Dear

**Freedom of Information: Right to know request**

Thank you for your request under the Freedom of Information Act 2000 (the Act), for information about our decision to cease the thematic review in relation to culture in banks (‘the project’).

There are four parts to your request, each of which I will answer in turn. However, I would first like to clarify one point about the decision made on the project. You refer to the FCA “considering scrapping the publication of its report” on banking culture. In fact, the decision we made was not to continue the project once the initial phase was completed rather than to undertake a second phase. It would have been that second phase of more detailed work which would, on conclusion, have been likely to result in publication of a report and examples of good and poor practice. There was no report written or in draft to consider ‘scrapping’. The paper in Annex A of this letter provides more detail about the rationale for the decision and the wider context of our ongoing focus on culture.

1. **When did the FCA first advise a) the Bank of England b) the PRA c) HMT and d) any member of the House of Commons or the House of Lords that it was considering scrapping the publication of its report examining “whether cultural change programmes in retail and wholesale banks are driving the right behaviour, in particular focusing on remuneration, appraisal and promotion decisions of middle management, as well as how concerns are reported and acted upon”**?

We did not consult with any external body when considering whether we should discontinue our thematic review of culture in banks. However, between 12 October and 11 November we informed the FCA Practitioner and Consumer Panels, the Banking Standards Board and the retail banks involved in the review that the FCA was reviewing its wider strategy on culture which would impact the project. We
informed the PRA of our decision not to continue with the project via email on 17 December 2015 and verbally informed a Member of Parliament on 17 December 2015. Retail banks engaged in the review were subsequently informed on 18 December 2015. We did not advise any member of HM Treasury.

2. **On what dates and with which officials of a) the Bank of England b) the PRA and c) HMT were discussions held about scrapping the publication of the FCA’s report examining “whether cultural change programmes in retail and wholesale banks are driving the right behaviour, in particular focusing on remuneration, appraisal and promotion decisions of middle management, as well as how concerns are reported and acted upon”?**

We did not hold any discussions with the Bank of England, PRA, HMT or any other body about not continuing with the project.

3. **What written assessments of the benefits and disadvantages of the proposed scrapping of the publication of its report examining “whether cultural change programmes in retail and wholesale banks are driving the right behaviour, in particular focusing on remuneration, appraisal and promotion decisions of middle management, as well as how concerns are reported and acted upon” did the FCA circulate to whom in which outside bodies for consultation on the measure and when.**

As explained above, we did not seek any external views on whether we should continue with the project. For more information about our decision not to continue with the thematic review, please see Annex A attached to this letter.

4. **What written comments, feedback or observations has the FCA received from a) the Bank of England b) the PRA c) HMT and d) any other outside bodies on its proposal to scrap the publication of its report examining “whether cultural change programmes in retail and wholesale banks are driving the right behaviour, in particular focusing on remuneration, appraisal and promotion decisions of middle management, as well as how concerns are reported and acted upon”?”**

As noted above, we informed the PRA by email on 17 December 2015 of our decision to discontinue the project. The PRA acknowledged our email and did not comment on our decision. We have not received written comments, feedback or observations from the Bank of England, HM Treasury or any other outside body.

I hope this answers your questions. If you have any further queries please contact me.

Yours sincerely

Phil Todd
Manager
Information Access Team