

foi@fca.org.uk

Via Email

2 August 2018

Our Ref: FOI5846

Dear

Freedom of Information: Right to know request

Thank you for your request for information under the Freedom of Information Act 2000 ("**the Act**"), dated 26 June 2018, for the following information. Your response has been numbered for ease of reference.

"1) How many insider dealing investigations has the FCA opened in each of the past three financial years, 2014/15, 2015/16, 2016/17, 2017/18.

2) How many of these insider dealing investigations resulted in:

a) No further action being taken

b) Regulatory sanctions

c) Criminal prosecution

Please could we have the numbers for questions 1 and 2 broken down by financial year ie: 2014/15, 2015/16, 2016/17, 2017/18."

How we have interpreted your request

In this response 'insider dealing' is interpreted to mean the prohibition on insider dealing under the Article 14 and as defined in Article 8 of the Market Abuse Regulation; section 118(2) of the Financial Services and Markets Act 2000 (FSMA); or the offence in section 52(1) of the Criminal Justice Act 1993.

Furthermore, we have taken 'investigations' to refer to cases in which the FCA has appointed one or more competent persons to conduct an investigation on its behalf under Part 11 of FSMA.

'No further action' is interpreted to refer to instances either where the FCA withdrew prosecution; where no action was taken pre-Regulatory Decisions Committee but a referral was made to another UK or overseas regulator or law enforcement body; or where no action was taken pre-Regulatory Decisions Committee.

The "Enforcement and penalties" section of the FCA's Market Abuse page online, contains further links to the FCA's final notices and press releases.

<https://www.the-fca.org.uk/markets/market-abuse>

The financial year runs from 1 April to 31 March.

How we have calculated the response to your request

The figures provided reflect the number of cases where 'insider dealing' matching the above definition is recorded under any of the fields of classification on the FCA's Case Management Tool.

For the purposes of this response, investigations into different subjects (e.g., firm and individuals) in relation to the same matter have been counted as separate investigations.

How we classify "insider dealing" for other publications

Please note that on 18 July 2018, the FCA published its Enforcement Annual Performance Report ('**EAPR**'), which included the investigation opening statistics for the financial year 2017/18 in relation to insider dealing.

For the purposes of the EAPR, we have classified "insider dealing" investigations as only those which have "insider dealing" recorded in the primary Project Category classification on our internal database. This consequently gives a 'narrow' interpretation of what an "insider dealing" investigation is.

The rationale for this is that it enables Enforcement to be specific about the focus of different cases. Some may be specifically focused on insider dealing rather than market abuse in general. For the purposes of responding to this request we have taken a broader interpretation by including cases which have an insider dealing element but where that may not be the primary focus.

Turning now to your request, I can confirm the following:

In the **financial year 2014/2015**, the FCA opened **two** insider dealing investigations. Of the two investigations that were opened in that year:

- **1** has resulted in no further action being taken.
- **1** has resulted in regulatory sanctions.
- None have resulted in criminal prosecution.
- None are on-going.

In the **financial year 2015/2016**, the FCA opened **18** insider dealing investigations. Of the 18 investigations that were opened in that year:

- **13** have resulted in no further action being taken.
- **1** has resulted in regulatory sanctions.
- None have resulted in criminal prosecution.
- **4** are on-going.

In the **financial year 2016/2017**, the FCA opened **91** insider dealing investigations. Of the 91 investigations that were opened in that year:

- **60** have resulted in no further action being taken.
- **1** has resulted in regulatory sanctions.
- None have resulted in criminal prosecution.
- **30** are on-going.

In the **financial year 2017/2018**, the FCA opened **61** insider dealing investigations. Of the **61** investigations that were opened in that year:

- **35** have resulted in no further action being taken.
- None has resulted in regulatory sanctions.
- None have resulted in criminal prosecution.
- **26** are on-going

The "Enforcement and penalties" section of the FCA's Market Abuse page online contains further links to the FCA's Final Notices and press releases.

<https://www.the-fca.org.uk/markets/market-abuse>

Yours sincerely,

Information Disclosure Team
Financial Conduct Authority

Your right to complain under the FoI Act

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

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