FCA Annual Public Meeting 2026

Responses to unanswered questions

Published: Friday 6 November 2026

Our Annual Public Meeting (APM) is an important opportunity to hear directly from the public and our stakeholders, and to be accountable for our work. We received more questions than we were able to answer during the meeting, and this document provides responses to those outstanding questions.

The answers are intended to provide open and transparent information about our work and the issues raised. They are accurate at the time of publication. This is a static document and will not be updated as circumstances or our work develop.

Watch the full recording of the 2026 APM, and read the transcript.

Contents

Issue	Page
Accountability	3
Advice, Guidance and Consumer Investments	5
Artificial Intelligence	11
Anti-Money Laundering	19
Appointed Representatives	21
Asset Management	22
Authorisations	23
Complaints	25
Consumer Duty	27
Consumer Finance	32
Corporate Matters	33
Cost Benefit Analysis	35
Cryptoassets	36
Enforcement Cases	37
Financial Crime	43
Financial Inclusion and Capability	44
Financial Ombudsman Service	46
Funeral Plans	50
Innovation	51
Insurance	52
Interest Rate Hedging Products	54
Miscellaneous	60
Mortgages	65
Motor Finance	70
Mutuals and Co-operatives	75
Non-Financial Misconduct	76
Payments and E-Money	77
Pensions	78
PSR Consolidation	79
Sanctions	80
Senior Managers and Certification Regime	81
Strategy	82
Supervision	84
Sustainable Finance	85
Transformation, Data and Tech-led Regulation	86
Whistleblowing	87

Static document. Accurate at publication: 6 November 2026.

Accountability

1. **Parliament and HM Treasury may hold the FCA accountable, but who holds the FCA accountable for the harm caused when it knows a regulated firm is breaching its rules and still fails to act — and what consequences does the FCA itself face for that failure?**

Firms are responsible for complying with our rules and for the harm caused when they fail to do so. The FCA is accountable for how it exercises its statutory functions. Parliament and HM Treasury scrutinise our performance and use of our powers. Our decisions may be challenged through the courts and, where appropriate, reviewed under the independent Complaints Scheme.

We take reports of potential misconduct seriously and consider the most appropriate supervisory or enforcement response based on the evidence available, the legal framework set by Parliament, our statutory objectives and our published policies. We do not take enforcement action simply because an allegation has been made, and we are unable to comment on individual firms or cases.

Where concerns are raised about the FCA's actions or inaction, individuals may complain through the statutory Complaints Scheme. The independent Financial Regulators Complaints Commissioner can investigate complaints and make recommendations, including recommendations for remedial action. FCA decisions, or failures to act, may also be subject to judicial review. Where shortcomings are identified, consequences can include independent findings, public reporting, changes to our processes and procedures and, where appropriate, ex gratia payments under the Complaints Scheme.

2. **Does the Chair and CEO recognise that it is for Parliament to decide, not the FCA, what constitutes genuine independence when it comes to investigating the FCA itself.**

We recognise Parliament’s important role in determining the statutory framework for the FCA and the arrangements for independent scrutiny of the organisation. We are committed to transparency and accountability, and to engaging constructively with the scrutiny and oversight arrangements established by Parliament.

3. **Good morning, Mr Alder. I am a victim of extensive financial fraud involving money-laundering payments through the UK banking system – arguably the biggest growth sector in the UK financial services industry. London has become a favoured destination for international fraudsters and the laundering of their proceeds. In my case, NatWest was the sending bank and Barclays the receiving bank for payments which police investigators identified as money-laundering transactions. The headquarters of my bank, NatWest, is virtually around the corner from this meeting. Yet, despite the scale of the failures I have reported, I see little evidence of meaningful regulatory accountability. Fowler, Stunt and others have come and gone. Whistleblowers at NatWest and Barclays have produced reports which, in my experience, have been ignored. At last year's Annual Public Meeting, I challenged you over the**

failure of the Financial Ombudsman Service (FOS) to recognise NatWest's potential liability. Your General Counsel subsequently maintained that the matter was nothing to do with the FCA. In May this year, I wrote to you and your Board, ahead of NatWest's proposed £2.7 billion acquisition of Evelyn Partners. I received no meaningful response. I then pursued the FCA's own complaints procedure, only for my complaint to be dismissed by your officer.

So I ask you directly: What purpose does the FCA serve in protecting consumers if it will not properly confront systemic banking failures, examine credible whistleblower evidence and hold the institutions it regulates accountable? And who, ultimately, holds the FCA itself accountable?

We do not accept the characterisation of the organisation in the first part of your question. We take reports of potential misconduct seriously and consider the most appropriate supervisory or enforcement response based on the evidence available, the legal framework set by Parliament, our statutory objectives and our published policies. We do not take enforcement action simply because an allegation has been made, and we are unable to comment on individual firms or cases.

The FCA Board oversees the organisation and holds the executive to account for how the FCA carries out its functions. The FCA is in turn accountable to Parliament, including through Parliamentary scrutiny and statutory reporting requirements. These arrangements provide accountability for how we exercise our regulatory responsibilities while preserving our operational independence.

Advice, Guidance and Consumer Investments

4. What is the FCA's view of small advice firms in the UK advice landscape, in particular what they can bring to consumers, and the general feeling about smaller firms in terms versus larger advice firms?

I ask this question as the proprietor of a "one man band" who previously worked for a number of larger organisations, but where I felt (in some cases) standards were lacking with leadership which did not always carry significant financial planning experience.

Also, does the FCA have a view about how to encourage more people to work in the advice industry, given the apparent shortage of advisers?

Small advice firms are an important part of the UK's diverse advice market. We do not favour one type of firm over another. Our focus is on whether firms deliver good outcomes for consumers and meet the standards we expect. We want to see a competitive and resilient advice market with a range of firms and business models that can meet consumers' needs.

We recognise the important role that financial advisers play in helping consumers make financial decisions. While it is not the FCA's role to determine how many advisers the industry should have, we are interested in ensuring consumers can access the support they need. Our work on targeted support and simplifying aspects of the advice framework is intended to help firms support a broader range of consumers while maintaining appropriate consumer protections. Our analysis has also highlighted opportunities for the sector around recruitment, retention and diversity.

5. While the rise of AI has brought about new opportunities and challenges, the way it may steer preexisting trends shouldn't be overlooked. AI applications in finance now function as free investment advice and portfolio management. Similar to finfluencers, AI is providing unfiltered access to what was previously only available to those who could afford a financial advisor. Yet, when even investment professionals are using it this raises a question about what is actually being protected: what is the value-add of a trained professional and a regulated institution when everyone, regulated or not, is running the same unregulated tool?

General-purpose LLMs, such as ChatGPT or Claude, can respond to a variety of prompts and topics but are not tailored to financial services or to help consumers with financial advice, research, or decision making. Although they can be useful for consumers, they can also be misleading and provide outdated or inaccurate information.

When consumers use general-purpose LLMs, they aren’t receiving regulated advice from an authorised firm (based on how these platforms are currently set up). This means that they won’t be able to access protections such as the Financial Ombudsman Service (FOS) and Financial Services Compensation Scheme (FSCS) if things go wrong.

To highlight this issue, we published an InvestSmart article in December 2025 on the risks and benefits of using AI for investment research. We also included a summary of this issue in the Perimeter Report, published 26 March 2026.

However, it is also important to be clear that where firms are providing regulated financial services via AI tools, for instance where a LLM is deployed specifically to provide financial advice, they must be authorised to do so and comply with our rules. Firms should understand and manage the risks created when AI is used in their products, services and customer interactions, including where technology is supplied by a third party. Authorised firms, advisers and senior managers remain responsible for outcomes where AI is used.

6. How does the FCA plan to manage these overlapping forces of AI, finfluencers and investment professionals (esp. fiduciary duty and licensing)? Is it considering an authorisation or approval route specific to finfluencers or AI advice tools, so their use can be overseen rather than policed after the fact?

We do not intend to introduce a bespoke authorisation regime for either finfluencers or general-purpose AI tools. We are seeking to apply existing regulatory frameworks to new technologies and channels, focusing on the activity being carried out rather than the technology itself.

For example, where finfluencers communicate financial promotions, existing financial promotion rules already apply. We will carry out enforcement action against unlawful actors when required. For example, during our International Week of Action in April 2026 we coordinated with 16 other regulators, and we issued 34 warnings against unauthorised firms or individuals and made 120 account takedown requests to social media platforms hosting illegal finfluencer content. This is combined with proactive engagement and guidance for those seeking to operate compliantly.

Similarly, we do not currently plan to create new AI-specific rules and instead rely on established frameworks such as Consumer Duty. Although general-purpose AI Large Language Models are not regulated, tools specifically set up to provide financial advice are likely to fall within the FCA's remit.

The key regulatory challenge is ensuring accountability as AI, online influencers and traditional investment advice increasingly overlap. Authorised firms, advisers and senior managers remain responsible for outcomes where AI is used.

7. If financial communication is central to investor education and protection, who is measuring the quality of that communication?

The quality of financial communication is ultimately the responsibility of firms, which are required to ensure that communications are fair, clear and not misleading. Under the Consumer Duty's Consumer Understanding outcome, regulated firms must provide information that is clear, timely and presented in a way that consumers can understand, enabling them to make effective, timely and informed decisions. The Duty requires firms to test, monitor and continuously improve their communications rather than simply assuming they are effective.

We supervise firms' compliance with our financial promotion and consumer understanding requirements, including through thematic reviews, interventions and behavioural research.

In some areas, we are also taking more targeted action. For example, we have developed the Consumer Composite Investment (CCI) regime for investment product communication to allow firms to have the freedom to innovate and deliver engaging communications to consumers.

As part of the introduction of our CCI regime, we reviewed existing investment disclosure documents to see how readable they are, and we found that only 6% were written in plain English. We will use these findings to help firms transition to new, clearer investment disclosure documents as part of the CCI regime, which is due to go live in June 2027.

8. My name is Cliff Weight and I am chair of the Education Committee of ShareSoc the individual shareholders society, who represent retail investors in the UK. Historically, the data shows that cash investments have significantly underperformed investments in shares in particular investments in global and US shares. We have seen a shift in emphasis of the FCA, which has highlighted the poor historic returns of cash investing and we would like to hear what the FCA plans to do in respect of financial education of the millions of potential investors in the UK about shares, and the relative benefits of shares versus cash savings accounts. We welcome the progress the FCA has made in relation to targeted support. With the huge progress made in artificial intelligence, would you comment on how AI could be used by the millions of investors who do not have financial advisors and cannot afford the fees of expensive financial advisors, but who could significantly benefit from targeted support?

This year, we published our Consumer Investments Regulatory Priority Report, setting out our priorities for the Consumer Investments market, including to build a stronger investment culture. We want consumers to feel confident to invest, which means ensuring they have access to the right products, support and information to make informed decisions.

We continue to support the UK-wide industry-led 'Invest for the Future' campaign, which aims to encourage a stronger culture of retail investment. We also continue to update our InvestSmart website, to help consumers make better-informed investment decisions.

Targeted Support aims to make support readily accessible to many more consumers. Sitting between individualised advice and guidance, Targeted Support allows firms to support large numbers of consumers with decisions about pensions and investments by providing suggestions designed for groups of consumers with common characteristics.

Given that our rules for Targeted Support are channel-neutral, the regime presents an opportunity for firms to use AI within a trusted regulated environment. Recently, we authorised Chip Financial, our first Targeted Support provider utilising an AI chatbot to support customers with excess cash savings to invest.

We are also working with stakeholders across industry and consumer groups to define the FCA's role on financial capability more broadly.

9. **What are you doing to improve financial education and investing knowledge in young people and adults? Considering the government are reducing cash ISA limit and encouraging investment in stocks & shares isa.**

   Will you be providing guidance and support to the public on how to engage in safe investments given that the government has reduced the CASH ISA allowance in order to encourage investing?

As set out in our Consumer Investments Regulatory Priority Report, we want to build a stronger investment culture, and we want consumers to feel confident to invest. This means ensuring they have access to the right products, support and information to make informed decisions. Many consumers hold significant cash reserves that could be invested in suitable products, which may help them achieve their financial goals.

Targeted support, which went live in April 2026, helps bridge the gap between general guidance and individualised financial advice, allowing firms to offer ready-made investment and pension suggestions designed for groups of consumers with common characteristics. We will also publish a policy statement on simplifying the pensions and investment advice rules by the end of the year.

Together, this work is intended to facilitate a broader spectrum of support options, from guidance through to more comprehensive advice, while reflecting changes in consumer needs, market practice and technology.

We have also recently published our Expanding Consumer Access to Investments feedback statement, where we published our roadmap for reforms following on from the feedback we received on how we can help more people to invest with confidence, while keeping the right protections in place.

More broadly we continue to update our InvestSmart website, and we continue to support the industry led retail investment campaign 'Invest for the Future' that was launched this year.

10. **For near on two years we have been supplying information to the FCA regarding True Potential and how up to as recently as 2024 their advisers have onboarded clients in breach of the Data Protection Act 2018.**

    We are now sending significantly more evidence to Executive Casework. Advisers have acted appallingly and our deep research proves that True Potential completely failed to have in the correct level of systems and controls in place.

    Likely as many as hundreds or thousands of former True Potential advisers have now left the industry and have since closed the their former companies with the FCSC having to pick of the bill for faulty pension and investments advice prior to them joining True Potential.

Static document. Accurate at publication: 6 November 2026.

A huge part of the modus operandi is individuals being directly authorised for months and even years after they join True Potential. This allows them to gradually go through all their book of clients transferring as many as possible to True Potential and in doing so picking up entirely hidden commissions of up to 8% or more of funds moved to True Potential.

Thank you for the information provided and for meeting the supervisory team to discuss your concerns.

We carefully assess all information and intelligence we receive. Where we identify issues that may cause harm to consumers or markets, we act. We are unable to comment on action we may or may not take in relation to any regulated firm.

This can be frustrating, particularly for those who have invested significant time in bringing concerns to our attention.

Where consumers believe they have suffered loss as a result of regulated financial advice or services, they should raise a complaint with the firm concerned. If they remain unhappy, they may be able to refer their complaint to the Financial Ombudsman Service, which is free for consumers.

11. **I am primarily interested in understanding how FCA is tackling systemic issues in large financial organisations. I appreciate that specific companies are unlikely to be on topic, however the topic which I am most interested in is True Potential and the apparent large scale practice of advisers, advising people (I am such an example) to transfer pensions to True Potential but that transfer being processed as a non-advised transfer at the same time as the advisers being paid an undisclosed 8% commission/incentive. Such undisclosed conflicts of interest should, in my view, be illegal and I wonder why they don't appear to be taken seriously.**

We are sorry to hear about your experience and thank you for sharing this.

We take concerns raised about the conduct of authorised firms seriously. You are correct that we are unable to comment on firms due to legal restrictions which apply to our work.

While we do not comment on individual firms, tackling systemic issues in financial services is a core part of our role. We use information from a range of sources, including firms, consumers, whistleblowers, supervisory work and market intelligence, to identify patterns of harm and address issues that may be affecting large numbers of customers.

Where we identify concerns about firms' business models, conduct, governance or systems and controls, we can use a range of supervisory and regulatory tools to look into the issues, require firms to make improvements and, where appropriate, take further action.

We agree that conflicts of interest must be properly identified and managed. Firms are required to act in their customers' best interests, manage conflicts effectively and ensure customers receive clear, fair and not misleading information. We take potential failures in these areas seriously and consider all information provided to us when assessing potential consumer harm.

Information from consumers and others can play an important role in helping us identify and address wider risks across the market.

Artificial Intelligence

12. Will the FCA expect firms to disclose where GenAI is used in compliance/risk functions?

No. At the moment, we are not asking firms to separately tell us every time they use GenAI – or any other form of AI – in their compliance or risk work.

We know this is a fast-moving area, and firms want to understand what responsible use of AI looks like. We have heard how our existing rules give firms room to explore and innovate, while still holding them responsible for how they use the technology. Existing requirements, including the Consumer Duty and SM&CR, continue to apply when firms use AI.

What matters to us is that firms understand how they are using AI, manage the risks properly and remain accountable for the decisions and outcomes it supports.

We want firms to be able to make the most of what GenAI can offer, while using it safely and responsibly. We are sharing examples of good and poor practice to help firms understand what that can look like in practice. At the same time, we are keeping a close eye on risks, including bias, consumer harm and financial crime. As GenAI develops and we learn more about how it is being used, we will continue to consider whether our approach needs to change too.

13. On the subject of AI-what are the FCA's emerging expectations for the governance and oversight of AI-driven decision-making within financial crime, fraud monitoring, and customer onboarding processes?

Using AI doesn’t change a firm’s responsibilities. Firms are still responsible for the decisions they make and the outcomes for their consumers.

Where AI is used in financial crime detection, fraud monitoring or customer onboarding, we want firms to understand how it is being used, who is responsible for it, and whether it is working as intended.

Our existing rules, including the Consumer Duty and SM&CR, already provide the foundations for this.

AI has the potential to help firms spot fraud and financial crime and improve the way they serve consumers. We want firms to be able to make the most of those benefits, while using AI safely and responsibly. That means having the right safeguards and human oversight in place, particularly where decisions could have a significant impact on customers.

At the same time, we are keeping a close eye on potential problems including bias, financial crime and harm to consumers. We are also working with firms to better understand how AI is developing in practice, through initiatives such as AI Live Testing, the Supercharged Sandbox and the AI Consortium (jointly with the Bank of England). We will also shortly be sharing examples of good and poor practice to make it clearer what responsible use of AI can look like in practice.

Static document. Accurate at publication: 6 November 2026.

Ultimately, the key point is simple: firms need to understand the AI they use, keep an eye on how it is working, and be ready to step in when something isn’t right.

14. **As the FCA moves from periodic returns toward the continuous, event-driven data flows envisaged for the Agentic Supervisory Model, and given the model draws in part on the FCA's own historical case data, can the FCA say more about whether, and on what legal basis, data and analytics providers might be able to access or draw on ASM outputs? Legitimate interest is the obvious gateway, but it isn't addressed in the review, and providers like Moody's need clarity to align our data infrastructure and risk-typology priorities with where FCA supervision is heading.**

    "For the Agentic Supervisory Model, has the FCA considered a legitimate-interest access route for data and analytics providers, and if so, on what timeline relative to the recommendation-six build-out?

    Recommendation six keeps the FCA at consultant-and-approver level, with humans retaining judgement. Does that same boundary apply to external data providers, i.e. would the FCA see providers like Moody's as consumers of ASM-derived risk signals, contributors of data into it, or neither?

    A framing note worth keeping in mind for delivery: the Mills Review doesn't currently address third-party or commercial data-provider access to the ASM at all, the perimeter review the FCA has flagged for the next three to six months is the more likely venue where this gets addressed first. Naming that gap explicitly in the question (as above) makes it land as informed industry input rather than an assumption the FCA has already committed to something.

