-authorised firm to carry out business in another EEA member state, under 'freedom of services,' within the timeframe set by the relevant directive | (Statutory) 100% within the relevant deadlines for each directive |  | (100%) | 1,376 / 1,376 |
| R10.1 | To process a notification of changes by an FCA-authorised firm already carrying out business in another EEA member state, under the 'freedom of establishment', within the timeframe set by the relevant directive | (Statutory) 100% within the relevant deadlines for each directive |  | (99.8%) | 16,640 / 16,668 |
| There were 27 cases where we had concerns so we contacted the firms to address these before a decision could be made. As a result of this the service standard was missed whilst we obtained the additional information. There was 1 other case that was outside of the service standard due to it initially being allocated incorrectly, which caused a delay in processing. | | | | | |
| R10.2 | To process a notification of changes by an FCA-authorised firm already carrying out business in another EEA member state, under 'freedom of services', within the time frame set by the relevant directive | (Statutory) 100% within the relevant deadlines for each directive |  | (100%) | 2,020 / 2,020 |
| Rag rating | Green (Target) ≥ 100 | Amber 100% > N4.1, N5.1, R10.1 and R10.2 ≥ 90% | Red < 90% | | |

Notification of a proposed change in control

A 'controller' here refers broadly to a person who holds shares in or is entitled to exercise or control the exercise of, voting power or significant influence in a UK-authorised firm or a parent of a UK-authorised firm. Controllers and firms must notify us before acquiring or increasing control⁵ (in line with part 12 of FSMA). The legislation allows us to object to the acquisition of or increase in control, or to approve with conditions.

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|----------|--------|-------------|---|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |

⁵ Control thresholds or banks: www.fca.org.uk/firms/change-control/control-thresholds-bands
Change in control requirements: www.fca.org.uk/firms/change-control/change-control-requirements

| | | | | | |
|------|--|--|---|--------|-------------|
| R6.1 | To make a decision after receiving a 'complete' notification of a proposed change in control | (Statutory) 100% within 60 working days of acknowledgement of receipt (s189 (1)) |  | (100%) | 1065 / 1065 |
|------|--|--|---|--------|-------------|

Annex: Primary Market Oversight & Listing Transactions


Changes to the structure of the FCA's UKLA functions

Our management of UKLA functions has been streamlined, enabling us to be more agile and efficient. The UKLA Department is now split into 2 separate departments:


- **Primary Market Oversight (PMO) Department:** responsible for the specialist supervision of sponsors and primary information providers, real-time and post-event monitoring of compliance by listed issuers and companies traded on Multilateral Trading Facilities (MTFs), the short selling regime and the post-event review of compliance with certain aspects of the UK Listing Regime.
- **Listing Transactions (LT) Department:** encompasses our transaction review functions and the management of the Official List through our Listing Applications team.

Standards



An approved prospectus must be made available to the public before certain securities are offered to the public or admitted to trading on a regulated market in the UK. Where the UK is the home state in relation to the issuer, the FCA must approve the prospectus. Where an application for approval is made to the FCA, it must notify the applicant of its decision within the deadlines specified in FSMA. Unless the FCA requires further information, it must determine an application from a new issuer within 20 working days, and all other applications within 10 working days. We have put in place a system of voluntary targets for the FCA to provide comments on submissions in advance of the statutory deadlines. For new issuers we aim to provide comments on the initial submissions within 10 working days if the document is submitted in substantially complete form.

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|--|--|--|---------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| L1.1 | To comment on the initial proof of a document submitted for pre-vetting by a new applicant, or an unlisted issuer, undertaking a public offer ² and preparing a prospectus for the first time | (Voluntary) comment on submission within 10 working days |  | (99.3%) | 136 / 137 |
| Rag rating | Green ≥ 95% | Amber 95% > L1.1 ≥ 90% | Red < 90% | | |

For documents submitted to the FCA for approval that do not fall under L1.1, above (principally prospectuses and circulars issued by already listed companies), we aim to comment within 5 working days if the document is submitted in substantially complete form.

