John McDonnell MP

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Thursday 29th October 2026

To Nikhil Rathi,
Chief Executive, Financial Conduct Authority
12 Endeavour Square
London E20 1JN

By Email Only

Our Ref: Rathi 261029-1

Open Letter.

Copies to:

- Other members of the FCA Board including non-Executive Directors
- Dame Meg Hillier MP, Chair of the Treasury Committee; and colleagues
- Baroness Noakes DBE, Chair of the Lords Financial Services Regulation Committee; and colleagues
- Chris Pond, Chair of the FCA's Consumer Panel
- Rachel Kent, Chair of the Financial Regulators Complaints Commissioner
- Gareth Davies, Comptroller and Auditor General of the National Audit Office
- Lucy Rigby MP, Economic Secretary to the Treasury
- Gwyneth Nurse, Director General, Financial Services, at HM Treasury

The review by Lea Paterson, the APPG summit on 2 November, survey of whistleblowers.

Dear Mr Rathi,

I am writing for three reasons.

The first is to ask you to clarify the scope of the review that your Board has asked Lea Paterson to undertake following the death of the whistleblower Simon Andriesz.

The second is to ask the FCA to reconsider its decision not to field a speaker at the Summit which the APPG is holding in Parliament on Monday 2 November.

The third is to ask the FCA to fund a survey of every person who has contacted it in the context of whistleblowing since the survey it carried out after the "In confidence, with confidence" campaign of March 2021.

The review by FCA Non-Executive Director Lea Paterson:

Given the concerns that I and many others have expressed about the FCA's handling of whistleblowing, and that there should be a comprehensive review carried out by an independent 3rd party (see **Whistleblowers around the World Unite in their condemnation of the UK's Financial Conduct Authority**) and not what has been characterised as a 'mark your own homework' exercise where the entity that is the subject of the review carries out the review, it is the very bare minimum that Parliament and the wider public expect that there must be complete clarity on what the scope

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and terms of reference for the Paterson Review will be. This is not clear from your oral evidence to the Treasury Committee on Tuesday 13 October; the transcript **is here**.

Please therefore clarify the scope of the review by Lea Paterson and disclose the documents that set out her terms of reference. This request for clarification arises directly from your oral evidence to the Treasury Committee on Tuesday 13 October 2026. Dame Meg Hillier MP was in the chair. The passage concerning Mr Andriesz and Ms Paterson is at Questions 716 to 728, as shown in **the transcript**. The Committee asked you a straightforward question about the limits of this review. The answers you gave cannot be reconciled. Until they are, it is not possible to know whether Ms Paterson is examining one case, or the FCA's treatment of whistleblowers more generally, or something in between that she is free to settle for herself.

At Q718 the Chair asked: "Is the review limited to your interactions as an organisation with Mr Andriesz, or does it go wider than that?" Your first sentence took the narrow branch: "It is focused on the interactions with Mr Andriesz, because this is a specific and very sad situation that has occurred." Your next sentence took the wide one: "Of course, Lea will, I am sure, speak to a range of colleagues in the organisation, and she will be reporting to the board and reflecting on whether there is anything that we can learn more broadly." A review which is focused on one man's case does not, in the same breath, set out to learn lessons more broadly. "I am sure" is not a term of reference.

What Ms Paterson is to look at also shifted as the questions went on. Explaining the decision to appoint a member of the board rather than an external reviewer, you said it was important "to reflect on how we have communicated and engaged with the individual in question," and then: "She will look at the way in which we communicated and whether there are any reflections for us." That is a review of communication. Asked to define the limit, you spoke instead of "interactions with Mr Andriesz."

At Q721 you said: "First and foremost, this is looking at how the organisation has interacted with an individual whistleblower." "First and foremost" describes a priority, not a boundary. Communication, interaction with one whistleblower, and "any reflections for us" are three different exercises. You were also inconsistent about who fixes that boundary. You told the Committee: "It is the board that has asked for this review." You then answered "Yes" when the Chair asked: "Is she going to be shaping the review and the team that she brings to do that work?" If Ms Paterson is to shape the review, the focus you described at Q718 is not a limit the board has set. It is an impression you offered the Committee about work whose shape, on your own evidence, has yet to be settled.

