

Enforcement Information Guide

August 2025

This guide explains our regulatory enforcement process. We give more detail in the guidance in the Handbook and regulatory guides, in particular the Decision Procedure and Penalties manual ([DEPP](#)) and the Enforcement Guide ([ENFG](#)) on our [website](#).

Our general enforcement powers

Under the Financial Services and Markets Act 2000 (FSMA), we have a wide range of regulatory, criminal and civil powers to take enforcement action against both firms and individuals we regulate, as well as those we don't, who fail to meet our standards.

Examples of our powers include being able to:

- Withdraw a firm's authorisation.
- Prohibit an individual from operating in financial services.
- Prohibit an individual from undertaking specific regulated activities.
- Suspend a firm from undertaking specific regulated activities for up to 12 months.
- Suspend an individual from undertaking specific controlled functions for up to 2 years.
- Censure firms and individuals through public statements.
- Impose financial penalties.
- Seek injunctions.
- Apply to court to freeze assets.
- Seek restitution orders.
- Prosecute firms and individuals who undertake regulated activities without authorisation.

We also work closely with other law enforcement agencies, including overseas regulators.

This guide does not cover information about our criminal or other processes; please see [ENFG 6](#) and [ENFG App 1](#) respectively for more information.

The enforcement process for regulatory cases

The flowchart below shows the process of a typical enforcement case where we are using regulatory powers under FSMA. It also shows the options for settling or resolving a case early, or contesting a case.

1 When we start enforcement investigations

Our website explains the criteria we use when opening an investigation.

2 Appointing investigators

We appoint investigators and, if appropriate, send a Notice of Appointment of Investigators to the firm or individual as quickly as practicable. (ENFG 2.3)

3 Scoping discussions (if applicable)

Our initial discussions with the firm or individual aim to give them a clear idea of why we have appointed investigators. We will also explain the scope of the investigation, the likely route of the process and the likely timing of the key milestones as well as next steps in the investigation. (ENFG 2.4)

4 Investigation phase

The appointed investigators carry out the investigation. This may include requiring documents or information, as well as interviews with witnesses or persons under investigation. (ENFG 2.5 to ENFG 2.8)

5 Deciding to take action

The Enforcement team will consider the full circumstances of each case when deciding whether to recommend enforcement action, for example, a financial penalty or public censure. (DEPP 6.2)

6 Options available – settlement, RDC, Tribunal

The enforcement team will gain a sufficient understanding of the case to allow them to make a reasonable assessment of the appropriate action to recommend to our **decision makers**. We will normally give the subject a reasonable period to settle the case with us. This is known as early resolution, for which there may be a discount available (see **Early Resolution** below). A case can, however, be resolved at any stage of the enforcement process.

Case closure

We may decide to close the investigation at any stage in the procedure, if we consider it appropriate. For Notice of termination of investigations see ENFG 2.10.

Resolution

The firm or individual can seek to resolve any or all of the issues in the case. There is a discount scheme for some enforcement actions where agreement is reached during the early resolution period (stage 1) of the procedure.

A firm or individual may choose to resolve the case in full or in part ([DEPP 5.1.1](#), [DEPP 6.7](#)), to contest the case in full before the Regulatory Decisions Committee (RDC) (see **Regulatory Decisions Committee** below), or to request the expedited procedure to refer the case to the Upper Tribunal (see **Referral to the Upper Tribunal (Tax and Chancery Chamber)** below, and [DEPP 5.1.8E](#)).

If a firm or individual and the FCA agree to early resolution of part of a case, we will enter into a focused resolution agreement. ([DEPP 5.1.8A](#))

7

Submission to the RDC

Following its investigation, the Enforcement team may decide regulatory action is justified. If the case or parts of it remain contested so that early resolution of the full matter is not agreed, the Enforcement team will submit case papers to the RDC. This will include, on contested issues, the firm's or individual's response to the Enforcement team's findings. For information on the RDC, see **Regulatory Decisions Committee** below, [DEPP 3](#) and the [RDC page on our website](#).

8

Warning Notice

After the RDC has received the case papers, the RDC will decide if it is appropriate to give a Warning Notice. The Warning Notice informs the relevant person that we intend to take action and what that action is likely to be. The firm or individual has the right to see the material the RDC used to make its decision. The firm or individual usually has 14 days to respond to the notice with written representations to the RDC and to state whether they wish to make oral representations. For information on Warning Notices, see the [RDC page on our website](#), [DEPP 2.2](#) and [s387 FSMA](#).

9

Representations to the RDC

The RDC will meet again to consider the facts of the case including the firm's or individual's written representations and any new information that may have come to light. If the firm or individual has chosen to make oral representations, they will be invited to make these to the RDC at this meeting.

Expedited procedure for Tribunal reference

A firm or individual may choose not to make representations to the RDC and instead use our expedited procedure to receive a Decision Notice more quickly, enabling them to refer to the Tribunal earlier. For further information on the expedited reference procedure see [DEPP 5.1.8E-I](#).

Published information

We may, if appropriate, publish information about certain Warning Notices (having consulted the person to whom the notice is given) – [ENFG 4.2.1](#), [s391 FSMA](#)

10

Decision Notice

The RDC makes its decision on behalf of the FCA and, if appropriate, gives a Decision Notice. (DEPP 2.3, s388 FSMA)

11

Final Notice

If no referral is made to the Tribunal following the Decision Notice, the RDC, on behalf of the FCA, will give a Final Notice to the firm or individual concerned. (s390 FSMA)

12

Published Information

We will publish the information about the issue in the Decision or Final Notice as we are required or consider appropriate. (ENFG 4.2.11, s391 FSMA)

Upper Tribunal (Tax and Chancery Chamber)

Following the Decision Notice, the firm or individual has 28 days to make a referral to the Tribunal. The Tribunal is entirely independent of the FCA and will consider the case afresh. A Tribunal hearing is normally held in public.

