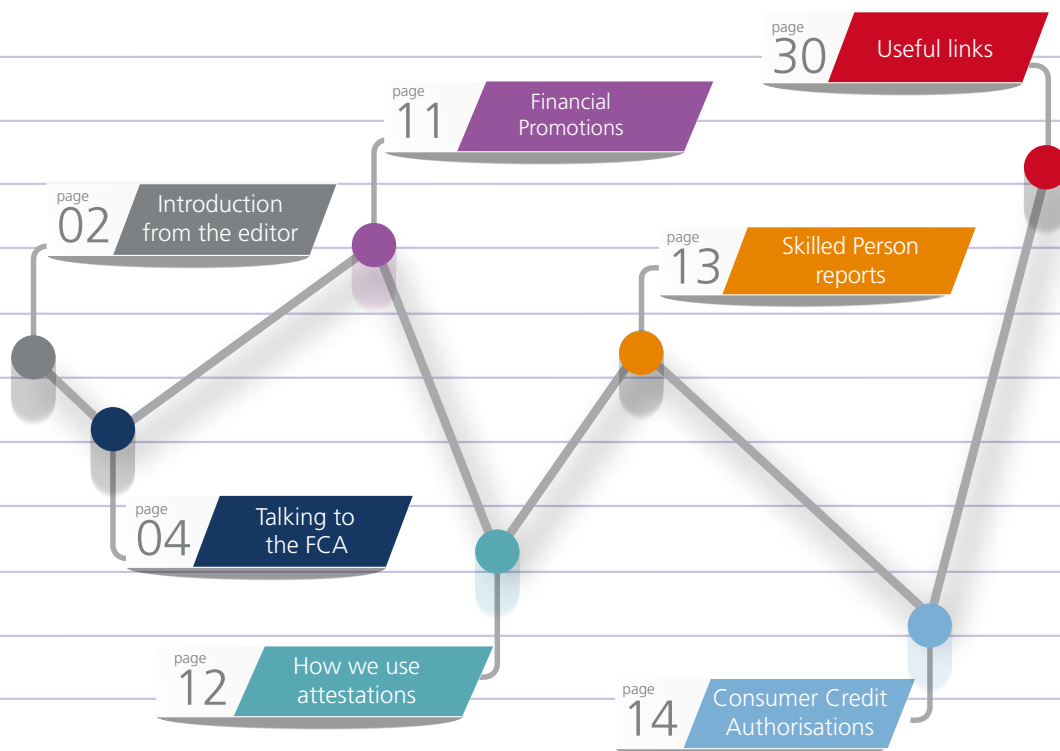


# Data Bulletin

October 2015

Issue 4

## In this issue



# Introduction from the editor



**Jo Hill**  
Director of Market Intelligence,  
Data & Analysis

This edition marks the one year anniversary of the Data Bulletin. Since when we have created our new Market Intelligence, Data & Analysis division, which is helping to build on our market-focused approach to regulated firms, products and consumers.

In the last edition we discussed how consumers interact with our Contact Centre. In this edition we will build on this by looking at other channels consumers and firms use to communicate with us. These include requests received by the FCA under the Freedom of Information Act and the number of complaints received against the FCA. We have also included several other updates on data from our previous publications including data on the authorisation process for consumer credit firms.

You can read more about what we do and how we operate in our [Annual Report \(2014/15\)](#).

In an effort to improve the Data Bulletin, we are conducting a [survey](#). Please do take two minutes to complete it, as your input will help shape future editions.

If you have any other comments or questions, as always, please also email us: [fcadataandanalysis@fca.org.uk](mailto:fcadataandanalysis@fca.org.uk)

Kind regards,

Jo Hill

Director of Market Intelligence, Data & Analysis

## Contents

<b>What we will cover in this issue</b>	3
<b>Talking to the FCA</b>	4
- Innovation Hub	4
- Letters from Members of Parliament	5
- Freedom of Information Act requests	7
- Complaints against the FCA	9
<b>Data updates from previous editions</b>	11
- Financial Promotions	11
- How we use attestations	12
- Skilled Person reports	13
<b>Consumer Credit Authorisations</b>	14
<b>Useful links</b>	30

# What we will cover in this issue

This bulletin gives us the opportunity to highlight some of the data that we believe will be of interest to you. Here is a brief summary of what we will be covering in this edition.

## Talking to the FCA

While our Contact Centre is the main point of contact for consumers and firms, we also use other channels to talk to our stakeholders.

Here we have an update on the Innovation Hub as well as looking at core statistics about the volumes of letters received from Members of Parliament, information requests made under the Freedom of Information Act, and complaints that we receive against us.

## Financial promotions

In each bulletin we publish statistics about how we review and act on certain financial promotions.

## How we use attestations

Attestations are a tool that we use to ensure that firms are focused on resolving specific issues.

In this issue we provide an update on attestation statistics, including breakdowns by firm classifications and sectors.

## Skilled Person Reports

As well as attestations we also use Skilled Person Reports to conduct independent reviews of regulated firms.

On page 16 we look at the sectors in which reviews have been commissioned in Q1 of this financial year.

## Consumer Credit Authorisations

In a supplement to the last Data Bulletin, we published a set of data on the authorisation process for consumer credit firms as at 31 March 2015 and said we would update you on this regularly. This section of the Data Bulletin provides an update as at 30 June 2015.

# Talking to the FCA: Innovation Hub

The Innovation Hub has now been in operation for nine months. The Innovation Hub helps support businesses that are developing innovative approaches that can benefit consumers in financial services markets.

The Innovation Hub has helped innovative businesses to gain access to fast, frank feedback on the regulatory implications of their concepts through the use of informal steers.

Currently, the Innovation Hub is working on several initiatives:

- The Innovation Hub is exploring the feasibility of regulatory 'sandboxes' – safe spaces in which businesses, both authorised and unauthorised can experiment with innovative products.
- The Innovation Hub will be mounting themed weeks designed to stimulate engagement between the FCA and stakeholders with an interest in a particular area of innovation, the first being robo-advice.
- The Innovation Hub published a [Call for Input](#) open until 7 September to learn about specific rules and policies that are restricting innovation or that should be

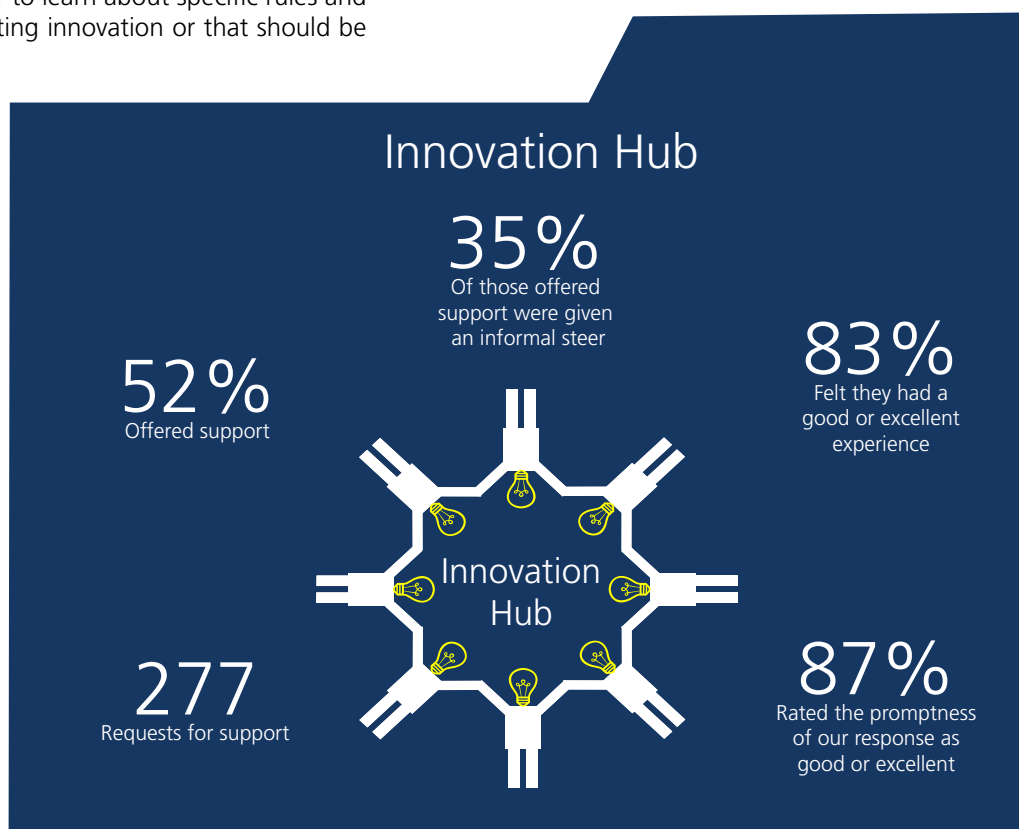
introduced to facilitate innovation in digital and mobile solutions for financial services.

Over nine months the Innovation Hub has received 277 requests for support and supported 52% of these firms. Where support has been provided, 35% have been given an informal steer to help guide their decision-making.

Feedback from businesses has been positive so far, with 83% of respondents agreeing that their overall experience with the Innovation Hub has been good or excellent. Based on this success, the FCA is looking to advance and strengthen the Innovation Hub.

The Innovation Hub plan to give new market entrants an end-to-end experience via a specialised authorisation process, focus on international engagement and build a programme to proactively engage with incumbents.