At this stage, we have not set out any arrangements for third-party or commercial access to outputs from any future Agentic Supervisory Model. The Mills Review identified important questions around accountability, the regulatory perimeter and increasing delegation to AI, and the FCA Board and Executive are carefully considering its recommendations alongside related perimeter issues.

As we do so, our focus remains on enabling the safe and responsible adoption of AI while maintaining appropriate accountability and human oversight. Indeed, evidence from our work shows that fully autonomous decision-making remains relatively uncommon, with human oversight continuing to play an important role.

In terms of data and analytics providers, it is too early to speculate on potential access models, legal gateways or the role that firms might play in relation to any future supervisory AI capabilities. Those questions are more closely linked to the wider issues around accountability, perimeter and governance that are currently under consideration.

For now, our priority is to continue engaging with industry, monitoring developments and considering the recommendations of the Mills Review as part of our broader work on AI adoption and supervision.

15. **What have you noticed any benefits or drawbacks since AI has started to be used in firms?**

Since firms have started using AI, we have seen some real opportunities for consumers, businesses and the wider economy. AI can help firms work more efficiently, improve their services and find new ways to support consumers.

For example, we have seen firms use AI to analyse communications with customers in real time and automatically prompt their staff when customers used words or phrases that could indicate potential vulnerability. This has helped staff identify and respond to customers' needs more effectively.

But there are challenges too. As AI becomes more widely used, we are keeping a close eye on issues such as bias, financial crime and the potential for consumers to be harmed. More people are also using AI themselves, and it is important that people understand that these tools have limitations and will not always get things right.

We want firms to feel confident exploring what AI can offer, but our regulatory frameworks require they take responsibility for how they use it.

16. **One question I'd love addressed at the meeting: the Mills Review proposes an Agentic Supervisory Model partly trained on the FCA's own historical case data — but Raj Parker's independent review of Connaught found the regulator's approach was 'not at material variance from the regulatory orthodoxy at the time.' If the model learns from that same record, doesn't it risk inheriting the judgment that review found deficient, rather than correcting it?**

    Will there be an independent, published benchmark test against the FCA's own worst historical failures before any such model is granted operational authority?

The Mills Review highlights the opportunities and challenges that could arise as firms and consumers increasingly delegate decisions and actions to AI. We will be taking forward the majority (6 of 7) of recommendations made by the Mills Review. A key part of that work is ensuring that any future use of AI is safe, accountable and subject to appropriate oversight.

More broadly, our approach to AI is based on the principle that accountability remains essential. We have consistently emphasised that human judgement, governance and oversight must remain central, and evidence from our work shows that fully autonomous decision-making remains relatively uncommon across financial services.

The specific design, testing and governance arrangements for any future supervisory AI tools are not matters on which we have set out detailed proposals. However, the provisional view set out in the Mills Review is that agentic AI usage could enable earlier identification of risks and those insights could translate more rapidly into action: but that human, supervisory judgement would in all cases remain central.

We recognise the importance of ensuring that AI systems are robust, reliable and appropriately governed, particularly where they may influence regulatory decision-

making. That is why we continue to engage with industry, academia and other stakeholders, while monitoring developments and considering the recommendations of the Mills Review.

Our focus remains on enabling the benefits of AI while managing risks appropriately. Any future application of AI in supervision would need to support, rather than replace, sound regulatory judgement and decision-making.

17. As smaller firms increasingly adopt AI and automation to improve efficiency, compliance monitoring and client servicing, how does the FCA expect firms to demonstrate appropriate governance and oversight without creating regulatory expectations that inadvertently make responsible innovation disproportionately difficult for smaller businesses?

Our existing principles and outcomes-based regulatory frameworks give firms flexibility in how they deliver the right outcomes for consumers and markets. This is particularly important for smaller firms, which may have fewer resources or be at an earlier stage in using AI.

As part of our work, we have been speaking directly with smaller firms to understand the challenges and opportunities AI adoption presents for them.

And our regulatory framework provide flexibility for firms to adopt an approach which reflects how it is using AI and how much risk that use creates. A simple, low-risk use of AI is unlikely to need the same level of oversight as something that could have a significant impact on a consumer.

For firms using AI today, there are a few basics we think are particularly important. Firms should be clear about where and how they are using AI, who is responsible for it, how they know it is working as intended, and what they will do if something goes wrong. They should also think about the risks that come with using technology supplied by another company. Using a third-party AI provider does not take away a firm's responsibility for how that technology is used or the impact it has on customers.

We recognise that firms, particularly smaller ones, want practical examples rather than more abstract expectations. We will be sharing examples of good and poor practice from our work with the industry to show what responsible use of AI can look like in practice. That will include examples of the proportionate approaches we have seen smaller firms take, so firms can get a better sense of what might be appropriate for them.

18. What are your plans to regulate the use of agentic AI in financial services?

We want to support the safe and responsible adoption of AI. We believe our existing principles-based and outcomes-focused framework, including the Consumer Duty and Senior Managers & Certification Regime (SM&CR), provides a strong foundation for firms adopting new technologies, including increasingly autonomous or agentic AI systems.

The Mills Review specifically highlighted the opportunities and challenges arising from firms and consumers increasingly delegating decisions and actions to agentic AI tools, and made recommendations on how the FCA should prepare for that future. We will be taking forward work and implementing the majority of the Mills Review recommendations (6 of 7).

We are already actively supporting firms, through initiatives such as the AI Lab, AI Live Testing and the Supercharged Sandbox, that are developing agentic AI propositions. Through this, we are monitoring emerging risks, and providing greater clarity on good and poor practice.

At the same time, we are keeping a close eye on potential risks through increased Agentic AI adoption, and as this develops and we learn more about how it is being used, we will continue to consider whether our approach needs to change too.

19. The Mills Review asked for a perimeter review within three to six months of 6 July. Has it started, who is on it, and when will the FCA publish its conclusions on how PERG, the advice/guidance boundary and the by-way-of-business test apply to general-purpose LLMs?

We have been closely monitoring our regulatory perimeter in response to AI developments. We are not intending to undertake a specific, time-bound review at this stage, but we are exploring the issues identified by the Mills Review at pace.

It is important the boundary of our perimeter is understood, especially by consumers who may wrongly assume they have certain protections when using a general-purpose LLM.

We have previously published two articles through our InvestSmart campaign outlining the risks and benefits of consumers choosing to use AI for investment research. We have also communicated our perimeter position on general-purpose LLMs in the March 2026 Perimeter Report.

We are considering how we can build on this. For example, in a recent speech, we have called on AI providers to provide more clear, proportionate and consistent disclaimers at the point where AI-generated financial information is delivered.

We are exploring clarifying our existing guidance on the boundary between information and regulated advice to give firms more confidence in going further with financial guidance.

20. Mr Geale told the Lords that what separates ChatGPT from a regulated comparison site like GoCompare is that a consumer "can't execute through the AI". Agent modes in the major assistants already browse insurers' and comparison sites' websites, complete quote journeys and buy on the consumer's behalf, and the firm cannot tell an agent from a person. Does the FCA accept that execution has moved inside the AI, and what does it expect firms to do about journeys their own websites now complete with an agent rather than a customer?

When something goes wrong in such a journey, who is accountable in the FCA's view: the authorised firm, the model provider, or the platform? Will the FCA publish guidance so firms can build records, complaints routes and redress before consumers are harmed?

AI is developing quickly, including tools that can act on a consumer's behalf to complete transactions. This raises questions beyond AI-generated advice, including how our regulatory framework applies when an agent interacts with a regulated firm's website.

Our existing frameworks, including the Consumer Duty and Senior Managers & Certification Regime (SM&CR), remains the right starting point. Firms remain responsible for meeting the requirements that apply to their own activities, including relevant record-keeping, complaints handling and customer support obligations. They should understand and manage risks in customer journeys, avoid foreseeable harm and provide clear escalation routes where needed.

There is a distinction between a firm deploying AI, including third-party technology, and a consumer choosing an independent agent. Responsibility for something going wrong depends on the activities each party undertakes and the circumstances. Our position on unregulated advice from general-purpose LLMs should not be read as a blanket position on transactions undertaken through AI agents.

We are considering accountability, consumer understanding, records, complaints and redress through our work on agentic AI and the regulatory perimeter, including whether further clarification is needed. Firms should continue to meet existing obligations rather than wait for further clarification.

21. **The (Mills) Review identified regulatory arbitrage: authorised firms cannot give the personalised support that unregulated chatbots give freely. Will the FCA use the perimeter review to extend targeted support, or something like it, so regulated firms can offer safe personalised help inside these surfaces, as well as tightening what unregulated platforms may do?**

While these tools can be useful, consumers using general-purpose LLMs aren't receiving regulated advice and do not currently have Financial Ombudsman or FSCS protections. LLMs can be misleading and can provide outdated or inaccurate information. This differs from an LLM specifically setup to provide financial advice, which is likely to fall within our regulation.

At this stage, our answer is not simply to expand our remit, but to make the existing boundary clearer. It is important the boundary of our perimeter is understood, especially by consumers who may wrongly assume they have certain protections when using a general-purpose LLM.

We have published two articles outlining the risks and benefits of consumers choosing to use AI for investment research: Young investors trust AI more than TV or celebrities, and Using AI for investment research.

We are also calling on AI providers to help consumers understand the limits of financial information and advice generated by their models through clear, proportionate and consistent disclaimers.

22. Will the FCA set out what a regulated firm operating in ChatGPT or Claude must be able to evidence about each conversation (auditable records, disclosure of protection status, escalation to a human)? Will the AI Lab or Live Testing be opened to firms building these channels so the evidence exists before the next perimeter report?

We acknowledge that AI developments, such as regulated firms beginning to integrate their services into AI platforms, can blur the boundary between regulated and unregulated activity, and the protections consumers receive.

Where firms provide regulated financial services using AI tools, they must comply with our existing rules, including relevant record-keeping obligations, and understand and manage risks in their customer interactions. Firms should understand and manage the risks created when AI is used in their products, services and customer interactions, including where technology is supplied by a third party.

Where firms are unclear, we encourage them to discuss with us. The FCA's AI Lab remains open for firms to engage with us as they develop innovative AI solutions.

23. The (Mills) Review's recommendation 5 calls for "trusted agentic protocols" covering identity, authority to act and accountability. Does the FCA intend to lead or convene that standard with the DRCF and the model providers, or wait for industry?

The FCA will work with industry, fellow regulators and frontier labs to develop a trusted framework for agentic finance, including clear approaches to agent identity, delegated authority, accountability and execution.

On 30 October, the DRCF, whose members include the FCA, CMA, ICO and Ofcom, released a joint statement on protecting people and businesses in an agentic economy. This statement makes clear that we are already taking action, rather than waiting for industry. Alongside our fellow regulators, we are engaging directly with firms developing and deploying AI agents, supporting testing through regulatory sandboxes, and working with Government to identify potential gaps and further regulatory challenges. We will continue to coordinate our regulatory approaches where needed.

Our aim is to create the conditions in which agentic finance can thrive, with innovation and consumer protection built together from the start.

24. What are the controls/guardrails in place within FCA for use of AI within FCA?

We are clear that human judgement remains a central safeguard in our use of AI as a regulator. AI is intended to augment, not replace, FCA expertise, with people remaining responsible for applying judgement. In Authorisations specifically, case

officers remain central to all decisions. AI is intended to present evidence more quickly, rather than make the underlying regulatory decision.

We employ high standards, rigorous testing and responsible AI deployment as safeguards. In the Authorisations example, it is explicit that the use of generative AI should not lower standards or allow insufficiently scrutinised applications to proceed.

Staff capability and understanding is also key. The FCA has developed a curated AI learning pathway to provide colleagues with a baseline understanding of AI and is considering future skills requirements to guide upskilling and reskilling.

Our principal guardrails are therefore centred around the following concepts:

- AI augments rather than replaces human expertise and judgement.
- Existing standards are maintained, rather than lowered because AI is being used.
- Rigorous testing and responsible deployment are applied to AI use.
- Staff understanding and capability are supported through AI learning, upskilling and reskilling.

25. Will the FCA ever take the lead on who firms should deal with when it comes to AI as no one can be expected to undertake the level of due diligence required to build trust.

The FCA does not intend to take over firms' responsibility for deciding which AI providers they should use. Firms remain accountable for the outcomes of the AI they deploy, including where the technology is supplied by a third party. We recognise, however, that this can involve significant due diligence.

Where firms use third-party AI, we expect meaningful and proportionate due diligence, appropriate access to information, monitoring of changes made by the provider, and tested contingency arrangements. Boards should understand the dependencies involved and ensure there is clear senior ownership and effective oversight.

To support firms in considering this, we have shared examples of good practice and areas for improvement from our supervisory work and AI Lab services.

Anti-Money Laundering

26. The FCA is set to take on AML/CTF supervision of tens of thousands of legal, accountancy and trust and company service firms as the Single Professional Services Supervisor, while continuing to supervise its existing financial services population. How will the Board ensure this expansion doesn't dilute the intensity or quality of AML supervision of existing firms, and what specific measures and published metrics will it use to show Parliament and the public that both populations are being supervised effectively during the transition and afterwards?

Taking on responsibility for a significantly larger and more diverse population will require a carefully managed transition. The aim is to strengthen the effectiveness and consistency of AML supervision across the wider system, while maintaining appropriate focus on the financial services firms we already supervise.

The approach will be intelligence led, risk-based and proportionate, with resources and supervisory attention directed towards the areas of greatest potential harm. We do not expect to begin taking on the new supervisory population until autumn 2028, with the transition expected to happen in phases. The transition arrangements, future operating model and supporting capabilities are still being developed, in close coordination with government, existing supervisors and other partners. We are considering the technology, people, systems, data and funding needed to supervise both populations effectively.

The measures used to assess delivery and effectiveness will develop alongside the transition plan and supervisory model, it is therefore too early to set out specific metrics. However, the intention will be to provide meaningful transparency on progress and outcomes, rather than focusing only on volumes of activity.

27. Football moves huge sums of money, and there have been real money laundering cases. Birmingham City's former owner Carson Yeung was jailed for laundering about £55 million. A former Scottish footballer, James Keatings, was jailed after being caught with nearly £400,000 in criminal cash. The Government's 2025 risk assessment flagged football as a risk for the first time, and the EU will bring football clubs and agents under its anti-money laundering rules from 2029. Will the UK do the same, and is the FCA pushing for it?

The Government’s 2025 National Risk Assessment identified football clubs and agents as a money-laundering risk. Whether they should be brought within the Money Laundering Regulations is a matter for Government and Parliament, not the FCA. The Government published an Anti-Money Laundering and Asset Recovery Strategy on 15 September 2026 which committed to launching a consultation to assess how to address illicit finance risks within certain sectors including football.

Our role is to provide evidence and technical input and act where football intersects with regulated financial services. In June, the FCA formally warned football clubs, mainly in the Premier League, about sponsorship deals with unauthorised financial

Static document. Accurate at publication: 6 November 2026.

firms, including crypto businesses and trading platforms, highlighting potential legal, money-laundering and reputational risks.

28. When the FCA takes over AML supervision of trust and company service providers, HMRC will still run the Trust Registration Service. How will the FCA get access to TRS data and discrepancy reports so it can use them to supervise those firms?

The detailed arrangements of this process are still being developed and will need to be underpinned by the Government's legislation and appropriate data-sharing gateways. The FCA is working closely with HMRC and other partners on the transition, which is expected to begin in phases from autumn 2028.

29. For smaller remittance firms serving higher-risk or emerging-market corridors, how does the FCA expect firms to balance financial inclusion with robust AML, sanctions, fraud and proliferation-financing controls without resorting to blanket de-risking?

We recognise the importance of remittance services, particularly for customers sending money to higher-risk or emerging markets. We do not expect firms to apply blanket restrictions to countries, corridors or customer groups.

Firms should take a proportionate, risk-based approach, applying enhanced controls where risks are higher, including appropriate due diligence, screening and transaction monitoring. Where risks cannot be effectively managed, firms may decide not to proceed, but this should be based on an individual assessment rather than blanket de-risking. Under Regulation 105 of the Payment Services Regulations, Credit institutions must notify us of their reasons for refusing or withdrawing access to payment accounts for payments firms.

Appointed Representatives

30. We are a principle firm and have a number of AR's that were originally trading styles, however we were advised that trading styles are only meant to be temporary and that they should be AR's. My question is - what is a trading style there for and should principle firms only have trading styles that trade under the same entity as there is a lot of confusion over this?

A trading name is a name under which an authorised firm carries on its own business. It is not a separate legal entity. Registering a trading name on the Financial Services Register does not change the regulatory status of any person or business. The FCA states that a trading name should be a genuine name used by the firm itself.

By contrast, an Appointed Representative (AR) is a separate legal person carrying on its own business, for which the principal firm has accepted regulatory responsibility in line with the contractual arrangements between the two parties. Registering a trading name is not an alternative to becoming authorised or an AR.

Where an authorised firm uses a trading name for part of the business of the legal entity that is the firm, it may be appropriate for that business to be represented by such trading name. However, where business is conducted through a separate legal entity, firms should carefully consider whether an AR arrangement is required. Presenting an AR as a trading name of the principal firm is likely to be misleading, as it may obscure the identity of the entity carrying on the business and give a false impression of its regulatory status. Where a trading name is used incorrectly there is a risk of a business carrying on regulated activities without proper authorisation or exemption.

A key consideration is ensuring communications remain clear, fair and not misleading and that consumers understand which legal entity they are dealing with.

You can read more on what you should and shouldn’t do when registering a trading name here: https://www.fca.org.uk/firms/firm-details/trading-names.

Asset Management

31. Illustrations and key features documents for investment business are too long and complex. What is being done to simplify them?

Consumer Composite Investments:

Last year, we published final rules on Consumer Composite Investments (CCIs), replacing EU-derived disclosure rules for packaged investment products with a more flexible and proportionate regime tailored for UK consumers and markets. The new rules do not require use of prescriptive templates; they give firms more freedom to explain product features and risks in a concise way that can help consumers make properly informed decisions, in line with the Consumer Duty. The CCI regime goes fully live on 8 June 2027.

We believe this rule change responds well to the concern noted in this question, by allowing greater flexibility and simplicity in communications to investors.

Key Features Documents and Key Features illustrations:

Key Features Documents (KFDs) and Key Features illustrations (KFIs) are 2 separate document that are required for non-CCI products, including pensions, at point of sale.

The purpose of a KFD is to give consumers the key information they need to understand the nature, features, benefits and risks of a product, and to support an informed decision about whether to proceed.

The purpose of a KFI is to help consumers understand what they might get back, the effect of charges on investment growth, and allow them to compare charges

Under the Consumer Duty, communications must meet customers' information needs and be likely to be understood by the intended retail customers and, where appropriate, firms must test communications before use.

We have set out in Handbook guidance that when preparing KFDs and KFIs, we expect firms to consider things such as presenting information in a logical order, using plain language, short sentences, clear and descriptive headings, whilst avoiding duplication and unnecessary disclaimers.

