

# This week at the UK regulators

## Thirty second guide: The week in overview

The New Year period has been relatively quiet for the UK regulators, with the main (well-publicised) developments being the confirmation that Tracey McDermott, the FCA's Acting CEO, has decided to withdraw from the process to find a permanent replacement for Martin Wheatley and the announcement by the FCA that it will not pursue an industry wide thematic review in relation to culture. No significant enforcement cases have been concluded. The FCA has published data in relation to access to retirement income by consumers and has given indications of timetables for forthcoming consultation and policy documents relating to a number of major implementation projects, although it has not yet disclosed the date on which final rules relating to the impending individual accountability regimes for banks will be released. In policy developments, the FCA and PRA have published consultation papers and the PRA has updated its supervisory statement to take account of changes to notification requirements under the new regimes as the result of legislation currently progressing through Parliament.

### Tracey McDermott rules herself out of running for CEO position

As has been widely reported in the press, the FCA has (on 7 January) released a statement confirming that its Acting CEO, Tracey McDermott, decided in early December to withdraw from the process to appoint the permanent CEO. The process, which is being administered by HM Treasury, continues, and Ms McDermott will continue as Acting CEO until it has been completed. No indications have yet been given about when the new permanent CEO will be named.

<http://www.fca.org.uk/news/fca-statement-regarding-tracey-mcdermott>

### FCA decides not to pursue culture thematic review

As has also been widely covered in the press over the holiday period, the FCA has (on 31 December) decided not to pursue an industry wide thematic review into culture in firms. It had mooted its plans to do so in its Business Plan for 2015/16, released in March 2015, but is now reported to have indicated that it will instead address perceived cultural issues within firms on an individualised basis.

Notwithstanding this change, it is clear that the issue of culture remains a priority for the FCA. Tracey McDermott used a radio interview broadcast on 10 January to refute suggestions that the decision not to conduct a thematic review solely on the issue of culture was indicative of any softening of the FCA's line in this area and to confirm that the FCA will continue to "call out" examples of poor culture where it identifies them using channels such as Final

Notices and sector-specific thematic reviews. Her remarks followed a speech devoted to the issue in November 2015 from the FCA's new Director of Enforcement, Mark Steward.

For more analysis on regulators' approaches to culture in the UK and further afield, see our Clifford Chance briefings from May 2015 and December 2014.

<http://www.fca.org.uk/static/documents/corporate/business-plan-2015-16.pdf>

<http://www.fca.org.uk/news/culture-and-governance>

<https://onlineservices.cliffordchance.com/online/freeDownload.action?key=OBWlbFgNhLNomwBI%2B33QzdFhRQAhp8D%2BxrlGRel2crGqLnALtlyZe8nmSNwget6rzZHYwghNSLTp%0D%0A5mt12P8Wnx03DzsaBGwslB3EVF8XihbSpJa3xHNE7tFeHpEbaelf&attachmentsize=2298910>

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### FCA publishes retirement income data

The FCA has (on 7 January) published data for the period from July to September 2015 giving details of how many consumers are accessing their pensions following the introduction of Government reforms enabling them to do so. The figures show that a total of 178,990 consumers accessed their pensions during this period, down 13 per cent from the preceding period. Slightly more than two thirds were fully cashed out and the highest levels of withdrawals were made by consumers aged 55 to 59.

<http://www.fca.org.uk/news/retirement-income-market-data>  
<http://www.fca.org.uk/news/fca-publishes-latest-retirement-income-market-data>

### Final Notices

The FCA has (on 8 January 2016) published a Final Notice dated 20 November 2015 refusing an application for permission to carry on the regulated activity of credit broking made by Knight Home Improvements Limited. The FCA based its action on failures to provide information requested.

<http://www.fca.org.uk/static/documents/final-notices/knight-home-improvements-limited.pdf>

The FCA has (on 8 January 2016) published a Final Notice dated 4 January 2016 objecting to the acquisition by Ms Lynda Croome of a controlling interest in Ubiety Wealth Management Limited. The FCA based its action on non-disclosure of relevant information in relation to Ms Croome's previous conduct at regulated firms.

<http://www.fca.org.uk/static/documents/final-notices/lynda-jayne-croome.pdf>

### Timetable for individual accountability final rules for banks remains unclear

The FCA has (on 8 January) published the latest edition of its Policy Development Update, which summarises details of consultation papers, guidance consultations, finalised guidance and other publications released during December. It also sets out expected dates for the publication of consultation papers and policy documents on topics including MiFID and Market Abuse Regulation implementation, although it does not provide details of when banks preparing for the implementation of the new individual accountability regimes for banks, which will enter into force on 7 March should expect finalised rules further to various consultation exercises conducted since July 2014.

