

Service Standards Scorecard

Q3 FY 2021-2022

February 2022

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FSRA service standards

Overview

The Financial Services Regulatory Authority of Ontario (FSRA) is committed to improving transparency and accountability in its delivery of regulatory activities. Delivering on this commitment, FSRA has introduced 22 service standards to set clear service expectations and targets in five key areas: Auto, Credit Unions, Pensions, Market Conduct and Public Affairs.

The standards were developed based on customer service principles, best practices and a timely review process to ensure standards remain relevant.

The new system will:

- clarify expectations
- drive service improvement
- contribute to results-based management
- reinforce accountability
- improve transparency

The standards measure operational and regulatory activities that FSRA provides to industry and consumer stakeholders, such as licence renewals, regulatory applications, complaints resolution and annual information returns. FSRA will monitor the standards and targets on a regular basis and propose changes based on its regulatory activities in the current market, resources and stakeholder needs.

Service standards are essential to good public service. They reflect a pursuit of a measurable level of performance, which stakeholders can expect under normal conditions.

Normal conditions represent FSRA's resources and expected level of demand for regular day-to-day operations.

Measurement

Each service standard has a **performance target**, which reflects service levels that stakeholders can expect under normal conditions. Where applicable, FSRA strives to achieve a higher **stretch target** during regular business operations.

Results are collected at the end of each quarter, averaged over the most recent four quarters, and then evaluated against the performance target and stretch target. The **performance score** reflects the percentage score of the service that was successfully completed within the stated standard as a rolling four-quarter average.



Reporting

All service standard results are rigorously reviewed by FSRA's internal Risk team in collaboration with the regulatory divisions. Where there is a shortfall in performance score for a standard (also known as a **variance to target**), the Risk team works with the divisions to understand the environmental, seasonal and business factors that may have affected service delivery during the quarter. The team then develops a plan to bring the service level up to target.

This report represents FSRA's performance in Q3 2021. Once FSRA has reported for four quarters, performance scores will be reported as a rolling average of the four most recent quarters, to accurately reflect FSRA's performance during peak and off-peak periods. FSRA uses the performance data to evaluate the efficiency and effectiveness of its resourcing, business processes and public service year-round. This holistic, data-oriented approach helps to ensure constant improvement of its public service.

The service standards and reporting process are designed to improve **service delivery, accountability and transparency** for FSRA and its stakeholders.

Principles

FSRA developed the service standards using the following principles:

- **Internal accountability.** Regulator is held accountable to maintain the service standard framework. Regular supervision will ensure integrity of the service standards, data collection methodology and reporting.
- **External accountability.** Actively engage stakeholders to assess each service standard. The standards will demonstrate sector regulation that is cost-effective, timely and efficient.
- **Effective.** Take a consistent, principles-based approach to review each standard to ensure they remain relevant to stakeholders and FSRA Priorities. Standards will be assessed based on language, data collection methodology, targets and reporting.
- **Efficient.** Build a framework and supervision structure with methodologies, processes and tools that minimize effort and costs for sectors where practicable.
- **Consistent.** Build the data collection and analysis processes to ensure consistency within each metric and between metrics across all sectors.
- **Actionable.** Implement reporting schedule that shows effectiveness and willingness to evolve. Empower service standard owners to address ineffective metrics and performance.
- **Transparent.** The value of each service standard must be clear to all stakeholders. Public reporting will use benchmarks that demonstrate FSRA's responsiveness, effectiveness, efficiency and accountability.

Guidance

For more information on FSRA's approach to monitoring and measuring its service performance, please see the FSRA Service Standards Guidance at www.fsrao.ca/regulation/guidance.

2021 Q3 performance results

Summary

The scorecard below lists the metrics for each regulatory service area. Staff met or exceeded targets for performance scores shown in green. Yellow indicates that the performance score was within 10% of the target. Red indicates that the performance score fell below target by more than 10%.