We expect firms to regularly monitor the impact of communications to identify whether they are supporting good outcomes for consumers.

Authorisations

32. The FCA has stated that it wants to encourage innovation and support the growth of the UK's fintech sector. What practical steps is the FCA taking to help startup fintech companies obtain an Electronic Money Institution (EMI) licence more quickly so they can launch innovative financial services, create jobs, and contribute to economic growth? While the introduction of the 18-month EMI "Lite" authorisation is a positive initiative, applicants are reportedly being told that it can still take up to six months to obtain. How does the FCA intend to address these timescales?

We recognise fintechs play an important role in supporting innovation and growth in the UK, and that bringing products and services to market quickly supports economic growth. This is why we are so focused on the timeliness of the authorisations process.

We want firms to be successful at the gateway, but we will only authorise firms that can demonstrate they meet the standards required to operate safely and in consumers' interests.

In particular – our focus is on supporting innovation, competition and sustainable growth in the sector, while ensuring firms have appropriate governance, controls and operational capability from the outset.

We do want the authorisations process to be as efficient as possible and are now reporting against reduced voluntary target timelines.

Our targets for payments and e-money firm authorisations and registrations are for them to be completed within three months for complete applications, with a reduced target of 10 months for incomplete applications rather than 12 months previously.

We are working hard to improve our authorisation timelines for e-money firms in a range of ways, increasing engagement and support for firms before they apply, in a range of ways such as:

- enhanced guidance on the website,
- webinars,
- presentations,
- stakeholder engagement,
- through our free pre application support service - or PASS for short

All of these are focused on helping firms better understand our expectations and submit higher-quality applications.

Additionally, we are also:

- digitising the authorisations process to further speed up decision-making
- improving our internal processes using relevant tools such as bringing together all relevant data and information into one place and implementing enhanced case flow tools.

The improvements we have made are translating into better outcomes, with authorisation rates increasing across parts of the payments and e-money sector but we recognise that we are not yet where we should be.

As part of this, firms providing full information at the outset will mean application times are faster - where an application is incomplete or a business model is more complex, further engagement is needed to ensure regulatory standards are met.

Finally, the reference to the light authorisation regime may be referencing the Provisional Licencing regime which is under development with HMT. Unfortunately, this regime will not apply to Electronic Money Institutions or other non-FSMA firms

Complaints

33. For the vulnerable customer complaints reporting starting January 2027, what format or data standard will firms need to submit in, and will there be a testing or dry-run period beforehand?

Vulnerable customer complaints data will form part of the new complaints return (COM001) submitted through RegData, which applies to complaints recorded from 1 January 2027. The first reporting period will run to 30 June 2027. We have published Data Reference Guides, including the XML specifications and validation rules, alongside a data flow diagram (PDF) to help firms prepare for the new complaint return.

Firms will also have an opportunity to test COM001 through the RegData Industry Test Environment before their first live submission. We expect to make a test environment available and will provide further updates on its availability through our complaints reporting webpage. Access to the test environment can be requested through RegDataTest@fca.org.uk.

34. Will the FCA publish its methodology (assuming it has one) of how it triages complaints to establish the existence or otherwise of regulatory failure.

We have an established process for assessing complaints when they are received, and considering the issues raised against the scope and requirements of the Complaints Scheme, including their nature and complexity and the appropriate next steps. The Complaints Scheme and the assessment of individual complaints do not consider potential regulatory failures which is covered in different legislation.

The Financial Services Act 2012 requires the FCA to investigate and report to HM Treasury on possible regulatory failures where certain conditions are met. The statutory requirements set out a two-part test for deciding when we must carry out an investigation into regulatory failure and produce a report. Both parts of the test must be met (the regulatory failure test). We are required to carry out an investigation and produce a report when:

- There have been events involving a regulated person or others which indicate significant failure to ensure appropriate consumer protection, or had or could have had a significant adverse effect on our integrity or competition objectives, and
- The events might not have occurred or the adverse effect might have been reduced but for a serious failure in the system created by FSMA or the operation of that system.

The FCA identifies potential regulatory failures from a range of internal and external sources as follows:

- Internally - sources include the Chair, CEO, Executive offices, discussions at Executive Committees, information from regulatory investigations and through working with the first line divisions.

- Externally - sources include the media, the Treasury Select Committee, correspondence from HM Treasury, MPs, consumers, complaints to the FCA, and from the Complaints Commissioner

The FCA has a published Statement of Policy on statutory investigation into regulatory failures and producing reports which can be accessed using the following link: Statement of Policy on statutory investigations into regulatory failure and producing reports. Where there are a significant volume of complaints or the allegations indicate a significant failure as outlined in section 73 of the Financial Services Act 2012, the FCA will consider the matter in line with the requirements set out above and its published policy.

Consumer Duty

35. What does "good" look like in a board Consumer Duty assessment the FCA wouldn't challenge and where are firms most commonly falling short a year on?

No two Consumer Duty board reports are the same. But there are some attributes that help make a board report more effective, and we have seen improvements in Duty board reports from year 1 to year 2 post-introduction of the Duty.

We have observed good practice, including:

- comprehensive action plans, with clear owners, timelines and progress updates;
- a wide range of data to demonstrate customer outcomes;
- trend analysis of that data and comparisons of outcomes for different customer groups; and
- analysis of performance against each of the four Consumer Duty outcomes.

Areas for improvement have typically been the opposite of what we've seen in good practice. For example, we have seen some firms insufficiently linking their data to customer outcomes, while some firms have tended to focus their reports more on the Products and Services and Price and Value outcomes at the expense of the Consumer Understanding and Support outcomes.

However, a board report containing these elements would not necessarily avoid 'challenge' from FCA supervisors. Aspects highlighted in board reports, such as specific consumer concerns or a lack of progress, could lead to further supervisory action.

Our recent consultation on the Duty's scope (CP26/23) proposed that the annual board report no longer needs to be standalone and can be incorporated into other board reporting if this works better for firms.

This reflects our desire for Consumer Duty governance to become fully integrated into board oversight, and we recognise that a standalone report might be disproportionate for some smaller firms. We are considering the feedback we received to the consultation and will publish a policy statement in Q1 2027.

36. Specifically on Consumer Duty and Financial Crime, as firms continue to mature their Consumer Duty frameworks, where does the FCA see the greatest opportunity for better integration between customer outcomes, fraud prevention, and financial crime governance?

Fraud and financial crime can cause devastation for consumers, and 'fighting financial crime' is one of our strategic priorities.

Firms' fraud prevention and financial crime controls should be contributing to the delivery of good customer outcomes, in line with the Consumer Duty.

The Duty requires firms to offer effective and accessible consumer support, and that includes supporting consumers reporting fraud. Firms are likely to need real-time human support to respond to customers' concerns about fraud.

Data on customer outcomes, which firms should gather to comply with the Duty, can also help firms to better identify and mitigate fraud risks. Monitoring outcomes across different customer groups could help firms identify links between certain types of fraud and customer behaviour.

The Consumer Duty is just one of several regulatory requirements that firms are expected to comply with to prevent fraud and financial crime.

37. For firms that provide compliance technology to FCA-regulated brokers, rather than being regulated firms themselves, what should they expect in terms of FCA engagement or oversight as this software becomes more central to how brokers meet requirements like Consumer Duty and the new vulnerable customer complaints reporting coming in 2027?

As a general principle, the firms we regulate remain responsible for meeting our requirements, regardless of whether they use third-party technology providers to help them do so.

We recognise that compliance technology is becoming increasingly important in areas such as Consumer Duty monitoring, vulnerability identification, complaints handling and management information. However, the responsibility for delivering good customer outcomes sits with the regulated firm. We expect firms to have appropriate oversight of those tools, understand how they operate, and satisfy themselves that the outputs are accurate, reliable and helping them achieve good outcomes for customers. Firms cannot outsource accountability.

We will continue to engage with industry to support the delivery of good outcomes for customers and have recently published reviews of products and services and outcomes monitoring outcomes of the Duty, which contain examples of good practice for firms.

Where we have concerns around firms not implementing the Vulnerability Guidance or the Duty effectively, our supervisors will engage with the firms in question. Where we had concerns with firms following our review of firms' treatment of customers in vulnerable circumstances, we have followed up with them to ensure action is being taking to address our findings and have seen many firms taking positive steps to improve outcomes for those customers.

38. What responsibility does the FCA have in ensuring that regulatory technology companies providing automated compliance tools to regulated insurance brokers meet appropriate standards before rollout, given there is currently no formal FCA vetting of small regtech vendors, only indirect accountability through the broker's own due diligence obligations under the outsourcing rules?

We regulate financial services firms, not most providers of compliance technology - the responsibility for complying with our rules remains with the regulated firm that chooses to use the technology.

That does not mean we are not interested in the role of RegTech providers. As technology becomes more important in helping firms meet regulatory requirements, we expect firms to understand the capabilities and limitations of the tools they use.

Static document. Accurate at publication: 6 November 2026.

Through our supervisory work, we may look at the data, systems and controls underpinning firms' decision-making where these are relevant to customer outcomes.

Ultimately, our expectation is clear: firms remain accountable for the outcomes delivered to customers. Whether those outcomes are supported by internal systems, third-party providers or emerging technologies, regulated firms must be able to evidence that they are meeting our standards and delivering good customer outcomes.

39. Reflections on Consumer Duty embedding and priorities for year ahead including intersection between CD and potential impact on customer outcomes through increased use of AI.

We've seen significant progress from firms around the Consumer Duty, but there is more to be done. Over the coming year our focus will continue to be on testing whether the Duty is delivering good outcomes in practice, and using cross sector supervision to identify and address harm where we find it. We will continue to support firms in embedding the Duty effectively and use it to simplify requirements where more detailed rules are no longer needed.

We have been clear that the Consumer Duty and other regulatory frameworks (including allocation of accountabilities under SM&CR) continue to apply to firms' use of AI, and we remain comfortable that these frameworks are sufficient to address risks.

Firms remain subject to the requirements of the Consumer Duty where AI is used. For example, firms must:

- Design products and services that meet the needs of their target market and provide fair value.
- Communicate in a way that meets the information needs of customers.
- Provide support that meets the needs of customers.
- Avoid causing foreseeable harm to consumers.

AI presents both opportunities and risks for consumers. Opportunities include tools like AI chatbots which can help customers better understand products and services. However, we know there are also risks - AI-driven risk assessments may benefit some customers while excluding others based on individual circumstances.

Later this year, we will publish good and poor practice examples that we have observed in firms' deployments of AI. How firms manage the impact that AI has on consumers will be a key theme in that good and poor practice publication.

40. Comments from the financial industry are that the FCA is backing up from Consumer Duty rules, as it starting to have a knock on effect on companies abilities to make a profitable business. Is this the case, that FCA is reducing their emphasis on good customer outcomes?

For example, mortgage customers are treated differently than savings customers, although they are bringing the revenue. A savings customer can have a savings account rolled up automatically upon maturity, while a lender allows a mortgage customer to stay on the standard variable rate (SVR) indefinitelly, which obviously is higher than their

offer that just ended. It seems that this is seen as good customer outcome, to rely on customers' initiative to contact their provider to get a new rate. This example is only referring to customers who are already on their SVR, rather than the ones that are approaching the end of their current offer.

We do not accept any suggestion that we are reducing our emphasis on good customer outcomes thorough the Consumer Duty.

We've worked extensively to embed the Duty:

- 88% of firms in our latest Practitioner Panel survey agreed that their firm understands overall what the FCA expects in terms of support for consumers and embedding the Duty. Only 2% disagreed.
- 97% of all non-firm external stakeholders (Thinks annual stakeholder research 2026) are aware of the Consumer Duty, and among that same group 74% say that it has a positive impact toward their view of the FCA. Both metrics have seen a modest increase compared with 2025.

Three years on, the Duty remains central to our approach. We continue to test firms' implementation and embedding through ongoing supervisory work across sectors, and we have recently increased transparency around our interventions, including announcing 11 open enforcement cases examining potential breaches of the Duty. We will continue to take action where we identify poor outcomes or risk of harm to consumers.

On mortgages specifically, the Duty requires firms to act in good faith, avoid causing foreseeable harm, and support customers in pursuing their financial objectives. Firms should consider whether customers are receiving appropriate communications and support, including when a fixed-rate mortgage ends and a customer moves onto a standard variable rate. Where we see evidence that firms' practices are leading to poor customer outcomes, we will continue to intervene. We have seen progress since the introduction of the Duty, but there is more to do, and our supervisory and enforcement work in this area continues.

41. **We are experiencing significant service issues with providers at the expense of clients all under the banner of consumer duty. Who can we discuss this - do you have a specific department who can assist**

More information about how firms and consumers can contact us can be found on our website, at www.fca.org.uk/contact.

We take all concerns very seriously. All reports are logged and, where possible, we act.

When you report a concern, you'll receive an email response with guidance on your next steps and some helpful links. We will **not** contact you again unless we need more information, or if we have guidance not covered in our initial reply.

42. **I'd like to thank everyone for the responses regarding Simon Andriesz, and i have a question on a different but important subject : The FCA places significant emphasis on the fair treatment of vulnerable consumers, including people with disabilities. Yet when a debt moves from regulated collection into court enforcement, the individual can**

effectively fall outside the FCA's regulatory protection, even where the underlying creditor or debt originated within the regulated financial system. In a case I am involved with, serious questions have arisen about the treatment of a disabled individual during High Court enforcement. Does the FCA recognise this regulatory gap, and what responsibility does it expect an FCA-regulated firm to retain for the treatment of a vulnerable customer once enforcement is outsourced or transferred to High Court Enforcement Officers?

Protecting consumers in vulnerable circumstances is an important part of our work. We expect firms to understand and respond appropriately to customers' needs throughout the customer journey, including where a customer is in arrears or default.

Our consumer credit rules require firms to share adequate and accurate customer information with third parties acting on their behalf in the debt recovery process. Where appropriate, this may include information about a customer's vulnerable circumstances or support needs, subject to applicable legal requirements.

High Court enforcement is subject to a separate legal framework put in place by Government and the regulatory framework is operated by the Ministry of Justice. However, where our rules apply, firms should take appropriate steps to ensure that customers, including those in vulnerable circumstances, receive good outcomes and are given appropriate support.

We will continue to engage with relevant authorities where issues intersect with the responsibilities of FCA-regulated firms.

Consumer Finance

43. Consumer credit has been a sector of particular focus for the Consumer Duty. How would the FCA assess where firms are most demonstrating good outcomes and where can firms stand to improve the most?

The Consumer Duty underpins our supervisory work in terms of how we engage with firms. We continue to monitor how Consumer Credit firms are adopting Duty principles through everyday supervision and through focused, thematic multi-firm projects as set out in our published workplan.

We have seen many positive examples of firms using the Consumer Duty to drive better outcomes, including improving customer communications, redesigning products and services, strengthening support for vulnerable customers and taking action where fair value concerns have been identified. However, the greatest opportunity for improvement remains outcomes monitoring.

Firms need to move beyond policies, frameworks and MI and be able to demonstrate, with evidence, the outcomes customers are actually receiving, what risks they have identified, and how they have used that information to improve consumer outcomes. Our recent publication Good Practice - Outcomes Monitoring provides further information on how firms can improve their approach. We have also very recently published examples of good practice and areas for improvement relating to fair value under the Duty, following a review covering consumer credit products.

Corporate Matters

44. What is the budget and how many FTEs are in the FCA PR/Media/Comms Department vs budget and FTEs in FCA whistleblowing team?

The dedicated Whistleblowing team has 17 FTE and sits within the wider Enforcement, Triage, Intelligence & Coordination (ETIC) department, which has 55.7 FTE.

The whistleblowing team receives initial whistleblowing reports, does a first triage and applies confidentiality restrictions. Source information, including personal identifiers such as names and contact details, are recorded on a separate secure system with access limited to the whistleblowing team only.

The whistleblowing team then passes the report to the relevant supervision or enforcement team. The identity of the whistleblower is kept confidential from the supervisory or enforcement team, unless the whistleblower provides their consent for it to be shared.

It is supervisors and enforcement colleagues who undertake the detailed assessment and investigation of the concern. The total number of individuals involved in whistleblowing activity is therefore estimated to be in the hundreds.

Within the Strategic Comms and News Department, 24 FTE handle proactive and reactive media relations, among other duties.

45. What action is the FCA taking to improve its Trustpilot ranking of one star?

Feedback on how we work is important. It helps us understand where we are performing well and where we can improve.

We do not generally resolve individual consumer complaints or disputes with firms. Where consumers contact us, we can provide information and guidance and use what they tell us to inform our regulatory work, but individual complaints and claims for redress will usually need to be pursued through the firm and, where appropriate, the Financial Ombudsman Service. This distinction can affect consumers’ experience of contacting us, particularly where they are seeking a resolution we are not able to provide directly.

We look at feedback from a range of sources, rather than any single platform. These include complaints, engagement with consumers, firms and other stakeholders, independent research, online forums and review platforms, and our Annual Public Meeting.

Our most recent independent stakeholder research found that 77% of wider stakeholders trust the FCA. Our reputation score was 7.3 out of 10, 93% rated our stakeholder engagement positively, and 79% agreed that we protect consumers.

We continue to act on feedback, including by making our communications clearer and more accessible and our engagement more straightforward and responsive.

46. What impact would Scottish devolution have on FCA oversight?

This isn’t something we can comment on. In this hypothetical scenario, it would be a matter for UK and Scottish Parliaments to determine.

Static document. Accurate at publication: 6 November 2026.

Cost Benefit Analysis

47. £7.20 is the gross benefit-cost ratio, what is the NET benefit-cost ratio after taking into account costs borne by firms and others (including consumers)

The FCA reports an estimated £7.20 of benefit for every £1 spent running the organisation. How does the FCA intend to give firms greater transparency over how this benefit is calculated, including how the costs that regulation imposes on firms are accounted for when assessing the overall impact of its work?

We publish the full methodology of how we derive our benefit-cost ratio on our website.

The ratio is designed to measure the gross benefits FCA rules deliver compared to its annual funding. This ratio is not a net calculation. It does not include costs associated with our rules, such as familiarisation or implementation costs to firms. Our measure is aligned with similar measures used by other regulators, such as the CMA as part of its annual Impact Assessment, to measure the organisation's positive impacts.

Cost and benefits comparisons for individual rule changes can be found within our published CBAs that typically accompany our consultation papers. When we undertake a Cost Benefit Analysis (CBA) for a policy we assess its impact over an expected 'lifetime' – usually 10 years. To estimate the benefits our rulemaking delivered in the most recent year – 2025/26 – we looked back across the CBA for every rule introduced in the past 10 years and identify what benefits we had expected would be realised in 2025/26. This gives an aggregated figure of £5.6 billion. This figure relates only to our rulemaking and does not take account of our wider activities such as authorising new firms or enabling innovation. Dividing that £5.6 billion by our Annual Funding Requirement gives the figure of £7.20 benefit for every £1 spent running the FCA.