Tribunal's determination

If the case is referred to the Tribunal, the Tribunal decides what action the FCA should take in relation to the matter referred to it (including giving a Notice of Discontinuance if the case is not made out). The FCA will then give a Final Notice.

Early resolution

When our investigation has given us sufficient information about the case to make a reasonable assessment of the appropriate action, we normally give the firm or individual a reasonable period to settle the case with us. This is known as early resolution. We may give the firm or individual a discount for agreeing early resolution during stage 1.

There are a number of ways firms and individuals can resolve a case. They may:

1. Agree all issues – facts, liability and proposed action, or
2. Agree all issues of fact and liability, and contest only the action we propose to take through the RDC (see **Regulatory Decisions Committee** below), or
3. Agree all issues of fact, and contest liability and the proposed action through the RDC, or

4. Agree most issues of fact and liability, and contest a limited number of issues and our proposed action through the RDC, or
5. Contest all issues, or
6. Refer the case straight to the Tribunal (see **Referral to the Upper Tribunal (Tax and Chancery Chamber)** below).

Agreements under (2) - (4) will be made in a focused resolution agreement. We decide whether it is appropriate to make a focused resolution agreement.

A 'settlement' or resolution in the regulatory context is not the same as settlement of a commercial dispute. It is a regulatory decision we take, with the terms accepted by the firm or individual concerned. We must make sure that the terms of any agreement are consistent with meeting our statutory objectives.

Communications about resolution between the Enforcement team and those under investigation are made 'without prejudice'. This means that if the case remains contested and proceeds through the RDC, the RDC will not be told about any admissions or concessions made during the resolution period, except where they are set out in a focused resolution agreement between the parties.

Discount scheme

We have a scheme that gives discounts on financial penalties, suspensions, restrictions conditions and disciplinary prohibitions (prohibitions under s123A FSMA) if part or all of a case is resolved early. For example, the scheme reduces the financial penalty that would otherwise be payable by up to 30% as follows:

Agreement	Penalty discount
Full agreement of facts, liability and penalty in stage 1	30%
Full agreement of facts and liability (but not penalty) in stage 1	30%
Full agreement of facts (but not liability or penalty) in stage 1	15–30% at the discretion of the RDC
Partial agreement as to facts, liability and penalty (leaving a narrow set of issues in dispute) in stage 1	0-30% at the discretion of the RDC
No agreement on facts, liability or penalty in stage 1	0%

After stage 1, no discounts are available. DEPP 5.1 and DEPP 6.7 give details about settlement and penalty discounts.

Decision makers

The Settlement Decision Makers (SDMs)

The SDMs are 2 members of our senior management who decide whether to agree a resolution and give statutory notices.

They are chosen from a pool of FCA Directors and Heads of Department, with at least one from outside the Enforcement and Market Oversight Division. SDMs will make the decision on behalf of the FCA about complete resolution of the matter through settlement. In partially contested cases, they will make decisions about focused resolution agreements and which specific issues are resolved through these agreements.

The Regulatory Decisions Committee (RDC)

The RDC makes decisions on contested cases where we are using certain regulatory powers, such as those that allow us to impose financial penalties. The RDC is made up of financial services practitioners and non-practitioners, who come from across a range of business, consumer and industry backgrounds. The RDC is operationally separate from the rest of the FCA and the FCA staff who handle cases before they go to the RDC will not be involved in the RDC's decision making. Members of the RDC are appointed by, and are accountable to, the FCA Board. The RDC has a team of support staff and its own legal advisers, which ensures separation from those recommending the action. This helps to ensure that decisions to give statutory notices are made fairly.

The RDC process is administrative, not judicial. It is not an appeal body; it is the final stage of decision making for the FCA.

Referral to the Upper Tribunal (Tax and Chancery Chamber)

Following a Decision Notice, a firm or individual can refer their case to the Tribunal. The Tribunal is entirely independent of the FCA and will consider the case afresh. A Tribunal hearing is normally held in public.

A firm or individual can choose not to make representations to the RDC. Instead, they can use our expedited procedure to receive and subsequently refer a Decision Notice to the Tribunal earlier. DEPP 5.1.8E-I gives further information about the expedited reference procedures.

The FCA and mediation

The mediation process involves a neutral mediator. The mediator will not offer an evaluation of the case but will only help both parties to reach a resolution.

If the parties consent, mediation may take place at any stage of the enforcement process. However, mediation is unlikely to be appropriate in cases where we are considering bringing a criminal prosecution or where we need to take urgent action.

Publicity

For information on the exceptional circumstances in which we may publicly share that we are or are not investigating a matter see [ENFG 4.1](#). If appropriate, we may publish information about certain Warning Notices, having consulted the person to whom the notice is given ([s391 FSMA](#)). We may also publish a Decision Notice. We will usually publish a Final Notice ([ENFG 4.2.11](#), [s391 FSMA](#)).

If you would like further details on resolution or mediation, or an update on the progress of your case, please speak to a member of the Enforcement team responsible for your case.

© Financial Conduct Authority 2025
12 Endeavour Square London E20 1JN
Telephone: +44 (0)20 7066 1000
Website: www.fca.org.uk
All rights reserved

Pub ref: 1-004038

All our publications are available to download from www.fca.org.uk.

Request an alternative format

Please complete this [form](#) if you require this content in an alternative format.

Or call 0207 066 1000



Sign up for our **news and publications alerts**