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Rt Hon Mel Stride MP
Chair
Treasury Select Committee
House of Commons
SW1A 0AA

10 October 2022

Our ref: C220823H

Dear Mel,

In the Treasury Committee report on the future of financial services regulation, published on 13 June 2022, you asked us to write to you on the publication of our next update on service standards, outlining any areas where we are still not meeting our statutory and voluntary timelines for authorisations, and setting out our strategy for closing any gaps.

Prior to our Annual Public Meeting later this week, we have now published our latest report[1] which I attach. This sets out our performance across our voluntary and statutory service standards and areas where we are focusing.

We recognise that authorisations of Approved Persons has been particularly challenging following the extension of the SM&CR regime in December 2019. The peak of 8,000 cases in July 2021 has now been reduced to 2,400 in September 2022. Overall our pending caseload is down by 47% and we will substantially be meeting our metrics by the end of financial year 2022/23. We have done this alongside implementing the recommendations of the Gloster Review with a more rigorous gateway, with 1 in 5 applications not proceeding in financial year 2021/22, compared to 1 in 14 for the previous financial year.

I look forward to discussing this with you and the Committee at our next accountability session.

Yours sincerely,

Nikhil Rathi
Chief Executive

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[1] https://www.fca.org.uk/news/statements/fca-authorisations-update