The Q3 2021 scorecard represents the fifth publishing of FSRA's service standard performance results. FSRA has met or exceeded service targets for 81% of its standards this quarter. As a result of the pandemic and significant higher number of new applications received, business operations were impacted. Hence, this has created challenges for FSRA to deliver against the standards.

FSRA's performance in Q3 2021 fell below target into the yellow and red ranges in three areas: complaint acknowledgments, complaint assessments, and licence applications processing. The below-target performance is an outcome of extended reviews of Health Service Provider and Loan & Trust complaints, and ongoing increases in the volume of new licence applications received.

In response, FSRA will allocate resources and continue to conduct focused reviews of complaints to ensure timely action and acknowledgement. FSRA also continues to further expand resources to meet the demand of processing applications within the performance targets by Q1 2022. FSRA expects the performance scores to improve in the subsequent quarters.

FSRA will monitor quarterly scores to ensure the standards and targets remain relevant. FSRA has received comments for the FY22-23 business planning/budgeting process in fall 2021 and will assess all standards in early 2022.

● Meets or Exceeds Target
 ● Less than 10% Variance from Target
 ● Greater than 10% Variance from Target

1.0 Auto/Insurance products




| Service | Standard | | Q3 performance score (%) | Standard performance target (%) | Standard stretch target (%) |
|-------------------|--|--------------------------------------|--------------------------|---------------------------------|-----------------------------|
| Auto rate filings | Percentage of Private Passenger Auto (PPA) Standard filings reviewed and decision made within 25 business. | ● | 100% of filing decisions | 100% | N/A |
| Auto rate filings | Percentage of non-PPA Minor Filings reviewed and decision made within 25 business days. | ● | 100% of filing decisions | 85% | N/A |
| Auto rate filings | Percentage of Major Rate Filings reviewed and decision made within 45 business days. | ● | 100% of filing decisions | 90% | N/A |
| Auto underwriting | Percentage of Underwriting Rules, Endorsement and Form Filings reviewed and decision made within 30 business days. | ● | 95.3% of decisions | 80% | N/A |





2.0 Credit Union-regulatory approvals

| Service | Standard | | Q3 performance score (%) | Standard performance target (%) | Standard stretch target (%) |
|--------------------------|--|---|--------------------------------|---------------------------------|-----------------------------|
| Regulatory approvals | All Credit Union regulatory applications processed within 30 days after all required information received. | ● | 100% of applications processed | 90% | 100% |
| Member/ public inquiries | Telephone and email inquiries responded to or acknowledged within one business day. | ● | 100 % of inquiries responded | 95% | 100% |
| Examination reports | Final Examination Report or Interim Examination Report to be provided to the Credit Union no later than 60 days after the examination. | ● | 100% of reports issued | 65% | 100% |

3.0 Market Conduct



* Must include relevant facts and details, supporting documents and final response letter from subject entity.

| Service | Standard | | Q3 performance score (%) | Standard performance target (%) | Standard stretch target (%) |
|--|--|---|---|---------------------------------|-----------------------------|
| FSRA complaints acknowledgement (all sectors) | FSRA will acknowledge complaints in writing within three business days of receipt provided that the reply information is available. |  | 88.8% of complaints actioned ¹ | 90% | 100% |
| ¹ Mitigation plan: FSRA to ensure additional staff are assigned to provide coverage for the task during holiday season. | | | | | |
| Auto complaints | Complaints containing all* available information will be assessed and actioned for a range of possible outcomes inclusive of escalation to other areas of FSRA, transfer to third-party dispute organizations, warning and caution letters, and closed with no action. |  | 88.2% of complaints actioned | 80% | 85% |
| | a) Within 120 days |  | 96.1% of complaints actioned | 95% | 98% |
| | b) Within 270 days | | | | |