We cannot provide an aggregated net benefit-cost ratio in a robust and reliable fashion, as likely costs and benefits are not always estimated on an equitable basis. We typically quantify direct cost impacts on firms in greater detail while relying on higher-level assessments to explain the likely scale of more indirect benefits we expect to occur, for example in result to behavioural changes.

We do publish annually Metric RI-M01, the total value of the Equivalent Annual Net Direct Cost to Business (EANDCB) across our CBAs for Policy Statements published in the previous year. In 2025/26, this was £426.3m. It is worth noting that this figure is also not directly comparable to the total benefits calculated for our reported benefit-cost ratio. That figure reflects annual benefits created by rule changes over the previous ten years while RI-M01 reports the EANDCB for rule changes whose Policy Statements were published within one year only.

Cryptoassets

48. I would like more information on the treatment of fully decentralized digital asset protocols.

If a protocol is fully decentralised and there is no person carrying on a regulated activity with or through it, it will not be covered by our regime.

Whether regulation applies therefore depends on the activities being carried out and whether there is a person carrying them out, rather than simply how the protocol or service is described.

This position is set out in legislation and explained further in our perimeter guidance, including our cryptoasset perimeter guidance published on 16 September 2026. The same principle applies to existing, traditional regulated activities.

Developing software is not, in itself, a regulated activity. However, where software is used to facilitate transactions, this may involve a regulated activity.

Our cryptoasset perimeter guidance helps clarify when authorisation may be required for cryptoasset activities. We are currently consulting on changes to this guidance in CP26/36, to reflect the Government's amendments to the cryptoasset regulations. These changes are particularly relevant to firms arranging transactions involving decentralised protocols.

We are also consulting, through GC26/7, on guidance to help firms mitigate operational resilience and financial crime risks when integrating or interacting with decentralised finance

Enforcement Cases

49. Gary Stockdale raised detailed WealthTek concerns in May 2021, a case handler was assigned, and the firm wasn't shut down until April 2023 — by which point an £81.4m client asset shortfall had crystallised. Similar detection-to-action gaps appear in London Capital & Finance and Blackmore Bond.

What concrete, time-bound duty to investigate is the FCA committing to for whistleblower and AI-flagged intelligence going forward, and will data on current open cases in that gap be published?

Due to the ongoing criminal proceedings, the FCA is unable to comment on specific aspects of both its supervision of WealthTek and the subsequent Enforcement investigation. The actions of the FCA both as a supervisor and investigating authority have been detailed comprehensively in the evidence served in the criminal proceedings and will be heard publicly in due course as those proceedings progress.

The FCA opened c.1,300 new whistleblowing cases last year, and each case is reviewed and assessed on a case-by-case basis. The timeframe for review and investigation of the reported concerns will vary depending on a number of factors, including (but not limited to) the complexity of concerns raised, the volume of information, what other information is either known or available to the FCA, and the quality of the information provided.

We provide guidance on our publicly available Whistleblowing webpage in the "What we can and cannot do" section, noting that assessing and acting on whistleblowing information can take time and will vary (due to some of the factors noted above), therefore, we are unable to be specific on how long the investigative process will take.

Whilst we are unable to comment on individual cases, we do publish whistleblowing statistics on a quarterly basis, providing insight into the number of new cases opened and closed, allegation types, and the outcomes of whistleblowing reports (including the number of disclosures which have led to direct action).

We have reduced turnaround times and accelerated our response process. We are also providing more detailed feedback to whistleblowers highlighting FCA actions taken.

Our most recent Quarterly Reporting can be found here.

We also publish our Prescribed Persons report annually which demonstrates various whistleblowing statistics over the course of a year, whilst noting the improvements we have made to our processes over the course of the year.

50. How is the FCA addressing the emerging risk of increasing sophistication in market abuse behaviour? In particular, is there any FCA response to the SEBI case involving Jane Street's alleged manipulation of physical and derivative markets in India? How will the FCA ensure this is prevented in UK financial markets?

Over recent years the FCA has made significant investment in improving our market surveillance capabilities. We have greatly expanded the exchange data we ingest across all asset classes (peaking at over 1 billion messages in 2026 from a range of exchanges). Alongside the increase in data, we continually develop and improve our technology with increasingly sophisticated alerting and analytics to help us identify possible market abuse.

These enhancements allow us to operate across an increasingly complex, cross venue environment, where there are threats from those looking to commit insider dealing and a wide spectrum of market manipulation, including attempts at pump and dumps.

We have a very strong and well-established Suspicious Transaction and Order Report (STOR) regime and engage with market participants to maintain that high standard. We received 3,806 STORs in 2025.

All these measures taken together, put the FCA in a strong position to identify, assess and proactively act against market abuse efficiently, and to ensure industry compliance with the Market Abuse Regulation (MAR).

51. **What steps have the FCA taken against Graham and Daphne Rowan, whether regulatory intervention, prohibition, clawback of commissions, or referral for criminal proceedings, to stop their activities and prevent the phoenixing that allowed them to continue?**

    The FCA has held substantial information about the Rowans which includes their establishment and ownership of a succession of investment clubs, including the Elite Investor Club, the Beaufort Society and the Inside Investor Club, each new club set up as the last became associated with failed investments and rapidly closed down. Through those clubs they marketed high-risk investments that went on to fail including Ponzi or Ponzi-like arrangements (Dolphin, Qualia and Afan Valley among them,) structured with abnormally high broker fees and other structural features that gave them no realistic prospect of success. They publicly broadcast an eight-figure net worth. The marketing machine was used to draw in ordinary people, neither sophisticated nor high-net-worth, who lost millions of pounds between them, and in many cases pensions. And every new vehicle produced fresh losses for UK residents and overseas investors alike, to the lasting damage of UK PLC's reputation as a place to invest.

    I am asking which of those steps you have taken, and if none, why not.

    Specific Regulatory Timeline & Enforcement Regarding Graham Rowan Entities

    Graham and Daphne Rowan have systematically marketed high-risk and failed investments—including four explicitly identified Ponzi

Static document. Accurate at publication: 6 November 2026.

schemes, such as Qualia Law and Dolphin Trust—predominantly targeting vulnerable pensioners while earning Undisclosed commissions as high as 24%. They have operated across a successive sequence of marketing vehicles, including Wealth Invest Limited, Elite Investor Club, Beaufort Society / Beaufort Private Equity, and Inside Investor Club, boasting publicly of an 8-figure net worth derived from these activities.

My specific question to the Board is:

1) In what month and year was the FCA first made aware—via consumer complaints, whistleblowers, or intelligence reports—of Graham Rowan, Daphne Rowan, or any of these named entities?

2) Given that these schemes targeted pensioners for unviable commissions through serial re-branding, why was no regulatory intervention, prohibition, or commission clawback undertaken under the FCA's financial promotion or unauthorized activity powers to stop them from continuing to operate?

In relation to the detailed letters we sent to you, the FCA, about Graham and Daphne Rowan and their investment-raising companies of Elite Investor Club, Beaufort Society, Inside Investor Club, etc, in April 2026, please confirm when any of these individuals or companies actually first appeared on your radar and what actions you have taken to stop them causing further harm and to stop the phoenixing of similar unethical organisations by them.

In relation to detailed letters sent to FCA about Graham and Daphne Rowan, Elite Investor club, Beaufort etc, in April 2026, please explain when they actually appeared on your radar and what action you have taken to stop them and prevent further phoenixing of similar fraudster organisations

---

We recognise how distressing investment losses can be and understand that those affected want answers. Statutory confidentiality restrictions and the need to protect regulatory and law enforcement activity generally prevent us from commenting on specific firms, individuals, investigations or intelligence, or confirming whether regulatory, supervisory or enforcement action has been considered or taken.

We nevertheless take reports of consumer harm, unauthorised business and investment scams extremely seriously and value the information people share with us. Intelligence from consumers, firms, MPs and other agencies informs our assessments, taking account of potential harm, the available evidence and our statutory tools.

For each case, we assess what action we can take under the relevant law and on the evidence we can obtain. We also take account of any interest from other regulators and law enforcement agencies, including the police and National Crime Agency.

Parliament sets the limits of our powers, and we cannot act beyond them. Where our powers are limited, we will work closely with other regulators and law enforcement agencies to identify what action may be possible.

52. MY COMPANY INVESTED £60K INTO A COMPANY CALLED MBI LYNWOOD LTD THAT OWNED A 46-BED CARE HOME. THE FREEHOLD OF THE CARE HOME WAS PURCHASED BY A COMPANY CALLED GILL22 LTD, OF WHICH I AM A SHAREHOLDER (AFTER I AGREED TO SURRENDER MY LEASE, ALONG WITH ABOUT HALF OF THE 46 INVESTORS INTO LYNWOOD WHO ARE ALSO NOW SHAREHOLDERS).

UNDER THE LEGALLY BINDING OPERATING LEASE IN PLACE, GIL22 LTD IS OWED OVER £650,000 BY THE LIQUIDATOR, WHO HAS JUST APPOINTED HIMSELF TO LIQUIDATE MBI LYNWOOD.

WHY IS IT THAT WITHIN JUST A FEW DAYS OF STEPHEN HUNT FROM GRIFFINS SUPPOSEDLY LOOKING TO BE, AND THEN BECOMING, APPOINTED AS LIQUIDATOR OF MBI LYNWOOD THAT THE FCA IS SEEMINGLY TRYING TO FORCE GIL22 LTD INTO LIQUIDATION, DESPITE GILL 22 BEING LIQUID; IT OWNING A VALUABLE FREEHOLD AND IT BEING OWED £650K (AND DESPITE A COURT HEARING TO GET PAID WHAT IS OWED BEING SET FOR NOV 2026)?

IF GILL 22 IS FORCED INTO LIQUIDATION, THE £650K RENT DUE TO GIL22 IS NOT GOING TO GET PAID TO ITS SHAREHOLDERS. THE OFFER OF £1.6M FROM A 3RD PARTY CARE HOME OPERATOR WILL FALL THROUGH. BOTH THE GIL22 SHAREHOLDERS AND THE REMAINING LEASEHOLDERS IN MBI LYNWOOD WILL NOT RECOVER ANYWHERE NEAR WHAT THEY WILL IF THE FAC DO NOT FORCE GIL22 LTD INTO LIQUIDATION! THE TIMING OF ALL THIS SEEMS QUITE SUSPECT, AND I WANT A FULL ANSWER, NOT JUST A FOB-OFF FROM THE FCA ON THIS MATTER

We do not agree with the characterisation of the facts set out in the question.

The FCA has been investigating the company that purchased the freehold of Gilwood Lodge [GIL22] and its Director since 2023 for suspected breaches of the Financial Services and Markets Act 2000 (FSMA), specifically operating and winding up a collective investment scheme without FCA authorisation.

We believe that GIL22 Ltd has caused real losses to investors and that further losses will be suffered if appropriate action is not taken. Winding-up action is not a recent development. When we wrote to the Director in October 2025, he initially agreed to wind up the company voluntarily. Given that there had been no meaningful progress, we confirmed that we intended to commence proceedings ourselves in September 2026.

Any application to wind up GIL22 Ltd would be made on public interest grounds, rather than because of any lack of liquidity. Our action is intended to protect investors and deal appropriately with what we consider to be clear breaches of FSMA.

53. The FCA established that the Qualia care-home investment scheme was an unauthorised Collective Investment Scheme which operated on a Ponzi-like and unsustainable basis.

My question is about the people who sold it.

What investigation did the FCA undertake into the agents and introducers who promoted Qualia to retail investors — including Elite Investor Club — particularly regarding the suitability of the investments, the promotion of a UCIS, the disclosure of substantial commissions and potential conflicts of interest?

Many investors were persuaded to invest pensions and life savings and have suffered devastating financial and personal consequences.

If the FCA established that the underlying investment was unlawful and unsustainable, why has there been so little public accountability for those who actually promoted and sold it to investors? And if the FCA decided not to take enforcement action against those agents, will you explain why?

We took action against the main sales agent of the Qualia scheme, a company called Fortem Global Ltd.

Following High Court proceedings, we obtained a Restitution Order against the firm. Unfortunately, it was unable to pay and subsequently went into liquidation.

54. Please provide an update on the actions being taken against Neil Woodford and his company.

We have announced that we have decided to:

- fine Mr Woodford £5.9m and ban him from holding senior manager roles and managing funds for retail investors; and
- fine WIM £40m.

Mr Woodford and Woodford Investment Management have exercised their right to challenge these decisions at the Upper Tribunal. The Tribunal has recently decided to fix the trial of the matter in October and November 2027.

All investments come with risk. While regulation can’t compensate people who lose money when investments fall in value, we secured £230m compensation for approximately 300,000 investors unfairly trapped because of the failure to manage the fund's liquidity. Mr Woodford, Woodford Investment Management and Link are responsible for that failure, which lies at the heart of the enforcement action we have taken.

Separately, in June 2026 the FCA issued and served court proceedings on Neil Woodford and 'W Four Point Zero FZE LLC' in relation a new venture called Woodford Four Point Zero (W4.0), also known as 'Woodford Views'.

Our claim seeks various measures as a consequence of what the FCA considers constitutes unauthorised business activity relating to investment advice and financial promotions, including the return of subscription monies paid by customers. The W4.0 website was taken down following the issue of our court proceedings, but our claim remains live.

The FCA has been closely monitoring a further new venture linked to Neil Woodford called 'Noise Cancelling' (a website, app, YouTube and podcast platform) and is engaging with Mr Woodford regarding this.

55. With regard to the Woodford debacle, it emerged that Link Fund Solutions only had a derisory amount of liability insurance. Is it not the FCA's policy to ensure adequare insurance is in place to cover the extent of the moneys under management by that organisation. Does FCA accept that the lack of adequate insurance in this case has led to a failure to p[rovide adequate compensation to investors who made substantial losses as a result of Link's failure to ensure proper management of liquidity which in turn led to the closure of the fund and a disastrous fire sale of assets.

The regulatory requirements for a firm such as Link Fund Solutions Limited ('LFSL') to hold insurance formed part of its overall prudential requirements under rules based, until 30 December 2020, on directly applicable EU law. The Authority is aware of LFSL's insurance arrangements and is not aware of any circumstances suggesting a contravention of regulatory requirements.

While regulation can't compensate people who lose money when investments fall in value, we secured £230m compensation from Link for approximately 300,000 investors unfairly trapped because of the failure to manage the fund's liquidity.

Financial Crime

56. For Annex 1 firms, how are MLROs expected to evidence due diligence on these counterparties in practice?

We have reminded regulated firms that, when dealing with Annex 1 firms, they must carry out due diligence to understand the firm's business, in accordance with legislative requirements. This includes seeking direct confirmation from the firm of its registration status, conducting independent checks of the information it provides, and understanding and managing any risks.

Financial Inclusion and Capability

57. What additional steps will you be taking to ensure that older people, who are very often the least technologically able, are; not left out of taking advantage of developments in financial services that are only available to online users; and to avoid the epidemic of financial crime that is very often targeted at older members of our communities? Please bear in mind for reasons of shame, or inability to navigate a complaints process, many, many older people will not report financial crimes that they have been victims of.

Taken together, our policy, supervisory, innovation and financial crime work strengthen our ability to positively influence the outcomes older people receive.

This can involve working with others to regulate the financial services sector, including with the Government on the Financial Inclusion strategy through the Digital Inclusion and Access to Banking sub-committee. We have since joined the Connection Project, which works to ensure no-one is left behind in the transition to digital. We're also working with UK Finance on its Inclusive Design Challenge.

We meet regularly with Age UK and Independent Age to understand the barriers and challenges older consumers face, including vulnerability to fraud and scams. Fighting financial crime remains one of our strategic priorities.

The Consumer Duty requires firms to act to deliver good outcomes and avoid causing foreseeable harm for retail customers, including those with characteristics of vulnerability. The Duty's requirement around outcomes monitoring can help firms identify poor customer outcomes, even where customers do not voice this through formal complaints processes.

Where firms offer digital-only products or services, they must ensure that support channels are effective and meet customers' needs. Firms should also have processes in place to deal with non-standard issues, including security or fraud concerns, and to support customers where digital-only support no longer meet their needs or may expose them to harm.

58. Does the FCA see low financial capability as a regulatory risk in its own right, and are there plans to involve advisers and firms in practical education work, for example through the Consumer Duty's consumer understanding outcome?

We want to see confident consumers who can shop around, find suitable products, recognise scams and fraud and make informed financial decisions. Financially capable consumers are better able to navigate their financial lives, build financial resilience and less likely to fall victim to financial crime. Helping consumers to become more financially capable contributes to our consumer protection objective and leads to more effective competition, by enabling consumers to make better-informed choices.

Improving financial capability requires collaboration across sectors and organisations. We are committed to supporting organisations including the Money and Pensions Service (MaPS), which has a statutory remit for financial capability, and Fair4All Finance. We are working closely with these organisations and a range of stakeholders

across industry and consumer groups to define the FCA's role and where we can add most value.

As part of our work under the Consumer Duty, we regularly publish reviews of good practice to help firms understand what delivering good outcomes looks like in practice, including under the consumer understanding outcome. We encourage firms to engage with these and consider how they can support clearer communications, better customer support and more informed consumer decision-making.

Financial Ombudsman Service

59. Does the FCA believe that consumers who purchase from the firms it authorises can be confident that they will receive services that are as described, and of high quality and that, should things prove otherwise, that they will receive redress? If not, what steps is it taking - and what measures would it advocate government taking - to improve matters?

Our Consumer Duty (the Duty) sets the standard of care that firms should give to retail consumers. It moves beyond compliance checklists and focusses on embedding fairness, transparency, and customer-centricity into every interaction.

The Duty consists of a consumer principle that reflects the overall standard of behaviour we want from firms:

'A firm must act to deliver good outcomes for retail customers.'

Three cross-cutting rules that explain how firms should act to deliver good outcomes:

- Act in good faith towards customers. Treat customers honestly and fairly.
- Avoid causing foreseeable harm. Identify and mitigate risks before they materialise.
- Enable and support customers to pursue their financial objectives. Provide clear information and effective support.

The cross-cutting rules apply across all areas of firm conduct to inform and help firms interpret the four outcomes.

These are a suite of rules and guidance that set more detailed expectations for firm conduct in four areas that represent key elements of the firm-consumer relationship:

- The governance of products and services.
- Price and value.
- Consumer understanding.
- Consumer support.

The Duty has raised standards in financial services and consumers should be confident that when they engage with FCA authorised firms that they will receive services that are as described, and of a high quality.

The FCA expects firms to proactively identify and rectify consumer harm and, where appropriate, provide redress to affected customers.

If the consumer remains dissatisfied with the firm's response or the redress offered, they may refer their complaint to the Financial Ombudsman Service.

60. The Financial Ombudsman's Service's jurisdiction is limited to complaints brought by customers of regulated firms. In cases where a third party- for example, a joint owner of a mortgaged property who is not herself a bank customer-suffers demonstrable financial harm as a direct result of a regulated Bank's conduct during an insolvency

proceedings, including the assertion of a disputed legal charge, the retention of court- awarded beneficial interest funds and the refusal to permit independant forensic examination of a security document- what regulatory route did the FCA consider available to the third party at the time and what route exists today.

