

# Quarterly KPIs: 2020/2021

**As at June 2020**

## **Introduction**

To enable transparency and as part of our journey to become operationally excellent, these Authorisations Quarterly Key Performance Indicators (KPIs) provide key metrics on the performance of the FCA's Authorisations Division.

### **What is in this publication?**

We publish our service standards on our 'Measuring our Performance' webpages, along with these quarterly KPIs, covering the number of applications received and in flight, and the distribution of processing times and outcomes. Details of applicable services standards are provided in appendices.

We provide KPIs for:

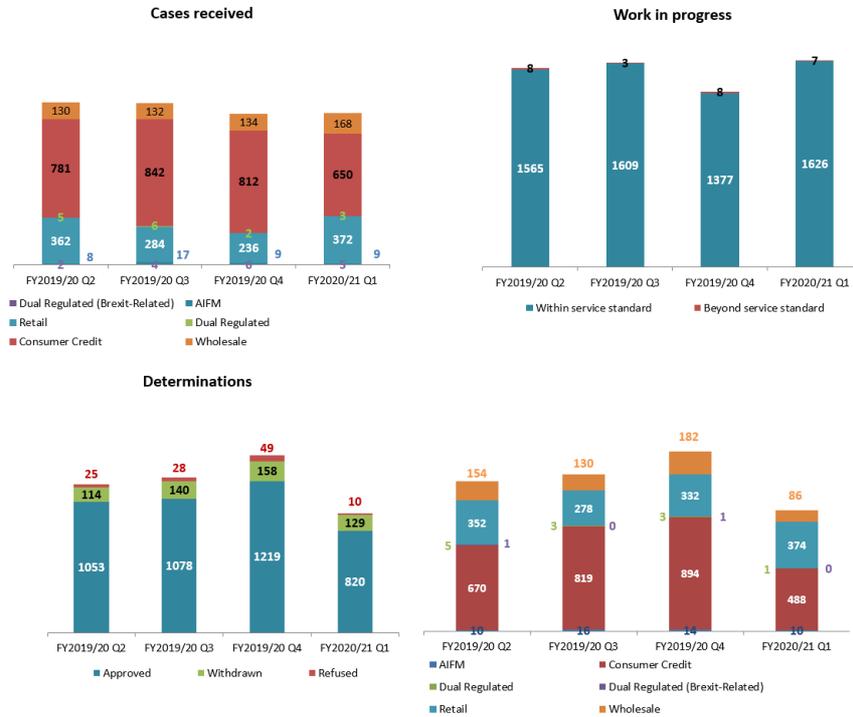
- Authorisations;
- Cancellations;
- Variations of Permission;
- Payment Services and E-money;
- Waivers;
- Change in Control;
- Part VII Transfers; and
- Approved Persons;

Minimum, maximum, mean average, modal (ie most common) and median average processing times are provided by quarter. In addition, open and closed cases that have exceeded service standard timings are shown.

## Authorisations quarterly KPIs: 2020/2021

### Authorisations: to process a firm application for a Part 4A permission

(Applicable service standards: Appendix I)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2019/20 Q2	<1	15.1	<1	11.9	62.7
FY2019/20 Q3	<1	14.7	<1	8.6	146.9
FY2019/20 Q4	<1	14.2	<1	10.1	87.4
FY2020/21 Q1	<1	17.5	<1	13.6	72.1

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q2	1375	1316	95.71%
FY2019/20 Q3	1214	1169	96.29%
FY2019/20 Q4	1186	1130	95.28%
FY2020/21 Q1	1100	1066	96.91%

FY2020/21 Q1					
	Min	Mean	Mode	Median	Max
AIFM	0.7	32.9	51	29.5	60
Consumer Credit	<1	9	<1	6.6	52.6
Dual Regulated	42.1	42.1	42	42.1	42.1
Dual Regulated (Brexit-Related)	n/a	n/a	n/a	n/a	n/a
Retail	1.7	26.7	11	26.1	72.1
Wholesale	1.1	23.3	9	23	60

The volume of cases received remained relatively stable in Q1. However determinations decreased from Q4 2019/20 resulting in an increase of Work in Progress cases.

The volume of retail and wholesale cases received increased. Consumer credit cases reduced due to a reduction in cases received during the initial phase of Covid-19 lockdown but have since rebounded. Determinations were reduced in the period reflecting both the end of weekend overtime on some cases as well as resourcing constraints and delays in obtaining responses from applicants who were unavailable due to lockdown.