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|------------------------------------|--|---|---|-----|-----|
| Credit Union complaints | Complaints containing all* available information will be assessed and actioned for a range of possible outcomes inclusive of escalation to other areas of FSRA, transfer to third-party dispute organizations, warning and caution letters, and closed with no action. |  | 100% of complaints | 80% | 85% |
| | |  | 100% of complaints | 95% | 98% |
| | a) Within 120 days | | | | |
| | b) Within 270 days | | | | |
| Health service provider complaints | Complaints containing all* available information will be assessed and actioned for a range of possible outcomes inclusive of escalation to other areas of FSRA, transfer to third-party dispute organizations, warning and caution letters, and closed with no action. |  | 50% of complaints actioned ² | 80% | 85% |
| | |  | 50% of complaints actioned ² | 95% | 98% |
| | a) Within 120 days | | | | |
| | b) Within 270 days | | | | |




² Mitigation plan: One of a total of two Health Service Provider complaints this quarter required an extended review. A focused review of all HSP complaints is in process to ensure timely action to resolve and/or transfer the file for review.

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|---------------------------|--|---|------------------------------|-----|-----|
| Life insurance complaints | Complaints containing all* available information will be assessed and actioned for a range of possible outcomes inclusive of escalation to other areas of FSRA, transfer to third-party dispute organizations, warning and caution letters, and closed with no action. | ● | 100% of complaints actioned | 80% | 85% |
| | | ● | 100% of complaints actioned | 95% | 98% |
| Insurance complaints | Complaints containing all* available information will be assessed and actioned for a range of possible outcomes inclusive of escalation to other areas of FSRA, transfer to third-party dispute organizations, warning and caution letters, and closed with no action. | ● | 90.9% of complaints actioned | 80% | 85% |
| | | ● | 100% of complaints actioned | 95% | 98% |


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|-------------------------|--|---|---|-----|-----|
| Loan & trust complaints | Complaints containing all* available information will be assessed and actioned for a range of possible outcomes inclusive of escalation to other areas of FSRA, transfer to third-party dispute organizations, warning and caution letters, and closed with no action. |  | 66.7% of complaints actioned ³ | 80% | 85% |
| | |  | 100% of complaints actioned | 95% | 98% |
| | a) Within 120 days | | | | |
| | b) Within 270 days | | | | |

³ Mitigation plan: One of a total of three Loan & Trust complaints this quarter required an extended review. The remaining two files were closed within 15 days. A focused review of all Loan & Trust complaints is in process to ensure timely action to resolve and/or transfer the file for review.


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|----------------------------|--|---|------------------------------|-----|-----|
| Mortgage broker complaints | Complaints containing all* available information will be assessed and actioned for a range of possible outcomes inclusive of escalation to other areas of FSRA, transfer to third-party dispute organizations, warning and caution letters, and closed with no action. |  | 87.5% of complaints actioned | 80% | 85% |
| | |  | 95.8% of complaints actioned | 95% | 98% |
| | a) Within 120 days | | | | |
| | b) Within 270 days | | | | |


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|---|--|---|--|-----|-----|
| Mortgage broker licensing (individuals) | Licenses will be issued 10 days from receipt of a complete application (complete, with payment, and no suitability issue identified during the application review process). |  | 93% of licenses issued | 80% | 90% |
| Mortgage broker licensing (individuals) | Applicants who have submitted incomplete licensing applications (missing information, payment, qualifications, or documents) will be informed that their application is incomplete within 10 business days or receipt. |  | 100% of Incomplete licenses acknowledged | 80% | 90% |
| Mortgage broker licensing (individuals) | Applicants submitting applications where a suitability issue is identified, will receive an email advising the contact information for the assigned Licensing/Registration Specialist and will be contacted within 10 business days of the email, or the license will be issued. |  | 79.3% of suitability applications complete/acknowledged ⁴ | 80% | 90% |

⁴ Mitigation plan: FSRA continues to receive a significantly higher number of new licence applications, and we recognize our service standards are not being met. Licensing resources have recently increased, with further expansions in progress to meet the demand of processing applications within service standards by Q1 of FY 2022/23.

