

Date: 3 June 2020

Our Ref: FOI7275

Freedom of Information: Right to know request

Thank you for your email of 4 May 2020, in which you asked for:

- a) *How many skilled persons reviews has the FCA commissioned of financial advisory firms in the last three years - 2017/18, 2018/19, 2019/20;*
- b) *How much did every skilled persons review cost to the firms in question - please provide breakdown of costs according to year and firm;*
- c) *What was the outcome of every skilled persons review of financial advisory firms in the timeframe outlined in point A.*

We have processed your request in line with the provisions of the Freedom of Information Act 2000 (FOIA) and our response is set out below.

Question a:

A total of seven skilled person reviews have been commissioned by the FCA in relation to Financial advice firms during the past three years, broken down as follows:

2017-18: 4 reviews
2018-19: 2 reviews
2019-20: 1 review

Please note, some of these reviews are still in progress.

Question b:

We can confirm that the aggregate cost incurred by the relevant firms in relation to the reviews completed to date was £303,270. We are, however, unable to disclose the cost of each individual review, as this may lead to the identification of some of the firms concerned and the disclosure of confidential information that the FCA has received while carrying out its public function under section 348 of the Financial Services and Markets Act 2000 (FSMA). Disclosure of this information is prohibited under section 44 FOIA. Further details on why this exemption applies can be found in Annex A.

Please also note, the cost of some of the reviews may span over more than one financial year.

Question c:

We can confirm that we hold information relevant to this point of your request, but we are unable to disclose it for the same reasons explained in our response to question b. This is because the findings of each review are firm specific and their disclosure may lead to the identification of the firms concerned. For further details on this point, please refer to Annex A.

Your right to complain under the FOIA:

If you are unhappy with this response, you have the right to request an internal review. To do so, please 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 by phone or on their website at:

Telephone: 0303 123 1113

Website: www.ico.org.uk

Yours sincerely

Information Disclosure Team

Annex A

- **Section 44 (Prohibitions on Disclosure)**

Section 44(1)(a) of FOIA states that information is absolutely exempt from disclosure if this is prohibited by law. Section 348 of FSMA restricts the FCA from disclosing 'confidential information' it has received while carrying out its public function. FSMA allows exceptions to this in a few specific circumstances, but none of these apply to this request.

Confidential information here is defined as non-public and non-anonymised information involving a person's business or other affairs, which the FCA received.

As mentioned, disclosure of the information you requested at point (b) and (c) may lead to the identification of the firms concerned and to the disclosure of 'confidential information' relating to these firms. Such disclosure, without the provider's consent or the consent of the person the information is about, would be a breach of section 348 of FSMA. This would be a criminal offence.

In many requests for information under FOIA we have to consider different factors to establish whether disclosing the requested information would be in the public interest or not. Section 44 of FOIA, however, constitutes an 'absolute' exemption against supplying the information, and so we do not need to make this kind of assessment.