Timelines for dual-regulated firms are worked alongside the PRA, however, for transparency and completeness, we include the cases here.

#### Glossary:

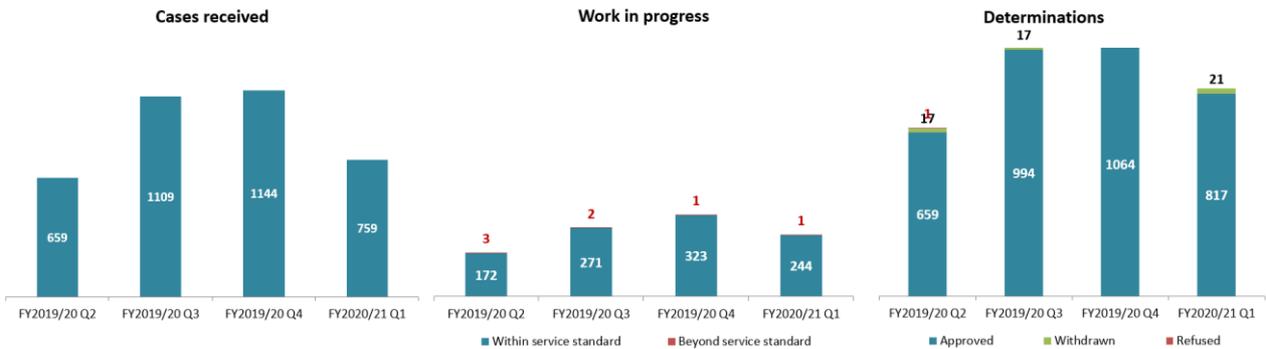
- Retail: Solo-regulated retail investment firms
- Wholesale: Solo-regulated wholesale investment firms
- AIFM: Solo-regulated wholesale investment firms
- Consumer Credit: Solo-regulated firms carrying on credit-related regulated activities
- Dual-regulated: Firms regulated by both the Prudential Regulation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

Note that solo-regulated firms may fall into more than one of the above categories. Cases are assigned to one of the relevant areas according to

## Cancellations quarterly KPIs: 2020/2021

### Cancellations: to determine an application for Cancellation of Part 4A Permission

(Applicable service standards: Appendix I)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2019/20 Q2	<1	3.5	<1	0.9	51.9
FY2019/20 Q3	<1	2.7	1	1	103.7
FY2019/20 Q4	<1	3.2	1	1.3	91.4
FY2020/21 Q1	<1	3.9	1	1.4	52.1

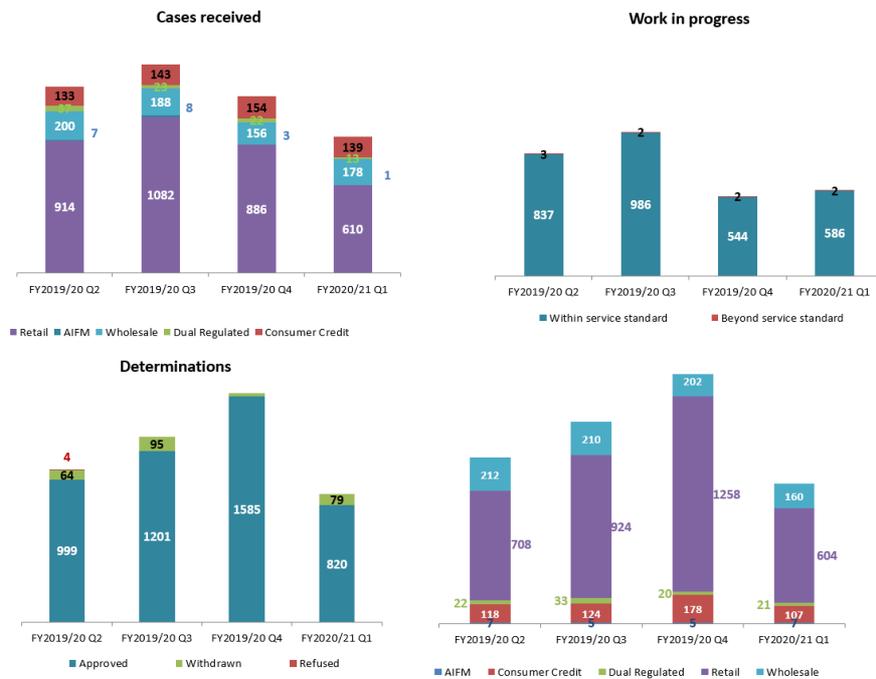
Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q2	797	796	99.87%
FY2019/20 Q3	582	581	99.83%
FY2019/20 Q4	631	630	99.84%
FY2020/21 Q1	957	957	100.00%