The Innovation Hub provides regular updates on our progress in fostering innovation, through information in the Data Bulletin. To understand more about the Innovation Hub please see [our website](#).



Data from October 2014 until 31 July 2015. Data correct as at 21 August 2015.

# Letters from Members of Parliament

Members of Parliament (MPs) often contact us with concerns and questions. MPs raise issues on behalf of their constituents as well as expressing their own

concerns. In this section we discuss common themes and trends that we have seen in the letters from MPs.

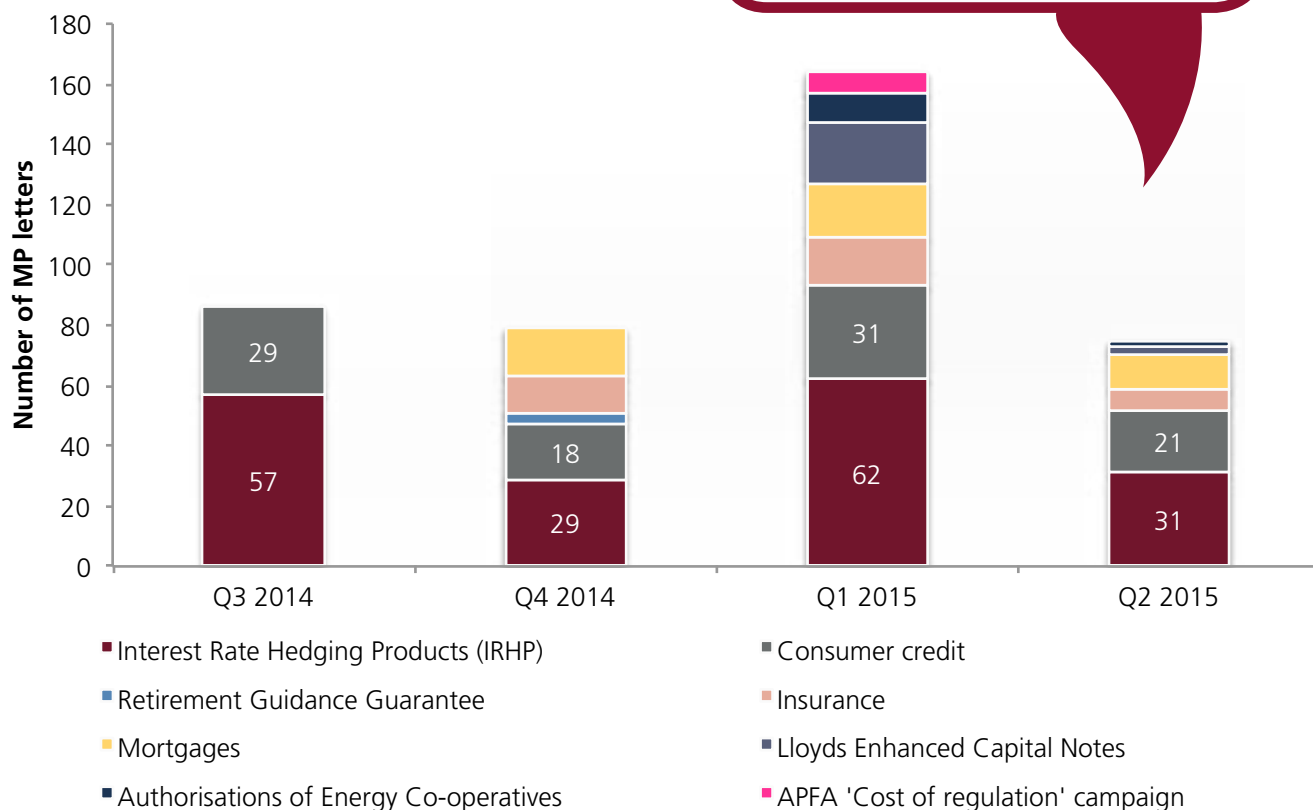


We received a total of 133 letters in the period from 1 April to 30 June 2015. This is a decrease on the previous quarter, when we received 280 letters.

Between 1 March and 31 May 2015 we responded to 50% of the letters within 15 days and 90% of the letters within 30 days.

## Why do MPs contact us?

### Most popular reasons for MPs' letters



In Q2 2015 23% of total letters received from MPs were regarding Interest Rate Hedging Products (IRHP)<sup>1</sup>.

<sup>1</sup> Data from 1 July 2014 to 30 June 2015. During this period we also received a number of other requests, with 162 'Other' requests in Q3 2014, 212 'Other' requests in Q4 2014, 116 'Other' requests in Q1 2015 and 58 'Other' requests in Q2 2015. Some topics were grouped within the 'Other' category due to reasons of confidentiality.

MPs contact us regarding a variety of issues. Consumer credit and interest rate hedging products have remained the most popular topics since early 2014. Letters on interest rate hedging products were responsible for 23% of MPs' correspondence in Q2 2015.

New issues raised by MPs in 2015 include the Registration of Energy Co-operative Societies. The FCA is the registering authority for co-operative and community benefit societies. Over the last few months

we have been carrying out some work to make our policies and website easier for societies to engage with. Although the policies are not new, we have been contacted to ask how they may affect energy projects wishing to register as a society.

Another new reason for MPs' letters was a campaign led by the Association of Professional Financial Advisers (APFA), which focused on the cost of regulation for independent financial advisers.

For more information, please see page 76 of our [Annual Report 2014/15](#).

# Freedom of Information requests

The FCA is subject to the Freedom of Information Act 2000 (FoIA), which gives people the right to request any recorded information that we hold. There are a number of exemptions, which allow us to withhold information in certain circumstances, for example if it is protected under the Financial Services and Markets Act (FSMA). In most cases we must respond to a FoIA request within 20 working days of receiving it.

During the last year<sup>1</sup>, we received 793 requests, of which 573 were progressed as formal FoIA requests. The remainder of the requests were responded to outside of the formal FoIA process.<sup>2</sup>

The most frequent FoIA request topics related to high-profile issues that attracted media coverage, such as information about complaints, mortgages and investigations such as LIBOR.

**FoIA requests increased 24% between the 2013/14 and the 2014/15 financial year.**

## Who are the FoIA requesters?



Consumers

37%



Media

19%



Legal

10%



Service providers/  
management  
consultancies

8%



MPs

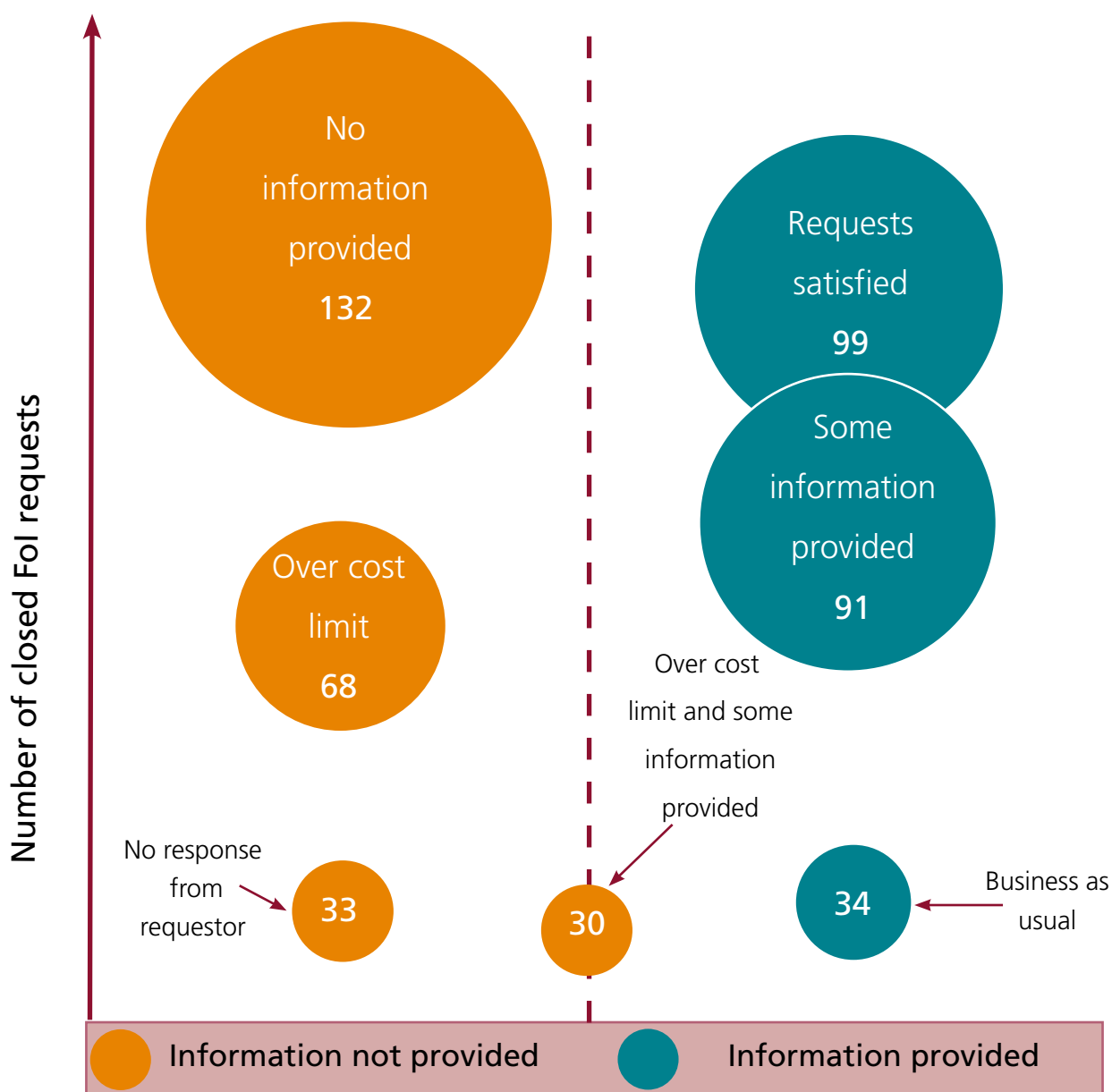
7%

Please note this relates to cases actioned between 1 April 2014 and 31 March 2015. During the same time period 19% of requesters were from other sources including regulated firms, trade bodies and associations, action groups, universities and public relations firms.