<http://www.fca.org.uk/static/documents/handbook/pdu-29.pdf>

### FCA warnings

| Name of firm           | Date of warning  | Details   |
|------------------------|------------------|---|
| Happy Financers        | 8 January 2016   | Not authorised<br><a href="http://www.fca.org.uk/news/warnings/happy-financers">http://www.fca.org.uk/news/warnings/happy-financers</a>   |
| www.bluesealoans.co.uk | 8 January 2016   | Clone firm<br><a href="http://www.fca.org.uk/news/warnings/bluesealoans-clone">http://www.fca.org.uk/news/warnings/bluesealoans-clone</a>   |
| Ayondo Markets Ltd     | 7 January 2016   | Clone firm<br><a href="http://www.fca.org.uk/your-fca/documents/thematic-reviews/ayondo-markets-ltd-clone">http://www.fca.org.uk/your-fca/documents/thematic-reviews/ayondo-markets-ltd-clone</a> |
| Kansai & Partners      | 4 January 2016   | Not authorised<br><a href="http://www.fca.org.uk/news/warnings/kansai-partners">http://www.fca.org.uk/news/warnings/kansai-partners</a>   |
| Halifax Finance Loan   | 31 December 2015 | Clone firm  |

|  |                  |   |
|--|------------------|---|
|  |                  | <a href="http://www.fca.org.uk/news/warnings/halifax-finance-loan-clone">http://www.fca.org.uk/news/warnings/halifax-finance-loan-clone</a>   |
| George Banco                               | 24 December 2015 | Clone firm<br><a href="http://www.fca.org.uk/news/warnings/george-banco-clone-cc">http://www.fca.org.uk/news/warnings/george-banco-clone-cc</a>   |
| Kramer and Associates Management Group LLC | 23 December 2015 | Not authorised<br><a href="http://www.fca.org.uk/news/warnings/kramer-and-associates-management-group-llc">http://www.fca.org.uk/news/warnings/kramer-and-associates-management-group-llc</a> |
| Bridgewater Asset Management               | 22 December 2015 | Not authorised<br><a href="http://www.fca.org.uk/news/warnings/bridgewater-asset-management">http://www.fca.org.uk/news/warnings/bridgewater-asset-management</a>                             |
| Atom8 Asia                                 | 21 December 2015 | Clone firm<br><a href="http://www.fca.org.uk/news/warnings/atom8-clone">http://www.fca.org.uk/news/warnings/atom8-clone</a>   |
| IK Investment Partners (London)            | 21 December 2015 | Clone firm<br><a href="http://www.fca.org.uk/news/warnings/ik-investment-partners-london-clone">http://www.fca.org.uk/news/warnings/ik-investment-partners-london-clone</a>                   |
| Otam8                                      | 21 December 2015 | Clone firm<br><a href="http://www.fca.org.uk/news/warnings/otam8-clone">http://www.fca.org.uk/news/warnings/otam8-clone</a>   |

## Policy developments

| FCA                        |   | PRA                    |                 |   |
|----------------------------|---|------------------------|-----------------|---|
| Proposed developments      |   |                        |                 |   |
|                            |   | Deadline for responses |                 |   |
| <b>Consultation papers</b> | <p>The FCA has (on 6 January) published a consultation paper (CP 16/1) setting out various minor consequential changes to arrangements in relation to notifications under the new individual accountability regimes as the result of legislation currently progressing through Parliament.</p> <p><a href="http://www.fca.org.uk/static/documents/consultation-papers/cp16-01.pdf">http://www.fca.org.uk/static/documents/consultation-papers/cp16-01.pdf</a></p> | 5 February 2016        | 8 February 2016 | <p>The PRA has (on 6 January) published a consultation paper (CP 1/16) setting out various minor consequential changes to arrangements in relation to notifications under the new individual accountability regimes as the result of legislation currently progressing through Parliament.</p> <p><a href="http://www.bankofengland.co.uk/p/ra/Documents/publications/cp/2016/cp116.pdf">http://www.bankofengland.co.uk/p/ra/Documents/publications/cp/2016/cp116.pdf</a></p> |

| Finalised Policy and guidance |  |                               |                |   |
|-------------------------------|--|-------------------------------|----------------|---|
|                               |  | Implementation/effective date |                |   |
| <b>Supervisory statements</b> |  |                               | 6 January 2016 | <p>The PRA has (on 6 January) released an updated version of its supervisory statement SS 28/15 in relation to new individual accountability regimes incorporating consequential amendments made in relation to notifications as the result of legislation currently progressing through Parliament.</p> <p><a href="http://www.bankofengland.co.uk/p/ra/Documents/publications/ss/2016/ss2815update.pdf">http://www.bankofengland.co.uk/p/ra/Documents/publications/ss/2016/ss2815update.pdf</a></p> |

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