

# Quarterly KPIs: 2018/2019

**As at December 2018**

## **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:

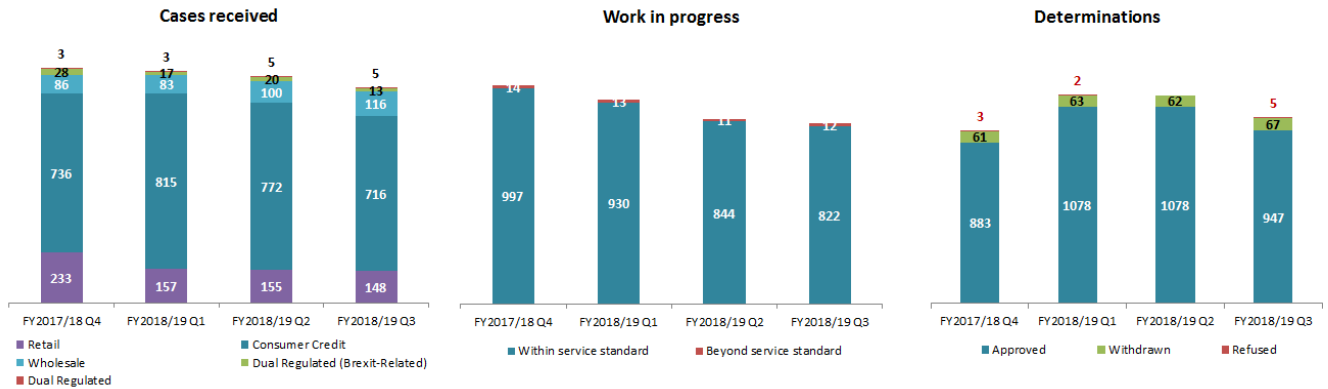
- Authorisations;
- Cancellations;
- Variations of Permission;
- Payment Services and E-money;
- Waivers;
- Change in Control;
- Approved Persons; and
- Passporting.

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:2018/2019

### 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   |
| FY2017/18 Q4   | <1  | 13.6 | <1   | 9.7    | 163   |
| FY2018/19 Q1   | <1  | 12.2 | <1   | 9      | 177   |
| FY2018/19 Q2   | <1  | 10.3 | <1   | 7.3    | 185.4 |
| FY2018/19 Q3   | <1  | 10   | <1   | 4.9    | 186.6 |

| Service standards |                                |   |                              |
|-------------------|--------------------------------|---|------------------------------|
|                   | Cases required within standard | Of those required, cases determined within standard | % determined within standard |
| FY2017/18 Q4      | 1161                           | 1156  | 99.57%                       |
| FY2018/19 Q1      | 1094                           | 1087  | 99.36%                       |
| FY2018/19 Q2      | 1085                           | 1081  | 99.63%                       |
| FY2018/19 Q3      | 1114                           | 1104  | 99.10%                       |

Volumes received and determined in Q3 2018/19 fell slightly in all areas except Wholesale. Determinations marginally outpaced receipts resulting in a slight decline in Work in Progress.

Timelines for dual-regulated firms are set by the PRA. However, for transparency and completeness, we include the cases here. Overall volumes for new authorisations are low but these cases required an average of 36 weeks to process, from date of receipt to communication to PRA, during the four quarters. Pre-application, and mobilisation cases are excluded from the figures.

Our work on Brexit related applications continues to focus mainly on dual regulated cases, both applications for authorisation in the UK by currently inwardly passported banks or insurance firms ahead of Brexit. The total number of Brexit-related applications received in Q3 were 13 across banking and insurance.

