

Anonymised version of “Lesley’s” submission

Question Set G

For current and former Financial Conduct Authority employees

Please note all of these points before answering:

- We welcome comments and input from FCA employees past and present about this Call for Evidence and we value your input and opinions.
- If you have any questions about any aspect of this initiative please contact Andy Agathangelou, Chair of the APPG’s Secretariat, at [Email](#). If you prefer to telephone him, use 07501 460308.
- If you prefer to remain anonymous please state this in your response and note that you are free to skip questions if you wish; for example you can skip the question about your name. If you want to remain anonymous, we suggest you exclude any information about you or your department that might enable you to be identified.
- Whilst we prefer to receive your response as a Word document you are welcome to provide it as a PDF. You may also provide your response into the body of an Email.
- Only reply to this question set if it applies to you i.e. if you are a current/former employee of the FCA
- This Call for Evidence is being handled by the APPG’s [Secretariat](#) and support staff, who are the data controller for GDPR purposes. The Secretariat will collate the evidence and provide it to [the APPG’s members](#). We seek to abide by the highest ethical standards when handling the information that is provided - 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, such as a Confidentiality Agreement or a Non-Disclosure Agreement.

Whistleblowing

- Because we are not in a position to give legal or professional advice in relation to matters about whistleblowing if you
 - want more information about whistleblowing or how to make protected disclosure; and/or
 - feel you need support, help, advice or guidance on any issues to do with whistleblowing
- ...one of the courses of action you may wish to consider is to liaise with a specialist whistleblowing organisation such

as WhistleblowersUK (<https://www.wbuk.org/#overview>) who can be contacted by emailing helpme@wbuk.org

- Furthermore, you may choose to select the question set relating to Whistleblowing (E) instead of or as well as this one. You can [download it here](#).

The process to follow

- 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 15th November**, 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.

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Question Set G

For current and former Financial Conduct Authority employees

Your Details

Name:

(Please type here. Thank you.) = **“LESLEY” [NOT REAL NAME]**

Company/Business (if applicable):

Financial Conduct Authority

Address including postcode:

REDACTED

Email address (preferably non-FCA):

REDACTED

Mobile telephone number:

Permissions

- Do you give permission that your name is put into the public domain?
 - Please enter Yes or No. = **No.....**
- Do you give permission that your response is put into the public domain?
 - Please enter Yes or No. = **Yes – but without revealing my identity as senior managers are acting**

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Questions

1. Are you a (i) current or (ii) former, employee, contractor or agency-supplied worker at the Financial Conduct Authority?
(Please type your answer here. Thank you.) = **Current employee**
2. In what area of the FCA do/did you work??
REDACTED
3. Briefly describe the functions you perform or have performed at the FCA.
REDACTED
4. In broad terms, what has your experience of working at the FCA been like?
Overall, a negative and depressing time in working at the FCA. The FCA has developed a toxic culture and spends huge resources, time and effort on self-protection, of itself, at the expense of supporting consumers. The FCA appears to operate in a malicious and vindictive way and is not willing to accept any kind of constructive criticism from staff. The FCA is a wasting money and staff effort on self-protection which is quite sickening when set against the context of its failures in recent years to regulate firms properly. Based on the evidence I have seen, the FCA is simply not doing its job and has become a failing, bloated, defensive organisation – with most of its efforts and resources going on self-promotion and trying to counter the many criticisms of it.
5. During your period of employment did you witness 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.
Yes, on a number of occasions it has been the case that the FCA will not act to support consumers and will spend time and resources on protecting itself and making excuses for its continuous failures. It is worrying that senior managers appear to be motivated by self-interest only – and not about doing the right thing to protect consumers.
6. What example/s can you share about when the FCA has done a good job to protect consumer interests?
I honestly can't say the FCA has done a good job at all. The FCA has had a string of failures and public reports criticising its performance, including following two independent investigations as well as the report of the Treasury Select Committee. The FCA tries desperately to promote itself and ignores the fact that large numbers of people have lost huge savings as a result of their proven failures.
7. What example/s can you share about when the FCA has done a poor job to protect consumer interests?
The independent investigation reports have made clear that the FCA failed to act in a proper or timely way despite all the evidence. The two independent investigation reports

were very critical of the FCA's failure to act – but also their conduct in trying to protect senior managers from the criticism due to their failures. The key point to add is that after each of the recent catastrophic failures, the official line is that “we will learn and change”. Well, as an employee I can say there is no evidence of any learning whatsoever. Every internal communications briefing is about self-promotion, and the poor management and leaderships behaviours have become more and more entrenched over time.

8. [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?](#)

Even if it were given more powers, the evidence (including the independent investigation reports) the fact that the FCA's culture is toxic means that they will continue to focus on self-protection rather than why it exists including protecting and supporting consumers. This could have been a legitimate consideration now but it won't work as the FCA is now toxic. Giving it more powers would even possibly make things worse as it would not know how to use such powers.

9. [Have you experienced any difficulties or shortcomings in your interactions with the FCA?](#)

Yes, I have tried to raise serious matters with senior managers – and they have been entirely unresponsive. I could not believe that senior managers simply refuse to listen to serious concerns even where evidence is provided about a senior managers' misconduct. The FCA is an unprofessional and incompetent organisation – the culture is simply that you are expected not to deviate from the message, that ExCo and the FCA as a whole are apparently doing “excellently”.