<sup>1</sup> Data from 1 July 2014 to 30 June 2015.

<sup>2</sup> We always try, where possible, to answer requests informally so that the requester can get what they want more quickly. If the request is sensitive and/or complex in nature, and may attract one or more exemptions, then we consider it formally under the Act.

## Outcomes of the closed FoI requests



In 38% of cases which were opened in the last year, requests were satisfied in full or some information was provided. Several requests were unfulfilled due to the absence of a response from requesters, requests running over the statutory cost limit or other reasons.

We have the right to refuse requests which cost over £450 to process. For more information about the FCA and the FoIA please see our [website](#).

In some cases the FCA is able to provide information as a 'Business as Usual' request, which means that the information being requested can be provided in full by the business area, which means there is no need to consider it formally under the Act.

For more detailed information, please see page 74 of our [Annual Report 2014/15](#).

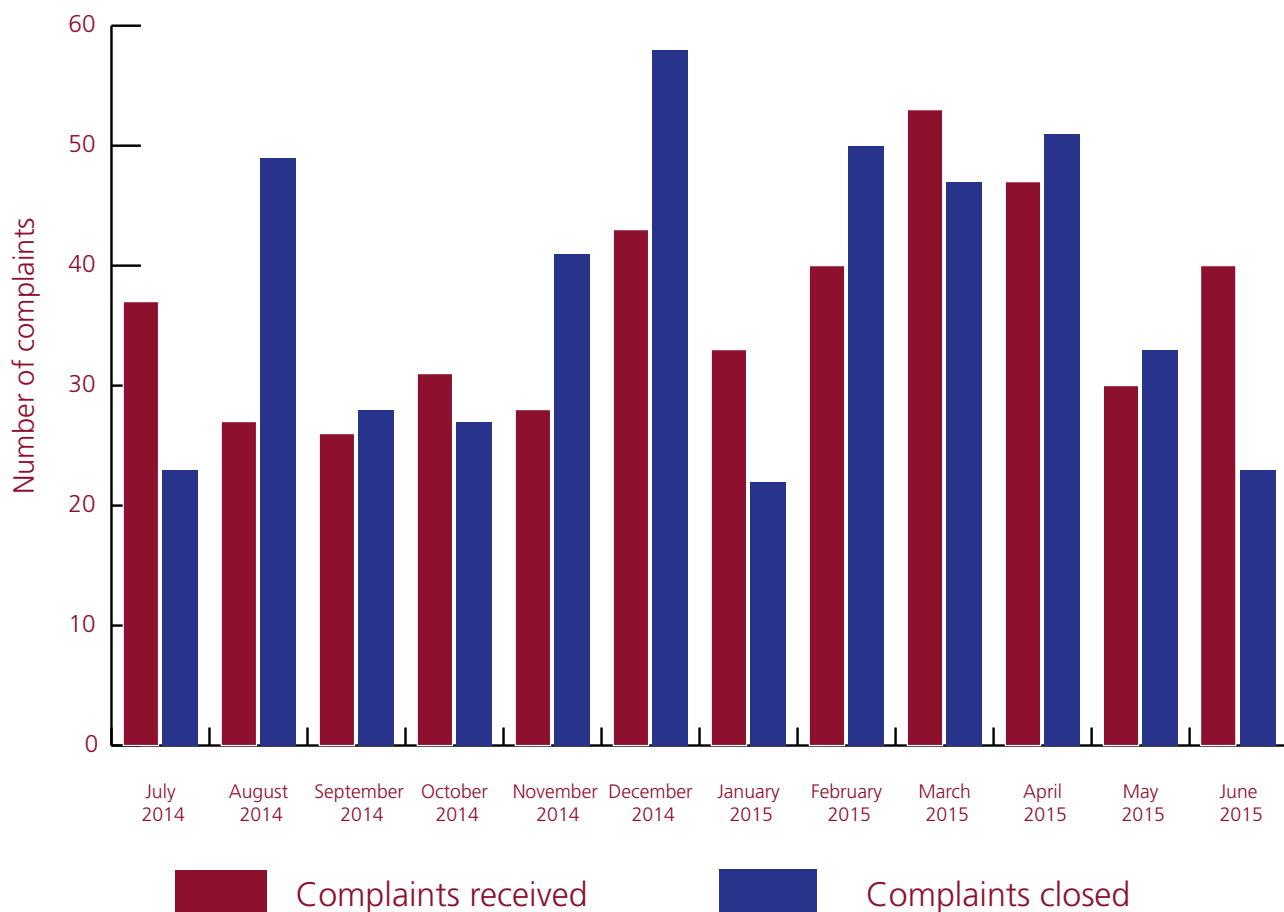


# Complaints against the FCA

The Financial Services Act 2012 requires the FCA, the Prudential Regulation Authority and the Bank of England to have arrangements for the investigation of complaints against them. These arrangements are

known as the Complaints Scheme. Anyone who is directly affected by our actions or inactions – or anyone acting on that person’s behalf – may lodge a complaint against the FCA.

## Number of complaints against the FCA



Between 1 July 2014 and 30 June 2015 we received 435 complaints against the FCA. We have seen an increase in complaints received with 192 between 1 July and 31 December 2014 and 243 between 1 January and 30 June 2015.

## Upheld FCA Complaints

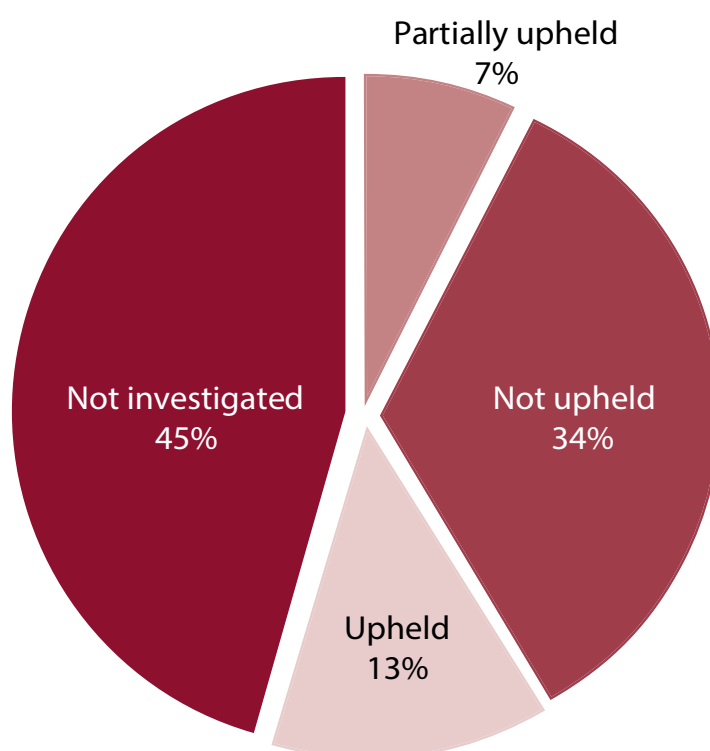
When we receive a complaint against us we decide how best to proceed with it.

In June 2015 we did not investigate 67% of allegations against us. This can be for a variety of reasons including that the complaint is a general expression of

dissatisfaction where no misconduct has been alleged, or that the allegations are excluded, referred, deferred or outside of our scope.

For more data on this, please see the underlying data pack published with this bulletin.

## Outcome of complaints against the FCA



Data from 1 July 2014 until 30 June 2015. Data correct as at 3 September 2015.

The Complaints Commissioner is a statutory appointment under the Financial Services Act 2012. The Commissioner's role is to independently review complaints where the complainant remains unhappy with the regulator's decision.

The Commissioner made 38 formal decisions during 2014/15. In the large majority of these the Commissioner upheld our findings and had no significant criticism of the way in which the complaint had been handled. In only three cases did the Commissioner overturn our findings (in whole or in part).

For more information, please see page 75 of our [Annual Report 2014/15](#).

# Updates from previous editions:

## Financial promotions

In Issue 2 we gave details about how we review financial promotions. In this issue we provide an update for 1 April to 30 June 2015, where we reviewed 749 financial promotions.

During this time 28 cases resulted in one or more promotions being amended or withdrawn through our interaction with firms.

### Cases resulting in an amend/withdraw outcome by sector



Consumer  
credit

39%



Investments

36%



Mortgages

11%



Pensions

11%



General  
insurance

3%

Please note this relates to the 28 cases actioned between 1 April and 30 June 2015.

# How we use attestations

Attestations are a supervisory tool which we use to ensure clear accountability and that a firm’s senior management are focused on resolving specific issues.

