

31 March 2020

Our Ref: FOI7157

Thank you for your Freedom of Information request dated 3 March 2020.  
*You asked:*

*'How many firm acquisitions and/or purchases were denied by the FCA in 2019?'*

We have considered your request in line with the provisions of the Freedom of Information Act 2000 ("the Act") and our response is set out as follows:

Under s185(3) of the Financial Services and Markets (FSMA) Act 2000, the FCA may object to an acquisition if there are reasonable grounds for doing so on the basis of matters set out in s186 FSMA, or if the information provided by the notice-giver (the proposed acquirer) is incomplete. Further, under s189 FSMA requires that where we propose to object to an acquisition, we issue a warning notice to the notice-giver stating that we propose to object. Where we decide to object, we are required to issue a decision notice.

For the purposes of responding to your request, we have assumed that when you refer to acquisitions or purchases that are "denied" by the FCA, you are interested in notifications where we have issued such a warning notice or decision notice to the notice-giver. On this basis, no acquisitions were "denied" by the FCA in 2019. We issued warning notices in respect of five transactions. In four of those cases, the notice-givers subsequently withdrew their notification and so the FCA did not make any determination in respect of the acquisition. We did not issue a decision notice in these cases. In the remaining case, after further consideration the acquisition was approved.

When assessing proposed acquisitions, the FCA can use a range of powers and tools which can include formally objecting to notifications as discussed above, but which can also include influencing firms to improve or to withdraw their plans.

A notice-giver may withdraw their notification without a warning notice being issued. Such withdrawals may take place at a number of stages during the case's assessment, but are frequently seen in response to concerns raised by the FCA. Generally, before issuing a formal warning notice the FCA will issue a letter to the notice-giver advising that it is minded to object to the transaction if the notification is not withdrawn. Having early discussions with notice-givers ahead of formal objection action allows the FCA to influence proposed controllers to take steps to address issues.

Where issues are not, or cannot be, addressed to the FCA's satisfaction, withdrawal of a notification is likely to represent a quicker and most cost-effective outcome both the part of the FCA and the notice-giver. As such, there are a larger number of acquisitions that did not proceed in 2019 following the FCA's intervention, though without the use of the formal powers discussed here.

If you are unhappy with our response 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, who can be contacted 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)

Thank you for your interest in the FCA

Yours sincerely,

**Information Disclosure Team**