The same difficulty arises on whether this is a case review or a review of whistleblowing at the FCA. The Chair asked whether the board had considered bringing somebody in from outside "either on this particular case, in terms of the relationship with Mr Andriesz, or more generally on whistleblowing." You replied that the board "considered a range of options that may be appropriate," and that "First and foremost, this is looking at how the organisation has interacted with an individual whistleblower." That reads as a decision not to commission a general review. You then reopened it. You said that if Ms Paterson wanted external support, "I am sure that will be made available to her, and she will, of course, be able and will speak to a range of external parties, invite feedback and make recommendations accordingly." Asked "Can she bring in outside expertise that is independent of the FCA?", you answered "Yes, absolutely."

At Q728 the Chair put the point in terms you could have answered without ambiguity. She asked whether, once this review is published, the board could still commission a wider and more independent review, and: "Is it within Lea Paterson's remit that she could recommend a further review, if she felt that she came across something that showed that there needed to be a wider review?" Had the present review been confined to your interactions with Mr Andriesz, the answer was that her task is that case, and that any wider inquiry would be a separate decision for the board. You said instead: "Lea is able to recommend anything that she feels appropriate, and the board will

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consider it." "Anything" is not consistent with "It is focused on the interactions with Mr Andriesz."

The APPG's Summit in Parliament on Monday, 2nd November

Twenty senior people at the FCA including the Executive and Non-Executive Members of your Board, including of course yourself and Lea Paterson, were invited to attend and participate in the APPG's Summit in Parliament on the afternoon of Monday, 2nd November. The title of the event is **"Why the Wellbeing of Whistleblowers must be Protected; dedicated to the memory of Simon Andriesz R.I.P."** You were all invited to show your support for whistleblowers by attending the summit, and ideally if you were to take one of the speaking slots as well. The invitations made clear that if your diaries would not allow you to stay for the full three hours, the programme could be arranged around such time as you could give. What was invited was your presence, and ideally your participation.

However, we have received a general reply from an un-named person in your Executive Casework Unit explaining that it would not be appropriate for a representative to speak while Ms Paterson's review of the FCA's interactions with Mr Andriesz is underway, and that the only person the FCA proposes to send is Chris Wilford who leads your External Affairs function, who will only be 'observing.' No member of the executive is to attend. I find that explanation disappointing, and I do not accept it.

It seems to me, and it will seem to many, that the FCA is once again turning away from an opportunity to hear testimony from a wide range of whistleblowers who have interacted with it; that is the very input that any authentic inquiry into the FCA's handling of the Simon Andriesz case and whistleblowing more generally must take on board.

The summit is not a tribunal, and it is not an attempt to pre-judge Ms Paterson's findings. It is an opportunity to address the wider, urgent question of whistleblower protection, including the responsibility of a regulator when a whistleblower reports retaliation and asks for help.

There is a clear distinction between commenting on the specific matters Ms Paterson is examining and taking part in a discussion of the principles, policies and institutional duties that make whistleblower protection real. The first calls for restraint. The second does not. Your own evidence makes the explanation harder to sustain, not easier. You told the Committee that the review "is focused on the interactions with Mr Andriesz," and that Ms Paterson "will look at the way in which we communicated." If that is the scope, a discussion of general principles does not enter it. If the review is already so wide that nobody from the FCA can discuss whistleblower protection in public until it has concluded, then it is not the limited exercise you described at Q718. I am asking whether the FCA will engage, in its own voice, with the wider questions. Sending no participant risks the message that, when the concern is about the FCA itself, the preferred response is to leave the room.

Mr Wilford's attendance as an observer from External Affairs does not answer that. Observing is not participating, and it is not answering questions. If a full afternoon is impossible, please say what time is possible. If the FCA's position remains that nobody can speak, even on general principles, I want a clear explanation of why that discussion would compromise the independence or the integrity of the review. Sending no participant risks the message that, where the concern is about the FCA itself, the preferred response is to leave the room.

Survey of whistleblowers.

You told the Committee that the FCA receives around 1,300 whistleblowing reports a year, and that some 40 per cent result in supervisory action and around 50 per cent inform wider work. Those are the FCA's figures about itself. They are not a measure of what happened to the people who made the reports. To my knowledge, the only time the FCA has published a direct account of whistleblowers'

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experience, it did so on a basis which its own papers show was built to keep the awkward cases out.

