

16 September 2019

Our Ref: FOI6708

Freedom of Information: Right to know request

We refer to your request under the Freedom of Information Act 2000 ("the Act"), dated 16 August 2019, for information relating to FCA investigations. Your request follows our response to a previous request (under reference FOI6569). Please see Annex A for further context.

Your current request has been considered, and we will address each point in turn.

- (1) *'Please can you define the investigations referred to below? For example, are these investigations formal enforcement investigations, if so how is this defined internally'. [as provided for FOI6569]?*

The investigations referred to previously in FOI6569 are formal investigations conducted by the FCA's Enforcement division. The Financial and Markets Act (FSMA) permits the FCA to appoint investigators to conduct specific investigations; if there are circumstances to suggest that a firm or individual may have breached one or more of our rules or principles. FSMA also permits the FCA to conduct general investigations where there is a good reason for doing so.

The purpose of a formal investigation is to find out whether serious misconduct has occurred and obtain a full understanding of the facts of the case to decide whether we should take further action. To do this Enforcement conducts forensic investigations into suspected misconduct and, where appropriate, pursues and remedies misconduct by firms and individuals through criminal, civil and administrative sanctions.

- (2) *How do these 127 investigations opened last year relate to data on case movements on page 8 of the FCA's Enforcement Performance report? In this table it shows that 343 cases were opened last year*
<https://www.fca.org.uk/publication/corporate/annual-report-2018-19-enforcement-performance.pdf>

The 127 investigations stated in the previous FOIA request (FOI6569) related to a breakdown of investigations by type of firm. This number only relates to enforcement investigations into Firms as requested by the requestor.

The table on page 8 of the FCA's Enforcement Performance Report shows that 343 cases were opened throughout the year as this includes cases opened from April 2018 – March 2019. It also includes enforcement investigations into firms and Individuals.

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

Yours sincerely

Information Disclosure Team / Cyber and Information Resilience Department / Operations



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Annex A

FOI6569:

1. Number of investigations into businesses opened by the FCA each year
2. A breakdown of these investigations by the type of firm being investigated using whatever categories are used internally; e.g. investment managers, financial advisers etc.

Information provided:

Please be aware from mid-2018, Enforcement & Oversight started using a new data management system, which has resulted in cases being recorded in a different format. We now record firms by their supervisory area as opposed to type of firm. The categories represent the supervisory areas from which these investigations emanate as opposed to specific types of firm.

1.

Year	No.
2016	59
2017	115
2018	127

*Please note this figure does not include Threshold Condition cases

2. **2018**

Type of Firm	No.
Asset Management	7
Civil UBD	23
Consumer Credit	5
Criminal UBD	16

<i>General Insurance & Protection</i>	<i>2</i>
<i>Investment Adviser</i>	<i>20</i>
<i>Investment Banks</i>	<i>1</i>
<i>Investment Management</i>	<i>3</i>
<i>Payment Service Firm</i>	<i>1</i>
<i>Retail Banks</i>	<i>11</i>
<i>Retail Investments</i>	<i>4</i>
<i>Retail Lending/Consumer Credit</i>	<i>9</i>
<i>Wealth Management & Private Banking</i>	<i>2</i>
<i>Wholesale Financial Markets</i>	<i>22</i>
<i>Insurance</i>	<i>1</i>
<i>Total</i>	<i>127</i>

**Please note: These figures do not include cases that were opened in previous years but were still ongoing in the years 2016, 2017 and 2018 or threshold condition cases.*