Volumes received in Q3 and Q4 of financial year 2019/20 have been significantly higher than any previous years. Cancellations receipts follow an annual pattern where Q1 usually sees less receipts. While this is still true, the volume received is still higher than in previous years. Higher determinations during this period has allowed the Work in Progress to be reduced.

## Variations of Permission quarterly KPIs: 2020/2021

### Variations of permission (VoP): to process an application from an authorised firm for VoP

(Applicable service standards: Appendix I)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2019/20 Q2	<1	7.9	<1	5.9	52
FY2019/20 Q3	<1	8.6	2	5.6	66
FY2019/20 Q4	<1	8.2	1	4.9	74.4
FY2020/21 Q1	<1	8.2	2	4.3	57.7

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q2	872	858	98.39%
FY2019/20 Q3	780	774	99.23%
FY2019/20 Q4	1168	1162	99.49%
FY2020/21 Q1	1527	1523	99.74%

FY2020/21 Q4					
	Min	Mean	Mode	Median	Max
AIFM	5.4	16.5	20	17.7	20.1
Consumer Credit	<1	7	<1	3.1	53.1
Dual Regulated	0.6	20.6	1	13	57.7
Retail	0.1	6.8	2	4	56.7
Wholesale	<1	12.2	1	9.4	47.3

The volume of cases received in Q1 decreased across all processes. The majority of this decrease is seen in retail-related applications. Determinations decreased to levels slightly below that of FY19/20 Q2. Average processing times remained stable. The fall in determinations has largely been caused by increased processing times due to an increase in more complex cases.

Timelines for dual-regulated firms are worked alongside the PRA, however, for transparency and completeness, we include the cases here.

#### Glossary:

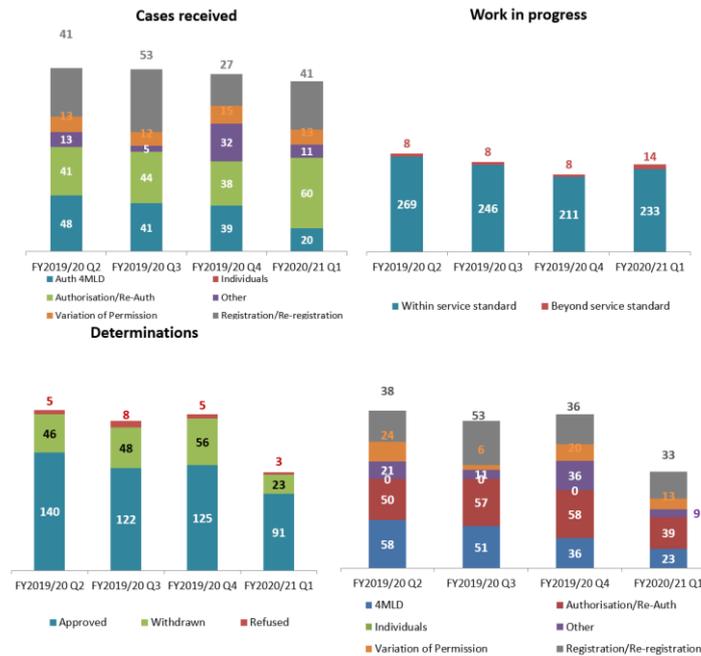
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- Consumer Credit: Solo-regulated firms carrying on credit-related regulated activities
- Dual-regulated: Firms regulated by both the Prudential Regulation authority (PRA) and the FCA.

