

## Service Standards

November 2016

Our service standards are the performance levels we aim to meet when carrying out our regulatory functions. These include voluntary commitments and the statutory commitments in the Financial Services and Markets Act 2000 (FSMA), as well as other legislation.

The standards apply to a range of our services, including how we deal with telephone enquiries, correspondence and applications. We provide information about:

- key areas of our service
- how we are performing
- how firms and consumers assess their levels of satisfaction with our service

We have target timescales, although occasionally we need to take more time to ensure we make the right decision.

We currently have 67 service standards – there were 54 in 2013/14 at the FCA inception. This increase was driven by:

- the addition of standards under the Payment Services Regulations (PSRs) and Electronic Money Regulations (EMRs)
- the distinction between the new credit authorisation activity and the rest of our authorisation activity



**Note: those marked 'N/A' received no applicable cases.**

# Contents

<b>1</b>	Authorisations and consumer credit	3
<b>2</b>	Communications	6
<b>3</b>	Complaints against the FCA	15
<b>4</b>	Listing	16
<b>5</b>	Notifications	20
<b>6</b>	Payment Services Regulations & Electronic Money Regulations	25
<b>7</b>	Regulatory decisions	29
<b>8</b>	Customer satisfaction	34

# 1.

## Authorisations and consumer credit

### Service Standard [A1.1] – Statutory

#### To process a complete application for part 4A permission

In the UK’s financial services industry, all activities classed as regulated activities are covered by the ‘general prohibition.’ This means that no individual or firm can carry on these activities lawfully without being authorised to do so, or exempted from the general prohibition under section 19 of FSMA.

If an individual or firm is not exempt under FSMA, it must apply to the FCA for a ‘part 4A permission’ to carry out any regulated activities. The FCA Handbook sets out the instances in which permission is required, and how an individual or firm should apply for that permission.

In a ‘complete’ application, an individual or firm has answered all the questions and supplied the required information and documents in the relevant application pack.

An ‘incomplete’ application does not have the relevant documents and required information. This will only be treated as a complete application once the required information has been received.

Note: Consumer credit figures are defined as applications from firms which were primarily applying for regulated consumer credit activities only.

ID	Target	April 2016 to September 2016 Performance					
		Non Consumer Credit			Consumer Credit		
		%	Cases met	Cases Applicable	%	Cases met	Cases Applicable
A1.1	(Statutory) 100% within six months of a complete application (s55V(1)) or within 12 months of receipt of an incomplete application (s55V(2))	99.2%	624	629	96.4%	3,770	3,910

#### RAG Rating

Green (Target)	100%	Amber	< 100% but ≥ 90%	Red	< 90%
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**A1.1 Non Consumer Credit** - We closed 629 cases over the period, of which five breached the service standard. There were two main reasons for these breaches. First, some of the applications were legally or technically complex, or other concerns required significant investigation, which ultimately led to the service standard being breached. Second, in one instance an applicant had to terminate its relationship with a connected firm before it could be authorised, and the time taken to conclude this process led to a breach. We are closely monitoring cases to ensure we can take appropriate steps to reduce the risk of avoidable breaches.

**A1.1 Consumer Credit** - We closed 3,910 cases over the period and 140 of these breached the service standard. The scrutiny applied to each type of application is based primarily on the conduct risks inherent in the business models and the scale of operations. For example, the Commercial Debt Management and High Cost Short Term Credit business models are deemed high risk given the customer base, many of whom are in vulnerable circumstances and with customers struggling to repay. More complex business models take significantly longer and greater effort to determine, particularly where the FCA considers not authorising a firm. In these high-risk sectors, we have seen an increase in the number of applications closed beyond our service standards; a significant proportion of statutory deadline breaches have occurred in the debt management sector. Processing delays by case teams due to the high volume of cases and difficulties in obtaining information from firms were significant factors in the remaining cases.

Because of the volume of complex cases we are still considering, we expect further breaches. However, since we are processing high volumes of cases within the statutory deadlines, we do not expect the overall percentage of cases that meet deadlines to fall significantly.

## Service Standard [A1.2] – Statutory

### To process Money Laundering registrations.

The relevant provisions relating to a person considered an Annex I<sup>1</sup> financial institution under the Money Laundering Regulations 2007 state that within 45 days of either the date on which we receive a registration application from an Annex I financial institution or, where the application is incomplete, the date on which we receive any further information, we must give the applicant notice:

1. of our decision to register the applicant, or
2. that we are considering not registering the applicant, the reason for this and the right the applicant has to make representations to us within a specified period (which may not be fewer than 28 days)

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
A1.2	(Statutory) 100% within 45 calendar days of receipt of application or receipt of any further required information (Reg 34(4) MLRs)	100%	37	37

#### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

## Service Standard [A2.1] – Statutory

To process applications for the authorisation of new schemes under section 242 for Authorised Unit Trusts (AUT) and regulation 12 for Open Ended Investment Companies (OEIC) and 261C Authorised Contractual Schemes (ACS).

