

# This week at the UK regulators

## Thirty second guide: The week in overview

In another week without any significant concluded enforcement cases, the main publicised development was the decision by the Upper Tribunal to strike out a reference in which a third party sought to seek third party rights in respect of a supervisory notice. In other developments, the FCA delivered speeches to audiences in London and the Netherlands on the current position on Brexit, regulatory developments in asset management and the competition and regulatory risks of crypto-assets and distributed ledger technology. The FCA also published a response to Peter Wyman's report on the funding of debt advice in the UK.

The PRA announced that the Bank of England will be opening a consultation on the contents of the new standard payment messaging requirements of ISO 20022 in June. The requirements will be adopted by payment methods such as CHAPS, Faster Payment and BACS and the Bank of England will be seeking views from financial institutions, corporations, payment industry technology providers and other industry groups.

### Upper Tribunal strikes out supervisory notice third party rights claim

The Upper Tribunal has struck out a reference pursued by a third party seeking recourse under section 393 of FSMA in respect of a Supervisory Notice containing details considered by a third party to be prejudicial. The Tribunal found that Section 393 deliberately did not confer rights on third parties in respect of supervisory notices since this was not in the best interests of consumers.

<https://www.gov.uk/tax-and-chancery-tribunal-decisions/uk-innovative-ti-limited-and-ian-clifford-stamp-v-the-financial-conduct-authority-2018-ukut-0136-tcc>

[https://assets.publishing.service.gov.uk/media/5ae0978940f0b60a9a985c13/UKITI\\_Ltd\\_and\\_Iain\\_Stamp\\_v\\_FCA.pdf](https://assets.publishing.service.gov.uk/media/5ae0978940f0b60a9a985c13/UKITI_Ltd_and_Iain_Stamp_v_FCA.pdf)

### Enforcement notices

In separate cases, the FCA issued final notices to the following firms and individuals last week. In all cases, it imposed cancellations following failures to be open and cooperative.

- National Assistance Ltd (24 April)
- Mr Paul Cummings (24 April)
- Ms Lynette Murfitt (24 April)
- Burton Caravan Sales Ltd (25 April)
- Mr Dale Cole (25 April)
- Mr Johnny Oxley (25 April)

- Lewis Alexander Limited (27 April)
- Renovize Homes Limited (27 April)

<https://www.fca.org.uk/news/speeches/brexit-what-does-it-mean-financial-markets-be-open>

<https://www.fca.org.uk/news/speeches/blockchain-considering-risks-consumers-and-competition>

<https://www.fca.org.uk/news/speeches/asset-management-regulatory-perspective>

### FCA responds to debt advice funding report

The FCA has responded to Peter Wyman's report into the funding and delivery of debt advice in the UK. The report highlights areas of improvement in policy and practice to help consumers struggling with debt. The FCA is working through the recommendations in the report and is working closely with the Money Advice Service and other stakeholders to act on the report's findings

<https://www.fca.org.uk/news/statements/fca-response-independent-review-funding-debt-advice-peter-wyman>

### PRA sets out plans to consult on payments messaging standards

The PRA has announced that the Bank of England will be opening a consultation in June on the contents of the new payments messaging standard to which the UK payments industry is moving (USI 20022). This will affect payment messaging used by payment systems including CHAPS,

Faster Payment and BACS. The Bank of England will be inviting feedback from financial institutions, corporations, payment industry technology providers and trade bodies.

<https://www.bankofengland.co.uk/payment-and-settlement/rtgs-renewal-programme/consultation-on-a-new-messaging-standard-for-uk-payments-iso20022>

## FCA warnings

Name of firm	Date of warning	Details
Atwood Stanley Asset Management	27 April 2018	Not authorised <a href="https://www.fca.org.uk/news/warnings/atwood-stanley-asset-management">https://www.fca.org.uk/news/warnings/atwood-stanley-asset-management</a>
Whitestone Finance Ltd	27 April 2018	Clone firm <a href="https://www.fca.org.uk/news/warnings/whitestone-finance-ltd-clone">https://www.fca.org.uk/news/warnings/whitestone-finance-ltd-clone</a>
Carna Capital	26 April 2018	Not authorised <a href="https://www.fca.org.uk/news/warnings/carna-capital">https://www.fca.org.uk/news/warnings/carna-capital</a>
Money Financers	25 April 2018	Not authorised <a href="https://www.fca.org.uk/news/warnings/money-financers">https://www.fca.org.uk/news/warnings/money-financers</a>
Max Montgomerie Debt Recovery & Investigations (also trading as M&M Debt Collection Services)	25 April 2018	Not authorised <a href="https://www.fca.org.uk/news/warnings/max-montgomerie-debt-recovery-investigations-also-trading-mm-debt-collection-services">https://www.fca.org.uk/news/warnings/max-montgomerie-debt-recovery-investigations-also-trading-mm-debt-collection-services</a>

## Further Afield

### US authorities impose \$35 million for failing to disclose cybersecurity breach

The US Security and Exchange Commission (SEC) announced on 24 April that Altaba (formerly known as Yahoo) has been fined \$35 million for failing to disclose a

major cybersecurity breach in 2014 and to its investors and therefore misleading them. The SEC's press release also states that the company also failed to disclose the breach to its external auditors and counsel.

In its Business Plan released last month, the FCA identified data security and resilience as a cross-sector priority and indicated that it expects to sign a memorandum of understanding with the Information Commissioner's Office

in the UK. In the light of these indications and the continued high profile of cyber related compliance, it would not be surprising to see an increase in FCA enforcement activity in this area and, in time, corresponding fines imposed by it and other authorities in the UK.

<https://www.sec.gov/news/press-release/2018-71>

<https://www.fca.org.uk/publication/business-plans/business-plan-2018-19.pdf>

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