



TTF Press Release: “Fixing the FCA”

18 January, 2023

The Transparency Task Force announced at its ‘Plans and Priorities for 2023’ meeting held yesterday that it will be focusing its efforts on a range of campaign activities that are all part of an overarching theme: “Fixing the FCA”.

Andy Agathangelou, the organisation’s Founder commented that:

‘It’s absolutely vital that the UK’s Financial Services sector is one that people and institutions can have trust and confidence in. For that to happen we need an effective conduct regulator, but all the evidence suggests the Financial Conduct Authority is consistently failing to provide the consumer protection Parliament requires of it on behalf of the British public.’

At yesterday’s meeting, Agathangelou referred to the damning reports by Dame Elizabeth Gloster on LC&F, Raj Parker on Connaught, John Swift KC on IRHP mis-selling, the Work and Pensions Select Committee’s investigation into Pension Scams and the reports by the National Audit Office and the Public Accounts Committee on the British Steel Pensions Scheme debacle.

He claims:

‘Taken individually, those reports show there are problems at the FCA, but when you consider them as a whole you must conclude the issues the FCA has are so serious and deep-rooted that it desperately needs fixing or replacing. The FCA is obviously an organisation in distress, and in denial. It’s just not good enough that it can’t be trusted to deliver on its consumer protection remit, not when the FS sector is such an important part of our economy.’

The Transformation Project has been a missed opportunity because it has failed to deal with the fundamental issues that cause the FCA to under-perform - it has profound cultural, leadership, conflict of interest and governance problems that go beyond innocent incompetence’.

Agathangelou explained that the Transparency Task Force is calling for three proposed amendments to the Financial Services and Markets Bill, which is currently progressing through Parliament.

He believes ‘These are the absolute minimum reforms needed to put the FCA back on a path toward transparency, accountability and acceptable performance of its statutory functions.’

The three amendments would:

- Oblige the regulator to compensate individuals who lose money as a result of it failing to perform its functions, and provide redress to those who’ve suffered from its historic failings;
- Introduce a statutory duty of care to be owed by financial services firms to consumers, backed by a right to sue;
- Create an oversight body, based on one introduced recently in Australia, charged with ensuring the FCA acts in consumers’ interests

It is clear from yesterday’s meeting that the TTF believes the FCA’s problems lie at the top of the organisation: ‘The vast majority of its employees are very good and highly capable people that want to do an important job well, but they are held back from doing so by the organisation itself’.

About Transparency Task Force

Formed in 2015, Transparency Task Force is a UK-based certified social enterprise whose mission is, ‘To promote ongoing reform of the financial sector so that it serves society better.’ See: <https://www.transparencytaskforce.org/>

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