#### Glossary:

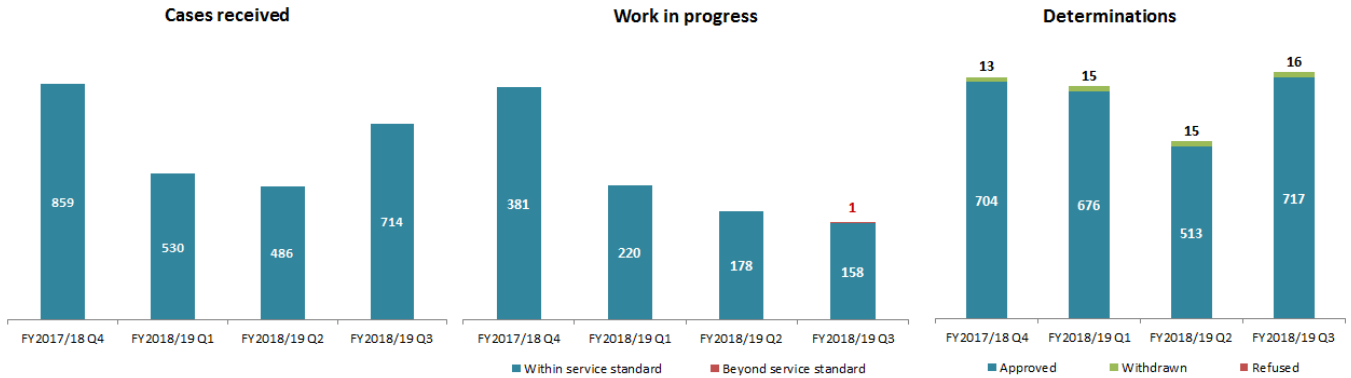
- Retail: Solo-regulated retail investment firms
- Wholesale: Solo-regulated wholesale investment firms
- Consumer Credit: Solo-regulated firms carrying on credit-related regulated activities
- Dual-regulated: Firms regulated by both the Prudential Regulation authority (PRA) and the FCA.

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

## Cancellations quarterly KPIs:2018/2019

### 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  |
| FY2017/18 Q4   | <1  | 4.9  | <1   | 1.6    | 52   |
| FY2018/19 Q1   | <1  | 4.7  | <1   | 2.1    | 51.1 |
| FY2018/19 Q2   | <1  | 5.2  | <1   | 1      | 52   |
| FY2018/19 Q3   | <1  | 3.6  | <1   | 0.7    | 51.1 |

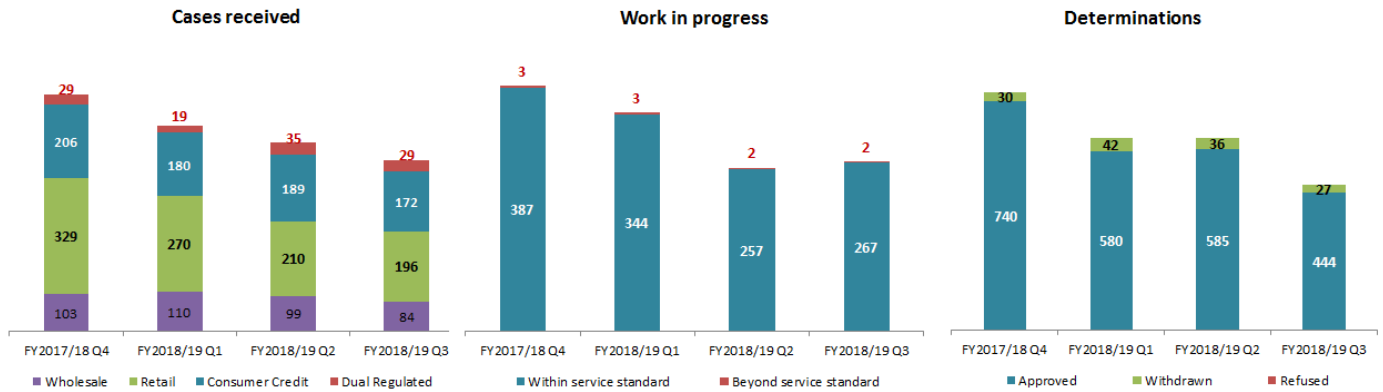
| Service standards |                                |   |                              |
|-------------------|--------------------------------|---|------------------------------|
|                   | Cases required within standard | Of those required, cases determined within standard | % determined within standard |
| FY2017/18 Q4      | 447                            | 447   | 100.00%                      |
| FY2018/19 Q1      | 624                            | 624   | 100.00%                      |
| FY2018/19 Q2      | 718                            | 718   | 100.00%                      |
| FY2018/19 Q3      | 590                            | 589   | 99.83%                       |

