

Date: 26 November 2020

Our Ref: FOI7696

Freedom of Information: Right to know request

Thank you for your email of 2 October 2020, in which you asked for information relating to the independent financial advice sector, and for which you provided further clarification on 29 October. Full details of your request can be found in Annex A below.

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.

We are unable to provide the information you have requested broken down by firm. This is because it is confidential information received in the course of carrying out our public function under section 348 of the Financial Services and Markets Act 2000 (FSMA), so we are prohibited from disclosing it to you under section 44 (Prohibitions on disclosure) of FOIA.

For a detailed explanation on why this exemption applies, please see Annex B below.

We are able to provide some aggregated information to you as follows:

The Retail Mediation Activities Return (RMAR) is the core regulatory return submitted by firms who provide intermediary services arranging and/or advising on mortgages, non-investment insurance or investment products. Firms are required to report at minimum twice yearly for most sections of the return, based on their Accounting Reference Date, with 30 working days in which to submit the return. However, firms do not report data on funds under advice.

In addition, a firm's financial category, financial resource requirement and its reporting requirements reflect the permissions it holds. As such, not all of the in-scope firms will have submitted all of the RMAR sections used to provide this information. Where necessary we have noted below our approach to the data.

Firm population giving independent advice

Financial advice firms can offer independent advice, restricted advice or both. RMAR data was used to identify a total population of 4,864 firms providing independent (4,780 firms) or both advice types (independent and restricted – 84 firms).

Total Revenue, Expenses and Profit before tax

Firms submit this information under different financial returns dependent on what other permissions they might hold. We have included data submitted under RMAR returns at year end 2019.

Total assets, liabilities and cash at hand

As above, we included data from RMAR returns submitted for year end in for 2019.

Values	Independent advice	Both (independent and restricted)	Total	Base of firms submitting RMAR data returns
Number of firms giving advice type	4,780	84	4,864	
Number of employees	46,064	10,532	56,596	4,807 firms submitted RMA-G
Total assets	£1,497,388,488	£158,321,581	£1,655,710,069	4,399 firms submitted RMA-A
Total liabilities	£362,596,586	£53,878,207	£416,474,793	
Cash at hand	£640,546,196	£66,796,817	£707,343,013	
Total Revenue	£2,597,270,316	£487,098,870	£3,084,369,186	4,396 firms submitted RMA-B

Your right to complain under 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 at FreedomofInformationAppeals@fca.org.uk.

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
Financial Conduct Authority

Annex A

Request received on 2 October 2020:

"Information regarding the list of currently active Independent Financial Advisors, and if available with the total number of employees per firm, and total amount of client assets (Funds under management) per firm, and other financial information. If I'm not mistaken, this list was <https://www.fca.org.uk/publication/foi/foi3002-information-provided-1.pdf> for the year 2011-2012. However, this list is outdated and includes restricted advisors (not IFAs) and does not show firm size, etc."

Clarification received on 29 October 2020:

1. *I am not interested in the information on the whole financial advice sector but instead just the independent financial advice sector.*
2. *Yes apologies, it isn't the 'FUM' but rather the funds under advice which is of interest to me.*
3. *By 'other financial information' what was meant is data from the firm's financial statements such as total revenue and expenses, P/L; total assets, total liabilities, cash at hand; and also number of employees. - if available.*
4. *The reference is in fact incorrect. I am not interested in a list of firms "that fell within the Financial Services Compensation Scheme's investment intermediary subclass" but rather a list of currently active Independent Financial Advisors as you stated.*

Annex B

- **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 (or its predecessor) has received in the course of 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.

To the extent that the information you requested is confidential information under this provision, we are unable to provide it to you. If we disclosed the information without the provider's consent and the consent of the person the information is about, we would breach section 348 of FSMA which is a criminal offence.

In many requests for information under FOIA we have to judge different factors to decide whether disclosing the requested information would be in the public interest or not. Section 44 is an 'absolute' exemption and so we do not need to make this kind of judgement.