If the answer is that no effect time route exists, does the FCA regard that as an acceptable protection gap in it's regulatory framework?

The Financial Ombudsman's jurisdiction is not limited to complaints brought by customers of regulated firms. Certain third parties may also be eligible complainants where their complaint arises from a specified relationship with a regulated firm. This can include, for example, someone providing security for a mortgage or loan.

Whether the third party described would fall within the FOS jurisdiction would depend on the particular facts, including their relationship with the firm and whether the acts or omissions complained of fall within the activities covered by the Ombudsman's jurisdiction. The Compulsory Jurisdiction includes, among other things, lending money secured by a charge on land and ancillary activities connected with it.

We have not undertaken an assessment of those matters in relation to the circumstances described and therefore cannot say whether the third party would have been eligible to refer a complaint to the Financial Ombudsman, or what other regulatory or legal remedies may have been available at the time or may be available today. Ultimately, it would be for the Financial Ombudsman to determine, based on the facts and circumstances of the individual case, whether a complaint fell within its jurisdiction and how it should be considered.

61. How can the FCA credibly hold firms and the Financial Ombudsman Service accountable where compliance or regulatory failure is disputed, if the FCA relies on the organisations concerned to tell it whether they have complied? Who independently verifies the underlying evidence rather than allowing regulated bodies effectively to mark their own homework?

While firms are responsible for complying with our rules and requirements, we do not rely solely on firms' own assessments. We use a range of data, information and intelligence sources to assess firms' conduct and identify actual or potential harm. This includes information obtained through our supervisory work, regulatory reporting, engagement and intelligence shared by the Financial Ombudsman, including complaint trends and wider thematic insights. This information can help inform our supervisory activity and our assessment of whether firms are meeting our requirements. Where concerns arise, we can use our supervisory and enforcement powers to assess compliance and address harm.

The FOS is the official dispute resolution body for financial services. It was established to provides a free and independent service for resolving disputes between consumers and financial firms. It is accountable to Parliament for the discharge of its statutory responsibilities. The FOS is operationally independent of the FCA. We do not have a role in reviewing or intervening in its decisions on individual complaints about firms.

Consumers who are dissatisfied with the service provided by the Financial Ombudsman itself, rather than the outcome of a complaint, may be able to raise a service complaint through the Financial Ombudsman's internal process and, if appropriate, with the Independent Assessor, who considers complaints about the standard of service provided. The decisions of the Financial Ombudsman may also be subject to challenge through the courts by way of judicial review in appropriate circumstances.

Under FSMA the FCA must ensure the FOS is capable of carrying out its statutory functions as an independent dispute resolution scheme. In practice, this means ensuring it has the appropriate resources and governance arrangements in place. For example, we approve its annual budget and appoint members of its Board.

62. Can the FCA require companies in FOS complaints to provide evidence they have performed their obligations by use of checklists shared with consumers?

We require firms to have effective complaints-handling procedures, investigate and assess complaints properly, communicate complaint outcomes clearly, provide reasons where a complaint is rejected, and offer appropriate redress or remedial action where warranted. Firms must also inform consumers of their right to refer a complaint to the Financial Ombudsman where that right applies and provide information explaining how to do so.

However, these rules do not prescribe the specific processes or tools firms must use when doing so. Firms therefore have flexibility to determine the most appropriate approach for meeting their obligations.

The FCA has the power to introduce additional requirements where it considers this necessary to advance its statutory objectives. However, we do not currently propose requiring firms to use, retain or share complaint-handling checklists with consumers. We consider the existing complaints-handling requirements provide an appropriate framework for firms to investigate complaints and communicate outcomes to consumers.

63. Some mechanisms are needed to ensure the complaints being answers are agreed by the consumer as the Government Ombudsman require.

Firms should take appropriate steps to understand the complaint being raised and respond to the issues the consumer wants them to consider. Our complaints-handling rules require firms to investigate complaints competently, diligently and impartially, obtain additional information where necessary, and assess complaints fairly, consistently and promptly. However, we do not consider it necessary to prescribe a specific mechanism for establishing or recording a consumer's agreement about the nature of their complaint. Our rules focus on ensuring that complaints are properly understood, investigated and addressed, while allowing firms flexibility in how they achieve those outcomes.

The rules also set out requirements for firms to respond to complaints within prescribed time limits. Where a firm is not able to provide a final response within the relevant timeframe, it must explain the reasons for the delay and inform the

consumer of their right to refer the complaint to the Financial Ombudsman. When providing a final response, firms must explain the outcome of their investigation and, where applicable, the consumer's right to refer the matter to FOS if they remain dissatisfied.

Where a consumer considers that a firm has misunderstood their complaint or failed to address the issues they have raised, they may refer the matter to the Financial Ombudsman. In considering the complaint, the Financial Ombudsman will determine the issues it considers relevant to the dispute based on the particular facts and circumstances of the case, rather than being bound by the firm's characterisation of the complaint.

We consider these requirements provide an appropriate framework for ensuring that complaints are properly considered and that consumers are informed of the outcome and the options available to them if they disagree with a firm's response.

Funeral Plans

64. Unfortunately, following the 2022 regulation of the funeral planning market, funeral directors, who had traditional been the trusted source of information for people requiring information as to what funeral options were available are no longer able to give this advice as the regulations deems both the detail of the funeral and the financing of that funeral as the regulated non-advised activity. Given that funeral directors are best placed to explain the funeral service options available to a family, but are not best placed to provide financial advice, why does the FCA regulation combine these two activities and thereby cause client detriment by removing access to advice on the service elements of a funeral?

The regulatory framework does not prevent funeral directors from discussing funeral service options with customers. However, firms must be authorised, or act as an appointed representative of an authorised firm, if they carry out regulated activities in relation to pre-paid funeral plans, such as providing, advising on or arranging a plan.

When the Government introduced regulation of pre-paid funeral plans in 2022, it identified three objectives:

1. robust, enforceable conduct standards for all pre-paid funeral plan providers;
2. stronger oversight of providers' prudential soundness; and
3. access to appropriate dispute resolution when things go wrong.

Funeral directors were not automatically brought within the scope of regulation. They can therefore continue to discuss funeral services with customers, provided they do not carry out a regulated activity in relation to a pre-paid funeral plan.

Innovation

65. The FCA's Regulatory Sandbox is intended to help innovative businesses bring new products to market. However, many startups perceive the application process and timescales as lengthy and difficult. Why is access to the Sandbox still so time-consuming and complex, and what changes is the FCA considering to make it more accessible for early-stage fintech companies?

We recognise the concern. The process can feel lengthy, particularly for early-stage firms, and we continue to use feedback to improve the experience.

Live testing needs appropriate safeguards. The Regulatory Sandbox can involve real consumers and regulated activities. We therefore assess whether a proposition is genuinely innovative, ready to test, offers a clear consumer benefit and has suitable safeguards.

We help firms navigate the regulatory considerations. The Regulatory Sandbox does not remove regulatory requirements, and authorisation is considered separately, but we help firms understand what is relevant to their proposed test.

We are also making the journey clearer. During 2026, we have continued to improve our website guidance on what a good application looks like, with practical tips to help firms prepare and clearer information about our process.

We introduced a two-stage review in June 2026. This gives firms earlier clarity. After receiving a complete application, we aim to confirm within 2 to 3 weeks whether it will progress to full assessment.

We keep applicants informed. If an application progresses, the case officer will provide updates and discuss indicative Innovation Panel timing. We aim to complete the overall assessment and decision within 8 to 12 weeks of receiving a complete application, subject to its complexity and the information provided.

Our aim is clear: to maintain the safeguards needed for credible live testing while making the process clearer and easier to navigate.

Insurance

66. What is one trend you have noticed this year within appliance insurance industry?

Through the data firms provide to us, we can track metrics related to the value of certain types of general insurance. We publish this data, which includes information such as the numbers of policies sold, premiums paid and claims acceptance rates.

The types of insurance that you'd associate with 'appliance insurance', i.e. white goods like fridges, dishwashers and washing machines, would fall into what we categorise as 'extended warranty – electrical goods'. This is an area where we can see numbers of policies having increased by 16% and premiums by about 38% since 2022.

We're seeing 44% of premiums paid out in claims, compared with 41% in 2022 and claims acceptance rates of around 99%. So, policies are costing more on average than they previously were - though that reflects a trend we've seen in claims costs across insurance markets in recent years.

The context for our work around value is, are customers paying a reasonable price for a product, compared to the benefits they get in return? Insurance firms have had rules in place on fair value and are now, of course, required to comply with the Consumer Duty and the obligation on firms to focus on good customer outcomes.

67. Regarding Multi-occupancy building insurance of leasehold flats what is the position of the FCA in respect of:

1) FCA authorised brokers owned by a freeholder (FH) or property managing agent (PMA) placing the insurance for the building owned by the FH or managed by the PMA? Does the FCA believe such brokers are in a conflict of interest position? If yes, which steps is the FCA taking in this respect?

2) reinsurance companies (incorrectly called "captives") owned by the FH or PMA reinsuring the risk of the building owned by the FH or managed by the PMA? Which actions has the FCA taken or is going to take to prevent such companies causing harm to leaseholders?

3) excesses/deductibles in the amount of tens of thousands of pounds (from £10,000 to £ 50,000) being applied to multi occupancy building insurance, in particular when charged to an individual leaseholder?

We are aware of the concerns regarding the cost of multi-occupancy buildings insurance and the impact this has on the leaseholders bearing these costs via their service charges. We are currently undertaking a focused review of multi-occupancy buildings insurance to assess the impact of our previous interventions and the actions of industry and other stakeholders, including Government. We expect this work to conclude in early 2027. We continue to engage with the Ministry of Housing, Communities and Local Government to support and inform their legislative agenda and other work in this area. We also actively consider the correspondence we receive

on this subject and any cases we are made aware of that raise concerns regarding the actions of UK authorised firms.

All FCA authorised firms are required to put in place appropriate systems and controls to identify and manage conflicts of interest, including where their ownership structure, commercial relationships or remuneration arrangements could affect their ability to act in accordance with their regulatory and legal obligations. Whether there is a conflict of interest will depend on the precise circumstances involved.

In the context of multi-occupancy buildings insurance, the customer buying the insurance is usually the freeholder, but further to the changes we made to our product governance rules (under PROD 4) in 2023, firms also need to consider leaseholder interests. Additionally, insurance firms are required to disclose information about conflicts of interest, including ownership links between the intermediary and the insurer, and about the insurers with whom the intermediary may place the policy.

Where there are reinsurers (including 'captives') involved in the reinsurance of multi-occupancy buildings, their legal and regulatory obligations will depend on whether they are UK authorised companies and the role they play. The additional obligations to leaseholders we created in the changes to our product governance rules (under PROD 4) require UK insurers and insurance intermediaries providing multi-occupancy buildings insurance to ensure that their products consider the interests of and offer fair value to leaseholders, whatever the nature of any associated reinsurance arrangements. Please note, there are no disclosure requirements for reinsurance.

Per the additional disclosure rules we implemented under ICOBS 6A.7, insurers and brokers are required to disclose the excess amounts applied to the policy, including splitting out any specific excesses or higher deductibles, for example on escape of water. In relation to the product governance changes we made under PROD 4, we noted in our policy statement that 'a policy that has very high excesses may nonetheless be in the interests of freeholders but not leaseholders, as these excesses could make the costs of claiming prohibitive'. We then stated that 'to be compliant, firms would need to ensure their products are consistent with the interests of and provide fair value to leaseholders as well as the freeholder.' And that 'where products do not deliver on these obligations, firms must make changes to their products….'. In this context, we would be interested to be made aware of instances where insurance firms do not appear to be complying with these obligations.

Interest Rate Hedging Products

68. Why did the FCA allow NatWest to investigate itself for three years over the Ulster Bank Fixed Rate Loan fraud, and then accept an outcome of just £2.4 million paid to 26 customers, when thousands of customers were affected?

BankConfidential worked with Vincent Hurl and Christopher Gordon. Mr Hurl says his losses alone exceeded £2 million and he had £119,000 stolen from his bank account by his GRG manager for a swap break cost, when the bank later said he'd never had a swap, yet neither he nor Mr Gordon was contacted during that review, nor received any compensation.

Does the FCA genuinely consider it good regulatory practice to allow a bank accused of systemic fraud to investigate itself, decide who the victims are, decide how much they should receive, and then keep the rest of the money it has stolen from victims?

On 17 June 2014, the Treasury Select Committee questioned Clydesdale Bank specifically about its Tailored Business Loans. Just nine days later, on 26 June 2014, the FCA wrote to Committee Chair Andrew Tyrie relying on legal advice from Charles Flint KC that those loans fell outside the regulatory perimeter.

Jonathan Fisher KC was subsequently asked by the Committee to review that advice. But this was advice about Clydesdale's particular TBL product, not Fixed Rate Loans across the banking industry and not the materially different structures containing separate Hidden Credit Lines that BankConfidential has identified at Ulster Bank and Lloyds.

Hansard subsequently recorded that Clydesdale had sold about 8,300 TBLs, whereas the FCA had identified 69,738 Fixed Rate Loans across a range of banks. So why did the FCA take legal advice on one bank's particular product and then rely on it to tell Parliament, in effect, that the wider population of almost 70,000 Fixed Rate Loans was outside regulation — without examining whether other banks' products contained separate swaps, Hidden Credit Lines and regulated derivative risks?

BankConfidential has now produced evidence confirming those structures at Ulster Bank and Lloyds. After twelve years of relying on an opinion that never examined them, when will the FCA correct the record with Parliament and properly investigate what it excluded in 2014?

My name is Mr Andrew Gibbs. I am an award-winning architect who spent decades building a regeneration project and three viable businesses. I was not a failing bank customer.

RBS required me to take an interest-rate hedging product in 2008, as part of as top up loan telling me it would protect me from higher interest rates, when I now know all of their internal forecasts were projecting lower rates for the whole term of my loan.

They never told me it created a substantial hidden credit liability secured against my assets. A former bank contact has since confirmed to me that this hidden exposure is what breached my Loan-to-Value covenant and caused my transfer into GRG, that was inevitable they said from the minute I was sold the swap.

I offered to sell my family home to support the business which would realise £576,000. I did and gave the money to the bank voluntarily. This did not stop their destructive process. I have since been told by insiders they had no intention of supporting me and always intended to push me towards insolvency anyway. Eventually fire selling my assets/my workplace. Sold well and truly under true value.

I lost my businesses, my pension, my self respect, my home and my marriage. My health collapsed and, at my lowest point, I contemplated taking my own life . Fortunately, I survived because I was found in time and commenced mental health rehabilitation therapy. My question is:

How dare the FCA Executives tell MPs that the Hidden Credit Line Risk was merely "nominal" and did not damage viable businesses like mine and:

a) When will the FCA admit there must be an investigation into what really happened in GRG, and;

b) come clean about Hidden Credit Lines and tell Parliament the truth?

My family built successful care-home businesses from nothing. NatWest required us to take interest-rate swaps as a condition of further lending. What we were never told was that those swaps created substantial hidden contingent credit liabilities, secured against our businesses and taken into account in the bank's Loan-to-Value calculations.

By 2009, we calculate those hidden liabilities had grown to more than £2 million. Our businesses were subsequently transferred into GRG because of security concerns, we lost the businesses and properties my

family had spent years building, and ultimately we received no compensation.

The extraordinary thing is that the FCA's own Interest Rate Hedging Product Review recorded that there was "no evidence" these contingent liability had ever been discussed with us before the trade—but then expressly excluded the setting and monitoring of that liability from the scope of the Review.

So my question is this:

If these hidden credit liabilities were what damaged our Loan-to-Value position, restricted our borrowing and ultimately helped drive our viable businesses into GRG, why has the FCA never investigated that undisclosed risk or the losses it caused?

And after all these years, why does the FCA continue to defend a review process which excluded the very issue that victims like my family say caused their businesses to fail and:

a) when will the FCA finally investigate Hidden Credit Lines properly and;

b) provide justice for the customers whose businesses and lives were destroyed?

My name is Vincent Hurl. I had a £775,000 Ulster Bank Fixed Rate Loan. On 21 September 2012 my Ulster Bank manager Sheila Donaghy took £119,521 from my business account and paid it to its London Global Markets team to break a swap, without my knowledge or approval. She said it was to pay the break cost on my fixed rate loan but they dont have separate break costs and the same penalty was added to the loan and sold to Cerberus, the break cost was for a swap.

Yet the FCA now says I did not have a swap and that any associated credit line was only "nominal". The £119,000 taken from my bank account was very real.

Ulster Bank's own records show a £180,000 swap credit line on my account and a formal approval stating "Increase to cover crystallisation of D2 swap (£129k)".

At the same time, swap victims in England, Scotland and Wales were given access to the FCA's IRHP Review, enforcement pauses and the opportunity for redress, while victims like me in Northern Ireland were excluded. I believe that unequal treatment is incompatible with the rights and equality commitments of the Belfast – 'Good Friday' Agreement.

So how can the FCA maintain that there was no real swap liability and no customer harm when £119,521 of real money was actually taken from me to break that swap? And why were Northern Ireland victims excluded from the same review and compensation process available in Great Britain?

Was the real reason that a proper investigation would have exposed that these contracts should have been unwound, consequential losses paid, and that senior bank and GRG staff always did know about or participated in criminal misconduct – proving the the FCA's conclusions on GRG to be untrue?

And why did the FCA let the fraudsters at NatWest investigate themselves to decide there was not a fraud and how could there have been a review when no one contacted me or anyone I know affected by these or pay me back the £2 million plus I lost?

We recognise the serious financial and personal impact experienced by many business borrowers, their owners and families in the years following the financial crisis in 2008.

The issues that have been raised since then about interest rate hedging products (IRHPs), fixed-rate loans with market linked break costs, associated credit lines, and the treatment of customers in banks' recovery functions, have been considered extensively by the FCA and others.

Further information is available on our interest rate hedging products webpage and in the independent review by John Swift KC. As we set out at the 2026 Annual Public Meeting, we have not identified materially new evidence that would warrant reopening our previous work. Anyone with new information about matters within our remit that has not previously been considered can provide it through our established channels.

Interest rate hedging products

We have published a detailed account of the IRHP redress scheme and of Swift KC's review of it.

We considered concerns about the internal credit lines used by banks to monitor their potential credit exposure to the customer, including the customer's break cost obligations, in the event the IRHP was terminated early. We do not agree that these credit lines were themselves separate liabilities that banks were required to disclose to customers at the point of sale of the IRHP or later. Our position is consistent with the settled view of the courts.

However, the IRHP scheme allowed claims for consequential losses, in addition to basic redress for a mis-sale, where the customer felt their purchase of an IRHP had caused them wider detriment. A credit line could potentially be relevant to a consequential-loss claim, e.g. if it affected a customer's ability to borrow, or the interest rate charged.

