

Question Set F

For other stakeholders

Please note all of these points before answering:

- **If you have any questions please contact Andy Agathangelou, Chair of the APPG's Secretariat, at Email**
 - Only reply to this question set if it applies to you.
 - This Call for Evidence is being handled by the APPG's [Secretariat](#) and support staff, who will collate the evidence and provide it to [the APPG's members](#).
 - Respondents' information will only be shared as necessary to enable the successful completion of the exercise and it will not be shared beyond the scope of this Call for Evidence.
- **Please note that we ask respondents to only give evidence that they are free to provide. It is entirely the responsibility of the respondent to ensure they take into account any agreement(s) they may have entered into.**
 - Respondents may choose to skip answering any of the questions if they wish.
- **It is for each respondent to decide whether their name and/or their responses are put into the public domain.**

The process to follow

- **Select the question set that relates to you. You may respond to more than one question set if you have different experiences of contact with the FCA.**
- **Download it, as a Word document, and save it on your computer.**
- **Provide your answers after each question.**
- **Please leave blank any questions that don't apply to you or that you do not wish to answer.**
- **Save the completed document on your computer.**
 - Please email it to Andy Agathangelou, **by 5pm on Monday 11th October**, at Email

Other important points to note

- This exercise is about gathering evidence on what people think about the FCA; it is not about providing any assistance, guidance or advice on any case a respondent may have against the FCA, or any other entity.
- Respondents are asked to only provide answers to the questions given.
- Respondents are asked to not provide any supplementary evidence or documentation.

Question Set F

For other stakeholders

Your Details

Name:

Richard Emery

Company/Business (if applicable):

4Keys International

Address including postcode:

Redacted

Email address:

Redacted

Mobile telephone number:

Redacted

Permissions

- Do you give permission that your name is put into the public domain?
§ Please enter Yes or No. ...YES.....
- Do you give permission that your response is put into the public domain?
§ Please enter Yes or No. ...YES.....

Questions

1. Please tell us about yourself and outline, just briefly to begin with, how you came to interact with the Financial Conduct Authority?

I investigate bank fraud, most of which is APPFraud, and assist individual victims to challenge their banks and take their complaints to the Financial Ombudsman Service.

I interact with the FCA on matters such as understanding various regulations (e.g. PSR2017), enquiring about FCA registrations, making complaints about banks and proposing enhancements to the regulatory environment that will reduce APPFraud.

2. What is your interest in, or connection with, the FCA?

See above

3. Briefly describe the interactions you have personally had with the FCA.

I have interacted with the FCA on a range of topics but the top four have been:

A). Seeking clarity from the FCA on the interpretation of specific parts of PSR2017. This focussed on whether an APPFraud was a case of “misdirected payment” or malicious payee”. In my view the FCA have misunderstood the original European Directive. The conversation is on-going.

B) Their failure to act when told that a business is providing a regulated activity despite having their regulated status revoked in 2019.

C) Their failure to disclose the actions they have taken in response to complaints about individual firms. They also failed to explain why the status had been revoked.

D) Their apparent unwillingness to seriously consider formal proposals for regulatory developments that would reduce the level of APP Fraud.

4. In broad terms, what have your dealings with the FCA been like?

Disappointing. Although the FCA appear to be listening it is difficult to judge whether or not they are because they do not share the outcomes of the conversations.

5. Have you ever witnessed any actions or conduct that, in your reasonable belief, breached any law, regulatory code or applicable or relevant policy? If so, please explain which law, code or policy you believe was breached.

No.

6. Have you experienced situations where interacting with the FCA has been helpful to either yourself or others? If so, please explain what made the interaction(s) helpful.

No.

7. What are your thoughts on whether the FCA lacks the powers that it needs; or conversely, that it doesn't make good use of the powers it already has?

I believe that they do not exercise the powers that they have.

In one case I asked them about an Electronic Money Institution that had had its regulatory status revoked several years but was still trading. The response was along the lines that 'as they were not now regulated they fall outside of the FCA's responsibilities.'

This is reflected on their website as:

"To report a scam or unauthorised firm, please tell us as much as you can about the firm or individual who contacted you. Remember, we can only look into scams or unauthorised conduct involving financial services that we regulate at the FCA." (my underlining)

What is the point of a Regulator that does not act against an unregulated firm that is providing regulated services or activities?

8. Have you experienced any difficulties or shortcomings in your interactions with the FCA?

Yes. The lack of feedback to complaints.

9. Have you experienced the FCA being reluctant to give clear answers to questions?

Yes. I sought clarity on a specific point in PSR2017 and they were unable to respond.

10. What is your perception of the culture of the FCA, and what do you think of it?

They are reluctant to challenge firms that are not complying with the relevant regulations.

11. Have you ever complained officially about the FCA; if so to whom? What happened, and how do you feel about what happened? What feedback, if any, have you had about your complaint? How helpful was the feedback? How long has it taken for your complaint to be processed?

No.

12. What do you think about the possibility of conflict of interest issues at the FCA?

I am concerned about the possibility of a 'revolving door' between the FCA and the firms that they regulate, making it hard for people in the FCA to really challenge those firms.

13. Do you believe there should be spot checks by the FCA on regulated and/or unregulated entities, perhaps similar to the spot-checks by VAT inspectors

Most definitely.

They should also develop a process of annual audits that goes beyond simply asking: "has anything changed that we should know about?"

14. What positives are there about the FCA that you would like to comment on?

15. If you could change three things about the FCA, what would they be?

1. The most important change would be to find a way of providing meaningful feedback to complaints.

2. Develop a culture where they can interact with people who are not employed by the firms that they regulate but who can make an important contribution to the development of fair and effective financial services. It should be possible to establish a process of 'Non-disclosure agreements' for the sort of people who are answering this set of questions and who could make a significant contribution to the work of the FCA.

16. The FCA is undertaking a Transformation Project. Do you have any comments to make about that?

We wait in hope.

17. Are there any other comments that you would like to make?

No thank you.

~~ END ~~

Thank you