I am referring to the assessment carried out in January 2022, after the **"In confidence, with confidence"** campaign of March 2021, and published on 4 May 2023 as the **Whistleblowing qualitative assessment survey 2022**. The published report says the Whistleblowing Team "selected a sample of 68 whistleblowers" who had reported in 2021–22, and received 21 fully completed responses between 13 and 31 January 2022, with three further partial replies. In the same report the FCA states that between April 2021 and March 2022 it received and assessed 1,041 whistleblower reports. Sixty-eight people were asked. About 93 per cent of that year's whistleblowers were never invited. Twenty-one complete replies were then treated as a sufficient picture.

It seems the FCA had been reluctant to carry out any such survey, over several years. From as early as 2016 (and possibly even earlier) the Treasury Committee had been urging the FCA to improve its handling of whistleblowers, as this commentary by former Treasury Committee Chair Lord Tyrie shows: **Chair asks for assurances on FCA's treatment of whistle-blowers.** Thereafter, the Treasury Committee demanded to know why individuals who came directly to the regulator felt ignored or actively retaliated against.

The FCA's senior leadership team eventually accepted that they lacked an effective framework for measuring whether whistleblowers actually trusted the FCA's systems. To appease the committee's growing anger over "broken trust," the FCA's senior leadership team formally committed to:

Audit internal culture: Formally reassess how information provided by whistleblowers is triaged and logged internally.
Run a feedback mechanism: Develop a process to systematically check whether individuals felt safe using the regulator's channels.
Launch a public reassurance campaign: Proactively change the public narrative surrounding the safety of reporting misconduct.

That was the impetus that led to the FCA's "In confidence, with confidence" campaign to encourage whistleblowing, and the survey on whistleblowing. When the FCA eventually undertook and published the survey, observers were surprised by the very small sample size (21 responses from 68 people surveyed, out of 1041 whistleblowers in the period covered by the exercise). That caused some to feel suspicious, given that the research was conducted online and there would therefore have been no marginal cost to email the survey to all whistleblowers from that period instead of excluding the vast majority of them.

Given the grave concerns expressed by Simon Andriesz himself and others about the FCA's conduct in respect of his whistleblowing evidence and his personal wellbeing, culminating in his tragic suicide, I believe there is an urgent need for another survey to be undertaken of FCA whistleblowers. This time I think it should cover everybody to whom it is relevant and be carried out by an independent 3rd party.

The lack of confidence I have in the FCA doing another 'mark your own homework' survey exercise can be explained by what has been discovered through Freedom of Information Requests. The underlying papers relating to the FCA's in-house survey were disclosed, in redacted form, under **Freedom of Information Request 10708**. The information was not volunteered or readily made available - a formal complaint was needed; the complaint was upheld.

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The Freedom of Information Request shows the following.

The sample was purposive, and the FCA's own Whistleblowing Team Manager, Johanna Liddle, wrote on 15 December 2021 that "the selection of the whistleblowers was not random, but rather, was conducted to satisfy particular criteria." In August 2021 every case officer was asked to nominate several whistleblowers from his or her own caseload. The criteria included the "quality of interaction (smooth/challenging)" and "willingness to engage in the survey." The people being assessed were chosen by the people whose handling was being assessed, and one test for inclusion was whether the interaction had gone smoothly and whether the whistleblower was thought willing to take part. Cases were then grouped only as 0–3 months, 3–6 months, 6–9 months and 9–12 months old. Anything older than a year was out. The cases with the longest history, which are the cases in which a failure has had time to show itself, were excluded by design.

On 8 December 2021 Laura Dawes recorded what Mark Steward, then Executive Director for Enforcement and Market Oversight, and the sponsor of the later board paper, wanted from that sample: "Mark wants to make sure we capture a range of people at different stages of the journey so we do not get a skewed response of people who have reached an outcome they don't like and that impacts their answer. He wanted to make sure we capture people at a very early stage of the process." He asked, she wrote, for people "in the last month or so." A whistleblower who has not yet been given an outcome cannot judge what the FCA did with the disclosure. Weighting the sample towards those people is a way of avoiding the judgment, not of collecting it.

