

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 28th March**, 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:

Al Rush

Company/Business (if applicable):

REDACTED

Address including postcode:

REDACTED

Email address:

REDACTED

Mobile telephone number:

REDACTED

Permissions

- o Do you give permission that your name is put into the public domain?
 - Please enter Yes or No.**YES**.....
- o Do you give permission that your response is put into the public domain?
 - Please enter Yes or No.**YES**..... (With Email address, phone number and postal address redacted).

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 am an independent financial adviser, which I have been for around 10 - 11 years. The past five years I've been engaging with the Financial Conduct Authority, specifically, relating to matters surrounding multiple mis-selling incidences from the British Steel Pension Scheme.

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

It's not as much as it was two or three or four or five years ago. I have engagements with Sheldon Mills of the FCA and one or two other people in the chain of command. On a day-to-day basis, I don't have any engagement at all with the FCA.

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

Five years ago, they started off with email and phone calls. At that time, I didn't know who I should be dealing with. So there's a lot of phone calls, lots of emails to random people. Then moved on to face to face meetings with discussions in and around Port Talbot. We did quite a few meetings there and we had a few meetings in the FCA quarters, but mainly now zoom calls and emails

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

When we had the first meeting, I came away from them feeling relatively optimistic and feeling that you've actually achieved something. But that perhaps was a false sense of optimism. I think over time, I grew cynical. It felt like I was trying to paddle a canoe through porridge.

We had the meetings, lots was said, and we came out of the meeting thinking something good is going to happen from it, but nothing good happened, we seem to go round and round in circles all the time. There did not seem to be much genuine interest. There was lots of words, lots of rhetoric, lots of hyperbole, lots of sympathy for the plight of the steelworkers. Andrew Bailey fell asleep in one meeting, famously, but nothing ever got done. There was no dynamic progression at the FCA. It just seems to be one big, stodgy bureaucracy that we were dealing with, no matter how senior the individual, we never got anywhere.

The conversations were specifically about mis-selling of the British Steel Pension Scheme. More generally, they were about pension mis-selling from other schemes that popped up on the radar, where they were really egregious incidences of pretty appalling behaviour and we bring that to the attention of the regulator as well, where it was obvious that things were seriously array.

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.

I can't say that I did. I have witnessed what I've considered in many instances where the obligations and the responsibilities of Regulator and the Financial Services Compensation

Scheme and Financial Ombudsman Service are not being met. But I have not seen any instances in my layman's opinion, where any laws were broken.

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.

There were some instances when the FCA responded to requests that were almost based on emergencies where we knew things were going to happen. We were aware of one or two things going on with some advisors that had to be dealt with very quickly. And they were dealt with very quickly, but no for the main, no. If we put a point to the FCA, a big important point, then nothing ever seemed to get done.

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?

My thoughts on this have changed. Initially, I did think that they didn't have the powers. I now think that they do have the powers. But there is so much inertia. So much lack of direction in the FCA. There's so much navel gazing, so many people are intent on preserving their career or defending their fiefdom that nothing gets done. And we've seen instances of some advisors who will take two, three years to be held to account. So I think the powers are there because things are happening, but not happening quickly enough and they are not happening dynamically enough. I think it's an issue of leadership. It's not just management, it's leadership, they are two completely different things and there wasn't any leadership or focus at the FCA that I can see.

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

No, I think my overwhelming recollection, my memory if you like, is just feeling intensely frustrated and angry all the time. There was just no willingness to actually get up and get the problem sorted.

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

Many times, whether it is in a meeting face to face or on a zoom. It's as if they are thinking 'I am not going say anything in case I'm held to account on it later', so you get a bland and neutral response. It's almost a statement reflecting policy. You don't actually get an answer and I think that's what I base my frustration on.

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

I think you've got the wrong people there. I think there's a revolving door. I think you have too many people who've had a career at one of the Big Five or in funds management, in the bank or the Bank of England where they just flip around from one to the other. There needs to be a completely new ethos there. If you have an organisation that's supposed to be defending the consumer, then you really want to make sure that you've got people who have got absolutely laser like focus on that and I think in many ways you want people who have got absolutely no experience of financial services, that's what's required. If you wanted to split down the FCA briefly, break it down into many departments and one of those departments was consumer protection, then it's best to have people who have very little experience of financial services instead of people who are focused on protecting, preserving their careers. That's the culture it just makes me so angry thinking about.

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?

Massive conflict, because you've got people flip flopping around, like I mentioned previously, from the banking sector to the regulator, back to the Big Five, back to The Pensions Regulator possibly, then back to fund management. It's a very incestuous, very circular relationship. There are not many people who are coming into it, that's the problem.

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

Absolutely. It's not going to happen because they don't have the opportunity, the capability or the intent. They just don't have the resource to do that. They all say that's not our problem, but the problem is, it is their problem, it's nobody else's problem. If the FCA needs to have more resource to make sure that people are being protected, it's got to go to government, it's got to go to the Treasury to get it. And that's where it becomes a political battle. People are conflicted at the FCA, I am absolutely certain and it's the same with Financial Services Complaints Scheme and the Financial Ombudsman Service, who do not want to rock the boat, they know which side their bread is buttered and the

They will not go to the Treasury to get the resource to do those spot checks which are so essential. Absolutely, they are essential because we rely on Gabriel. Gabriel is the Online Reporting System that any regulated entity which is directly authorised has to periodically provide returns on their activities online to the FCA.

With Gabriel, it's a case of garbage in, garbage out. And we know that there are far too few people at the Regulator doing assessment of the returns that Gabriel provides. In the military when you have lots of patrols out on the ground. churning in data and intelligence how that intelligence is assessed. And also the people assessing intelligence at the FCA are not listening to people out on the ground. I said at the time that if you want to fix the FCA, it should be more like how the FBI in America operates, with regional offices where they are expected to understand their patches, get out on the ground and keep their ear to the ground and know what's going on. The FCA is in Stratford and is a great big ivory tower and it doesn't get outside London, that's perception that I have, so yes, they should be doing spot checks

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

The FCA does lots of research, lots of thinking into how we should be interacting with our money, and I think that's a fantastic part and that they do that really well. On the basis that my involvement with the FCA is limited. I can't think of many positives.

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

I would break it down. I think now we are just putting dry wallpaper onto a damp wall, I think whatever you do to the FCA or however you try to reform it, it's not going to happen, so I would break it down. I would differentiate the functions secretariat within the regulator, I would make sure that the roles and responsibilities were far more tightly defined. I think you have too many career people within the FCA who are unaccountable to the public. And I think it needs to be much more accountable, much more transparent.

And I think the final thing I would brief up the role of the Ombudsman, and any agencies that can inspect and scrutinise the activities of the FCA.

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

As I mentioned earlier, it's like putting drywall paper into a damp wall. A lot of transformation stuff is window dressing. It's just changing around what people can see. The real issues surrounding the FCA are the structure, the corporate structure, how its vertically integrated, the ethos and the attitude. So whatever transformation policy is going to be, however it is rolled out and delivered, I don't think it's going to be effective, and I think it's window dressing and behind the scenes things will just carry on as normal anyway. I just cannot see how it's going to make any difference. The problems that the FCA face are huge, they are almost insurmountable and window dressing will not change that.

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

If we needed a financial services regulator and a compensation system, and we were able to start with a blank piece of paper, would we have what we've got right now?

No, we wouldn't.

~~ END ~~

Thank you