10. [Have you experienced the FCA being reluctant to give clear answers to questions, whether from you, the public or other stakeholders?](#)

Yes, the FCA has been giving weasel words to questions raised by staff regarding to the current transformation. The FCA rejected the Unite union's contact to discuss whether it would recognise it as a trade union. This has become a big issue for many staff regarding senior managers' disingenuous comments about why they do not make assumptions about staff wanting to be represented by unions – people are now entirely fed up with weasel words, when even the Bank of England recognises trade unions.

11. [Have you been in a situation where you could have helped a member of the public with an enquiry but were constrained from doing so as a direct result of an FCA policy or the FCA's interpretation of an applicable law?](#)

I know that following the independent investigation reports, it was clear that staff raised concerns about certain firms acting illegally but senior managers would not follow up the questions that were raised. This is the real tragedy of London and Capital Finance et al – that front line staff were raising concerns but senior managers were ordering them to stop raising the matters.

12. [What is your perception of the culture of the FCA, and what do you think of it? Does it promote openness, or is there a lack of transparency?](#)

The culture of the FCA is incredibly poor – it is absolutely awful and I would have to say it is toxic. Judging by the questions raised in response to the current consultation, a majority of the workforce seems to be demoralised and frustrated by the weasel words and statements that a union is not needed when we have the SCC (Staff Consultative Committee) - even when the 4 SCC members say that are ordinary staff with no time off facility, or support, and a union would be better able to negotiate with senior management. But the FCA continues to refuse to recognise the union Unite and continues to make odd assertions. In my view, based on the

evidence I've seen, the FCA became a navel-gazing organisation almost operating in a parallel universe. The culture became "keep the gravy train running, and don't get caught for mistakes (i.e., even if that means doing nothing much of the time)" - and so in recent years the organisation developed an entirely toxic culture. Most depressingly, I realised that reference to consumers, including those losing everything, was minimal - the FCA was about trumpeting the smallest outcome that wasn't a complete failure in its own weekly internal briefings.

13. Does the culture of the FCA encourage and support staff in raising serious and challenging questions, or does it deter them from doing so?

No the culture of the FCA actively discourages staff from raising serious and challenging questions. Many staff are fed up by senior managers constantly repeating that the arrangements for consultation via the Staff Consultative Committee are sufficient even though SCC are four staff that are effectively regular staff and have no routine time off to support staff.

14. Have you ever

- Raised concerns or complained officially about the FCA?
- Been a current or past whistleblower, or known of others doing so?
- What happened, and how do you feel about what happened?
- What feedback, if any, have you had about your concerns, complaint or whistleblow?
- How helpful was the response?
- How long has it taken for your concerns, complaint or whistleblow to be processed, and how well or badly do you think the matters were responded to?

Yes, I have raised concerns on numerous occasions and they have been dismissed each and every time. I have raised these concerns via my line manager but also on occasions with others – and despite saying they understand (in some instances) absolutely no one has been willing to do anything that could make them appear they are (reasonably) questioning a matter. My line manager has never come back to me and appears to adopt an approach where he lets the matter die down or fizzle out (even though the problem invariably gets worse) and instead stays exactly on track with the official FCA message of

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

There have been repeated failures by the FCA to take prompt and robust action against companies despite strong evidence of serious wrongdoing. It is unclear to me how and why the FCA can be so inept and it may well be the case that it is conflicted by firms.

16. Do you believe the FCA should be made more accountable to the public, Parliament or anyone else? If so, why, and what measures do you think are needed?

Yes, definitely. The FCA has a huge benefit but wastes resources on paying senior managers excessive salaries. It has effectively been rewarding failure for years and paying inflated salaries and large bonuses to incompetent senior managers.

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

There are positives for FCA senior managers only. For example, a question was recently put to ExCo (the Executive Committee) that whereas a Director General earns 130k at the Treasury, Directors and Executive Directors at the FCA earn much more which appears entirely unjustifiable.

18. [If you could change three things about the FCA, what would they be?](#)

1. The culture – it is toxic and reform does not seem possible with many existing Heads of Department and Directors continuing in post.
2. The senior management – many senior managers are part of the toxic culture which includes behaving out of self-interest and not taking the action they should take if it involves any risk or possibly challenging questions for them.
3. After 1 and 2 above, there needs to be much more robust scrutiny of the FCA. The FCA has been focused on self-interest and self-protection only and it needs to be urgently scrutinised at every level of its strategic and operational activity.

19. [The FCA is undertaking a Transformation Project. Do you have any comments to make about that?](#)

For example:

- [Are staff at all levels invited or allowed to participate and contribute?](#)
- [Do you expect this project to alter or influence the culture and policies of the FCA?](#)
- [Do you expect consumer protection to be improved?](#)
- [How could transformation/improvement of the Regulator be better handled?](#)

There was a staff briefing session on Tuesday 5 October 2021 (headed by Nikhil Rathi) and staff comments included that it is simply not a meaningful consultation and a number of people asked why the FCA goes through the pretence of consulting when the evidence indicates there is no real interest in listening in a meaningful way to staff comments. The consultation is regarded by many staff as a sham and, in parallel, confidence in Nikhil Rathi has plummeted.

20. [Are there any other comments that you would like to make?](#)

Only that it is hard to describe just how toxic the FCA has become. On that basis, there is no real likelihood that the current transformation project can improve the situation. It can be understood that the Treasury does not want another major upheaval at this time, but the reality is that it is getting worse and will continue to do so. The new CEO made a number of strategic mistakes including keeping on a moving to different roles, members of the ExCo team. In one case, the ExCo manager regarded by many staff as responsible for much of the failures (LCF in particular) was given the job of transforming the organisation.