In line with historic trends, the number of cancellation applications increased in Q3 following a quiet summer period. Determinations outpaced receipts, resulting in Work in Progress falling to its lowest level in the last 12 months.

## Variations of Permission quarterly KPIs: 2018/2019

### 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  |
| FY2017/18 Q4   | <1  | 8.2  | <1   | 6.6    | 52.7 |
| FY2018/19 Q1   | <1  | 7.8  | <1   | 6.6    | 51.4 |
| FY2018/19 Q2   | <1  | 7    | <1   | 5      | 77.9 |
| FY2018/19 Q3   | <1  | 6.2  | <1   | 4      | 48.4 |

| Service standards |                                |   |                              |
|-------------------|--------------------------------|---|------------------------------|
|                   | Cases required within standard | Of those required, cases determined within standard | % determined within standard |
| FY2017/18 Q4      | 570                            | 565   | 99.12%                       |
| FY2018/19 Q1      | 584                            | 583   | 99.83%                       |
| FY2018/19 Q2      | 629                            | 628   | 99.84%                       |
| FY2018/19 Q3      | 608                            | 607   | 99.84%                       |

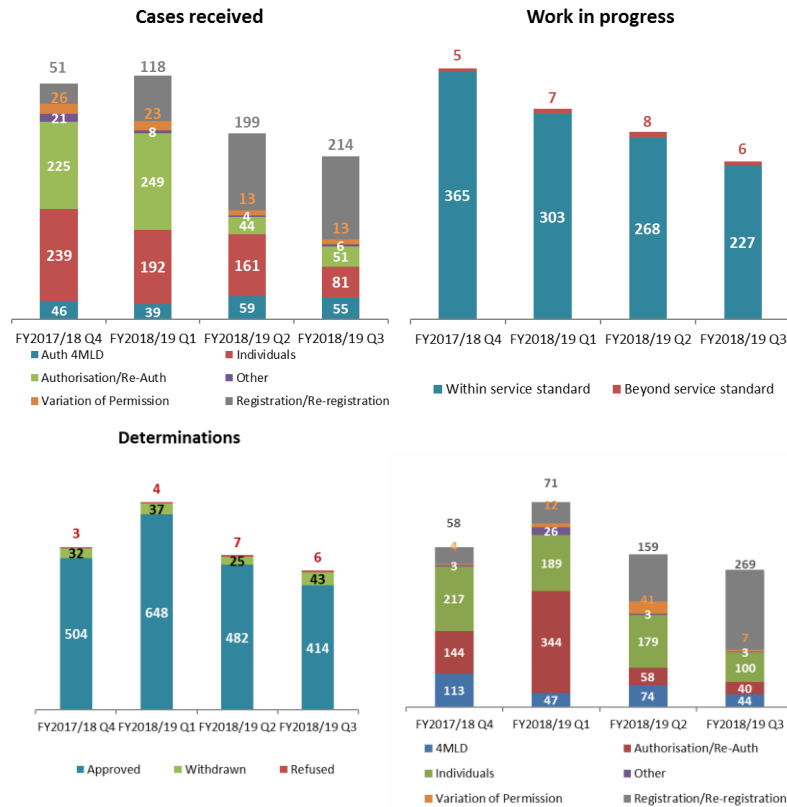
The volume of cases received has been on a declining trend, and decreased in all areas in Q3 2018/19. The largest fall has been in Retail, where most of these cases are in respect of financial advisers. The volume of VoPs in that sector has fallen since late 2017, when MiFID II drove higher volumes.

