

18 April 2017

Andrew Bailey on Our Mission video transcript

Andrew Bailey: The reason for the Mission was to be able to explain the important public interest responsibilities of the FCA. It's about saying 'as a young organisation, we've more to do to develop our thinking and our understanding of our role'.

How we explain it to people. How we react when we come across the issues that affect us and how we make the decisions about which things we prioritise. How do we decide to do this thing and wait or not do that thing or say 'I'm afraid that thing's going to have to come later'.

This is all the more important in the current context if you take issues like Brexit, which are putting a huge additional responsibility upon us to do what the Government needs to have done.

We've got to make more choices of that sort. So, it's even more important that we understand our Mission and our story.

What did you tell us?

I think the biggest thing we learned from the consultation was to be bold.

People came from different perspectives, and that we understood. Over 150 people and organisations responded, for which I am very grateful.

If you put all of them together, and the many different points that were made it was 'go further', go further in terms of explaining yourselves in terms of explaining how you think about harm, how you think about remedies. Tell us how your thought processes work.

People want to understand this I can appreciate why they want to do that.

The bottom line from it was 'be bold'.

What does this mean for consumers?

In doing the Mission we wanted to face up to this question: Do we give a broadly average level of protection to everybody all of the time or do we think more about vulnerability do more about vulnerability?

We have said quite clearly in the Mission that we do put a lot of emphasis on vulnerability.

We think that's right but it then transfers the question into another hard one - which we're going to be doing more work on this year and come out another piece of explanation as to what we do, which is 'how do we think about vulnerability?' because it isn't a simple concept at all.

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We want to be more transparent in terms of protection we give to consumers and we want to be more proactive.

What does this mean for firms?

The FCA regulates 56,000 firms. That's a lot. More than twice the number our predecessor, the FSA, did.

So, we have to balance many different firms across many different sectors. And how we maintain contact with those firms - many of whom are small, don't have a lot to invest in regulation - and how they maintain contact with us. As important as it is for us to understand them, it's important for them to understand us.

We're working on and have been putting into practice ideas for doing more in that respect. We're doing a lot more regional engagement, regional visits to meet firms and groups of firms to maintain more contact.

We've got more ideas and we want to develop those ideas through the work we're doing to review the effectiveness and operation of our supervision, for instance.