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|---|---|---|-----|-----|
| Insurance agent licensing (individuals) | Licenses will be issued 10 days from receipt of a complete application (complete, with payment, and no suitability issue identified during the application review process). |  74.4% of licenses issued ⁵ | 80% | 90% |
|---|---|---|-----|-----|

⁵ Mitigation plan: FSRA continues to receive a significantly higher number of new licence applications, and we recognize our service standards are not being met. Licensing resources have recently increased, with further expansions in progress to meet the demand of processing applications within service standards by Q1 of FY 2022/23.

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|---|---|--|-----|-----|
| Insurance agent licensing (individuals) | Applicants who have submitted incomplete applications (missing information, payment, qualifications, or documents) will be notified their application is incomplete within 10 business days or receipt. |  100% of Incomplete licenses acknowledged | 80% | 90% |
|---|---|--|-----|-----|

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| Insurance agent licensing (individuals) | Applicants submitting applications where a suitability issue is identified, will receive an email advising the contact information for the assigned Licensing/Registration Specialist and will be contacted within five business days of the email, or the license will be issued. |  61.5% of suitability applications complete/ acknowledged ⁶ | 80% | 90% |
|---|--|---|-----|-----|

⁶ Mitigation plan: FSRA continues to receive a significantly higher number of new licence applications, and we recognize our service standards are not being met. Licensing resources have recently increased, with further expansions in progress to meet the demand of processing applications within service standards by Q1 of FY 2022/23.

4.0 Pensions

| Service | Standard | | Q3 performance score (%) | Standard performance target (%) | Standard stretch target (%) |
|-------------|---|---|--------------------------------|---------------------------------|-----------------------------|
| Inquiries | Inquiries (plan specific, non-plan specific and general) will be responded to within 45 business days. | ● | 95.4% of inquiries responded | 90% | 100% |
| Application | Defined Benefit Plan wind-up applications will be reviewed, and a decision will be made within 120 business days. | ● | 91.3% of application decisions | 90% | 100% |
| Application | Defined Contribution plan wind-up applications will be reviewed, and a decision will be made within 90 business days. | ● | 100% of application decisions | 90% | 98% |

5.0 Public Affairs

| Service | Standard | | Q3 performance score (%) | Standard performance target (%) | Standard stretch target (%) |
|-------------------------------|---|---|--|---------------------------------|-----------------------------|
| Telephone inquiries | We will respond to general questions when calls are received. Complex questions and complaints will be forwarded to the appropriate area to log, investigate and respond. | ● | 100% of calls responded | 90% | 98% |
| Telephone voicemail inquiries | Calls that are received through voicemail will be acknowledged within one business day. | ● | 100% of voicemails acknowledged | 90% | 98% |
| Email inquiries | Emails received through the Contact Centre will be acknowledged within one business day and a response sent within three business days. For complex matters, we may request additional information and these requests may take longer for a formal response. | ● | 99.1% of emails acknowledged and responded | 90% | 98% |
| Web content requests | FSRA will respond within five business days to a requestor of web content in accessible format. Following discussions with the requestor, FSRA will provide agreed-upon web content (excluding online applications), in an accessible format within five business days. | ● | 100% of web content requests responded | 90% | 98% |

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|------------------------|--|---|--|-----|------|
| Print content requests | FSRA will respond within five business days to a requestor of print publication in an accessible format. Following discussions with the requestor, FSRA will provide the agreed-upon publication material in an accessible format within five business days. | ● | 100% of print publication requests responded | 90% | 98% |
| Inquiry (web) | All inquiries directed to the Web Manager e-mail account will be concluded and/or responded to within five business days. | ● | 100% of web content requests | 95% | 100% |

**Financial Services Regulatory
Authority of Ontario**

25 Sheppard Ave. West,
Suite 100
Toronto, Ontario
M2N 6S6

Telephone: 416-250-7250
Toll free: 1-800-668-0128

FSRA
Financial Services Regulatory
Authority of Ontario



Ontario