

7 December 2019

Our Ref: FOI6823

Freedom of Information: Right to know request

We write further to our email of 6 December 2019 regarding your request under the Freedom of Information Act 2000 (the Act) for information relating to businesses illegally accepting deposits. For full details of your request please see Annex A (for ease of reference you will note your request has been numbered).

When we wrote to you on 6 December, we advised that we needed additional time to consider your request as we considered section 31 (law enforcement) may apply to some of the information.

Having now thoroughly considered the information, we have concluded that this exemption does not apply.

With regard to Point 1, we currently have six open investigations into businesses suspected of unauthorised deposit taking.

In reference to Point 2, we currently have four businesses who are no longer in operation due to FCA action, one firm in liquidation and one firm believed to still be in operation.

For Point 3, we can confirm that we hold information in respect of one investigation. The total customer claims figure in this case is £1,052,500 with 14 customers identified.

If you are unhappy with this response, you have the right to request an internal review. If you wish to exercise this right you should contact the Information Disclosure Team 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

Annex A

Letter dated 9 October 2019

1. *I would like to know the number of cases the FCA has, and is currently, investigating, regarding businesses illegally 'accepting deposits,' breaching the Financial Services and Markets Act 2000.*

For clarity, I mean cases where deposits are taken, held to earn interest and lent to others, without permission to do so, outside the scope of a businesses' permission.

2. *In the same set of data I would like to know how many of these businesses are no longer operating, are insolvent or in administration.*

If it can be provided within the cost limits of the act I would also ask that if these cases include figures for customer claims against company records, I believe they're usually recorded as non-preferential creditors in administrator's reports, that they be provided.

3. *Please provide this as an annual figure, with breakdowns for each case.*

Because of the amount of material I am asking for I suggest limiting my request from 2018-2019, up to the most recent set of data available.

Clarification dated 8 November 2019

Thank you for checking this with me:

"We have interpreted this to mean instances where a customer has made a claim (as a creditor) against a firm that has gone into liquidation/administration"

This is correct, please proceed with the above in mind.