This service standard covers all applications made to us requesting the authorisation of all types of UK-based Collective Investment Schemes.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
A2.1	(Statutory) 100% within 6 months of a complete application or within 12 months of receipt of an incomplete application	100%	20	20

#### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

<sup>1</sup> Annex I to the Capital Requirements Directive

## Service Standard [A3.1] – Voluntary

To process applications for the authorisation of new schemes under section 242 for AUT and regulation 12 for OEIC and 261C for ACS.

This service standard covers all applications made to us requesting the authorisation of all types of UK-based collective investment schemes.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
A3.1	(Voluntary) 100% within two months of receipt for Undertakings for Collective Investments in Transferable Securities (UCITS) and Non-UCITS Retail Schemes. 100% within one month for QIS.	100%	20	20

### RAG Rating

Green (Target)	≥ 75%
Amber	< 75% but ≥ 67.5%
Red	< 67.5%

## Service Standard [A8.1] – Voluntary

To process a complete registration application from a mutual society.

A mutual society is an organisation owned by its members, and run for their benefit or community benefit. These comprise building societies, friendly societies, credit unions, bona fide cooperative societies and benefit of the community societies.

The standard covers not only registering new societies, but also many other types of registration applications submitted by mutual societies.

In a ‘complete registration application,’ the applicant has provided all the required information.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
A8.1	(Voluntary) 90% within 15 working days of receipt	91.7%	2,341	2,553

### RAG Rating

Green (Target)	≥ 90%
Amber	< 90% but ≥ 81%
Red	< 81%

## 2. Communications

Our Contact Centre is the main point of interaction for firms and consumers, so it is important that we are available to provide information when it is needed. We class a telephone call as abandoned when a call ends before we answer it. This will happen if no advisers are available to answer the call promptly and the caller decides to end the call rather than wait. We strive to predict our busiest times to make sure we have people available. Our standards are a measure of how well we do this.

Consumers and firms contact us with important queries that may require urgent attention and we aim to provide them a prompt and high-quality service. We consider a substantive response to be conclusive. Where we cannot provide this within our target timescale, we will keep affected consumers and firms updated with our progress.

Occasionally, we receive requests for information that fall under the Data Protection Act 1998, the Freedom of Information Act 2000, or the Environmental Information Regulations 2004. These requests have their own statutory timescales.

### **Service Standard [CM1.1]**

**To provide a substantive response to letters, emails or faxes we receive via our Customer Contact Centre (firms).**

This standard aims to provide prompt answers to questions from firms or entities that we regulate. The standard applies to correspondence that:

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

This service standard does 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.

## Service Standard [CM1.1b] – Voluntary

To provide a substantive response to EMAIL correspondence from firms or their advisers within two working days.

## Service Standard [CM1.1c] – Voluntary

To provide a substantive response to LETTER correspondence from firms or their advisers within five working days.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
CM1.1b	(Voluntary) 90% within two working days (email)	94.3%	14,001	14,843
CM1.1c	(Voluntary) 90% within five working days (letter)	95.6%	1,056	1,105

### RAG Rating

Green (Target)	≥ 90%
Amber	< 90% but ≥ 81%
Red	< 81%

## Service Standard [CM2.1b] – Voluntary

To provide a substantive response to EMAIL correspondence from consumers within two working days.

## Service Standard [CM2.1c] – Voluntary

To provide a substantive response to LETTER correspondence from consumers within five working days.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases, met	Cases Applicable
CM2.1b	(Voluntary) 90% within two working days (email)	94.4%	18,740	19,850
CM2.1c	(Voluntary) 90% within five working days (letter)	92.6%	1,634	1,764

### RAG Rating

Green (Target)	≥ 90%
Amber	< 90% but ≥ 81%
Red	< 81%

## Service Standard [CM2.3] – Voluntary

The telephone call abandonment rate for calls made directly to the Customer Contact Centre (consumers).

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

ID	Target	April 2016 to September 2016 Performance		
		%	Cases abandoned	Cases Applicable
CM2.3	(Voluntary) not more than 5%	2.2%	811	37,450

### RAG Rating

Green (Target)	≤ 5%
Amber	> 5% but ≤ 5.5%
Red	> 5.5%

## Service Standard [CM2.4] – Voluntary

To answer telephone calls made directly to the Customer Contact Centre (consumers).

We are frequently contacted via telephone, so answering calls quickly is an important part of the service we offer. 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 this standard.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
CM2.4	(Voluntary) 80% within 20 seconds	84.6%	31,687	37,450

### RAG Rating

Green (Target)	≥ 80%
Amber	< 80% but ≥ 72%
Red	< 72%



## Service Standard [CM3.1] – Voluntary

The telephone call abandonment rate for calls made directly to the Customer Contact Centre (firms).

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

ID	Target	April 2016 to September 2016 Performance		
		%	Cases abandoned	Cases Applicable
CM3.1	(Voluntary) not more than 5%	1.6%	1,496	95,113

### RAG Rating

Green (Target)	≤ 5%
Amber	> 5% but ≤ 5.5%
Red	> 5.5%

## Service Standard [CM3.2] – Voluntary

To answer telephone calls made directly to the Customer Contact Centre (firms).