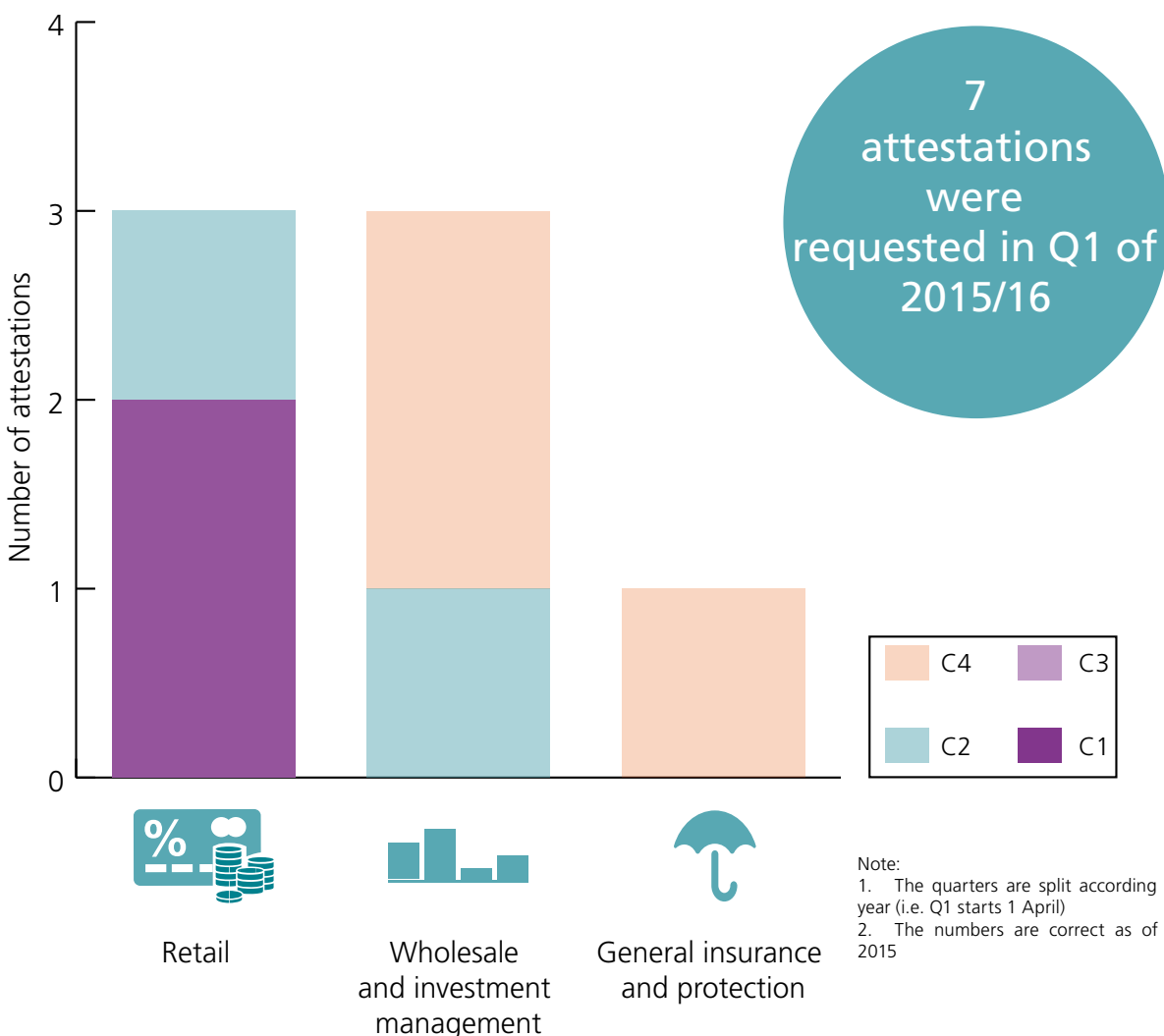
Here we present the number of attestations split by conduct classification and sector.

We assign every firm or group to one of four categories of conduct supervision: C1, C2, C3 and C4. These broadly reflect a firm’s size and retail customer numbers or wholesale presence and the corresponding level of risk the firm potentially poses to our objectives. As part our new strategy we are making changes to our supervisory model, including how we classify firms, to

support a sector-based approach. Part of the change to our model is a move away from the C1-C4 conduct categories that we have previously used. Going forward, firms will now be categorised as either ‘fixed portfolio’ or ‘flexible portfolio’. To understand more about how we classify firms please visit [our website](#).

For more information about how we use attestations please visit [our website](#).

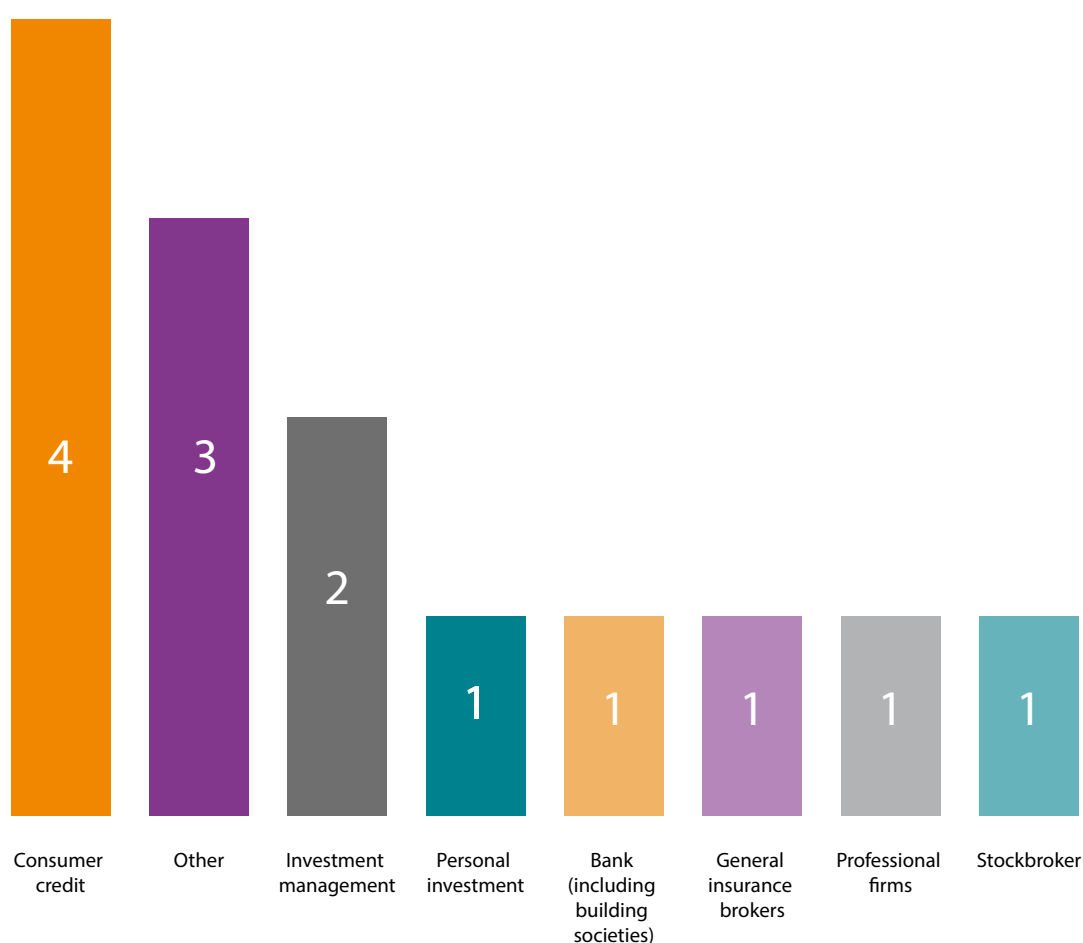
## Number of attestations by sector in Q1 2015/16



# Skilled Person reports

A Skilled Person is a firm, or an individual within a firm, who can provide us with an independent and expert view of an authorised firm's activities in a Skilled Person report. These reports are a regulatory tool that we can use to gain a view on aspects of an authorised firm's activities that cause us concern and that we believe merit further independent analysis.

## Number of Skilled Person reports by sector in Q1 2015/16



Note:

1. The Other category includes Friendly Societies, CIS trustees, CIS administrators, advising and arranging intermediaries (excluding financial advisors and stockbrokers), media firms and service companies.

Between 1 January 2015 and 31 March 2015, 14 Skilled Person reports were commissioned.

Three of these were commissioned under our power introduced in the Financial Services Act 2012, which means that we contracted directly with a Skilled Person.

For the other 11 of the 14 Skilled Person reports, the authorised firm appointed the Skilled Person to be used.

For more information on Skilled Person reports please visit [our website](#).

# Consumer Credit Authorisations contribution

## Introduction

In a supplement to the last Data Bulletin, we published a set of data on the authorisation process for consumer credit firms as at 31 March 2015 and said we would update you on this regularly. This section of the Data Bulletin provides an update as at 30 June 2015.

## Background

The regulation of consumer credit transferred from the Office of Fair Trading (OFT) to the FCA on 1 April 2014. Ahead of the transfer, most firms with OFT consumer credit licences that wanted to continue carrying out consumer credit activities were required to register with the FCA for interim permission. Just under 50,000 firms registered.

Each firm with interim permission was issued with a three-month application period during which to apply for limited permission or full permission. This included firms already regulated by the FCA that require a variation of permission for consumer credit activities. There are 17 application periods, with the final one closing on 31 March 2016.

There are also grandfathered firms which are authorised not-for-profit firms that were given a Part 4A permission without having to apply as they were covered by a group licence under the Consumer Credit 1974 Act to carry on certain activities.