*Note that solo-regulated firms may fall into more than one of the above categories. Cases are assigned to one of the relevant areas according to permissions applied for and overall nature of the firm.*

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

### Payment services and e-money: to process firm application for authorisation/registration or variation of authorisation/registration

(Applicable service standards: Appendix II)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2019/20 Q2	<1	21.3	8	18.3	52
FY2019/20 Q3	<1	20.7	<1	15.9	107
FY2019/20 Q4	0.1	20.7	1	13.9	112.7
FY2020/21 Q1	0.1	20.4	2	17.9	86

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q2	121	117	96.69%
FY2019/20 Q3	182	176	96.70%
FY2019/20 Q4	146	138	94.52%
FY2020/21 Q1	130	119	91.54%

Although overall volumes remained steady, the volumes of (more complex) Auths and Re-auths increased in Q1. Determinations have reduced due to the impact of Covid-19 and due to additional assurance required on these cases taking place.

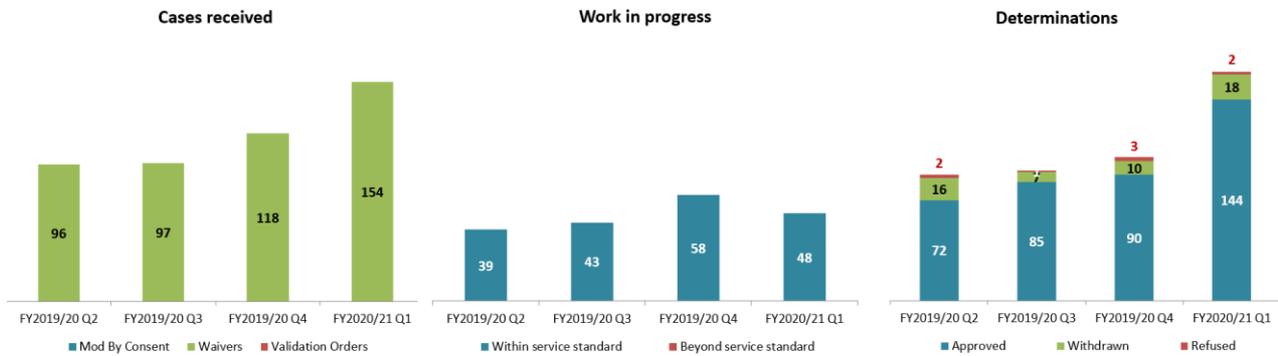
#### Glossary:

- 4MLD: Fourth Money Laundering Directive cases
- API: Authorised Payment Institution
- AEMI: Authorised E-Money Institution
- SPI: Small Payment Institution
- SEMI: Small E-Money Institution

## Waivers KPIs: 2020/2021

### To process a waiver or modification request

(No applicable service standards)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2019/20 Q2	<1	3.4	1	2.3	21.4
FY2019/20 Q3	<1	4	1	2.7	24.3
FY2019/20 Q4	<1	3.3	1	2.4	17.7
FY2020/21 Q1	<1	2.3	<1	0.9	33.3

The number of cases received in Q1 increased as a result of new rules requiring firms to apply for a “Modification by consent” where they are using temporary arrangements as a result of the Covid-19 pandemic. We notified firms that this would be made available in a statement made on 3 March 2020 and it was subsequently published in May.

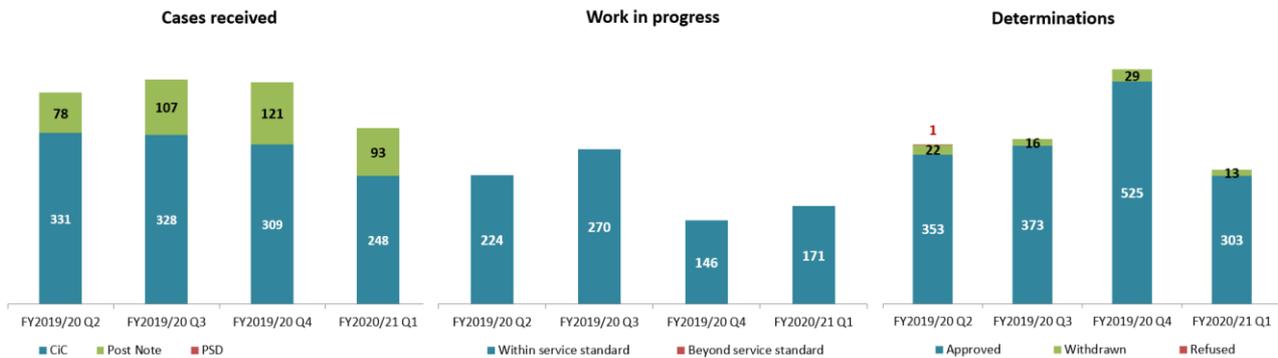
The efficient handling of these MBC applications is also reflected across the volume of determinations, reduced processing times and reduction in overall Work in Progress.