We monitor 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 this standard.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
CM3.2	(Voluntary) 80% within 20 seconds	86.9%	82,657	95,113

### RAG Rating

Green (Target)	≥80%
Amber	< 80% but ≥ 72%
Red	< 72%

## Service Standard [CM4.1] – Voluntary

To process simple oral queries relating to the Code of Market Conduct.

Our Code of Market Conduct is designed to inform the industry about what we consider constitutes market abuse, what we consider does not constitute market abuse, and the factors we consider in making such decisions.

While the Code does provide guidance, it is not intended to be a comprehensive list. Because of this, firms sometimes want us to clarify our position on certain activities. This standard refers to these queries.

We will inform the enquirer that their query has been defined as ‘simple’ at our first point of contact.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
CM4.1	(Voluntary) 90% within 24 hours	N/A	0	0

### RAG Rating

Green (Target)	≥ 90%
Amber	< 90% but ≥ 81%
Red	< 81%

## Service Standard [CM4.2] – Voluntary

To process complex queries relating to the Code of Market Conduct.

Our Code of Market Conduct is designed to inform the industry about what we consider constitutes market abuse, what we consider does not constitute market abuse, and the factors we consider in making such decisions.

While the Code does provide guidance, it is not intended to be a comprehensive list. Because of this, firms sometimes want us to clarify our position on certain activities. This standard refers to these queries.

We will inform the enquirer that their query has been defined as ‘complex’ at our first point of contact.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
CM4.2	(Voluntary) 100% within requested date	100%	0	0

### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

## Service Standard [CM5.1a and b] – Voluntary

To provide a substantive reply to letters from MPs.

There should be 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, and 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, we believe it is important to respond professionally to such letters.

ID	Target	April 2016 to September 2016 Performance			RAG Rating	CM5.1a	CM5.1b
		%	Cases met	Cases Applicable	Green (target)	50%	100%
CM5.1a	(Voluntary) 50% within 15 working days	38.1%	90	236	Amber	< 50% but ≥ 45%	< 100% but ≥ 90%
CM5.1b	(Voluntary) 100% within 30 working days	90.7%	214	236	Red	< 45%	< 90%

CM5.1 & CM5.1b - In the last year we have experienced some operational difficulties with our MP's Letters management system as well as dealing with a number of particular complex issues which has resulted in a dip in our performance.

To address this, we have introduced:

- a Tone of Voice Champion
- Communications Head of Department review of all priority letters
- improved tracking and Management Information systems within current constraints
- daily reporting on progress

We have also begun to put together:

- a best practice resource for colleagues
- standard lines document for colleagues drafting responses to common issues
- updating our internal Intranet (Hub) resource

We plan to implement significant reforms to the MPs' letter process and are also investigating new technologies that give better tracking and management information.

## Service Standard [CM6.1] – Statutory

To reply to ‘right to know’ requests for information made under the Freedom of Information Act 2000.

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. We aim to respond to a minimum of 85% of all ‘right to know’ requests received within the statutory deadline (20 working days).

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
CM6.1	(Statutory) 100% within Legislative deadlines: 20 working days	84.9%	220	259

### RAG Rating

Green (Target)	≥ 95%
Amber	< 95% but ≥ 85.1%
Red	< 85.1%

**CM6.1** - Our target, in line with the Information Commissioner’s monitoring threshold is to complete 85% of all cases received on time. Some requests were closed outside the statutory deadline due to higher than expected volumes of incoming requests received. In some cases, we needed additional time to consider the sensitivities around some of the information being considered for release.

## Service Standard [CM7.1] – Statutory

To reply to ‘subject access’ requests for information made under the Data Protection Act 1998.

The Data Protection Act provides individuals with a right of access (subject access request) to their personal data. We aim to respond to a minimum of 85% of all subject access requests within the statutory deadline (40 calendar days).

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
CM7.1	(Statutory) 100% within Legislative deadlines: 40 calendar days	98.3%	57	58

### RAG Rating

Green (Target)	≥ 95%
Amber	< 95% but ≥ 85.1%
Red	< 85.1%

## Service Standard [CM10.1] – Voluntary

Payment of suppliers – to pay correct invoices from suppliers.

In line with industry best practice, we aim to pay invoices quickly once received. This service standard applies to all correct invoices we receive.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
CM10.1	(Voluntary) 90% within 30 working days of receipt of a correct invoice	96.3	4,617	4,793

### RAG Rating

Green (Target)	≥ 90%
Amber	< 90% but ≥ 81%
Red	< 81%

## **Service Standard [CM11.4] – Voluntary**

To ensure the availability of customer facing Information Services (IS) systems, encompassing the following systems.

### **FCA Register system**

The FCA Register is a public record of financial services firms, individuals and other bodies under our regulatory jurisdiction as defined in FSMA. The system is available Monday to Friday, 7am to 8pm (UK time), except during planned system maintenance.

### **FCA website**

Our website is targeted towards consumers and authorised firms. It delivers information crucial to regulating financial services within the UK. While we aim to make this system available 24 hours a day, it is available Monday to Friday, 7am to 8pm (UK time), except during planned system maintenance.