Although the median processing time is around four weeks, a large number of straightforward Consumer Credit cases are processed in under a week.

## Payment services and e-money quarterly KPIs: 2018/2019

### 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   |
| FY2017/18 Q4   | <1  | 10   | 2    | 3      | 162.1 |
| FY2018/19 Q1   | <1  | 7.2  | 3    | 4.3    | 68.9  |
| FY2018/19 Q2   | <1  | 7.9  | 1    | 3.4    | 73.6  |
| FY2018/19 Q3   | <1  | 8.5  | 2    | 4.9    | 84.9  |

| Service standards |                                |   |                              |
|-------------------|--------------------------------|---|------------------------------|
|                   | Cases required within standard | Of those required, cases determined within standard | % determined within standard |
| FY2017/18 Q4      | 98                             | 92  | 93.88%                       |
| FY2018/19 Q1      | 371                            | 362   | 97.57%                       |
| FY2018/19 Q2      | 452                            | 445   | 98.45%                       |
| FY2018/19 Q3      | 327                            | 320   | 97.86%                       |

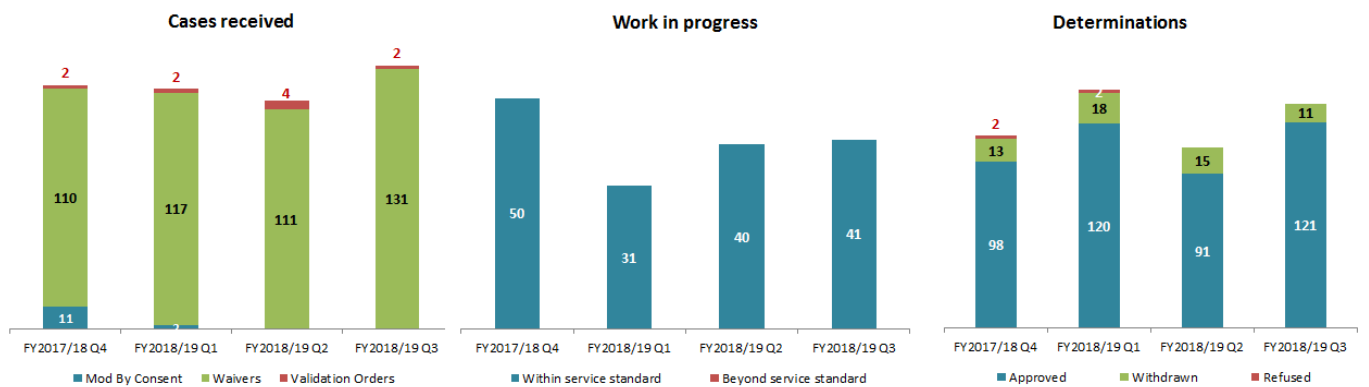
The overall number of receipts continued to reduce in Q3, with the authorisations numbers dropping significantly following the closure of the re-authorisation period.

Conversely, the number of re-registrations continued to grow, peaking in Q3 when the re-registration window closed. The WiP is gradually reducing and we should see a continued reduction over the next few months.

#### 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: 2018/2019



| Processing times of cases completed in quarter (weeks) |     |      |      |        |       |
|--|-----|------|------|--------|-------|
|  | Min | Mean | Mode | Median | Max   |
| FY2017/18 Q4   | <1  | 5    | <1   | 1.1    | 83.6  |
| FY2018/19 Q1   | <1  | 6    | <1   | 1.1    | 159.7 |
| FY2018/19 Q2   | <1  | 4.3  | <1   | 0.9    | 115.9 |
| FY2018/19 Q3   | <1  | 3.2  | 1    | 1.7    | 21.3  |