The same correspondence shows that officials knew how this would look. On 15 December 2021 Ms Dawes asked for the note to record the mix of "smooth and challenging" cases, "so that if we come under scrutiny later, we can draw on it," and so that the FCA could "show we have not picked/ended up with a sample of WB who might be more favourable to us because interactions were smooth." A record written in case of later scrutiny is not a defence against the scrutiny. It is an admission that the risk was seen at the time.

Nor did the handling of the findings repair the sample. The paper for the meeting of 13 December 2022, sponsored by Mr Steward, says: "The negative findings will most likely attract negative press and stakeholder commentary. In this context, we will consider success to come in public acknowledgement of our transparency and fulfilment of a commitment made publicly to conduct the survey and publish the findings." Senior leadership in Enforcement and Market Oversight, the same paper records, "requested the inclusion of a few case histories to give positive examples of the impact of whistleblowing." The exercise was discussed internally as a presentational problem before it was published as research.

In that published report the FCA then said: "The qualitative assessment survey we undertook in early 2022 provided a single snapshot of the views of a sample of whistleblowers. To monitor whistleblower views on an ongoing basis, we will survey all whistleblowers when we close their case." It has since been reported that this commitment was dropped in 2024, on the grounds that too few people replied, and that the numbers have not been published. A promise to ask everybody, quietly discontinued, is not a substitute for having asked them.

I am therefore asking the FCA to undertake a quantitative survey of all the interactions it has had with

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individuals who have contacted it in the context of whistleblowing since that 2022 survey. The word to emphasise is *all*. This must be the whole population, not a sample, not a purposive selection, and not a panel nominated by the case officers who dealt with them. It must include everybody: cases still open and cases long closed; people who reported recently and people whose contact has run for years; people the FCA found straightforward and people it found challenging; people who were given an outcome they accepted and people who were not. It must not be confined to disclosures less than twelve months old. It must not be tilted towards people at "a very early stage," whose answer cannot yet be affected by an outcome they dislike. Whether the FCA agrees that someone was a whistleblower must not be used to leave them out. The test is whether the individual contacted the FCA in that context.

The questionnaire, the count of the population, any exclusion and the reason for it, and the full quantitative results should be published. The work should be designed and run independently of the Whistleblowing Team and of those who supervise it. The FCA should not again write the public account in order to anticipate hostile coverage or insert selected case histories to take the edge off the numbers.

You cannot tell Parliament that Ms Paterson will consider what the FCA can "learn more broadly," cite percentages drawn from 1,300 reports a year, and refuse to speak about the importance of whistleblower protection in public, while the only systematic evidence of whistleblowers' own experience remains a survey of 21 people chosen by their case officers from a twelve-month window.

If the FCA will not commission that census, the reason will be the same reason the 2022 sample was built as it was; and I am sure that Parliament will take note.

What I am asking you to answer

I would be grateful for a reply which states the FCA's position in respect of **the invitation** to the Summit on 2nd November, **the transcript** of the TSC Oral evidence on 13 October 2026 , and FOI10708. In particular:

Please reconsider which individual carries out the proposed review into the FCA's handling of the case of Mr Andriesz/whistleblowing more widely.

Is the review currently due to be carried out by Ms Paterson limited to the FCA's interactions with Mr Andriesz, or does it extend to the FCA's whistleblowing arrangements more generally?

Within the case of Mr Andriesz, is she examining only the way the FCA communicated with him, or also the substance of how his disclosures were assessed and acted upon?

Who settles the terms of reference and protocols that determine the scope of the review: the board, Ms Paterson, or the executive? Please publish those terms of reference and protocols, or say when they will be published, and publish them then.

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When you said the board "considered a range of options," what options were considered, and which were rejected, and why? - including the option of an external reviewer and the option of a review of whistleblowing more generally.

. Can Ms Paterson widen this review herself beyond what scope has been set, or only recommend that the board commission a separate and wider review afterwards? If the latter, please say so in those words, because that is not what "recommend anything" conveyed to the Committee.

. Will the FCA name a representative to speak at the summit on Monday 2 November on the general principles of whistleblower protection, without commenting on the matters under review? If a full afternoon is impossible, what time can that representative give?

. If Ms Paterson does not attend the summit on November 2nd and thereby misses an opportunity to meet and engage with individuals who can give valuable first-hand testimony of the experience that Mr Andriesz had when interacting with the FCA, and with other whistleblowers who have also interacted with the FCA, will you commit to ensure that Ms Paterson does meet them as part of her review?