### **Fee calculator system**

The fee calculator 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). The system is available Monday to Friday, 7am to 8pm (UK time), except during planned system maintenance.

### **GABRIEL (Gathering Better Regulatory Information Electronically) submission system**

GABRIEL is our regulatory reporting system for collecting, validating and storing regulatory data. The system is available Monday to Friday, 8am to 10pm and Saturday to Sunday, 8am to 5pm (UK time), except during planned system maintenance.

ID	Standard	Target	April 2016 to September 2016 Performance		
			%	Cases met	Cases Applicable
CM11.4	To ensure availability of customer facing IS systems.	(Voluntary) 98.5% within Mon- Fri, 7am-8pm	99.6	572,147	574320
	To ensure availability of the FCA Register system.	Mon- Fri, 7am-8pm	100	101,400	101,400
	To ensure availability of the FCA website.	Mon- Fri, 7am-8pm	100	266,394	266,394
	To ensure availability of the Fee Calculator system.	Mon- Fri, 7am-8pm	100	99,840	99,840
	To ensure availability of the GABRIEL system.	Mon- Fri, 8am-10pm	98.0	104,513	106,680

RAG Rating

Green (Target)	Amber	Red
≥ 98.5%	< 98.5% but ≥ 88.6%	< 88.6%

**CM11.4 GABRIEL** - GABRIEL availability was impacted in April, July and September because of infrastructure issues. In April, GABRIEL was unavailable on three separate occasions for a total of nine hours because of a network capacity issue. This has now been resolved.

On 21 July 2016, GABRIEL was impacted by an issue with our Active Directory authentication service. As part of a Service Improvement Plan, several maintenance activities have been implemented to improve performance.

A major IT incident occurred on 23 September 2016 due to a physical hardware problem at our externally hosted Data Centre. Consequently, GABRIEL was unavailable for most of the day. The hardware fault has since been rectified.

### 3.

## Complaints

The Complaints Scheme was set up in April 2013 in line with the Financial Services Act 2012, which requires the FCA (as well as the other regulators covered by the scheme) to have arrangements in place to investigate complaints made about alleged actions or inactions under the Act. The following standards relate to the time we take to respond to and deal with complaints received.

### Service Standard 1 (Voluntary) – 95% Within Ten Working Days of Receipt

The area that is subject to the complaint (local area) should complete an investigation into the complaint and send a response to the complainant within ten working days of receipt.

This should inform the complainant of their right to ask for a Stage One investigation.

### Service Standard 2 (Voluntary) – 95% Acknowledge Within Five Working Days Of Receipt

To acknowledge a complaint within five working days of its receipt, as detailed in paragraph 6.1 of the scheme.

The complainant should be provided with a leaflet explaining how the Complaints Scheme works.

### Service Standard 3 (Voluntary) – 95% Within 20 Working Days of Receipt

Within 20 working days of receiving a complaint, to either complete our investigation into the complaint or provide a reasonable timescale that we plan to deal with the complaint. Paragraph 6.4 of the Complaints Scheme details this.

To ensure an accurate response, we may ask for further written information from complainants; we may not be able to progress our investigation until we receive this information.

We aim to resolve all complaints as soon as possible and will write to complainants regularly to keep them informed of their complaints' progress.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
1	Local Area: 95% within ten working days of receipt	97.7	86	88
2	Stage 1: acknowledge 95% within five working days of receipt	98.2	436	444
3	Stage 1: 95% within 20 working days of receipt	96.0	288	300

#### RAG Rating

Green (Target)	≥ 95%
Amber	< 95% but ≥ 85%
Red	< 85%



# 4.

## Listing

### Service Standard [L1.1] – Voluntary

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<sup>2</sup> and preparing a prospectus for the first time.

Prospectuses<sup>3</sup> require approval by the UK Listing Authority (UKLA), which is part of the FCA, before being used to undertake a public offer or with an Initial Public Offering. A draft prospectus must be submitted in substantially complete form to the FCA's UKLA Department for vetting. We then aim to comment on the initial submissions of this type of document within ten clear business days.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
L1.1	Comment on submissions within ten working days.	100	42	42

#### RAG Rating

Green (Target)	≥ 95%
Amber	< 95% but ≥ 90%
Red	< 90%

### Service Standard [L1.2] – Voluntary

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.

For those documents submitted to the UKLA Department for approval that do not fall under L1.1 above (principally prospectuses and circulars<sup>4</sup> issued by already listed companies), we will aim to comment within five working days, if the document has been submitted in substantially complete form.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
L1.2	Comment on submissions within five working days.	99.7	371	372

#### RAG Rating

Green (Target)	≥ 95%
Amber	< 95% but ≥ 90%
Red	< 90%

<sup>2</sup> Offer of transferable securities to the public as defined in s102B of FSMA.

<sup>3</sup> A prospectus is a document required under the prospectus directive.

<sup>4</sup> A document issued by a company to its shareholders; generally, these documents will be seeking their approval in relation to certain proposals.