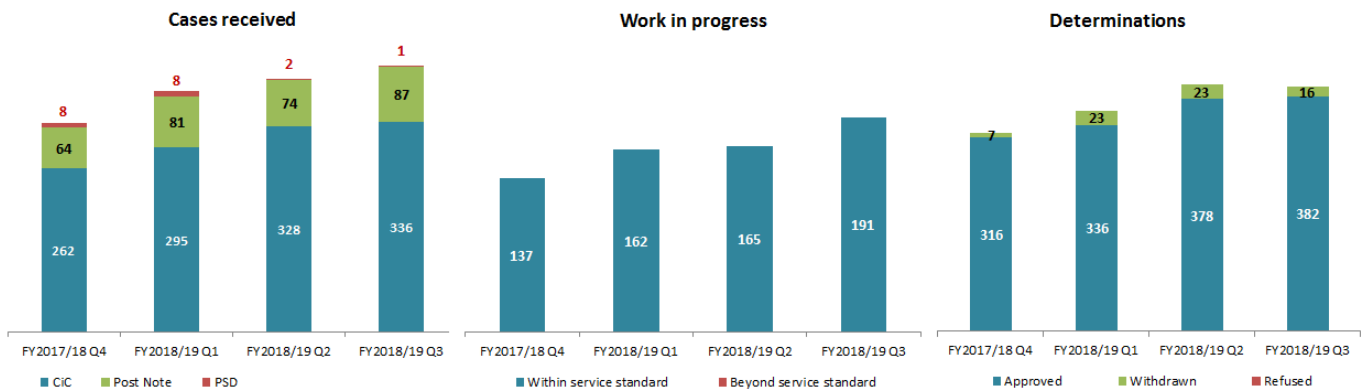
| Service standards |                                |   |                              |
|-------------------|--------------------------------|---|------------------------------|
|                   | Cases required within standard | Of those required, cases determined within standard | % determined within standard |
| FY2017/18 Q4      | n/a                            | n/a   | n/a                          |
| FY2018/19 Q1      | n/a                            | n/a   | n/a                          |
| FY2018/19 Q2      | n/a                            | n/a   | n/a                          |
| FY2018/19 Q3      | n/a                            | n/a   | n/a                          |

Receipts in Q3 increased with no obvious trends indicative of firm responses to Brexit. Determinations kept pace with receipts and Work in Progress remained steady.

## Change in Control KPIs: 2018/2019

### 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  |
| FY2017/18 Q4   | <1  | 4.8  | 1    | 3.4    | 46   |
| FY2018/19 Q1   | <1  | 5.1  | 1    | 4      | 41   |
| FY2018/19 Q2   | <1  | 5.7  | 1    | 4.1    | 55.1 |
| FY2018/19 Q3   | <1  | 5.3  | 1    | 3.9    | 25.3 |

| Service standards |                                |   |                              |
|-------------------|--------------------------------|---|------------------------------|
|                   | Cases required within standard | Of those required, cases determined within standard | % determined within standard |
| FY2017/18 Q4      | 321                            | 321   | 100.00%                      |
| FY2018/19 Q1      | 233                            | 233   | 100.00%                      |
| FY2018/19 Q2      | 268                            | 268   | 100.00%                      |
| FY2018/19 Q3      | 283                            | 283   | 100.00%                      |

All Change in Control cases have been determined within the statutory deadlines. Receipts have increased consistently over the past four quarters, but remain consistent with historical annual fluctuations.

Where cases are not low risk or straight-forward, the FCA may need to liaise extensively with internal and external stakeholders including foreign regulators and/or pose questions to the notice-giver(s).