These issues, including around credit lines and consequential loss claims, were examined in detail by Swift KC's independent review. We accepted his

recommendations on the design and operation of future redress exercises but concluded that it would not be appropriate or proportionate to take steps now to require further IRHP redress.

RBS Global Restructuring Group

We separately examined in detail the treatment of business borrowers by Royal Bank of Scotland's Global Restructuring Group (GRG), including some borrowers with IRHPs. That work identified serious shortcomings in GRG's treatment of some business borrowers, but found no evidence that RBS deliberately distressed otherwise viable businesses in order to profit from their restructuring or insolvency. In any event, much of the relevant activity was outside our regulatory perimeter, limiting the action available to us.

Fixed-rate loans

Fixed-rate loans with market-linked break costs could have similar economic impacts on business borrowers as IRHPs. But that did not necessarily make them regulated derivatives or otherwise regulated. The regulatory position depended on the nature and purpose of the particular contract: whether it was a contract for difference (like an IRHP), which would be regulated; or whether its main contractual purpose was to lend and borrow, which would not be regulated. A contractual provision imposing break cost obligations on the borrower if the fixed-rate loan is terminated early does not, by itself, turn the loan into a regulated derivative, and nor does any credit line associated with those break cost obligations.

Ulster Bank

Ulster Bank was not geographically excluded from the IRHP scheme. The bank's IRHPs were within scope of the scheme on the same basis as elsewhere in the UK. However, Ulster Bank products that were loans rather than IRHPs, were outside the scheme on the same basis as elsewhere in the UK.

As we have said in previous correspondence (with the bank's permission), following our recent engagement with it, Ulster Bank has addressed a discrepancy where certain ex-gratia reviews undertaken by NatWest in Great Britain had not been replicated in Northern Ireland as the bank had originally intended.

In previous correspondence, we referred to Ulster Bank's credit lines associated with its fixed rate loans as being "nominal". This term reflected the terminology around the records on the bank's systems, which was distinguished from actual outstanding debts, and the fact that the bank said it applied significant flexibility and discretion around how much weight, if any, it applied to the credit line, in different circumstances, when assessing the overall position of the customer.

Our use of 'nominal' in this sense was not intended to suggest that the credit line could not have a potential impact on a borrower's position, depending on the bank's view of the matter in any given case. However, the difficult economic conditions following the financial crisis had impacts on borrowers' credit positions that went well beyond increased break costs, and commercial lenders typically had (and have) legal rights through the contractual arrangements with their customers which they may

exercise at their discretion when dealing with financially distressed customers in default of, or at risk of defaulting on, credit facilities.

We have seen no grounds for doing further work on Ulster Bank. Nonetheless, given the concerns that have been expressed about other historic fixed rate loans, we are considering whether there were other fixed rate loan products or practices that might cause us concern. Our consideration and associated work is now in its final stages, and we expect to be able to reach conclusions before the end of the year. Once our work has completed, we will revert with what we can to the correspondents who raised the concerns, subject to s348 FSMA restrictions.

Miscellaneous

69. A number of questions submitted before and during the meeting will be left unanswered due to time constraints. The chair commited to publishing answers to all questions, both answered and unanswered, alongside a transcript of the meeting. *When* will these be made public please?

The recording was made available immediately following the event on Tuesday 6 October 2026.

The transcript was published on Friday 9 October 2026.

These responses to unanswered questions were published on Friday 6 November 2026.

70. Consumer protection is one of the FCA's statutory operational objectives. Which individual executive director has Board-level executive accountability specifically for delivery of that objective, and where can the public see an annual, measurable assessment of whether the FCA has actually secured the appropriate degree of consumer protection?

Helping consumers is one of the FCA's four strategic priorities and consumer protection is at the heart of everything we do. It is also one of our statutory operational objectives set by Parliament. Reflecting its importance, we have senior executive leadership focused on these issues, including David Geale, our Executive Director of Consumers, Payments and Competition, and Therese Chambers, our Executive Director of Enforcement and Market Integrity, and executive lead for our Helping Consumers strategic priority.

Protecting consumers is delivered through a wide range of regulatory activities, including policy-making, supervision, authorisations, market oversight, consumer communications and, where necessary, enforcement action. Responsibility for delivering good outcomes therefore sits across the organisation and is overseen collectively by our senior leadership. We have also strengthened our focus through the Consumer Duty, which sets a higher standard of care and requires firms to put their customers' needs at the centre of their business.

We report annually on how we advance all of our statutory objectives through our Annual Report. We are also accountable through our Work Programme, the Annual Public Meeting, parliamentary scrutiny, and the regular publication of supervisory, intervention and enforcement activity.

Ultimately, consumer protection is not a standalone programme but a thread running through all our activity. Success is best judged by whether consumers receive fair treatment, can make informed decisions and participate in markets that function well.

71. How does the content of the perimeter report demonstrate that the lessons of London Capital and Finance have been learnt? Do your

explanations of the perimeter satisfy the Consumer Duty's consumer understanding tests?

Having read the perimeter report, it demonstrates a lack of understanding of the perimeter, which led to London Capital and Finance and could lead to a repeat without appropriate systems and controls to explain the perimeter in a way that is understandable to the public.

We've learned important lessons from London Capital & Finance and implemented all the recommendations from the Gloster Report, leading to changes across the organisation.

One lesson was the importance of helping consumers understand whether an activity is regulated and what protections do, and do not, apply. We recognise that the regulatory perimeter can be complex, and consumers may not always find it easy to understand where protections begin and end.

Using a financial product or service that is not regulated by the FCA can leave you exposed to significant risks, including losing money without access to the protections available when dealing with authorised firms. Helping consumers understand these risks, check whether a firm is authorised, and make informed decisions is a priority for us. We have enhanced the FCA Register and launched Firm Checker, a tool for consumers to check if a firm has permission to provide the services you are looking for and to help avoid scams. The tool is designed to be clear and easy to use for consumers, making a firm's regulatory status clear. We also issue alerts and warnings and run targeted campaigns where we identify harm from unregulated products, helping consumers recognise and avoid risks at the regulatory perimeter.

72. **Why have the FCA not advised the Valuation Office Agency that their rounding down system regarding business rates isn't compliant with Gov.uk guidelines in that they should round up or down to the closest multiple of 5 and not use a lot of different values where constantly rounding down leads to a significant total deficit in revenue?**

We have no role in setting, overseeing or advising on the standards used for the valuations undertaken by the Valuation Office Agency with regards to business rates.

73. **My name is Nigel Morgan. My family are recognised victims of the HBOS Reading fraud.**

We asked Sir David Foskett to allow our advisers at Modus, experienced banking and financial specialists, to participate as stakeholders. He refused, while the SME Alliance was given access to discussions shaping our compensation scheme.

Heather Buchanan, then the Fair Business Banking APPG's director of policy, promoted the Turners as SME Alliance directors while using a three-bedroom flat in Horseferry that they provided. A £50,000 benefit that benefit that was never declared on the Parliamentary Register and that conflict was not considered by Foskett.

The new flat-rate terms negotiated by SME Alliance directors in 2022 increased the Turners' compensation from a proposed £1.4 million to £7.5 million. Their interests were represented. Our chosen experts were excluded.

For our family, changes we never agreed to meant bankruptcies obtained by Begbies in 2013, procured through fraud, were reopened in 2023, despite our full-and-final settlement in 2019. We endured renewed degradation and humiliation, lost millions in trustee and legal fees, and recovered only a fraction of losses forensically assessed at over £100 million.

Sir David promised a process intended to restore victims to the position they would have occupied without the fraud. The Panel also said it wanted to meet customers and hear their claims, regardless of whether a trustee was involved. Yet Jane Morgan, my late brother's widow, asked to meet Sir David six times and was refused. We relied on those assurances when giving up our right to pursue separate litigation against Lloyds. My question is:

Why is the FCA allowing Lloyds—a bank that concealed its knowledge of the fraud for eight years—to retain influence over a compensation scheme corrupted by conflicts of interest? And;

What action will the FCA take on our evidence that Sir David Foskett misled vulnerable HBOS Reading victims, and how will you ensure that the promises we relied upon are honoured?

As you may be aware, the FCA investigated the suspicions of fraud at HBOS Reading and its communications with the FCA (then FSA), and fined Bank of Scotland £45.5 million in 2019 for failing to report these to the FSA. However, as the corporate lending subject to the fraudulent activity at HBOS was unregulated, the FCA did not have jurisdiction to investigate the firm's commercial lending controls or whether customer complaints in respect of that lending were handled appropriately.

LBG therefore voluntarily initiated a customer review to compensate victims of the fraud. Following Sir Ross Cranston's review of that process, the Customer Re-Review was established to independently reassess customers' claims for direct and consequential losses. The Re-Review is administered by an independent Panel, chaired by Sir David Foskett. While the FCA continues to engage with LBG on the progress of the Re-Review, the operation of the Panel and the contractual arrangements between the Panel and LBG are independent of the FCA. The FCA does not therefore intervene in the operation of the Panel or arbitrate disputes about its processes or decisions.

We recognise the concerns raised about the Panel's processes and operations. Given the Panel's independent role, the FCA does not determine how it handles or decides individual cases, and concerns about these matters should be raised directly with the Foskett Panel.

You also raise concerns about the activities of a member of a secretariat of an All-Party Parliamentary Group. These concerns are a matter for Parliament and should be raised directly with the relevant register groupsregister@parliament.uk.

74. **Why are borrowers affected by the activities of Des and Karen Phillips still threatened with losing their homes when independent expert evidence supports allegations that their security documents are forged?**

    In my case, Target Servicing and Elderbridge rely on a photocopy, and no original signed deed has been produced. I believe signs of fabrication are visible to the naked eye, including a misaligned property-description box and shadowing around signatures consistent with cut-and-paste manipulation. Two independent expert reports support my allegation that the security documentation is not genuine.

    My husband, Hamish, spent years uncovering evidence and challenging this document, yet died without seeing justice. Why must I now continue that fight as his widow, still under threat of losing our home?

    How can Target market compliance services to banks while my complaint to Peter O'Connor remains without a substantive written response addressing this evidence? Will the FCA investigate whether its complaints rules have been followed and examine the responsibility of the senior managers involved?

    More broadly, why should firms retain FCA authorisation if they knowingly benefit from fraud, or disregard credible evidence of it while pursuing repossession? Will the FCA investigate and act to protect affected borrowers before their homes are lost, rather than after the damage has been done?

We recognise how distressing it is to face the prospect of losing your home, particularly following the circumstances you describe.

From previous correspondence we are aware of the situation you have described and have shared the information you have provided with the relevant supervisory team. We review and record the information people share with us to help us identify patterns of concern or potentially wider systemic problems involving the firms and individuals we regulate. We appreciate that you will want to understand how the concerns you have raised are being considered. We can assure you that we continue to oversee firms' treatment of borrowers and take action where necessary. However, legal and policy restrictions limit what information we can share with you about any supervisory action we may have taken or may take.

The FCA is an independent regulator of financial markets as a whole and does not have dispute-resolution powers for individual complaints. We therefore cannot determine an individual dispute about the authenticity or enforceability of particular security documents. The Financial Ombudsman Service is the body established to resolve individual complaints between consumers and financial businesses where these fall within its jurisdiction.

75. Can the FCA confirm if it has investigated any FCA authorised and regulated firms that designed and sold 'investment' products to clients as part of what they described at the time as lawful tax efficient structures, but that were later deemed by a tax tribunal as not qualifying for the capital gains tax treatment that was promised in the marketing material used to sell these structures to clients?

Furthermore, have you investigated whether these regulated firms actually had the required authorisation or exemption to design, market and sell these investment structures to clients for whom they provided no other service?

And finally, have you investigated any of these structures that the firms claimed to be 'investment structures' and found that they were not actually 'investments' or did not meet the definition of an investment and were in fact simply mechanisms to convert known anticipated income in to investment income to reduce the tax liability?

The FCA considers the conduct of authorised firms through its supervisory and enforcement work. This includes whether firms are carrying on activities for which they have the appropriate permissions and whether financial promotions comply with our requirements.

As a matter of policy, and for legal reasons, we do not ordinarily provide details on whether we have investigated or are investigating particular firms, individuals or arrangements.

Whether a particular arrangement falls within the FCA's regulatory perimeter depends on the nature of the product and the activities being carried on. Describing an arrangement as an "investment" does not, in itself, determine whether it is a specified investment or involves a regulated activity. The tax treatment of an arrangement is principally a matter for HMRC and the Government. However, where an FCA-authorised firm is involved, matters such as its regulatory permissions, financial promotions and conduct towards consumers may fall within our remit.

We consider information and intelligence provided to us and decide what, if any, supervisory or enforcement action is appropriate. Anyone with information about a particular firm or arrangement can provide it to the FCA for assessment.

Mortgages

76. My question relates to the FCA's apparent approach to mortgage advice once a customer already has a mortgage in place.

When a customer initially takes out a mortgage, the FCA rightly places significant emphasis on the value of regulated advice and ensuring the customer receives a suitable recommendation. However, when that same customer comes to review their mortgage at the end of a fixed rate, the regulatory landscape appears to place much less emphasis on the importance of advice, with lenders increasingly encouraging product transfers and execution-only journeys.

From my perspective as a mortgage adviser, this seems inconsistent. A mortgage review can be just as important as the original recommendation. A customer's circumstances may have changed significantly since they first borrowed—income, family circumstances, future plans, protection needs, affordability, and the wider mortgage market may all be very different. In many cases, remaining with the existing lender may be the right outcome, but in others it may not.

My question is: Does the FCA believe that regulated mortgage advice is inherently less valuable at the review stage than at the initial mortgage application? If not, how does the FCA reconcile that position with an environment in which customers appear to be increasingly encouraged towards lender-led, non-advised product transfer journeys?

I would welcome the FCA's view on how this aligns with the Consumer Duty objective of helping customers achieve good outcomes over the lifetime of their mortgage, rather than only at the point of first purchase.

Effective advice can help consumers make informed decisions, navigate complex choices, access support tailored to their needs and choose suitable products, supporting good outcomes.

Consumers should be able to access advice when they want or need it, at any stage of their mortgage journey, whether taking out a mortgage, remortgaging or completing a product transfer. Our rules do not mandate advice at any stage of the mortgage journey (except for some transactions such as equity release and mortgages for debt consolidation).

We have seen a slight increase in the proportion of consumers opting for a remortgage receiving advice (around 2%).

- The percentage of remortgages, including product transfers, in Q2 2026 that received advice was 58.8%, compared to 56.7% in Q2 2025.
- The percentage of remortgages, excluding product transfers, in Q2 2026 that received advice was 96.2%, compared to 96.3% in Q2 2025.

Where consumers choose to take out a mortgage, remortgage or complete a product transfer without receiving any advice ('execution-only sale'), our rules require firms to ensure consumers confirm that they are aware of the consequences of losing the protections of the rules on assessing suitability, and wish to proceed with an execution-only sale.

Under the Duty, firms must consider whether they have appropriate procedures in place to identify execution-only customers who may need advice or other support to avoid foreseeable harm.

77. Has the FCA has ever exercised its section 28A powers in connection with an Article 61 classification dispute, and if not, why not.

No. The FCA's powers under section 28A of the Financial Services and Markets Act 2000 (FSMA) do not apply to regulated mortgage contracts.

Article 61 defines what is meant by a regulated mortgage contract, and entering into one as a lender is a regulated activity. However, section 28A only applies to agreements entered into as part of a "credit-related regulated activity" which are unenforceable under sections 26, 26A or 27 of FSMA. Regulated mortgage contract activities do not fall within the definition of "credit-related regulated activities".

Section 28A is therefore not a general power that the FCA can use to decide whether an agreement falls within its regulatory remit. It only applies where the specific conditions set out in legislation are met. Where it does apply, the FCA can determine any compensation that should be paid as a result of an agreement being unenforceable. It can also allow an agreement to be enforced, or allow money paid or property transferred under it to be retained.

If a firm enters into a regulated mortgage contract without the required authorisation, section 28 of FSMA applies instead of section 28A. In these circumstances, it is the court, rather than the FCA, that has the power to grant relief in relation to an unenforceable agreement.

78. Barclays continues to administer legacy Woolwich Mortgage Reserve facilities which have been closed to new customers for many years. I am currently assisting a long-standing Barclays customer in litigation concerning the operation and withdrawal of such a facility.

Since the Consumer Duty has applied to closed products since July 2024, has the FCA undertaken, or does it intend to undertake, any supervisory work specifically examining the outcomes being received by customers holding legacy Mortgage Reserve or similar mortgage-linked borrowing facilities?

In particular, what evidence would the FCA need to see before concerns affecting a number of customers moved from being treated as individual complaints to a potential systemic conduct issue requiring regulatory intervention?

Firms are required to review closed products against the Consumer Duty and, on an ongoing basis, be able to demonstrate that they are delivering good outcomes for customers.

We continue to supervise firms' compliance with Consumer Duty, including its application to closed products and services.

Individual complaints and other sources of regulatory information can provide important evidence of wider issues. Where the available evidence indicates a potentially wider issue, this will inform our supervisory assessment and whether further regulatory action is appropriate, taking into account both the level of potential harm and the number of customers impacted.

79. We talk a great deal about preventing future consumer harm, but what about consumer harm that began before the financial crisis and is still being suffered today?

If a bank's own historic records reveal indicators such as suspected broker fraud, an intermediary being removed from its panel, underwriting controls being overridden, questionable affordability calculations or inflated valuations, does the FCA expect that bank to examine the wider mortgage book for customers affected by the same practices?

Or is the FCA's position effectively that every borrower must somehow discover those internal failures for themselves and bring an individual complaint before anything is done?

Firms are expected to take reasonable steps to identify and remedy recurring or systemic problems. Where information available to a firm, including its own records or complaints, indicates that a problem may have affected a wider group of customers, we expect the firm to consider the nature and extent of the issue and whether action is needed in relation to other customers who may have suffered harm. That does not mean that every historic concern or individual case will automatically lead to a wider back book review. The appropriate response will depend on the evidence, including the nature of the conduct, whether it indicates a recurring or systemic problem, the customers potentially affected and the potential harm.

Where firms identify harm, our rules, guidance and principles require them to take appropriate action to rectify it and give affected consumers an opportunity to obtain redress. Our recent guidance on identifying and rectifying harm specifically addresses proactive firm-led redress, including providing an appropriate remedy without customers having to raise individual complaints: FG26/2: Good and Poor Practice on identifying and rectifying harm.

Complaints, firms' own records and other regulatory information can provide evidence of wider issues. Where the evidence indicates a potentially wider problem, that can inform our supervisory assessment and whether further regulatory action is appropriate. In appropriate circumstances, the FCA also has powers to require or establish consumer redress.

80. The Consumer Duty requires firms to cross-cut actions to prevent 'foreseeable harm.' For vulnerable mortgage prisoners trapped on high

SVRs near the end of their mortgage terms, repossession/forced sale is the ultimate foreseeable harm. What supervisory interventions or enforcement actions has the FCA taken against closed book administrators who fail to provide proactive, flexible exit strategies or term extensions for these individuals?