## Service Standard [L1.3] – Voluntary

To comment on subsequent proofs of documents as follows:

- [L1.3a] within five clear business days from the day of receipt for comments on subsequent proofs of a 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.
- [L1.3b] within three clear business days from the day of receipt for comments on subsequent proofs of a 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

All documents requiring approval by the FCA before publication must be submitted in substantially complete form to the UKLA Department. 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 three or five working days, depending on the document.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
L1.3a	(Voluntary) >95% within five clear working days of receipt	96.7	148	153
L1.3b	(Voluntary) >95% within three clear working days of receipt	99.7	368	369

### RAG Rating

Green (Target)	≥ 95%
Amber	< 95% but ≥ 90%
Red	< 90%

## Service Standard [L2.1] – Voluntary

To provide a substantive reply to complaints within five working days, or acknowledged within two days and replied to within 15 working days.

We try to respond to complaints quickly and helpfully. Due to our confidentiality obligations, our freedom to reply to a complaint is often limited. In addition, complaints can sometimes be unclear; they may be complex and, on scrutiny, often partially or fully relate to the responsibilities of regulatory bodies other than the FCA.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
L2.1	Substantive reply with 15 working days	98.3	58	59

### RAG Rating

Green (Target)	≥ 95%
Amber	< 95% but ≥ 90%
Red	< 90%

## Service Standard [L3.1] – Voluntary

To provide a substantive reply to other queries received in writing, or provide a request for further substantive information.

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 five 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 UKLA reserves the right to treat further drafts substantially redrafted or resubmitted only after long delays in initial submissions. In such cases, the issuer or its adviser will be informed as soon as practicable after the draft is submitted.
- The periods referred to in items L1, L2, and L3 are clear business days and do not include the day of receipt by the UKLA.
- For initial submissions, the day of receipt ends at 4pm; documents received after this time will be recorded as received the following day.
- Delays resulting from failure to comply with UKLA processes will not affect compliance with the standards in L1, such as one (or more) of the following:
  - a. a document vetting fee is outstanding
  - b. significant eligibility concerns have not been addressed
  - c. a document draft submitted is substantially incomplete

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
L3.1	Substantive reply in five working days	96.1	200	208

### RAG Rating

Green (Target)	≥ 95%
Amber	< 95% but ≥ 90%
Red	< 90%

## Service Standard [L5.1] – Voluntary

To provide a substantive reply to sponsor applications received in writing or request for further substantive information.

Firms that have applied to become a sponsor<sup>5</sup> will receive a substantive reply or request for further substantive information within ten clear working days of receipt. Further submissions will also receive a reply or a request for further substantive information within ten clear working days of receipt.

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 to support a decision to approve the application. We will aim to provide a response or a request for further substantive information within ten days.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
L5.1	Substantive reply in ten working days	100	2	2

### RAG Rating

Green (Target)	≥ 95%
Amber	< 95% but ≥ 90%
Red	< 90%

<sup>5</sup> A person must be approved under section 88 of FSMA by the FCA to be a sponsor.

## 5.

# Notifications

### Service Standard [N1.1] – Voluntary

To process a complete notification for appointed representative status.

An appointed representative is a firm or individual that an authorised person (a principal) has contracted to carry on certain regulated activities on its behalf. The principal is responsible for the appointed representative complying with FSMA, and our rules.

Since the principal is already authorised, and has agreed to accept responsibility for the appointed representative's activities, the appointed representative does not need to be authorised by us. This means that we can process relatively quickly notifications by a principal of its appointed representatives.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
N1.1	(Voluntary) 95% within five working days of request	95.3%	8,636	9,062

#### RAG Rating

Green (Target)	≥ 95%
Amber	< 95% but ≥ 85.5%
Red	< 85.5%

## Service Standard [N2.1] – Voluntary

To process a complete ‘post-event notification’ to change the FCA’s static data on a regulated firm.

Static data is the basic information we hold on the firms that we regulate, such as names, addresses and contacts within firms.

Static data must be kept up to date because it is used not only throughout the FCA, but also by the FOS, the FSCS and Financial Services Register users.

Regulated firms must inform us of a change to their static data. A ‘post-event notification’ is where a firm informs us after it has changed its static data.

Mutual Societies have a separate process for changes to data related to a firm’s name and registered office address, and this is covered by standard A8.1.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
N2.1	(Voluntary) 95% within five working days of receipt	99.3%	3,467	3,493

### RAG Rating

Green (Target)	≥ 95%
Amber	< 95% but ≥ 85.5%
Red	< 85.5%

## Service Standard [N2.2] – Voluntary

To process a complete ‘pre-event notification’ to change the FCA’s static data on a regulated firm.

Static data is the basic information we hold on the firms that we regulate, such as names, addresses and contacts within firms.

Static data must be kept up to date because it is used not only throughout the FCA, but also by the FOS, the FSCS and Financial Services Register users.

Regulated firms must inform us of a change to their static data. A ‘pre-event notification’ is when a firm informs us before the static data changes.