We provide information on:

- application periods
- the volume of applications
- outcome of decisions
- average processing times for the FCA to make decisions

As well as giving you a breakdown of information for application periods, new-to-market and grandfathered firms, we also provide information by type of application (including for full, limited, and variation of permission).

This report uses technical language; see the glossary in annex 2 for definitions.

# Consumer Credit Authorisations data

Key figures as at 30 June 2015



## Size and nature of the market

There were **41,937 consumer credit firms (excluding appointed representatives)**.

**Of these, 768 had been grandfathered, 16,096 had applied and been authorised, and 25,073 had an interim permission.**

A further 1,472 applications from new-to-market firms were in the process of being determined.

The majority of firms authorised so far are operating as credit brokers.



## Applications

**23,960 firms had applied for authorisation** (16,410 in designated application periods and 7,450 new-to-market). **780 firms were grandfathered.**

**In the application periods that had closed, 11,972 interim permission firms had lapsed or cancelled. For reasons why firms may have lapsed or cancelled, see page 17.**

**Overall, 74% of eligible firms applied, including 4,481 firms that had become appointed representatives and 186 firms that reapplied after lapsing/cancelling.**



## Determinations

**94% of determinations resulted in a firm being authorised (16,962 firms).** This included 5,095 new-to-market firms.

**1,060 firms withdrew their application and a further 23 firms were refused.** 98 firms cancelled their permission after being authorised (including 50 new-to-market firms).

On average, for cases determined between April 2015 and June 2015 it took 10 weeks for the FCA to determine a limited permission case, around 14 weeks for a variation of permission and just under 24 weeks for a full permission case. **0.2% (13) cases breached a statutory deadline.**

We expect that the average time to determine an application will increase over time (see page 20 for an explanation).

To find out more about the authorisation process for consumer credit firms please see Section 1, 2 and 3 as well as the Annexes overleaf.

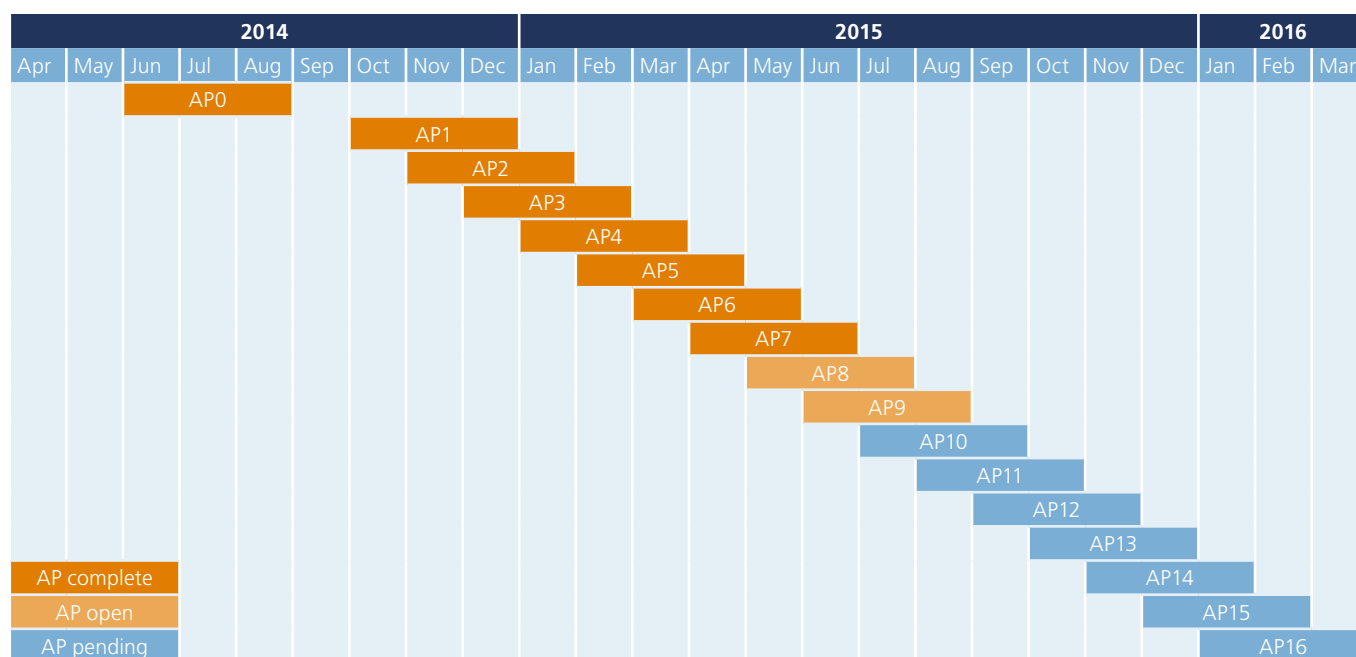
# Section 1: Application periods

This section provides an overview of the application periods.

In May 2014, we told all firms with an interim permission when their application period would be (see Figure 1 for the schedule). The FCA prioritised

sectors that posed the greatest risk to consumers. To ensure the application periods as a whole were well-balanced in terms of numbers, each application period also included a range of firms with lower risk activities. For more information on application periods, please see the supplement to the last [data bulletin](#).

**Figure 1:** Schedule of *application periods*



As at 30 June 2015, eight application periods had closed and two were in progress. The closed application periods included AP0, which could be used voluntarily by firms intending to become a principal. We did this to allow more firms to be authorised as a principal sooner, thereby giving firms wanting to become an appointed representative a choice of potential principals.



Figure 2 shows the progress of each closed application period in terms of firms eligible to apply and applications received. We have also provided comparable information for firms applying in the application periods currently open, as well as new firms.

This figure also includes revision from the last bulletin to reflect changes, for instance to correct for any applications that have since been deemed invalid (such as where there are duplicate applications).

**Figure 2:** Application period status

	AP0	AP1	AP2	AP3	AP4	AP5	AP6	AP7	Open APs	New firms <sup>2</sup>
<b>Eligible firms<sup>1</sup></b>	467	3,578	2,962	5,505	4,282	3,612	4,407	3,069	n/a	n/a
<b>Number of firms that submitted an application</b>	467	2,473	1,770	3,927	2,969	1,561	1,809	934	500	8,230
<b>% of eligible firms</b>	100%	69%	60%	71%	69%	43%	41%	30%	n/a	n/a
<b>Firms lapsing/cancelling</b>	0	1,105	1,192	1,578	1,313	2,051	2,598	2,135	n/a	n/a
<b>Firms that became an AR</b>	0	373	443	347	267	860	1,080	1,111	n/a	n/a
<b>Firms reapplying after lapsing/cancelling<sup>2</sup></b>	0	30	18	52	36	24	26	n/a	n/a	n/a
<b>Total firms that submitted an application, reapplied or became an appointed representative</b>	467	2,876	2,231	4,326	3,272	2,445	2,915	2,045	500	8,230
<b>% of eligible firms</b>	100%	80%	75%	79%	76%	68%	66%	67%	n/a	n/a

Notes:

1 includes adjustments for where firms are moved between application periods.

2 The number of new firms includes firms which previously held an OFT licence or interim permission but then reapplied (186 firms) and 780 grandfathered firms.

In the eight application periods that had closed, 74% of eligible firms had applied, including 4,481 firms that had become appointed representatives and 186 firms that reapplied after lapsing/cancelling.

In more recent closed application periods, the lapsing/cancelled percentage has increased. We have seen that after application periods close, some lapsed/cancelled firms apply to become appointed representatives. For instance, in our last publication we reported 1,227 AP0-AP4 eligible firms became appointed representatives. Since then, a further 203 lapsed/cancelled firms in AP0-AP4 periods have

become appointed representatives (and are included in the figure above). We have also seen firms choosing to lapse/cancel following changes in legislation (for instance, in relation to instalment credit and the Mortgage Credit Directive).

As outlined in the previous bulletin, there are various other reasons why interim permission firms may not apply for full authorisation. This includes firms no longer requiring a consumer credit regulated activity because of a change in business model, winding down their business or because of a merger within a group or with another company.

## Section 2: Volumes and determinations

This section provides data on the volumes of firms applying and the progress we had made in determining applications by 30 June 2015. An application can be approved or refused by the FCA, or withdrawn by the firm. This data excludes appointed representatives.

Figure 3 shows the volumes of received applications and determinations made. Annex 1 shows the breakdown of these figures by application type. Figure 4 shows the regulated activities that firms carry out.

**Figure 3:** Volumes and determinations – summary

	AP0	AP1	AP2	AP3	AP4	AP5	AP6	AP7	Open APs	New firms	Total	
<b>Firms that Applied</b>	467	2,473	1,770	3,927	2,969	1,561	1,809	934	500	8,230	<b>24,640</b>	
<b>% Firms Determined</b>	93.8%	90.0%	86.1%	83.4%	74.5%	61.1%	28.1%	6.5%	17.6%	82.1%	<b>73.2%</b>	
<b>Of determined:</b>	<b>% Authorised</b>	95.2%	97.7%	97.8%	98.5%	99.2%	98.3%	98.2%	100.0%	96.6%	86.9%	<b>94.0%</b>
	<b>% Withdrawn</b>	4.8%	2.3%	2.2%	1.5%	0.8%	1.7%	1.8%	0.0%	3.4%	12.7%	<b>5.9%</b>
	<b>% Refused</b>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0.3%	<b>0.1%</b>
<b># Firms Determined</b>	438	2,226	1,524	3,275	2,213	954	508	61	88	6,758	<b>18,045</b>	
<b>Of determined:</b>	<b># Authorised</b>	417	2,175	1,490	3,226	2,196	938	499	61	85	5,875	<b>16,962</b>
	<b># Withdrawn</b>	21	51	34	49	17	16	9	0	3	860	<b>1,060</b>
	<b># Refused</b>	0	0	0	0	0	0	0	0	0	23	<b>23</b>

Note: The number of new firms includes firms which previously held an OFT licence or interim permission but then reapplied (186 firms) and 780 grandfathered firms.