Prior to the Consumer Duty coming into effect for closed products (July 2024) we monitored firms' implementation plans and firms continue to be subject to our supervision against our current rules and guidance.

Under the Consumer Duty we expect firms to act in good faith, avoiding causing foreseeable harm and supporting consumers in vulnerable circumstances. The Duty however does not give us powers to force lenders who only have closed books to offer new deals or to make lenders take on borrowers outside their risk appetite.

Our focus is on making sure that regulated closed book lenders and administrators meet the standards of support we expect for all borrowers in financial difficulty, which are the same for all mortgage firms.

Recent data up until the end of June 2026 shows that in H1 2026 closed book repossessions were 20% down on H2 2025 and we continue to see little difference in the levels of long-term forbearance and support being provided between active lenders and closed books. The median time to repossession from the first missed payments (arrears of 2 months or more) is currently 43 months for borrowers in closed books and 27 months for active lenders.

We continue to oversee firms' treatment of borrowers in closed books via data, intelligence, complaints and supervisory engagement, and will continue to take action where necessary.

81. **A mortgage related question - Given historical evidence that previous equity loan schemes created a 'new-build premium' and inflated developer prices, what assessment has the FCA made regarding how the new 'Your First Home' scheme might inflate purchase prices rather than improve genuine long-term affordability? from Dave Clark of Artemis Financial Services.**

The Government has now confirmed further details of its Your First Home scheme. The scheme is expected to open for applications in February 2027 and will enable eligible first-time buyers purchasing new-build homes in England to do so with a deposit of at least 2.5%, alongside a 20% Government equity loan which will be interest-free for the first five years and a repayment mortgage from a participating lender.

Household income caps will be set at £110,000 outside London and £140,000 in London, and local property-price caps will apply. Some further details, including the full eligibility rules, local price caps and participating developers and lenders, are still to be confirmed.

Once the remaining details are clearer, we will consider any implications for the areas that fall within our remit, including the mortgage market and the treatment of borrowers. However, to be clear, it is not our role to regulate house prices. Our role is

to regulate financial services firms and, in the mortgage market, to support sustainable home ownership while maintaining appropriate protections for consumers.

82. Do the FCA offer any guidelines to mortgage lenders about removing mortgage brokers without explanation?

The FCA has not issued specific guidance to mortgage lenders on removing mortgage brokers. We consider decisions about which brokers a lender works with, or stops working with, to generally be matters for the lender’s own commercial judgement.

Motor Finance

83. What contingency plans has the FCA made in the event that the 4 Upper Tribunal cases on its motor finance redress scheme is resolved in a manner adverse to the FCA? If there is an appeal from the Upper Tribunal's ruling(s), what does the FCA propose to do?

An industry-wide scheme is the quickest, fairest and most efficient way of delivering compensation on this scale. However, we are taking prudent contingency steps so that consumers, firms and the wider market have as much certainty as possible and are not starting from scratch.

The liabilities that arise from historical motor finance misconduct do not disappear if the scheme does not proceed, and consumers' rights to complain remain. If the scheme is struck down in whole or part, we would need to consider whether to proceed with a revised scheme, which would likely take time to construct and consult on, and which itself could then be subject to further legal challenge, or whether to proceed with no scheme.

Our central planning assumption for contingency purposes is that, if the scheme or parts of it were quashed, lenders must be operationally and financially ready to handle complaints and historical liabilities through a complaint-led and supervisory approach, in line with the normal statutory complaint-handling timelines.

We have been clear to firms that they must prepare now for a scenario in which there is no compensation scheme and complaints are dealt with through the existing framework. We have told firms to prepare for that possibility, make the necessary provisions, engage with their auditors, and ensure sufficient capital and liquidity are available within UK regulated entities.

We have also been working closely with the Financial Ombudsman Service, which is planning for the significant increase in complaint volumes it could receive under a no-scheme scenario.

Precise next steps depend on the Tribunal's judgment. We would need to consider carefully what the judgment means and which regulatory tools are most appropriate in response. As we have previously set out to the Treasury Select Committee, we are ready to use our powers to ensure firms meet their liabilities, and we have a track record of securing redress through a range of routes where consumers have suffered harm.

More broadly, this case highlights wider challenges in constructing redress schemes and the funding of litigation linked to such schemes. This case is a test of whether the whole system can deliver timely certainty, protection and redress for consumers.

84. Given the scale and increasing complexity of mass-redress disputes, including Mastercard at the Competition Appeal Tribunal and the current Upper Tribunal challenges to the FCA's motor-finance redress scheme, what assessment has the FCA Board made of whether the FCA has sufficient legal, financial, analytical and investigatory resources to

defend its regulatory decisions effectively against well-funded commercial parties and litigation interests?

Where an FCA redress scheme is challenged by organisations presenting themselves as representing consumer interests, how does the FCA assess whether those organisations are acting independently of the law firms, litigation funders and other commercial interests supporting or associated with their challenge, what information does the FCA obtain about those relationships and what transparency does the FCA consider should be provided to consumers?

The FCA has specialist legal, policy, economic, regulatory, supervisory and enforcement expertise in place to deliver mass redress schemes. We robustly defend challenges received to our regulatory decisions, e.g. the motor finance consumer redress scheme.

We respect the right of any party that the Courts decide has standing to challenge the scheme. As a transparent regulator, we have published our grounds of response to the challenges we have received to the motor finance redress scheme. This includes our views on the standing of the challengers. Ultimately, challengers' standing is decided by the Courts.

85. Why has the FCA unlawfully manipulated the scheme to limit the actual redress victims are entitled to by more than 60%?

Car finance. Can the FCA explain why it manipulated the car finance redress scheme in bad faith so as to limit redress to only £8billion and deprive consumers of circa £16billion in redress? I say 'bad faith' because the FCA declared that it had learned the lessons as a result of John Swift's independent investigation of the IRHP review, but then made the same false steps in consulting this redress scheme. Why did you make the same mistake by going for a 'one size fits all' redress formula for all victims of both types of offending (that determined by the Supreme Court and that determined by the FOS and the High Court in respect to DCA's?

By doing that you were able to use the lower amount of redress available to a relatively tiny number of victims for the lesser offence determined by the Supreme Court, significantly dilute the much more substantial redress for unlawful DCA's that was established by both the FOS and the High Court. Any sensible and good faith redress scheme would have had two silos. One for the 12m plus DCA victims and one for the relatively tiny number of victims that qualified under the Supreme Court ruling.

For example, under the FOS and High Court ruling DCA victims qualified for redress equal to the difference between the amount of interest they paid as a result of the manipulated APR they received and the lowest APR in the matrix the lender gave the dealers to operate within.

By way of an example:

a) a DCA victim who unlawfully received an APR of 10% as a result of a DCA, under the FOS decision endorsed by the FCA and the High Court, would be entitled to redress equal to the difference in the interest they paid as a result of the 10% APR and the amount of interest they would have paid had they received the lowest APR in the matrix that the lender allowed the dealer to operate within, typically 5% or lower. So, a full 5% difference.

b) WHEREAS, under the FCA's unlawfully manipulated redress scheme, this same victim would only receive redress equal to the difference in the amount of interest they paid between the 10% APR they got, and an APR of 8.3%.

We do not accept the premise of the question.

We continue to believe our industry-wide scheme is the quickest, fairest and most efficient way to deliver compensation to affected consumers.

It was developed following extensive analysis, consultation and engagement with consumer groups, firms and other stakeholders, and reflects complex legal and operational considerations.

The scheme is fair to consumers and proportionate to firms. It takes account of the decision reached by the Supreme Court as the most definitive view provided by the courts. For example, consumers whose cases align to the Johnson case considered by the Court will receive redress of commission plus interest, which is what the Court decided in that instance should be paid.

We have transparently set out the reasons behind the design of the scheme.

86. Can the FCA explain why it is undertaking a retaliatory witch hunt against more than 80 law firms and CMC's that are helping consumers secure car finance redress, and because inadvertently they exposed the FCA as well as the lenders, whilst you have confirmed to me that you are not investigating the lenders, their internal and external lawyers who drafted what they knew to be unlawful commercial agreements that are responsible for the billions now to be paid in redress and who lied to me repeatedly in response to complaints?

We have put forward a redress scheme that would see lenders pay £7.5bn in redress, at a total cost of over £9bn.

It is important that those owed redress are treated fairly by those seeking to represent them, not least so they receive as much of the compensation due as possible.

We established a Joint Regulatory Taskforce with the Solicitors Regulation Authority, Information Commissioners Office ("ICO") and Advertising Standards Authority because we identified evidence of poor practices that risked harming consumers. Our work has focused on issues including misleading advertising, unsolicited marketing,

consumers being signed up without proper consent, multiple representation and unreasonable exit fees.

This is addressing significant issues. FCA action has resulted in around 1,300 misleading adverts being removed or amended, more than 28,000 consumers being able to exit contracts free of charge, and changes to unreasonable fees affecting more than 500,000 consumers. The ICO has also executed search warrants in relation to firms linked to around 170 million unsolicited text messages, resulting in a significant drop in complaints to them.

We have also found instances of complainants being signed up with multiple professional representatives. We also have concerns about whether people signed to some representatives have given active consent.

Our focus is on conduct and consumer harm. Where we identify evidence of harm or potential rule breaches, we and our regulatory partners will take appropriate action.

87. **Can you provide me, the public and all market investors as to the status of the FCA's investigation into my reports to you of market abuse and market manipulation by LBG by way of their falsifying of their accounts by dishonestly lowballing their original provision for car finance costs with intent to manipulate their share price higher? And also the false representations made by LBG Chair Robin Budenberg and senior Counsel Kate Cheetham in response to my questions and co cents on this issue at both the 2024 and 2025 AGM's?**

    Is the FCA concerned that Robin Budenberg chairman of LBG, in response to my question at the LBG AGM said they would not be seeking to recover any part of the bonuses paid to employees and executives that was paid as a result of the profits made from their use of unlawful incentivised commission arrangements, and are you further concerned that he lied to me in his answer which was "we will not be seeking f recover bonuses because we believe we acted lawfully at the time". That's a lie as well you know. If it were true why lie to me in multiple complaint responses where they falsely denied these incentivised arrangements existed. You do not lie and deny the existence of a practise you believe to be lawful.

We provided an update on this in direct correspondence last year, where we confirmed the information had been shared with the relevant team.

As a matter of policy, and for legal reasons, we do not provide details to members of the public about the content of our assessments (including where we decide that there are no grounds for further action). Unless our work results in a public disciplinary outcome, the FCA does not comment on these matters. We understand that this can sometimes be frustrating but you can find further information on why we take this approach here.

More broadly, we continue to engage with firms on their approach to motor finance redress and our supervisory focus is on ensuring firms deliver good outcomes for customers, including the effective handling of complaints and delivery of redress where appropriate.

Mutuals and Co-operatives

88. Public and parliamentary debate has raised broader questions about whether independent Member Nominated Candidates have a genuinely fair opportunity to be elected to Building Society Boards. Does the FCA consider there to be a gap in the current legal and regulatory frameworks governing Member democracy in mutuals, and if so, is it working with the PRA and HM Treasury to consider whether changes to regulation or guidance are needed?

Mutuals are an important part of the UK economy and bring corporate diversity to the financial services industry.

The FCA's focus is on compliance with the Building Societies Act 1986 and ensuring the building society operates in line with our principles for business and rules, including areas such as the Senior Managers and Certification Regime and Consumer Duty.

Building societies are responsible for their own governance arrangements, voting processes and election procedures, provided they operate in line with legislation and their registered rules.

Non-Financial Misconduct

89. Expectations from the recently introduced 'Non-Financial Conduct' policy.

What are your expectations of non-financial misconduct?

Our expectations are clear: firms should have cultures that support high standards of conduct, enable people to speak up and result in fair, consistent decisions and decisive action when standards are breached.

Our non-financial misconduct rules and guidance came into force on 1 September 2026 and will ensure a consistent approach across financial services and help firms understand how our rules apply in this area. The new guidance clarifies that serious behaviours such as bullying, harassment and violence can be relevant to our Conduct Rules and to assessments of an individual's fitness and propriety.

We are not seeking to regulate everyday personal behaviour. Rather, we expect firms to identify, investigate and address serious misconduct fairly and consistently through robust and appropriate disciplinary action. Where tolerated, these kinds of behaviours can pose a real risk to public confidence and foster an environment where other types of misconduct that harm consumers or markets go unchallenged. The policy is intended to provide greater clarity for firms, support consistent decision-making, and help foster healthy and inclusive workplaces. As with other conduct matters, firms are responsible for applying the rules appropriately, while non-financial misconduct will continue to form part of our supervisory work.

Payments and E-money

90. Is that a plan to include e-money/payments firms within the FCA Handbook?

Payments and e-money firms are already subject to parts of the FCA Handbook, including the Consumer Duty, operational resilience requirements and safeguarding rules.

We are working with Government to modernise the wider regulatory framework, including bringing more requirements into the FCA Handbook. HM Treasury recently consulted on these changes and is considering next steps, with a response expected in the coming months.

Pensions

91. What do you think about the Government's proposed amendment to DB Schemes, where employers and trustees can decide to extract "surplus" funds with no consultation or consent from scheme members? Would you agree that this is a grossly unfair to those individuals who have contributed to the scheme during their working life and may now rely upon it in their retirement? Is this premise not specifically unfair to many older people who may not be in a position to advocate for themselves in the digital age?

This specific reform is outside of the FCA's remit, but we support the overall aim of the Pension Schemes Act 2026 to provide better outcomes for members from their pension savings.

PSR Consolidation

92. Is there a date yet for the planned move of the PSR into the FCA?

No, this requires legislation currently before Parliament in the Financial Services and Markets Bill. The move will depend on the Bill's progress. We expect a gap between the Bill receiving Royal Assent and commencement, with legal cutover currently expected between Q2 and Q4 2027.

Sanctions

93. Regulation 18A of the MLRs, in force since September 2022, requires relevant persons to identify and assess their proliferation financing risk, consistent with the 2020 changes to FATF Recommendation 1. FATF defines that risk as the potential breach, non-implementation or evasion of targeted financial sanctions under Recommendation 7, not just exposure to designated persons. In its supervisory work, how does the FCA test whether firms' PF risk assessments go beyond list-based sanctions screening to address evasion typologies such as front and shell companies, dual-use goods in trade finance, and ship-to-ship transfers? What proportion of PF risk assessments reviewed in the last year did the FCA find deficient against this standard?

Regulated firms form a key first line of defence against criminal use of the financial system. Our core supervisory work with regulated firms involves assessing whether firms can identify the risks they face and have the controls in place to manage those risks.

We have previously said that list-based screening may not always be sufficient to identify activities breaching sanctions. To help identify sanctioned activity, we said in our May 2026 report, Sanctions Systems and Controls in Our Firms, that firms may also need to undertake activities like transaction monitoring, data analysis, thematic reviews and intelligence-led investigations, and have a good understanding of evasion typologies.

We are currently undertaking a multi-firm supervisory project looking at firms' assessment and mitigation of proliferation finance risk. This work includes reviewing firms' business wide risk assessments and assessing them against the requirements of Regulation 18A of the Money Laundering Regulations ("MLRs"). We are also reviewing other elements of firms' proliferation financing frameworks against the requirements of the MLRs. We intend to publish the results of our work in early 2027.

We provide guidance for firms in developing and maintaining financial crime systems and controls through our Financial Crime Guide. We keep this updated in light of our supervisory findings, changes in risks or typologies, and legislative requirements. We are currently consulting on revisions across a number of chapters in the guide including current guidance on financial sanctions and proliferation financing.

Senior Managers and Certification Regime (SM&CR)

94. Will the FCA take any actions or plan to improve the approval process for new senior manager functions (SMF). Currently the expected review timeframes are behind.

We published the SM&CR Phase 2 Consultation Paper on 22 October 2026 (CP26/37).

It proposes removing some Senior Manager Functions (SMF), making others subject to notification and streamlining the application process, including by amending forms. Together, these proposals should significantly improve the SMF appointment process.

We are also determining SMF applications more quickly. Although the statutory deadline is currently three months, we are already voluntarily operating against the proposed new two-month deadline. According to our most recently published data, 98.3% of applications were determined within two months, with a median determination time of 25 days.

The review remains on schedule with the milestones set out in our Regulatory Initiatives Grid. We published final Phase 1 rules in April 2026, and these are now in force. The Phase 2 changes currently under consultation require legislative changes. We will be in the position to amend our rules as soon as possible after Royal Assent.

Strategy

95. The new Government has signalled a shift in economic policy, with greater emphasis on the role of the state, regional growth and long-term economic reform. How does the FCA see this influencing its regulatory priorities and approach, particularly the balance between consumer protection, competition, growth and international competitiveness, over the coming years?

Our statutory objectives - including consumer protection and ensuring relevant markets work well - remain the foundation of our work. In pursuing those objectives, we must also, so far as reasonably possible, advance the international competitiveness and growth of the UK economy.

We are focussed on delivering all our Strategy outcomes. That includes both consumer and supporting growth outcomes we have set out in our Strategy. We want consumers to be able to better withstand changes in circumstances, save and invest more for later life and have more positive experience with financial services. We want to support growth by increasing the competitiveness of the UK financial services industry, support improvements to productivity in financial services and its contribution to the wider economy.

Our priorities reinforce one another, and we continue to focus on ensuring that. Strong, trusted and well-functioning markets support sustainable growth, while growth and innovation can improve choice, value and outcomes for consumers.

96. What single outcome will you use to prove that the FCA's five-year strategy has made consumers better off?

We measure progress of the Helping Consumers element of our five-year strategy by using data from the Financial Lives Survey, the UK's largest nationally representative survey of adults' financial behaviour, experiences and perceptions of financial services.

No single measure can fully capture progress towards our consumer outcomes. We therefore monitor a range of indicators, including:

- Holding key financial products - an increase in the proportion of consumers who hold products such as savings, insurance or pensions can indicate that more people are better able to manage changes in their circumstances.
- Savings and investments - an increase in the proportion of consumers with £10,000 or more in savings or investments, held in mainstream financial products, can indicate greater financial resilience and opportunities to improve financial wellbeing over time.
- Satisfaction with financial services - higher levels of customer satisfaction can indicate that consumers are having more positive experiences of the products and services they use.

When we published our strategy in March 2025, we committed to developing a new measure of access to credit, including mortgages. As part of this work, we have added

missed mortgage payments as an additional indicator to help us understand consumers' ability to access and sustain borrowing.

Supervision

97. Can a firm, whether they are FCA authorised or not, self report to the FCA that allegations have been made against the firm that they are breaching FCA codes or undertaking a regulated activity without necessary authorisation, and if so that the FCA will investigate these allegations and provide their outcome or opinion to the accused party in respect to the allegations and determine if they should seek or apply for FCA authorisation?