. Will Lea Paterson's report, and not merely a summary of lessons, be published in full, subject only to redactions the board is prepared to explain?

. If the answer remains no, why would such a discussion necessarily compromise the independence or integrity of Ms Paterson's review?.

. Will the FCA now fund an independent party to carry out a survey of every individual who has contacted it in the context of whistleblowing and/or the reporting of misconduct since the January 2022 survey, whereby:
The entire population will be surveyed, and not a selected sample.
The survey will not be limited to cases under twelve months old, to early-stage cases, to cases nominated by Whistleblowing Team case officers, or to people screened for a "smooth" interaction or a supposed willingness to engage
It should not be the team whose conduct is the subject of the questions that operates the interaction with the 3rd party carrying out the survey.
The questionnaire is to be published before it is issued.

. Please define what a whistleblower is and can a whistleblower who approaches the FCA with Public Interest Disclosures be formally classified as a whistleblower by the FCA without having to win that status in an employment tribunal. Or, without the employment tribunal ruling are they simply a potential whistleblower?

. Does the FCA ensure that whistleblowers are aware of what they must disclose to ensure they obtain whistleblower protection rights? - including for example the need to state which law, regulatory code or applicable or relevant policy they believe may have been breached?

. On 18th March 2016 the FCA had a meeting with Paul Carlier at The FCA offices during which he shared the Employment Tribunal case law precedents that Lloyds had used in closing arguments to

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deprive him of ‘protected’ status in his proceedings against Lloyds in 2015. Paul secured a judgement of Unfair Dismissal but was denied ‘protected’ status by the Judge on the basis of those precedents; precedents that quite literally contradicted the Public Interest Disclosure Act (PIDA) and his employer’s own whistleblower policy, that was part of mandatory training for all employees, and that he had followed to the letter so as to secure the protection the law and the policy assured him he had.

. Internal FCA emails confirm that Paul asked for this meeting specifically because of what this discovery meant for any and all financial services employees who were all being similarly misled by PIDA and their employer’s whistleblower policy and that any ‘protection’ was actually an 'illusion of protection'. Having had this significant information from the first bank trading floor whistleblower to go the distance and the Employment Tribunal and discover this clear disparity and the illusion of protection, can the FCA explain, in the context of Paul Carlier’s allegations:

a) Why the FCA subsequently and expressly began telling whistleblowers not to include any of their whistleblower disclosures any information or allegations as to what law, code or policy they believed the conduct they had witnessed breached, despite Paul having made the FCA aware at that meeting and in writing that the Tribunal precedent he shared established that for a whistleblower disclosure to be ‘protected’ that it must include exactly that information within the disclosure?

b) When the FCA decided to mislead whistleblowers in this manner and who was involved in those conversations and the decision to do so, and to include those damaging misleading statements in the FCA's online whistleblowing form?

c) When did The FCA remove those misleading and damaging statements from its online whistleblowing form and from the internal ’scripts’ used by FCA employees?

d) Why has The FCA never forced firms to amend whistleblower policies to reflect the Tribunal case law precedents that Paul Carlier brought to your attention?

e) Why has The FCA never sought to advise any financial services employees and potential whistleblowers of the criteria for protection that those case law precedents establish and without which they will have no protection?

. Please state what became of the commitment, published with the 2023 report, to “survey all whistleblowers when we close their case,” including how many were asked, how many replied, and why that work **has reportedly stopped**.

Mr Andriesz spent years asking the FCA to properly engage with what he had reported, and to protect him and his family from the retaliation he was alleging.

The least owed to him, and to the many other whistleblowers who have contacted the FCA, is a credible and comprehensive review, a regulator willing to discuss the protection of whistleblowers

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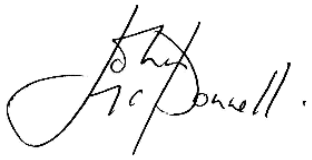
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while that review is carried out, and sound statistical analysis of the FCA's treatment of whistleblowers.

I would be grateful for a swift answer on attendance at the summit, and for a full reply to the other questions within fourteen days.

Yours sincerely,



John McDonnell MP
Member of Parliament for Hayes & Harlington
APPG on Investment Fraud and Fairer Financial Services.