As at 30 June 2015, 23,960 firms had applied for authorisation (this included applications that were in progress at the OFT as at 31 March 2014) and 780 firms were grandfathered. 65% of all applications received were limited permission.

16,962 firms were authorised (representing 94% of determinations). This includes firms that changed the way they proposed to operate (including their business model and regulated activities) as a result of conversations with the FCA.

1,060 firms withdrew their application and 23 firms were refused. A further 98 firms that were authorised have since cancelled their FCA permission (1 firm that

applied for full permission, 75 for limited permission and 22 firms that varied their permission).

Adjusting for the cancellations, there were 41,937 consumer credit firms as at 30 June 2015 (excluding appointed representatives), of which:

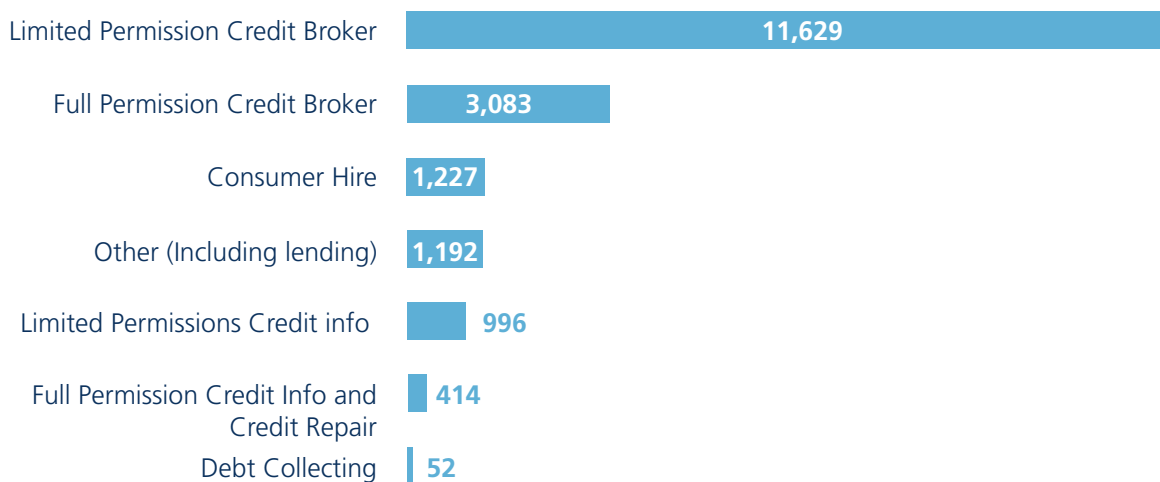
- 768 had been grandfathered
- 16,096 had applied and been authorised (of which 5,057 were new-to-market)
- 25,073 had an interim permission

A further 1,472 applications from new-to-market firms were in the process of being determined.

Figure 4 shows the business categories of authorised firms (excluding interim permission firms) where these can be defined by combinations of regulated activities. Many firms will operate in more than one business category and therefore may be counted more than once across the figure below.

The majority of authorised firms operate as credit brokers. This is because most applications have been from firms that operate as brokers, and these tend to be more straightforward to determine. The proportion of firms in the other categories has been increasing as we determine applications.

**Figure 4:** Authorised firms’ business categories



Note: ‘Other’ comprises the business categories listed in Annex 2 under regulated activities not separately included in the figure.

## Section 3: Average processing time

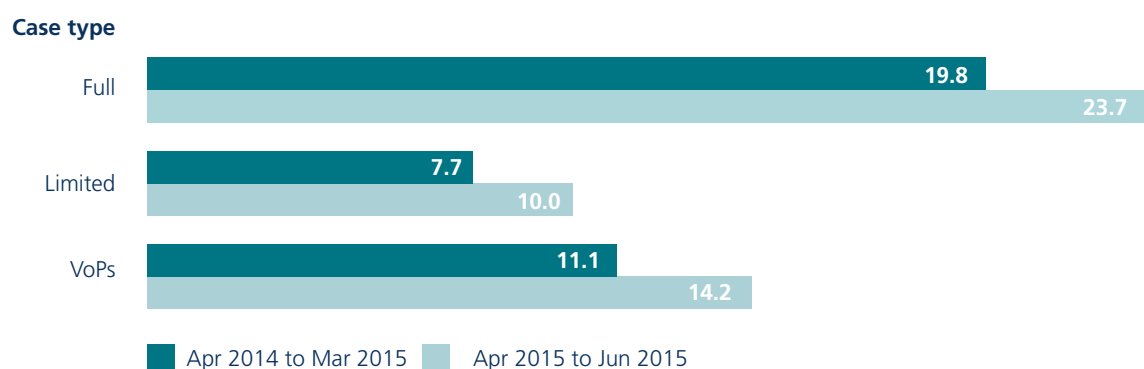
Our decision-making time frame is set out in the Financial Services and Markets Act 2000, and reflects the maximum time we may take to approve or refuse an application. For full, limited and variation of permission cases we must determine an application within six months of it being complete or 12 months from receiving it (whichever is earlier).

We aim to make decisions efficiently but this is dependent on:

- the quality of the application
- its complexity and
- the time taken by the firm to get its application to complete status and/or to respond to any requests for additional information

Figure 5 shows information on the average elapsed time it has taken for us to make a decision (from the date we received an application) comparing the periods covered by the first two data bulletins. The average time taken in different application periods is not directly comparable as the mix of cases varies across these periods. Note that firms with interim permission are able to continue trading while we consider their application.

**Figure 5:** Average processing time (weeks) by case type (determined cases)



As anticipated, it takes longer to process a full permission application than other types of case. Complex cases and business models that pose higher risks to consumers will inevitably take longer to assess.

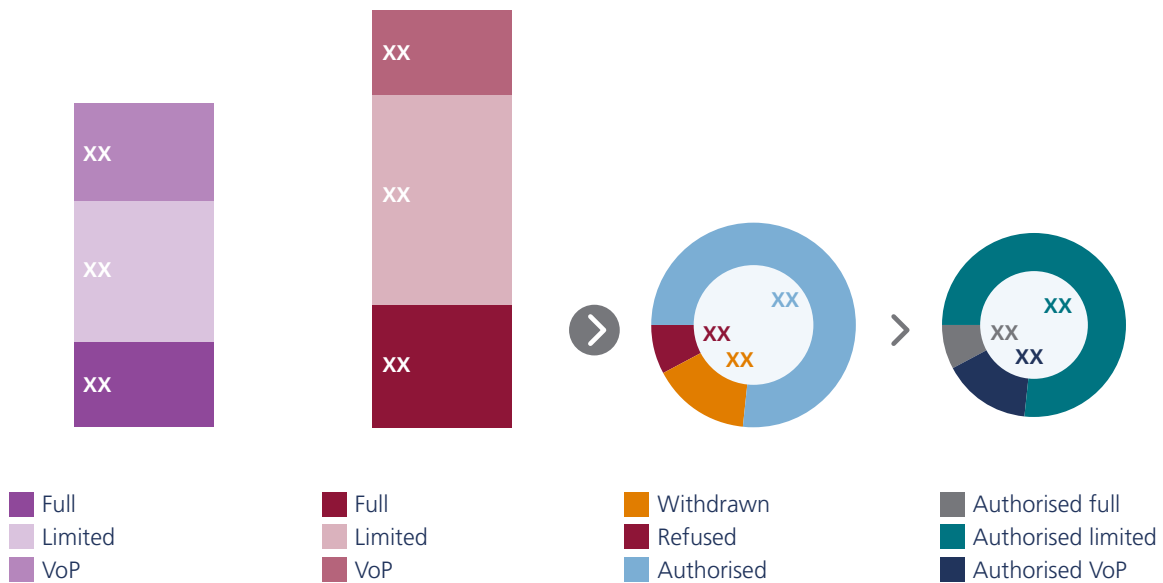
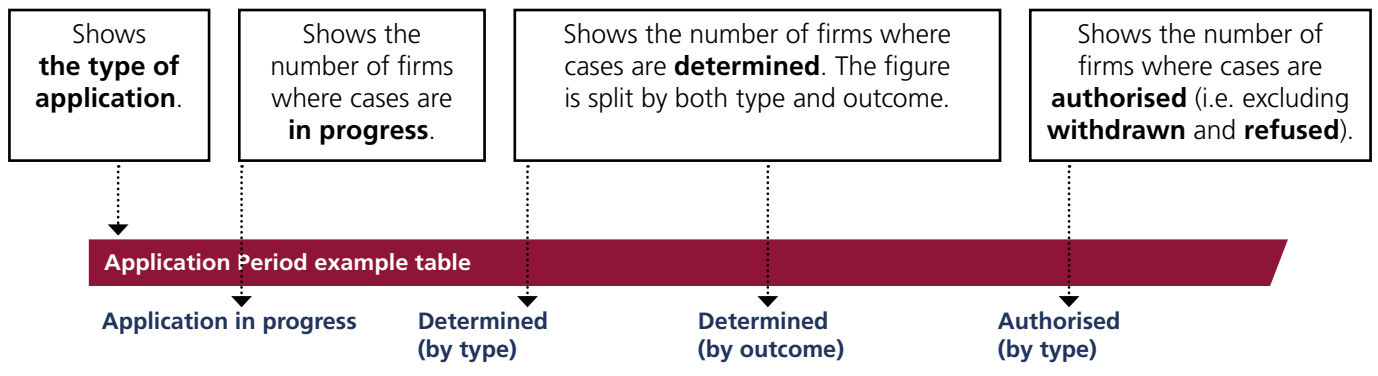
We noted in the last data bulletin that we expected to see the average processing time to rise as application volumes increased and because we would still be determining more complex applications from earlier application periods.