Mutual societies have a separate process for changes to data relating to a firm’s name and registered office address, and this is covered by standard A8.1.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
N2.2	(Voluntary) 95% within five working days of receipt	100%	77	77

### RAG Rating

Green (Target)	≥ 95%
Amber	< 95% but ≥ 85.5%
Red	< 85.5%

## Service Standard [N3.1] (Inward Establishment) – Statutory

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.

Under passporting rights, introduced by the single market directives, 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 invoke this right, the directives require the firm to notify the FCA, through its own home state regulator, of its intention to do business in the UK.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
N3.1	(Statutory) 100% within two months of receipt (Sch 3, 13)	98.3%	119	121

### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

**N3.1** - The two cases that breached the service standard were complex and required extensive liaison with stakeholders.

## Service Standard [N3.2] (Inward Service) – Statutory

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.

Under passporting rights introduced by the single market directives, 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 invoke this right, the firm must notify us, via its own home state regulator, of its intention to do business in the UK.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
N3.2	(Statutory) 100% within two months of receipt (Sch 3, 14)	98.9%	469	474

### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

**N3.2** - Five cases breached the service standard due to case officer error, system issues and complex cases. Increased training and monitoring is in place to address similar cases in the future.

## Service Standard [N4.1] (Outward Establishment) – Statutory

To process a notification from an FCA-authorized firm to carry out business in another EEA member state, under ‘freedom of establishment,’ within the timeframe set by the relevant directive.

A firm authorised by the FCA to carry on regulated activities in the UK has the right, under the single market directives, to carry on business in another EEA member state. If a firm intends to create an establishment in another EEA member state, it must inform us. If we are satisfied that the notification meets all the relevant requirements, we will inform the regulator in the host country of the firm’s intention, within the timescale set out in the relevant directive.

The right to carry on regulated activities across the EEA is called ‘passporting’ in the Handbook.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
N4.1	(Statutory) 100% within three months of receipt (Sch 3, 19) [Note that the required period is less under some directives]	92.4%	109	118

### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

**N4.1** - Nine cases breached the service standard due to case officer error, system issues and complex cases. Increased training and monitoring is in place to address similar cases in the future.



## Service Standard [N5.1] (Outward Service) – Statutory

To process a notification from an FCA-authorized firm to carry out business in another EEA member state, under ‘freedom of services,’ within the timeframe set by the relevant directive.

A firm authorised by the FCA to carry on regulated activities in the UK also has the right, under the single market directives, to carry on business in another EEA member state. If the firm intends to do this, then it must inform us. If we are satisfied that the notification meets all the relevant requirements, we will inform the regulator in the host country of the firm’s intention, within the timescale set out in the relevant directive.

The right to carry on regulated activities across the EEA is called ‘passporting’ in the Handbook.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
N5.1	(Statutory) 100% within one month of receipt (Sch 3, 20)	97.8%	349	357

### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

**N5.1** - Eight cases breached the service standard due to case officer error, system issues and complex cases. Increased training and monitoring is in place to address similar cases in the future.

## 6.

# Payment Services Regulations & Electronic Money Regulations

Under the Payment Services Regulations 2009 (the PSRs), a UK firm that provides payment services (as defined in the PSRs) by way of business in the UK, needs to apply to us to become either an 'authorised' payment institution or 'registered' as a small payment institution, unless it is already another type of payment service provider or is exempt.

In general, a UK firm that intends to issue electronic money (as defined in the Electronic Money Regulations 2011 (the EMRs)) by way of business in the UK, needs to apply to us to become either an 'authorised' electronic money institution or 'registered' as a small electronic money institution, unless it is already authorised as an electronic money issuer with part 4A permission under FSMA or is exempt.

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

When firms initially apply to us, they set out in detail the payment services they wish to provide, and are registered by us for those services. Where a registered small payment institution or small electronic money institution intends to change the payment services it provides (either by increasing or decreasing the range), it needs to apply to us for approval.

Supplying the information requested on the application form will not necessarily be enough for the application to be 'complete.' We often have to ask additional questions to clarify or expand on the answers already given, and for additional documentation to be requested. An application is complete only when we have received all required information and evidence.

## Service Standard [PS1] – Statutory

To process a complete application for authorisation under the PSRs 2009.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
PS1	(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%	28	28

### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

## Service Standard [PS2] – Statutory

To process a complete application for authorisation under the EMRs 2011.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
PS2	(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%	20	20

### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

## Service Standard [PS3] – Statutory

To process a complete application for registration under the PSRs 2009.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
PS3	(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%	72	72

### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

## Service Standard [PS4] – Statutory

To process a complete application for registration under the EMRs 2011.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
PS4	(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% but ≥ 90%
Red	< 90%

## Service Standard [PS5] – Statutory

To process a complete application for a variation of registration under the PSRs 2009.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
PS5	(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% but ≥ 90%
Red	< 90%

## Service Standard [PS6] – Statutory

To process a complete application for a variation of registration under the EMRs 2011.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
PS6	(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	N/A	0	0

### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

## Service Standard [PS7] – Statutory

To process a complete application for a variation of authorisation under the PSRs 2009.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
PS7	(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

### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

## Service Standard [PS8] – Statutory

To process a complete application for a variation of authorisation under the EMRs 2011.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
PS8	(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	N/A	0	0

### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

# 7.

## Regulatory decisions

### Service Standard [R1.1a] – Statutory & [R1.1b] – Voluntary

To process an application for ‘approved person’ status.