There are no statutory deadlines for Waivers cases.

## Change in Control KPIs: 2020/2021

### Change in Control: to process an application from an authorised firm for a Change in Control (CiC)

(Applicable service standards: Appendix I)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2019/20 Q2	<1	7.1	1	5	71.6
FY2019/20 Q3	<1	7	2	5	70.6
FY2019/20 Q4	<1	6.8	1	4.2	69.4
FY2020/21 Q1	<1	5.9	1	3.7	33.4

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q2	269	269	100.00%
FY2019/20 Q3	290	290	100.00%
FY2019/20 Q4	299	299	100.00%
FY2020/21 Q1	278	278	100.00%

All Change in Control cases have been determined within the statutory deadlines. Fewer cases were received and determined in Q1 compared to Q4.

Average time to process has reduced compared to the previous quarter.

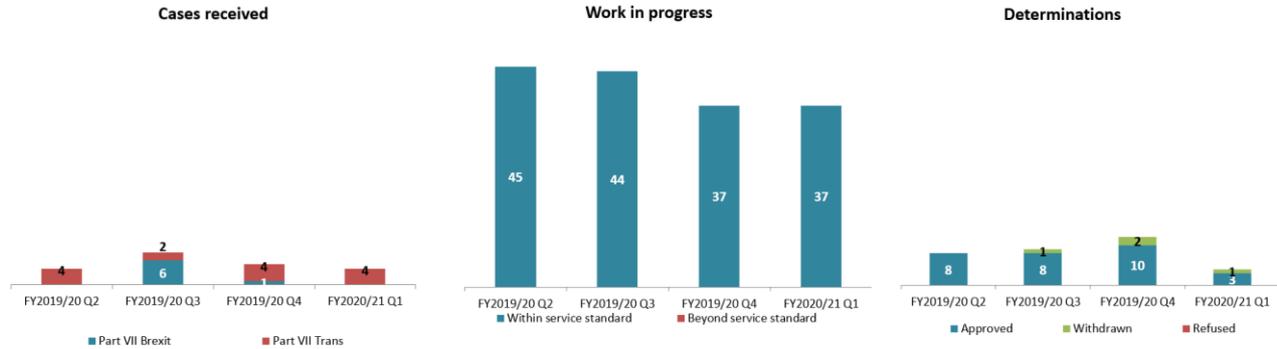
#### Glossary:

- CiC: Notification of an intended Change in Control
- Post Note: A case where notification has been made after the change in control has taken place
- PSD: Payment Services Directive-Related Case

## Part VII Transfer KPIs: 2020/2021

### To process a Part VII Transfer

(No applicable service standards)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2019/20 Q2	9.3	103.6	9	101.6	187.6
FY2019/20 Q3	4.9	62.5	5	85	127.1
FY2019/20 Q4	5.1	55.7	5	51.6	134
FY2020/21 Q1	3	51	3	53.8	93.6

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

Determinations relate to sanction hearings at the end of the Part VII process. Determinations are not the sole measure of activity levels and the data does not account for directions hearings which are a key interim milestone of a Part VII case.

Brexit-related transfers continued to decrease and non-Brexit related receipts remained steady in Q1. Determinations fell as we saw a greater concentration of directions hearings in this quarter.

There are no statutory deadlines for Part VII Transfer cases as deadlines are set by courts.

#### Glossary:

- Part VII Transfer: A court-sanctioned transfer of insurance business between entities under Part VII of the Financial Services & Markets Act 2000
- Part VII Trans: A case relating to a Part VII Transfer application
- Part VII Brexit: A case relating to a Brexit-related Part VII Transfer application

## Approved Persons KPIs: 2020/2021

### Approved Persons: to process an application for approved person status

(Applicable service standards: Appendix III)



Processing times of cases completed in quarter (weeks)					
	Min	Mean	Mode	Median	Max
FY2019/20 Q2	<1	2.3	<1	0.1	223.4
FY2019/20 Q3	<1	1.9	<1	0.1	107.7
FY2019/20 Q4	<1	4.8	<1	1.6	78.3
FY2020/21 Q1	<1	4.8	<1	1.4	119

Service standards			
	Cases required within standard	Of those required, cases determined within standard	% determined within standard
FY2019/20 Q2	6606	6516	98.64%
FY2019/20 Q3	6207	6022	97.02%
FY2019/20 Q4	7254	5741	79.14%
FY2020/21 Q1	3245	2905	89.52%

The number of SMR applications in Q1 2020/21 was very similar to the previous quarter. The number of applications under the Approved Persons Regime (APER) to hold controlled functions at Appointed Representatives reduced by 26% possibly reflecting the impact of Covid.