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|--|--|--|---------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| L1.2 | To comment on the initial proof of a document submitted for pre-vetting by a listed issuer, or by an unlisted issuer, undertaking a public offer that has previously produced a prospectus | (Voluntary) Comment on submissions within 5 working days |  | (99.4%) | 627 / 631 |
| Rag rating | Green (Target) ≥ 95% | Amber 95% > L1.2 ≥ 90% | | | Red < 90% |

All documents requiring FCA approval before publication must be submitted in substantially complete form. We often review several proofs of these documents before approval. Our service standards regarding our comments on the initial proofs of such documents are shown as L1.1 and L1.2 above. We then aim to comment on subsequent proofs of these submissions within 3 or 5 working days, depending on the document.


| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|---|---|--|---------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| L1.3a | Within 5 working days from the day of receipt for comments on subsequent proofs of document submitted for pre-vetting by a new applicant, or by an unlisted issuer, undertaking a public offer and preparing a prospectus for the first time. | (Voluntary) >95% within 5 clear working days of receipt |  | (100%) | 463 / 463 |
| L1.3b | Within 3 working days from the day of receipt for comments on subsequent proofs of document submitted for pre-vetting by a listed issuer, or by an unlisted issuer, undertaking a public offer and that has previously produced a prospectus | (Voluntary) >95% within 3 clear working days of receipt |  | (99.8%) | 842 / 844 |
| Rag rating | Green (Target) ≥ 95% | Amber 95% > L1.3a and L1.3b ≥ 90% | | | Red < 90% |

We sometimes give guidance on applying our rules. We respond to reasonable requests for guidance made by, or on behalf of, the named party required to comply with the applicable rule. We aim to provide either a substantive reply or a request for further substantive information within 5 working days.

- If the person submitting the document specifically agrees that a longer period is appropriate, compliance with the standards under L1 will not be affected.
- For L1.3, the FCA reserves the right to treat further drafts substantially redrafted or resubmitted only after long delays as initial submissions. In such cases, we will let the issuer or their advisers know as soon as practicable after the draft is submitted.
- The periods referred to in items L1, and L3 are business days and do not include the day we


receive them.

- For initial submissions, the day of receipt ends at 4pm; we will treat documents received after this time as received the following day.
- Delays resulting from failure to comply with FCA processes will not affect compliance with the standards in L1, such as one (or more) of the following:
 - outstanding document vetting fee
 - significant eligibility concerns have not been addressed
 - a draft document submitted is substantially incomplete

| April 2017 to March 2018 performance | | | | | |
|--------------------------------------|---|---|--|---------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| L3.1 | To provide a substantive reply to other queries received in writing, or provide a request for further substantive information | (Voluntary) substantive reply in 5 working days |  | (100 %) | 228 / 228 |
| Rag rating | Green (Target) ≥ 95% | Amber 95% > L3.1 ≥ 90% | Red < 90% | | |

We will send firms that have applied to become a sponsor⁶ a substantive reply or request for further substantive information within 10 working days of receiving their application. This also applies to further submissions.

The protections of premium listing require a premium listed company to seek advice from an accredited sponsor firm about complex transactions. Applications from firms to become a sponsor are typically lengthy and we often require further information. We will aim to provide a response or a request for further substantive information within 10 working days.

| April 2017 to March 2018 performance | | | | | |
|---|---|--|--|-------|------------------------|
| I.D | Standard | Target | Performance | % | Cases met / applicable |
| L5.1 | To provide a substantive reply to a sponsor applications received in writing or request for further substantive information | (Voluntary) substantive reply in 10 working days |  | (75%) | 3 / 4 |
| There were 4 submissions received during the 12 month period and 1 of these received a response 3 days late due to a handling error which has now been addressed. | | | | | |
| Rag rating | Green (Target) ≥ 95% | Amber 95% > L5.1 ≥ 90% | Red < 90% | | |

⁶ A person must be approved under section 88 of FSMA by the FCA to be a sponsor