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Via Email

28 November 2014

Our Ref: FOI3739

Dear

Freedom of Information: Right to know request

Thank you for your request under the Freedom of Information Act 2000 (the Act), for the following information;

'1) I would like to know the number of Private Warnings the FCA has issued to regulated firms

2) Could I have the data for the last three years (2012, 2013, and as much of 2014 as possible) broken down by month, or if that is not possible by quarter, or if that is not possible by year?

3) If possible with the time limit, could the data be additionally broken down by the type of firm the Private Warning was issued to, as listed on the FCA website (Consumer credit; Mutual societies; Banks; Financial adviser; Investment managers and stockbrokers; Insurers; Building societies; Wholesale investment firms; Sole advisers; Insurance intermediaries; E-Money institutions; Mortgage brokers and home finance lenders; Payment services institutions; Asset management; Fund Authorisation and Supervision; Innovator businesses: Project Innovate) or other sector categorisation?.'

In some cases a private warning may be issued where we have concerns about the behaviour of a firm or approved person, but we decide it is not appropriate to bring formal disciplinary action. Further information is published in the FCA's Enforcement Annual Performance Account (see in particular page 17 which sets out more information about the use of private warnings) and paragraphs 7.10 - 7.19 of the FCA's Enforcement Guide, which provides greater detail on our policy and practice as regards private warnings. Both of these publications can be found on our external website at: <http://www.fca.org.uk/static/documents/corporate/enforcement-annual-performance-account-13-14.pdf> and http://media.fshandbook.info/Handbook/EG_Full_20140401.pdf

Turning to your request, each point will be answered in turn.

In regard to point 1, 85 private warnings were issued by the FCA to regulated firms for the period Q1 2012 to Q3 2014.

In response to point 2, the figures are listed in quarters in the table below. Please be aware, in some instances more than one private warning may be issued for the same case where multiple individuals or firms were involved.

Quarter (Calendar Year)	No. of Private Warnings sent to Regulated Firms
Q1 2012	10
Q2 2012	6
Q3 2012	12
Q4 2012	6
Q1 2013	2
Q2 2013	5
Q3 2013	4
Q4 2013	1
Q1 2014	6
Q2 2014	30
Q3 2014	3
Grand Total	85

In relation to point 3, because we do not record cases by 'type of firm', we are unable to provide details of private warnings broken down by type. In order to break down the information in the manner you are seeking, we would be required to manually access and review each case file. To do this would exceed the cost limit provided for in the Freedom of Information and Data Protection (Appropriate Limit and Fees) Regulations 2004. For a detailed explanation as to why this exemption applies, please also refer to the Annex.

Yours sincerely,

Information Access Team

[Your right to complain under the FoI Act](#)

If you are unhappy with the decision made in relation to your request, you have the right to request an internal review. If you wish to exercise this right you should contact us within three months of the date of this response.

If you are not content with the outcome of the internal review, you also have a right of appeal to the Information Commissioner at Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF. Telephone: 01625 545 700. Website: www.ico.org.uk

Annex

- **Section 12 (Cost of compliance exceeds appropriate limit)**

The Act requires us to comply with a request, unless it would be too expensive to do so, as estimated in accordance with the Freedom of Information and Data Protection (Appropriate Limit and Fees) Regulations 2004 made by the Department of Constitutional Affairs (now Ministry of Justice). The regulations provide that, for the FCA, the cost limit is £450, i.e. 18 hours at the rate of £25 per person hour. The regulations allow us to take into account when estimating the cost of complying with a request the time spent determining whether we hold the information requested, locating and retrieving it, and extracting the information from the relevant document(s).

As explained above, the information is not recorded or held in a readily extractable format. Therefore, to process your request would require each case file to be

manually accessed, to see whether it listed the type of firm. This exercise, we believe would take well in excess of 18 hours. On that basis, we estimate that the cost of retrieving the information you have requested would far exceed the £450 limit.

As our policy is not to divert our resources from our regulatory functions in order to meet requests under the Act in excess of the cost limit, we will not carry out an exercise to identify the information you have requested.