Yes. Firms can contact us if they have concerns that they may be carrying on regulated activities without the necessary authorisation or permissions. We encourage firms to raise potential regulatory issues promptly and to take appropriate steps to satisfy themselves that they comply with applicable regulatory requirements.

However, how we consider information will depend on the circumstances. Where a firm is already authorised or registered, concerns about activities outside the scope of its permissions may be considered through our regulatory and supervisory relationship with the firm. Where an unauthorised firm may be carrying on regulated activities without the necessary authorisation or exemption, the matter may be considered as potential unauthorised business.

We will decide what, if any, further enquiries, regulatory and/or enforcement action are appropriate. Firms remain responsible for satisfying themselves whether their activities require our authorisation or particular permissions and may wish to obtain independent legal advice where the position is unclear. Whether we can provide information about any enquiries or action taken will depend on the circumstances.

Sustainable Finance

98. What is the regulator's position on the improving access to transformative community sustainability investments for retail investors?

We know that some consumers want their investments to reflect their values, including on climate, sustainability or community impact. Our role is to help make sure that where those products are available, people can understand what they are investing in and trust the claims being made.

Our Sustainability Disclosure Requirements are about giving consumers clearer information on the sustainability characteristics of products, so they can compare options and make informed choices. Our anti-greenwashing rule also ensures that consumers can trust the claims firms make.

99. How will the FCA be ensuring that sustainability-related risks and opportunities are adequately factored into investor decision making and capital-allocation decisions?

Making sure investors get decision-useful information is one of the cornerstones of our sustainable finance work. Our recent work to enable this includes:

ISSB / UK SRS: On 30th September we published our final policy for how we will apply UK SRS (this is the UK endorsed version of ISSB) to UK listed companies. These disclosures give investors important information on wider sustainability risks.

ESG Ratings: We also want to build trust in the integrity of the tools investors use to understand these risks. This week, we have published our final rules to regulate ESG rating providers in the UK. The rules will focus on transparency, governance and the integrity of the ratings process. As a regulator, we do not mandate the methodology, but we want to make sure users can understand and challenge the tools they rely on.

Climate scenarios: One way that firms can understand these risks is through using climate scenarios. But we've heard from industry they want a wider range of scenarios, including ones that better reflect second order impacts and tail risks (including extreme weather shocks). We have listened and already have one firm in our sandbox testing an innovative approach to climate scenarios. We have also launched a dedicated climate scenarios sandbox and are accepting applications from other innovative firms until 30 November.

Together, this work is setting the foundations to make sure investors have access to the information they need.

Transformation, Data and Tech-led Regulation

100. The FCA has made reducing regulatory burden a strategic priority. How is this being reflected in the way it gathers and uses information, including greater reuse of data already held, improved coordination across departments, and more cohesive internal data-sharing?

Given firms' continued experience of overlapping and repeated information requests, what more fundamental change should they expect in the FCA's approach to regulatory data collection?

We recognise that repeated and overlapping information requests create unnecessary work for firms. We're focused on making better use of the data we already have and only asking for what we genuinely need.

We are already making progress: the total number of data requests fell 11.2% in 2025/26 and we removed or reduced the frequency of 13 reporting requirements.

We have reduced ad-hoc information requests from 16,100 to 14,800 and introduced a policy giving firms 8 weeks to respond, helping ease operational burden and making requests easier to plan for.

We have also made requests easier to manage through MyFCA and new RegData functionality, giving firms greater visibility of their requests while helping use access, analyse and reuse information internally.

Firm sentiment is improving as a result, with 49% of larger firms now say they have enough time to respond, up from 30% the previous year.

Static document. Accurate at publication: 6 November 2026.

Whistleblowing

101. BankConfidential is currently supporting three victims in cases involving FCA-regulated firms.

Michael Toppin a celebrated Journalist, who worked undercover in the Falklands and the Middle East. He is the victim of a £1m plus push payment fraud. NatWest Premier transferred his money on multiple occasions, in a payment fraud that breaches the very BSI policy Paul Thwaite the CEO worked on - "Protecting customers from financial harm as a result of fraud or financial abuse."

Now Thwaite refuses to stand by policies he helped design and refund the losses.

Wayne Johncock was defrauded by a Bank of America employee who was subsequently convicted and received a custodial sentence. The fraud involved the use of Bank of America email addresses, documentation and premises and affected at least 6 other victims, we know of, a systemic fraud, yet the US Bank refuses to take any responsibility and provide any compensation.

Lorna McLean faces enforcement by Elderbridge, within the Target group, over a security which independent forensic experts report shows clear evidence of manipulation and being a composite document, a forgery. She is one of dozens of victims of serial fraudsters linked to Commercial First and the FSA authorised both that firm and the brokers linked to the fraud at the time. Senior management at Elderbridge are aware of this and the expert evidence but refuse to act.

These are not isolated complaints, each links to multiple victims and evidences wider systemic issues. All three CEO's and their firms are failing to comply with their Dispute Resolution responsibility to investigate and compensate victims of systemic wrongdoing and breaching the Principles in particular to 'Treat Customers Fairly'.

The FCA's Principles also require proper systems management and control, which they have all failed in.

The FCA's Guidance is clear on this matter, a failure to have a compliant complaints process, should lead to a firm losing its licence to deal with consumers.

Why is BankConfidential having to support these victims pro bono, whilst the FCA does nothing. At what point will the FCA intervene and take supervisory or enforcement action against NatWest, Bank of America and Elderbridge rather than leave individual victims of financial fraud fighting these institutions by themselves?

We recognise the serious impact fraud and financial crime can have on individuals and their families.

Information provided to us through complaints, whistleblowing and other channels can help inform our assessment of whether there are wider regulatory concerns that warrant supervisory or enforcement action. Where we identify concerns, we have a range of supervisory tools available and can take enforcement action where appropriate. The appropriate regulatory response will depend on the circumstances and evidence in each case. We are not generally able to determine or resolve individual situations or disputes.

Legal restrictions mean that we cannot comment on whether we are taking, or considering taking, supervisory or enforcement action in relation to individual firms or cases.

We can’t get into details about individual cases, and the FCA is not set up as a dispute resolution service, which is the role of the Financial Ombudsman Service. There are also occasions when we have been in correspondence with people for some time. We may disagree and they may be dissatisfied with what we have concluded having looked at their concerns. When this happens, we may have to draw correspondence to a close so we can focus our resources where we consider harm is greatest. We recognise that can be a difficult conversation to have, particularly with those who are victims of fraud or who believe they have been let down.

102. On 7 February 2018 Andrew Bailey told Baroness Morgan and the Treasury Select Committee that the FCA was trawling its emails for evidence concerning allegations that NatWest staff had been trained to forge customer signatures, that the allegations were unsupported, and that the FCA had found it difficult to meet the whistleblowers.

But by then Mark Wright and the Boreham Wood whistleblowers had sent Mr Bailey directly the name of the signature-forgery trainer, details of her senior-manager husband, an internal spreadsheet concerning the defaulting of performing GRG customers, and a 2013 Non-Core presentation recording de-banking of customer liabilities at the rate of £89,000 per minute since January 2009.

Sir Norman Lamb and BankConfidential had also arranged three meetings with Mr Bailey during 2017, he cancelled one and failed to turn up at the other two.

The FCA has since confirmed that no whistleblower reference numbers were ever issued for Mr Wright's disclosures and has produced no investigation trail.

Given that evidence, why has the FCA not investigated whether its former Chief Executive misled Parliament and failed to ensure serious public-interest disclosures were properly recorded and investigated — and why has no regulatory, disciplinary or other action been taken against Mr Bailey?

“Dear Mr Wright

Static document. Accurate at publication: 6 November 2026.

Can I step in and ask that you please direct correspondence to me as Chief Executive rather than to my colleagues.

I am very keen to ensure we have a full account of these events which is properly documented and from which appropriate conclusions can be drawn.

I was not involved in the events having become Chief Executive at the beginning of July. I would therefore ask as a first stage that you provide me with copies of the evidence that you have.

I will be transparent with you in explaining how I will organise reviewing all the evidence but it would assist me greatly at this stage to see the evidence that you have.

Regards

Andrew Bailey"

I subsequently provided evidence and regulatory information to Mr Bailey, including information concerning alleged signature forgery at NatWest, asset stripping of SME assets and other disclosures Mr Bailey gathered all of the evidence.

At the time, the FCA already had a published process for handling whistleblowing disclosures and regulatory intelligence. That process included disclosures being identified internally, assessed, recorded as intelligence on secure FCA systems and disseminated to the appropriate FCA department.

My disclosure concerning signature forgery was not registered through the FCA's whistleblowing process and I was not issued with a whistleblowing reference. The same happened with regards to asset stripping of SME's assets together with Market abuse by Natwest.

My question to the Board is therefore:

Was the process Andrew Bailey committed to in his email obtaining the evidence, ensuring that there was a "full account" which was "properly documented", reviewing that evidence transparently and drawing appropriate conclusions the process that the FCA should have followed once that information had been provided to its Chief Executive?

If so, will the Board explain what records should have been created within the FCA showing:

● receipt of the evidence

● its registration and assessment

● which FCA department or function received it

• who reviewed it

• what conclusions were reached

• what regulatory action, if any, was considered and

• why the signature-forgery disclosure was not registered through the FCA's whistleblowing process?

This is not simply a question about historic allegations concerning a regulated firm. It concerns the FCA's own handling of information supplied directly to its Chief Executive and whether the FCA followed its own established procedures.

The issue is now relevant to my complaint concerning the FCA and to the matters before the Financial Regulators Complaints Commissioner.

More fundamentally, if the FCA's Chief Executive expressly promised that evidence would be "properly documented", but the relevant disclosure was not registered through the established process, what mechanism exists today for the FCA Board to establish what happened, identify where the process failed and ensure accountability for that failure?

We take all whistleblowing disclosures, as well as information received via other reporting routes, seriously, and thoroughly review and assess all the information and intelligence provided.

We acknowledge correspondence on this matter and more recent engagement with Mr. Wright's MP in 2025. We responded accordingly to the issues raised and confirmed that information provided by Mr. Wright in 2013 and 2016 had been passed to the relevant business area for review.

It is important to note that we are limited in what we can disclose regarding how we use information and intelligence we receive due to the legal and confidentiality obligations that govern our operations, as set out in Section 348 of the Financial Services and Markets Act 2000. This is partly to protect the effectiveness of any investigations we may undertake, and partly because sharing those details may mean we disclose information the law requires us to keep confidential.

We worked with the National Crime Agency (NCA) on this matter from September 2019, including assisting the NCA's review of the material sent to it by the Banking Signatures Forgery Campaign.

Our review found no evidence of systemic issues with forgery or fraud offences by the firms as alleged by the campaign.

The NCA's conclusions from its work were substantially similar, as it set out to the TSC in March 2023.

103. What independent assurance does the FCA have that it actually applies to its own employees the standards of whistleblower

protection, confidentiality and protection from victimisation that it expects regulated firms to apply — and, where an FCA employee raises concerns internally about wrongdoing within the FCA, who independently holds the FCA to account if the employee alleges that they have subsequently been victimised, forced out or otherwise disadvantaged because they spoke up?

More specifically, will the FCA publish the number of internal whistleblowing cases in recent years in which the whistleblower subsequently alleged detriment, victimisation, disciplinary action, forced resignation or dismissal, together with an explanation of what independent oversight exists to determine whether those allegations have been properly investigated?

Our Internal Whistleblowing Policy is aligned to the standards we expect of regulated firms. Employees can raise concerns through management or through formal internal whistleblowing arrangements that operate independently within Internal Audit, with oversight through the Audit Committee and the FCA's Whistleblowers' Champion. In addition, we sought advice from Protect, the whistleblowing charity, during the revision of our Policy in 2024. We worked with Protect again in 2025 to undertake an external benchmarking exercise, providing independent challenge on the design and operation of our internal whistleblowing arrangements.

We do not publish figures on internal whistleblowing cases. This includes any cases that involve alleged detriment. We take any allegation of retaliation or victimisation for speaking up seriously and consider it carefully. Our policy makes clear that retaliation or victimisation of whistleblowers is unacceptable. Our internal whistleblowing arrangements are subject to oversight through the Audit Committee and the FCA’s Whistleblowers’ Champion.

104. My husband, Steve Middleton, has spent almost 15 years alongside his normal work helping families affected by banking scandals, including people suffering severe depression, people at risk of suicide and families who have lost loved ones.

I have met or spoken with a number of these people and their distress is very real.

In December last year he wrote to the FCA Board asking for support and enclosed the final letter written by a banking victim to his wife before he took his own life, to show just how serious the human consequences of these cases can be.

The only response he initially received from a Board member was a weeping emoji. Mr Ball has since apologised for that, but the wider issue remains.

Why does the FCA still refuse to meet Steve, listen to the evidence and discuss what support could be given to these victims and their families?

Does the FCA genuinely believe that suicide and serious mental distress among victims of banking misconduct and fraud are not matters that the regulator should take an active interest in?

We have agreed to meet Mr Middleton.

We recognise the profound impact that banking misconduct, fraud and financial harm can have on individuals and their families, including in the most tragic circumstances.

We take seriously the impact that financial harm can have on people's wellbeing. As Nikhil Rathi said at the Annual Public Meeting, some of the issues raised with us through whistleblowing and other channels are among the most harrowing cases we encounter, and we seek to approach them with compassion while operating within the legal framework that governs our work.

We have also committed to reflecting on what lessons can be learned about how we communicate with whistleblowers and others raising serious concerns.

We have previously apologised for the emoji response to Mr Middleton's email and the upset and offence that it caused. This was inadvertent, as recognised by the Complaints Commissioner.

Please see the transcript from the APM and further information on how we interact with whistleblowers.

105. What changes has FCA implemented to protect whistle blowers? Please describe specific steps taken, as opposed to general 'additional training' remark.

The FCA's role is to protect the identity of whistleblowers who make disclosures to the FCA and, importantly, to safeguard their confidentiality if and when the FCA engages with the firm concerned. This is not a new remit or a recent development; rather, it is a fundamental requirement that underpins the FCA's approach to whistleblowing.

We take significant steps in protecting the identity of the whistleblower, including:

- Our Whistleblowing Team takes receipt of the initial report and are specially trained to appropriately apply confidentiality restrictions.
- The Whistleblowing team does not itself investigate concerns. It acts as a point of liaison with whistleblowers and to ensure their identify is protected. The assessment of concerns is undertaken by the relevant supervisory or enforcement team - those with the specialist knowledge to properly look at the concerns raised.
- There is a set process followed before whistleblowing cases are sent for assessment by supervisors or enforcement colleagues. These help ensure the identity of the whistleblower is not disclosed during any assessment or investigation. The identity of a whistleblower is only shared with supervisors/enforcement with the permission of the whistleblower.
- Any further requests for information or direct dialogue with the whistleblower are channelled via the Whistleblowing Team.

We have also made several practical changes to improve the protection and treatment of whistleblowers. We have:

- Introduced a new case-management system that provides a more secure and consistent way to record disclosures and pass intelligence to the relevant teams.
- Strengthened triage so that information is assessed and routed more quickly, and developed management information to identify themes and emerging risks.
- Restructured the Whistleblowing team to manage increased disclosure volumes and route intelligence more efficiently and effectively
- Anonymised relevant whistleblowing intelligence before it is escalated wherever appropriate.
- Introduced enhanced final feedback, giving every contactable whistleblower clearer information when their case closes about the steps we took, or did not take, and why, subject to legal restrictions on what we can disclose.

In 2025/26, we closed 1,252 cases and provided feedback in every case where contact details were available.

We also require relevant firms to operate appropriate whistleblowing arrangements, including measures to prevent victimisation. Where the treatment of a whistleblower raises wider concerns about a firm's culture, governance or the fitness of individuals, we can consider supervisory or enforcement action. However, if the matters reported pertain to individual disputes or personal grievances where a form of employment detriment is alleged, these are matters for employment law and the Employment Tribunal.

106. Of those whistleblower actions you took last year, how many involved detriment to the whistleblowers and how many times did you take action against any of the firms for causing detriment to those whistleblowers?

If former or current employees of firm alleges that they have been treated detrimentally because of whistleblowing disclosures they've made, the Employment Tribunal is the right route for them to seek restitution.

SYSC 18 of our Handbook sets out rules and guidance for firms regarding their whistleblowing systems and controls, specifying several key requirements including internal reporting channels, the designation of a whistleblowing champion, staff training, and protection against detriment.

We have taken action against senior individuals for breaching these requirements.

107. Simon Andriesz committed suicide recently and was scathing about the FCA's response to his disclosures. He said "Regulators later acted on significant matters I had reported. Yet when I repeatedly warned the FCA—including through direct written appeals to Chief Executive Nikhil Rathi and senior enforcement leaders Steve Smart and Therese Chambers—that the retaliation was escalating and that my family and I were in crisis, it took no effective action to protect me. The consequences have devastated my career, health, finances and family.

A regulator that depends on whistle-blowers cannot abandon them after they speak up". How do you respond to that?

Regarding the review into communications with Mr Andriesz: it is proposed it be led by a non-executive director who - regardless of who appointed them - still sits on the organisation's board, and her industry background simply does not provide the same outside perspective as an independent review. Mr Ashley said "we decided to appoint Lea Paterson" – who is the we? Will the FCA publish the meeting minutes of how the FCA come to this decision? He also said the non-executive director remit is to "seek assurances" – that is not the same as investigating openly, including challenging the organisation's own account? Will independent lay members be involved in the review and able to influence its findings? If not, why not?

Mr Rathi, Simon Andriesz repeatedly told you and senior Enforcement leaders that he and his family were in crisis, against a background in which the FCA had already received extensive evidence of the serious psychological harm being experienced by whistleblowers and others dealing with the regulator. Yet after Simon's death you said that your colleagues had "done their best" to engage with and support him, before any independent investigation had established what the FCA actually knew, what it did, or whether it failed him. How can the FCA credibly claim to approach this with an open mind when its Chief Executive has already publicly exonerated its staff — and will you commit today to a genuinely independent investigation, outside the FCA, with full access to Simon's correspondence, internal escalation records and senior decision-making, and publication of its findings?

Before his tragic death, whistleblower Simon Andriesz told the BBC he felt the FCA didn't do anything of substance about his whistleblowing allegations about BGC, and felt very let down by its leadership - which failed to protect him against retaliation by BGC and its lawyers, leaving him with no career and penniless. He felt the FCA tried to 'manage' whistleblowers rather than addressing the substance of their allegations. Please respond to his criticisms.

We published the terms of reference for the review into the handling of our interactions with Simon Andriesz on Monday 2 November. It would be inappropriate to comment further until this review is concluded.

Conducted by independent Non-Executive Director Lea Paterson CBE, the review will identify lessons learned and any areas for improvement in our future engagement with external whistleblowers and vulnerable individuals.

Our thoughts remain with Mr Andriesz's family and loved ones following his tragic death.

Please also see the transcript from the APM.