Determinations also reduced but by proportionately less than receipts leading to a reduction in work in progress of almost 23%. Whilst the number of open cases beyond service standard almost halved from the previous quarter it remains at a historically high level, caused by the surge of applications received ahead of the extension of the Senior Managers & Certification Regime to solo-regulated firms in December 2016. Further measures are being developed to bring this number down.

#### Glossary:

- SMR: An application to perform controlled functions under the Senior Managers & Certification Regime.
- SIF: Any application from an individual performing or applying to perform a "Significant Influence Function."
- Customer Function: Other applications from an approved person or appointed representative not covered under the above two categories. For example, an application to cancel an approved person permission.

## Appendix I: Relevant Service Standards: Solo-Regulated Permissions

Summaries of relevant statutory service standards are provided. For full details of all service standards, please refer to the FCA Website.

<b>ID</b>	<b>Area</b>	<b>Description</b>	<b>Target</b>
<b>A1.1a</b>	Corporate Authorisations	To process a complete application for Part 4A permission	100% within six months of a complete application (s55V(1)) or within 12 months of receipt of an incomplete application (s55V(2))
<b>R5.1</b>	VoPs	To process a complete application from an authorised firm for Variation of Permission	100% within 6 months of becoming complete (s55v(1)) or 12 months of receipt of an incomplete application (s55v(2))
<b>R8.1a</b>	Cancellations	To determine an application for Cancellation of Part 4A Permission	100% within 6 months of becoming complete (s55V(1)) or 12 months of receipt of an incomplete application (s55V(2))
<b>R6.1</b>	Change in Control	To make a decision following receipt of a 'valid' notification to approve a change in control: Either to notify the s178 notice-giver that the change in control has been approved or to give them a warning notice	100% within 60 working days of acknowledgment of receipt (s189(1))

## Appendix II: Relevant Service Standards: Payment Services

Summaries of relevant statutory service standards are provided. For full details of all service standards, please refer to the FCA Website.

<b>ID</b>	<b>Area</b>	<b>Description</b>	<b>Target</b>
<b>PS1</b>	Payment Services	To process a complete application for authorisation under the Payment Services Regulations 2009	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
<b>PS2</b>	Payment Services	To process a complete application for authorisation under the Electronic Money Regulations 2011	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
<b>PS3</b>	Payment Services	To process a complete application for registration under the Payment Services Regulations 2009	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
<b>PS4</b>	Payment Services	To process a complete application for registration under the Electronic Money Regulations 2011	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
<b>PS5</b>	Payment Services	To process a complete application for a variation of registration under the Payment Services Regulations 2009	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
<b>PS6</b>	Payment Services	To process a complete application for a variation of registration under the Electronic Money Regulations 2011	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
<b>PS7</b>	Payment Services	To process a complete application for a variation of authorisation under the Payment Services Regulations 2009	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
<b>PS8</b>	Payment Services	To process a complete application for a variation of authorisation under the Electronic Money Regulations 2011	100% within 3 months of the received date of a complete application or within 12 months of the received date of an incomplete application
<b>A1.2</b>	3/4/5MLD	To process Money Laundering registrations	100% within 45 calendar days of receipt of application or receipt of any further required information (Reg 34(4) MLRs)

### Appendix III: Relevant Service Standards: Approved Persons

Summaries of relevant statutory service standards are provided. For full details of all service standards, please refer to the FCA Website.

ID	Area	Description	Target
R1.1a	Approved Persons	To process an application for approved person status	100% within 3 months of receipt unless attached to an application for part 4A permission (when it is the later of (i) 3 months after receipt or (ii) 6 months after receipt of a complete application for part 4A permission, or 12 months after receipt of an incomplete