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[via email]

2 November 2016

Our Ref: FOI4724

Dear

Freedom of Information: Right to know request

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

- '1. How much has been spent on Project Innovate since its launch?*
- 2. How much has been spent on the regulatory sandbox since its launch?*
- 3. Please could you break down the above expenditures to indicate where the money has been spent and why?'*

Please accept my apologies for the delay in responding to your request which has now been considered and my response is below.

We launched Project Innovate in October 2014. As part of Project Innovate we provide direct support to innovators and identify areas where regulations need to adapt to foster innovation. Since launch, the Innovation Hub has received over 600 requests for support.

The regulatory sandbox is one of the initiatives under Project Innovate, and aims to create a 'safe space' in which businesses can test innovative products, services, business models and delivery mechanisms in a live environment without immediately incurring all the normal regulatory consequences of engaging in the activity in question. We have accepted 24 firms into our first cohort of the regulatory sandbox. Please find attached the [latest update](#) on the regulatory sandbox provided by Christopher Woolard, Director of Strategy and Competition.

1. The FCA has spent a total of £1,853,840.21 on Project Innovate since its launch.
2. The regulatory sandbox falls under the Project Innovate banner in terms of costing. Of the total cost above, £90,183.94 has been spent on staff costs associated with the regulatory sandbox.
3. The breakdown of total costs for Project Innovate are as follows:

- a. Total staff costs - £1,669,400.76
- b. Total operational costs - £184,439.45. This can be broken down further as follows:
 - i. Travel - £21,585.24 - Through international engagement Project Innovate supports the FCA's competition objective by promoting the UK as a centre for innovation in financial services. We have signed co-operation agreements with overseas regulators in order to support this aims.
 - ii. Events and staff training - £31,794.84 - Project Innovate has held a number of events, including themed weeks as part of our engagement with industry. We see the themed weeks as a valuable way of reaching large numbers all at once and learning about their problems with the regulatory system. These help us to understand developments and trends in innovation.
 - iii. External consultancy and communications fees - £119,660.30 - External consultants have been contracted to support the FCA in launching, operationalising and broadening the scope Project Innovate.
 - iv. Catering, Printing & subscription to publications - £11,399.07 - Spending on catering, printing and subscription to publications supports the work we do, as outlined above, and helps enable us to meet our objectives.

Yours sincerely

Information Access Team
Financial Conduct Authority