

(By email)

14 May 2019

Our Ref: FOI6390

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

Thank you for your request under the Freedom of Information Act 2000 ("the Act") dated 11 April 2019 for the following information:

- "1. *How many notifications of a change in control in an authorised firm have been received by the FCA over the past 5 years in relation to a change in control that had already occurred (these notifications are sometimes referred to as "ex-post notifications")?*
2. *Of those notifications:*
  - a) *how many were approved by the FCA; and*
  - b) *how many were rejected by the FCA?"*

Before considering your request, please note the following:

- Where multiple individuals or entities submit change in control notifications relating to the same acquisition / transaction, the FCA treats these as a single case. All of the information below is therefore reported per case, though each case can (and most cases do) contain multiple notifications from multiple notice-givers, and many cases will relate to multiple target firms (authorised firms being acquired).
- The number of cases below include both cases which are submitted to the FCA, cases which are submitted to the PRA as decision-maker (i.e. relating to PRA-regulated target firms) where the FCA is consulted and provides its input to the PRA's decision, and cases submitted to both regulators as the target firms include both FCA- and PRA-regulated firms.
- Where a case includes both a post-notification and a pre-approval element, these cases are recorded in the FCA's systems as pre-approval cases and as such they will be excluded from the numbers below.
- The FCA changed its case management system for recording change in control cases in July 2017. There was a period of parallel running where cases were logged in both systems. With a view to minimising the risk of duplication in these figures, totals have been drawn from the old system for cases received up to and including 4 August 2017, with cases received on or after 5 August 2017 taken from the new system.

Turning to your request, our response to point 1 is set out in the table below:

<b>Receipt date</b>	<b>'Post-notification' cases received</b>
2014	220

2015	279
2016	307
2017	235
2018	322
<b>Total</b>	<b>1363</b>

Our response to point 2 is set out below:

The FCA does not have any power to “approve” or “reject” a post-notification, which is not in law a notification that can be determined (unlike a notification seeking a pre-approval).

Instead, in practice the FCA will consider the contents of a post-notification and carry out an appropriate assessment before deciding whether to exercise its supervisory powers. These can include taking formal action pursuant to the criminal offences set out in 191F Financial Services and Markets Act 2000 ('FSMA').

Where the FCA decides not to take immediate action in respect of the post-notification, a letter is issued advising that the FCA will not take action in respect of the post-notification at the current time, but that the FCA reserves the right to take such action at a later stage. These cases are detailed in column A below.

Alternatively, where the FCA’s Change in Control team is unable to make that assurance, a letter will be issued advising that no decision has been made in respect of the post-notification. The matter is then referred to the FCA’s Supervision team for consideration and appropriate action. Cases where it has been recorded that the Change in Control team made no decision in the case are detailed in column B below.

Column C below details those cases where the post-notifications remain under assessment.

Receipt date	(A) Letter issued advising that action will not be taken at the current time	(B) Other outcome	(C) Assessment still ongoing
2014	216	4	0
2015	255	24	0
2016	295	12	0
2017	220	15	0
2018	309	2	11
<b>Total</b>	<b>1295</b>	<b>57</b>	<b>11</b>

We believe this should satisfy your request, however, 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 40 working days 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](http://www.ico.org.uk)

Yours sincerely

**Information Disclosure Team**