By comparison, for authorising other types of firms (those not primarily carrying out consumer credit activities), it takes on average 18 weeks to process a case.

Between 1 April 2015 and 30 June 2015, 0.2% of determined cases (13) had breached their statutory deadlines (there were no breaches up to 1 April 2015). Four of these firms had applied in an application period and seven either withdrew or were refused. We undertake reviews of cases that breach to understand the causes – a common issue in these cases related to difficulties in obtaining information from firms.

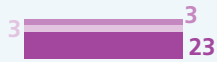
# Annex 1: Volumes and determinations by case

## Annex 1 legend

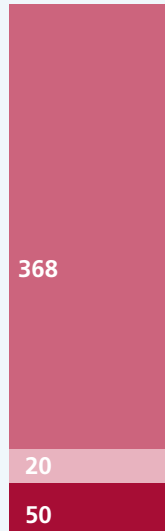


## Application Period 0

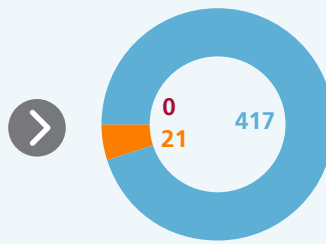
### Application in progress



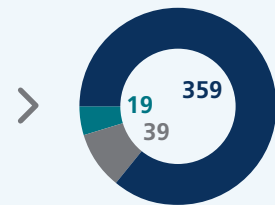
### Determined (by type)



### Determined (by outcome)



### Authorised (by type)

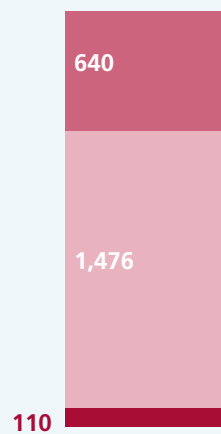


## Application Period 1

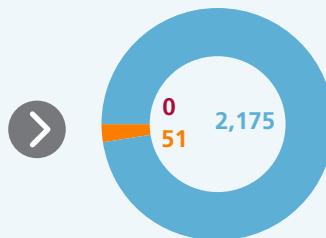
### Application in progress



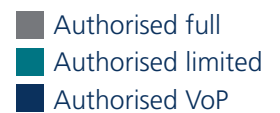
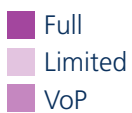
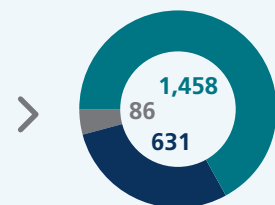
### Determined (by type)



### Determined (by outcome)

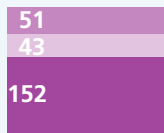


### Authorised (by type)

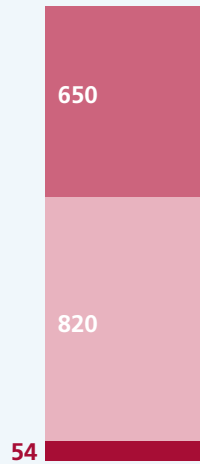


## Application Period 2

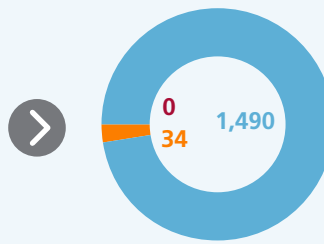
### Application in progress



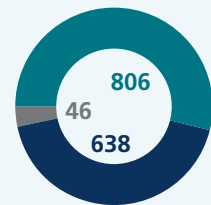
### Determined (by type)



### Determined (by outcome)

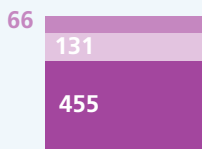


### Authorised (by type)

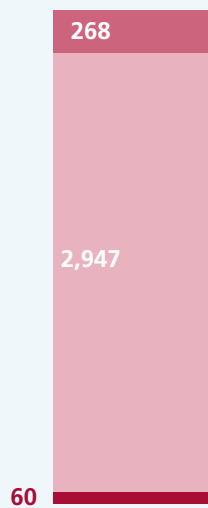


## Application Period 3

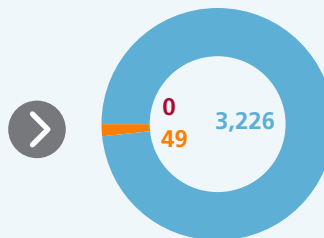
### Application in progress



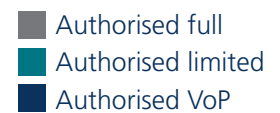
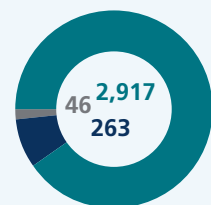
### Determined (by type)



### Determined (by outcome)

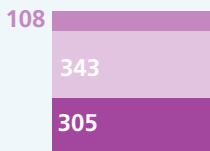


### Authorised (by type)

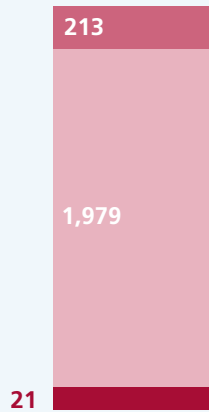


## Application Period 4

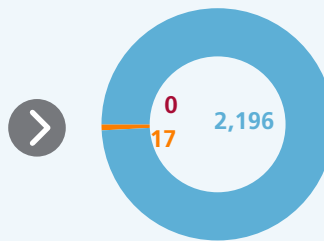
### Application in progress



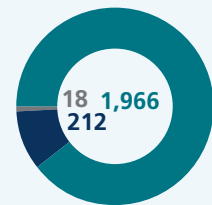
### Determined (by type)



### Determined (by outcome)

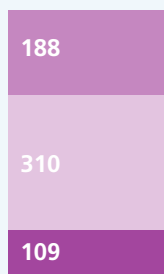


### Authorised (by type)

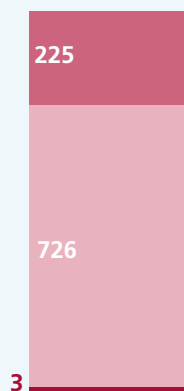


## Application Period 5

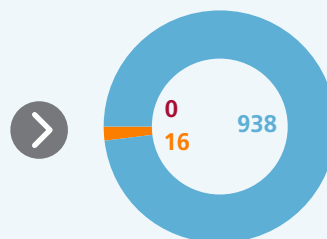
### Application in progress



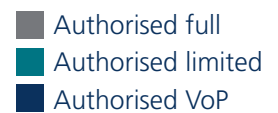
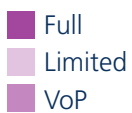
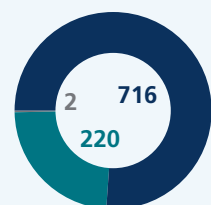
### Determined (by type)



### Determined (by outcome)



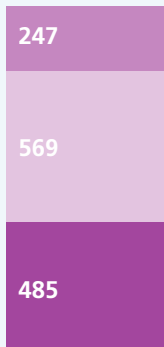
### Authorised (by type)



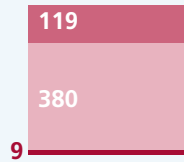


## Application Period 6

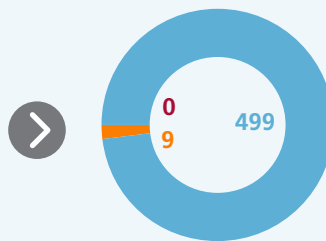
### Application in progress



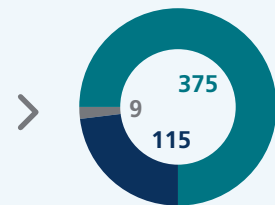
### Determined (by type)



### Determined (by outcome)

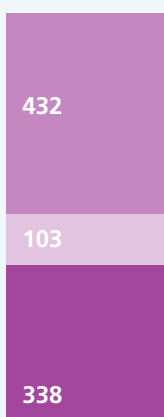


### Authorised (by type)



## Application Period 7

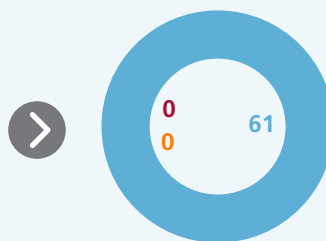
### Application in progress



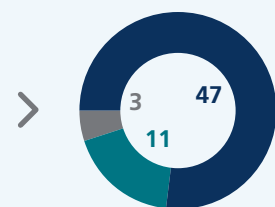
### Determined (by type)