A firm applying to carry on regulated activities must also apply under Part 4 of FSMA for approval of one or more individuals to perform the controlled functions on its behalf once authorised (‘its approved person(s)'). The Handbook contains a list of all the controlled functions that approved persons might perform.

Once authorised, the firm may decide to apply for approval to replace or add to its approved person(s).

The FCA must be satisfied that approved persons are fit and proper, meaning that they have the integrity, ability and financial soundness to perform their role and comply with the code of conduct set out in the Handbook.

ID	Target	April 2016 to September 2016 Performance					
		Non Consumer Credit			Consumer Credit		
		%	Cases met	Cases Applicable	%	Cases met	Cases Applicable
R1.1a	(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))	99.97%	11,714	11,718	92.66%	240	259
R1.1b	(Voluntary) 85% in five days for customer function and ten days for Significant Influence Function (SIF)	87.8%	10,292	11,718			

#### RAG Rating

	Green (Target)	Amber	Red
R1.1a	100%	< 100% but ≥ 90%	< 90%
R1.1b	≥85%	< 85% but ≥ 76.5%	< 76.5%

**R1.1a Non Consumer Credit** – Of the 11,718 cases determined during the period, four breached the service standard. These were due to system errors, which have now been corrected. Additional controls have been put in place to minimise the risk of recurrence.

**R1.1a Consumer Credit** – We closed 259 cases over the period. We met our service standards for most ‘standalone’ approved person applications. Due to system errors, some cases (19) were not identified in time to assess or follow our process within our deadlines. The system errors have now been corrected. Most of the breaches were approved person applications considered as part of an application for part 4A permission or a variation of permission. For approved persons connected to this type of application, we put the approved person case ‘on hold’ while we consider the application – this means the timeframe used for measuring against the statutory deadline is suspended. Breaches of this nature are considered technical, in that they did not impact the applicants.

## Service Standard [R2.1] – Statutory

**To consider notice of a proposed alteration to a collective investment scheme and, if appropriate, issue a warning notice.**

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.

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

We must be informed in writing of any proposed changes to certain features of an authorised OEIC (under regulation 21 of the Open-Ended Investment Companies Regulations 2001). We need to be satisfied that any changes 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.

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 one month from the date we received notice.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
R2.1	(Statutory) 100% within one month of receipt	N/A	0	0

### RAG Rating

Green (Target)	100%
Amber	< 100% but $\geq$ 90%
Red	< 90%

## Service Standard [R5.1] – Statutory

To process a complete application from an authorised firm for variation of permission.

When firms apply to us for authorisation, they set out in detail the regulated activities they wish to carry on, and receive a ‘part 4A permission.’ Firms may subsequently 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.

These applications are known as applications for variation of permission.

ID	Target	April 2016 to September 2016 Performance					
		Non Consumer Credit			Consumer Credit		
		%	Cases met	Cases Applicable	%	Cases met	Cases Applicable
R5.1	(Statutory) 100% within 6 months of becoming complete (s55v(1)) or 12 months of receipt of an incomplete application (s55v(2))	99.8%	1,096	1,098	96.4%	1,115	1,127

### RAG Rating

Green (Target)	Amber	Red
100%	< 100% but ≥ 90%	< 90%

**R5.1 Non Consumer Credit** - Two breaches occurred during the six month period. The first case was not assessed as complete in a timely manner and within service standard agreed timescales. We have reviewed and put in place measures to minimise the risk of recurrence. The second case breached the statutory deadline to achieve the correct regulatory outcome.

**R5.1 Consumer Credit** - We closed 1,127 cases over the period and met our service standards for most variation of permission applications. Twelve cases breached the service standard. The main reason for breaches related to processing delays by case teams due to the high volume of cases and the complexity of the change in business model. Difficulties in obtaining information from firms was also a significant factor.



## Service Standard [R6.1] – Statutory

To make a decision after receiving a ‘complete’ 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-authorized firm or a parent of a UK-authorized firm. Controllers and firms must notify us before acquiring or increasing control (in line with part 12 of FSMA).

We must be notified when a proposed controller: acquires shares or voting power that takes its control to 10% or more in a directive firm; increases its shareholding levels to 20% or more, to 30% or more and to 50% or more; becomes a parent undertaking (non-directive firms are subject to only one controller band of 20% or more); or will be able to exercise significant influence over the management of the firm because of the holding of shares or voting power.

Once we receive notification, we will decide whether to approve the change or issue a warning notice.

ID	Target	April 2016 to September 2016 Performance					
		Non Consumer Credit			Consumer Credit		
		%	Cases met	Cases Applicable	%	Cases met	Cases Applicable
R6.1	(Statutory) 100% within 60 working days of acknowledgment of receipt (s189(1))	100%	507	507	N/A	0	0

## Service Standard [R8.1] – Statutory

To determine a complete application for 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 within permission would involve a variation of permission. 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 appears to be detrimental to the interests of consumers or potential consumers. This may be the case, for example, if a firm has outstanding customer complaints.