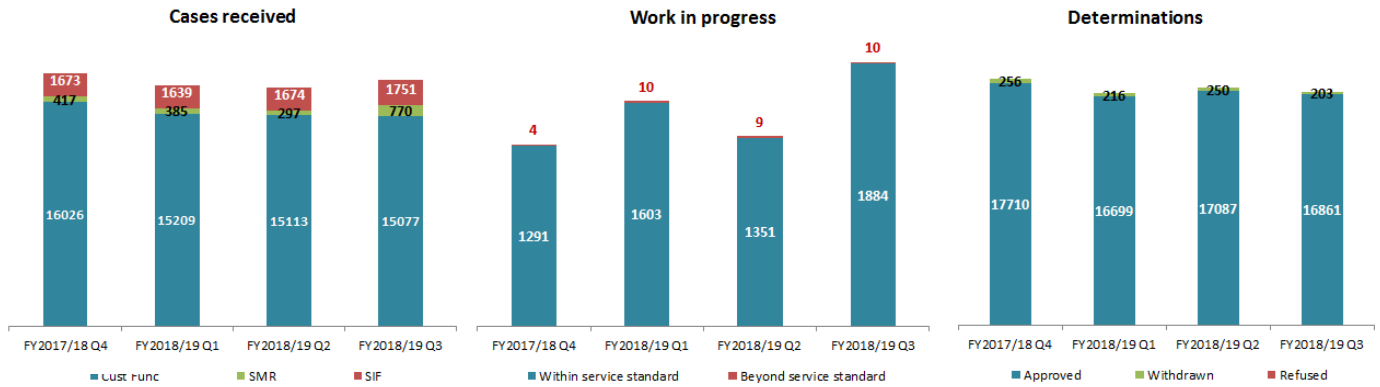
#### Glossary:

- CiC: Notification of an intended Change in Control
- Post Note: Notification a de-facto change in control (e.g. decrease in ownership)
- PSD: Payment Services Directive-Related Case

## Approved Persons KPIs: 2018/2019

### 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   |
| FY2017/18 Q4   | <1  | 0.8  | <1   | 0.1    | 176   |
| FY2018/19 Q1   | <1  | 0.8  | <1   | 0.1    | 51.9  |
| FY2018/19 Q2   | <1  | 1    | <1   | 0.1    | 131.9 |
| FY2018/19 Q3   | <1  | 0.9  | <1   | 0.1    | 191.4 |

| Service standards |                                |   |                              |
|-------------------|--------------------------------|---|------------------------------|
|                   | Cases required within standard | Of those required, cases determined within standard | % determined within standard |
| FY2017/18 Q4      | 5547                           | 5544  | 99.95%                       |
| FY2018/19 Q1      | 6051                           | 6040  | 99.82%                       |
| FY2018/19 Q2      | 5837                           | 5811  | 99.55%                       |
| FY2018/19 Q3      | 5624                           | 5601  | 99.59%                       |

This quarter's increase in cases received is mainly due to the extension of the Senior Managers and Certification Regime to insurance firms.

The increase in Work in Progress is impacted by both the increase in cases received and an increase in case complexity.

#### Glossary:

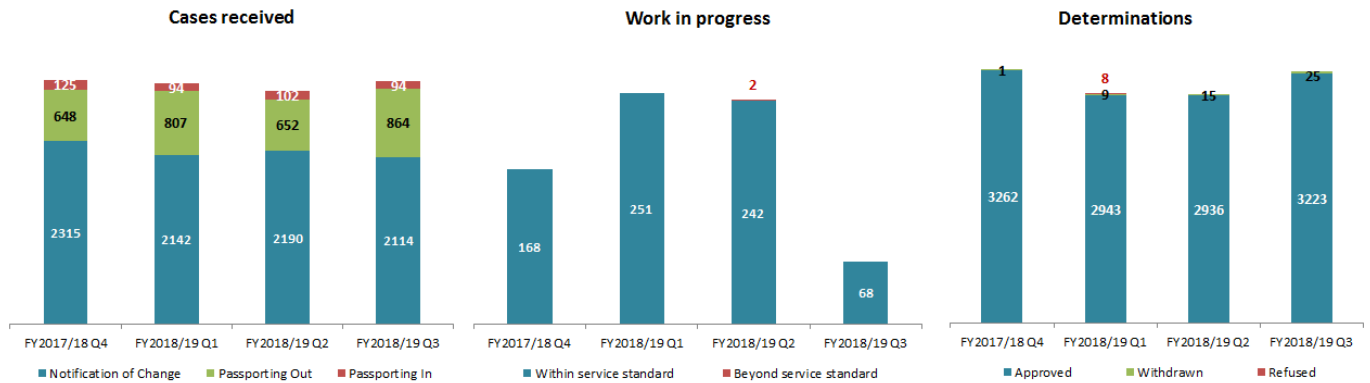
- SMR: An application in respect of individuals from a firm covered by the Senior Managers & Certification Regime.
- SIF: Any application from an individual performing or applying to perform a "Significant Influence Function."
- Customer Function: Any application from an individual, approved person or appointed representative not covered under the above two categories. For example, an application to become an approved person, or an application to cancel an approved person permission.