### Determined (by outcome)



### Authorised (by type)



■ Full  
■ Limited  
■ VoP

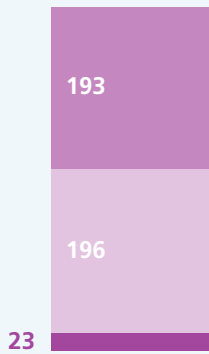
■ Full  
■ Limited  
■ VoP

■ Withdrawn  
■ Refused  
■ Authorised

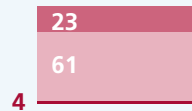
■ Authorised full  
■ Authorised limited  
■ Authorised VoP

## Open Application Periods

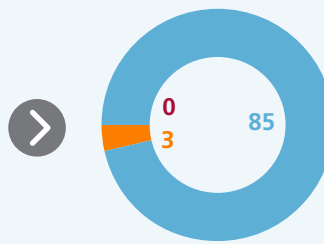
### Application in progress



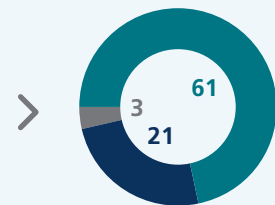
### Determined (by type)



### Determined (by outcome)

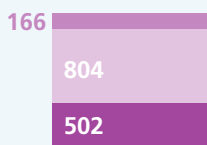


### Authorised (by type)



## New\* Applications

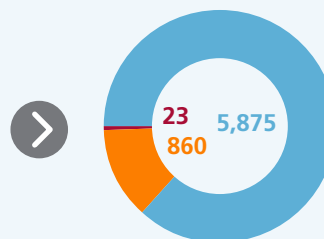
### Application in progress



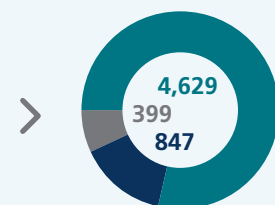
### Determined (by type)



### Determined (by outcome)



### Authorised (by type)



■ Full  
■ Limited  
■ VoP

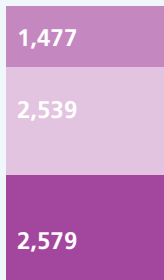
■ Full  
■ Limited  
■ VoP

■ Withdrawn  
■ Refused  
■ Authorised

■ Authorised full  
■ Authorised limited  
■ Authorised VoP

## All Applications

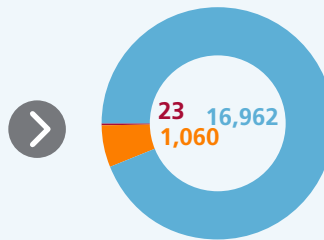
### Application in progress



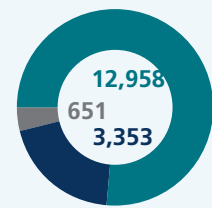
### Determined (by type)



### Determined (by outcome)



### Authorised (by type)



■ Full  
■ Limited  
■ VoP

■ Full  
■ Limited  
■ VoP

■ Withdrawn  
■ Refused  
■ Authorised

■ Authorised full  
■ Authorised limited  
■ Authorised VoP

\* The number of new firms includes firms which previously held an OFT licence or interim permission but then reapplied (186 firms) and 780 grandfathered firms.

# Annex 2:

## Glossary of terms

<b>Application Period (AP)</b>	This is the three-month window that each firm with an interim permission has been allocated during which it needs to submit its application. In some cases the FCA may agree to move a firm into a different application period.
<b>Appointed Representatives (ARs)</b>	A firm or individual that carries out regulated activities under the supervision of a principal and as a result is exempt from requiring authorisation for those activities. Normally a firm is either an appointed representative or an authorised firm and cannot be both, but a firm can be a limited permission credit firm and an AR (in which case it is excluded from needing authorisation for the activities it is appointed to carry out as an AR rather than being an exempt person).
<b>Approved</b>	This is where the FCA has decided to grant authorisation.
<b>Authorised</b>	An authorised firm has a permission to carry out regulated activities.
<b>Cancelled</b>	This is where a firm that has applied to cancel its Part 4A Permission or its interim permission and the FCA has approved that application. It should be the case that the firm no longer carries out any regulated consumer credit activity or the firm becomes an appointed representative.
<b>Complete</b>	An application is deemed complete if there are no material gaps. Where the FCA does not consider an application complete, it will inform the applicant of this and the reasons why.
<b>Full permission</b>	This is a firm that has permission to undertake any regulated activities which are not limited permission activities.
<b>Grandfathered firms</b>	These are certain not for profit firms that were given a Part 4A permission without having to apply as they were covered by a group licence under the Consumer Credit 1974 Act to carry on certain activities. (The term is used generally by the FCA to refer to firms that were given permission without being authorised – such as those firms which had permission with a predecessor organisation when the FSA was formed on 1 December 2001.)
<b>Interim Permission (IP)</b>	Firms that held an OFT licence were invited to register with the FCA for an interim permission which allowed them to continue carrying out consumer credit activities. These firms were allocated an application period to apply for (full) authorisation. A small number of local authorities also obtained interim permission (having previously being exempt under the Consumer Credit Act).
<b>Lapsed</b>	In this publication, this refers to an interim permission firm that does not submit an application within its application period. Like firms that cancel their interim permission, they are unable to carry out regulated activities unless they become registered as an appointed representative.
<b>Limited permission</b>	This is a firm that has a permission that is restricted to certain consumer credit activities which are defined by legislation. In addition, a local authority will be a limited permission credit firm if it requires authorisation.
<b>New firms</b>	This comprises of new-to-market and grandfathered firms.

<b>New-to-market</b>	These are firms that have applied for consumer credit activities that were not registered as an interim permission firm. This includes firms that lapsed/cancelled and applied after their application period closed, firms that may have re-applied after withdrawing and firms whose applications were in progress at the OFT as at 31 March 2014.
<b>Office of Fair Trading</b>	The regulator of consumer credit until it closed on 31 March 2014.
<b>Principal</b>	A firm which is appointing one or more appointed representatives or agents to carry out regulated activities for which the principal firm takes responsibility.
<b>Refused</b>	An application where the FCA has issued a decision notice stating that the application has not been approved. The application is however not fully determined unless a final notice is issued, which occurs after a tribunal hearing if the firm refers the case or by default if the case is not referred within a specific period following the decision notice.
<b>Regulated activities</b>	These are certain activities laid out in legislation that a firm can carry out if authorised. We use a combination of such activities to define certain business categories:
Full permission credit broker	A firm with full permission with the 'credit broking' regulated activity.
Limited permission credit broker	A firm with limited permission with the 'credit broking' regulated activity.
Full permission credit info and credit repair	A firm with full permission with the 'providing credit information services' regulated activity.
Limited permissions credit info	A firm with limited permission with the 'Providing credit information services' regulated activity.
Debt collecting	A firm with the 'Debt collecting' regulated activity.
High-cost short-term credit (HCSTC)	A firm with either the 'Entering into RCA as lender (high-cost short-term)' and/or the 'Exercising R&D under an RCA (high-cost short-term)' regulated activity.
Logbook Lending	A firm with either the 'Entering into an RCA as lender (bill of sale)' and/or the 'Exercising R&D under an RCA (bill of sale)' regulated activity.
Home credit	A firm with either the 'Entering into an RCA as lender (home credit)' or the 'Exercising lenders R&D under an RCA (home credit)' regulated activity (often referred to as 'home collected credit').
Consumer hire	A firm with either the 'Entering into consumer hire agreements as owner' or the 'Exercising owners R&D under a consumer hire agreement' regulated activity (in most cases, both).
Peer to peer lending	A firm with the 'Operating electronic system in relation to lending' regulated activity.
Other categories	Include <b>Hire purchase, pawnbroking, running account credit and other unsecured lending</b> , which are collectively defined as those with either the 'Entering into an RCA as lender (other)' and/or the 'Exercising lenders R&D under an RCA (other)' regulated activities.
<b>RCA</b>	Regulated credit agreement – a credit agreement which is not exempt under the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.
<b>Variation of Permission (VoPs)</b>	This is where an existing regulated firm (with a Part 4A permission) wants to add or remove categories of regulated activity, customer types or specified investments (the latter two do not apply to regulated credit activities), or vary or remove any limitations.
<b>Withdrawn</b>	An application that a firm has decided it no longer wishes to pursue (and has stated so in writing to the FCA).



## Tell us what you think

In an effort to improve the Data Bulletin, we are conducting a survey. Please take our two-minute [survey](#) as your input will help shape future editions.

In future issues we want to make sure we give you the information that you would find most useful, so if you have any comments or suggestions for future content please contact us at:

[fcadataandanalysis@fca.org.uk](mailto:fcadataandanalysis@fca.org.uk)

### Get the facts

If you would like to subscribe/unsubscribe from the Data Bulletin please visit:

[fca.org.uk/your-fca/documents/data-bulletin/form](http://fca.org.uk/your-fca/documents/data-bulletin/form)

## Useful links



### Latest available data

#### External links

[Bank of England statistics](#)

#### FCA links

[Annual Report](#)

[Innovation Hub](#)

[FCA and the Freedom of Information Act](#)

[Complaints Scheme](#)

[Office of the Complaints Commissioner](#)

[Financial promotions](#)

[Attestations data](#)

[Skilled Person reports](#)

[Complaints data publication](#)

#### Data Bulletin

[Underlying data used in this bulletin](#)

© Financial Conduct Authority 2015  
25 The North Colonnade, Canary Wharf  
London E14 5HS  
Telephone: +44 (0)20 7066 1000  
Website: [www.fca.org.uk](http://www.fca.org.uk)  
All rights reserved