ID	Target	April 2016 to September 2016 Performance					
		Non Consumer Credit			Consumer Credit		
		%	Cases met	Cases Applicable	%	Cases met	Cases Applicable
R8.1	(Statutory) 100% within 6 months of becoming complete (s55V(1)) or 12 months of receipt of an incomplete application (s55V(2))	100%	447	447	100%	531	531

### RAG Rating

Green (Target)	Amber	Red
100%	< 100% but ≥ 90%	< 90%

## Service Standard [R10.1] – Statutory

To process a notification of changes by an FCA-authorized firm already carrying out business in another EEA member state, under ‘freedom of establishment,’ within the timeframe set by the relevant directive.

A firm authorised by the FCA to carry on regulated activities in the UK also has the right, under the single market directives, to carry on business in any other EEA member state.

If a UK firm has an establishment in another EEA member state and wishes to change the previously notified details relating to that establishment, it must inform us of the changes, in accordance with the requirements in the relevant directive for the activities.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
R10.1	(Statutory) 100% within one month of notification	99.4%	10,834	10,898

### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

**R10.1** - Sixty-four of 10,898 cases breached the service standard due to case officer error, system issues and complexity. Increased training and monitoring is in place to address this in the future.

## Service Standard [R10.2] – Statutory

To process a notification of changes by an FCA-authorized firm already carrying out business in another EEA member state, under ‘freedom of services,’ within the time frame set by the relevant directive.

A firm authorised by the FCA to carry on regulated activities in the UK also has the right, under the single market directives, to carry on business in any other EEA member state.

If a UK firm wishes to change any previous details about its passport into another EEA member state on a services basis, then it must inform us of the changes, in accordance with the requirements in the relevant directive for the activities.

ID	Target	April 2016 to September 2016 Performance		
		%	Cases met	Cases Applicable
R10.2	(Statutory) 100% within one month of notification	99.4%	309	311

### RAG Rating

Green (Target)	100%
Amber	< 100% but ≥ 90%
Red	< 90%

**R10.2** - The two cases that breached the Service Level Agreement were complex and required extensive liaison with stakeholders.

## 8.

# Customer satisfaction

## Customer Satisfaction [CS2.1 & CS2.2]

We offer our customers a post-call survey to measure our Customer Contact Centre's performance. The standards below relate to our latest customer satisfaction score.

We are reviewing our current service standards in line with our commitment to improve our service. The results below cover the customer satisfaction index for enquiries made to the centre between April 2016 and September 2016.

ID	Standard	Target	April 2016 to September 2016 Performance
			%
	Customer satisfaction index for enquiries made to the Customer Contact Centre		
CS2.1	Consumers – Telephony	>80% satisfaction	93.0%
	Consumers – Email	>80% satisfaction	71.9%
CS2.2	Firms – Telephony	>80% satisfaction	86.6%
	Firms – Email	>80% satisfaction	73.8%

### RAG Rating

Green (Target)	Amber	Red
>80%	>60% but <80%	<60%

**CS2.1 & CS2.2** – Our email satisfaction scores have consistently tracked lower than our telephony scores. We have worked on several initiatives to improve this and have introduced a 'service recovery' model to identify, intervene and resolve dissatisfaction or errors. This has helped improve the scores. For consumers, the last six months has seen an improvement from 71.9% in the previous period to 73.6% in the first half of this year. For firms, responses improved from 73.8% in the previous period to 80.1% in the first half of this year. We continue to look for areas to improve, informed by benchmarking our performance against similar service offerings.

# Methodology

A sample of stakeholders who have dealt with the Customer Contact Centre (consumers and firms) are offered the chance to complete a survey, which includes questions about their experience of the person they interacted with. Those who choose to participate in the survey complete a brief telephone or online questionnaire, the results of which are populated into Customer Relationship Management software (Salesforce) almost real-time so our people can see their results. We use the responses to produce an overall customer satisfaction rating.

## Research methodology

To gather the results, we offer our customers an opportunity to complete a short series of questions in which they are given the choice to rate their experience with us. As part of this, we offer a facility whereby our customer can leave verbatim comments to describe and explain why they had either a positive, neutral or negative experience. This information is collated via Salesforce and recorded against the record for their interaction, together with other relevant data. This is then analysed to enable us to understand any trends that are affecting our customer experience. The overall satisfaction rating derives from two questions in the survey see below; they ask customers to rate how satisfied they were with different aspects of their interaction with us.

A monthly summary report is produced and shared with the Contact Centre Management Team for review and action.

## Statistical methodology

The satisfaction rating derives from two questions in the survey. They ask customers to rate how satisfied they were with different aspects of their interaction with us. Both questions have a 0–9 rating scale. Once answered, this allows us to generate a percentage score for the two questions, which we can then separate for our firm and consumer experiences.

We also ask other questions and gather information that allow us to monitor, track and review other drivers of customer satisfaction. These results are used internally to affect change and improvement in the customer experience.