## Passporting KPIs: 2018/2019

**Passporting: to process an application from a firm authorised in the UK to carry out business in another EEA member state or process an application from a firm authorised in another EEA member state to carry out business in the UK and process a notification of change from the same**

(Applicable service standards: Appendix IV)



| Processing times of cases completed in quarter (weeks) |     |      |      |        |      |
|--|-----|------|------|--------|------|
|  | Min | Mean | Mode | Median | Max  |
| FY2017/18 Q4   | <1  | 0.9  | <1   | 0.1    | 12.6 |
| FY2018/19 Q1   | <1  | 0.7  | <1   | 0.1    | 12.7 |
| FY2018/19 Q2   | <1  | 0.7  | <1   | 0      | 12.7 |
| FY2018/19 Q3   | <1  | 0.6  | <1   | 0.1    | 13.9 |

| Service standards |                                |   |                              |
|-------------------|--------------------------------|---|------------------------------|
|                   | Cases required within standard | Of those required, cases determined within standard | % determined within standard |
| FY2017/18 Q4      | 3311                           | 3302  | 99.73%                       |
| FY2018/19 Q1      | 3264                           | 3263  | 99.97%                       |
| FY2018/19 Q2      | 2429                           | 2429  | 100.00%                      |
| FY2018/19 Q3      | 3084                           | 3081  | 99.90%                       |

The total volume of cases received this quarter is similar to the total received in 17/18 Q4, but with a different mix of cases. A relatively significant rise in the number of passporting out cases received, for the fourth consecutive month is likely to be a result of firms' Brexit preparations.

### Glossary:

- Notification of change: Notification of changes to particulars or to cancel a passport or tied agent.

## 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> | 3MLD             | To process Money Laundering registrations  | 100% within 45 calendar days of receipt of application or receipt of any further required information (Reg 34(4) MLRs)                    |

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

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

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

## Appendix IV: Relevant Service Standards: Passporting

| ID           | Area        | Description  | Target  |
|--------------|-------------|--|---|
| <b>R10.1</b> | Passporting | To process a notification of changes by a firm authorised by the FSA already carrying out business in another EEA member state, under freedom of establishment, within the timeframe set by the relevant directive                 | 100% within one month of notification   |
| <b>R10.2</b> | Passporting | To process a notification of changes by a firm authorised by the FSA already carrying out business in another EEA member state, under freedom of services, within the timeframe set by the relevant directive                      | 100% within one month of notification   |
| <b>N3.1</b>  | Passporting | (Inward establishment) To process a notification received via another EEA member state for one of its authorised firms to carry out business in the UK, under freedom of establishment, within timeframe set by relevant directive | 100% within two months of receipt (Sch 3, 13)   |
| <b>N3.2</b>  | Passporting | (Inward service) To process a notification received via another 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    | 100% within two months of receipt (Sch 3, 14)   |
| <b>N4.1</b>  | Passporting | (Outward establishment) To process a notification received from a UK authorised firm to carry out business in another EEA member state, under freedom of establishment, within the timeframe set by the relevant directive         | 100% within three months of receipt (Sch 3,19)<br>[Note that the required period is less under some directives] |
| <b>N5.1</b>  | Passporting | (Outward service) To process a notification received from a UK authorised firm to carry out business in another EEA member state, under freedom of services, within the timeframe set by the relevant directive                    | 100% within one month of receipt (Sch 3, 20)  |