

The FCA data strategy: An update one year on

October 2014

Introduction

Data is integral to us as a regulator; it informs, directs and shapes our activities and helps us understand where to focus our attention. It is therefore vital that we have a strategy that clearly articulates how we manage and use our data, which is why, in September 2013, we published The FCA Data Strategy: How we will manage and use the data we collect.

We inherited a data and information legacy from the Financial Services Authority that was largely prudential in focus. We know that in the past some firms felt we made additional requests for data to improve our understanding of conduct issues that were wide ranging, lacked a clear purpose and could be made with unreasonable timescales. We are committed to changing the way we specify, collect, manage and use data to ensure it meets our needs in a proportionate way.

Our vision of actionable, accessible and integrated data will take time to achieve, but it is one we are committed to delivering. Last year we identified three initial areas of focus:

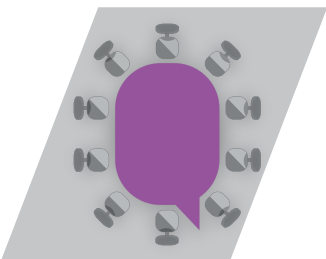
1. **Governance and ownership** – establishing effective controls, oversight and ownership of data across the FCA.
2. **Better engagement with firms** – improving our interactions with firms on data.
3. **Better handling of data for the FCA** – proving the concept of using data differently to bring about our data vision..

In this update we set out what we have done so far to achieve our vision, and the changes we have made to ensure that the way we collect and manage data is effective and transparent. We also encourage you to watch our video of FCA staff and industry members speaking about our progress in implementing the data strategy, which is available on our website.

Governance and ownership

We have established an Information Governance Board to govern the requests that we make for data and information more than once and/or from more than one source, ensuring that large scale requests are appropriate and proportionate, with clarity of purpose and a clear engagement plan with those supplying the data.

Between January and September 2014, the board reviewed 85 data requests, and only those that passed review were submitted to firms. Over a quarter of these requests were modified as a result of the board's review. This resulted in changes to the timescales for data submission, to the number of firms contacted, and to the quality or quantity of data and information that we asked for.



When we request data, we are now clear about how our request links to our objectives, priorities or obligations as a regulator. Our new governance processes ensure that we consider the implications of our data requests for firms, and we have delayed, and even declined, internal requests for data from firms where they were inappropriate or imposed an unreasonable burden.

We coordinate with the PRA to ensure that both our data and information is appropriately shared and our interests are represented in each other's data requests. The joint FCA/PRA data management committee oversees our data sharing arrangements, and seeks to ensure dual-regulated firms do not receive duplicate data requests.

Better engagement with firms

We have listened, responded to, and acted upon feedback from firms and the industry. For example:

- We have made reporting easier and simpler, incorporating into our electronic reporting system, GABRIEL, the collection of Product Sales Data, submitted by over 700 firms; controllers and close links, reported by 6,000 firms; and the annual questionnaire for Authorised Professional Firms, submitted by 190 firms.
- Earlier this year we retired Retail Mediation Activity Data Item L which collected consultancy charging data. We have also improved the guidance and streamlined reporting of adviser charging in Retail Mediation Activity Data Item K submitted by 5,500 firms. Both changes were made following feedback from firms and trade bodies.
- We also recently consulted on bringing the submission of annual accounts and reporting of persistency for life policies and stakeholder pensions into GABRIEL to further reduce the amount of paper returns collected.
- Through the Information Governance Board we have taken steps to understand the implications of data requests for firms, and taken action to ensure appropriate dialogue between FCA requestors and firms to explain the purpose of the request and have refined requests to take account of the implications for firms. This has also included consideration of when requests are made, recognising peak regulatory reporting periods for firms.

We held an [event](#) in September 2014 for firms, trade and consumer bodies and data providers, which helped us to understand how our different approach to data would affect them, and how we could better work together with data. The session explored the extent of data available commercially, and the benefits and implications of us using this data for different purposes. We learned a lot and plan to hold future sessions, including one relating to our technology needs and another that is more consumer focused, to help continue to shape our thinking.

We have sought to increase the usability and transparency of some of our data through our new [Data Bulletin](#). This regular publication brings together the data we publish, providing readers with information about how we use our data and making it easier to locate. This bulletin will develop over the next year and we welcome suggestions for future issues.

Better handling of data



We have explored how we could better understand the markets we regulate through using a range of commercially available data. We have developed this approach while working with firms, and in doing so we have obtained valuable insights into certain markets, firms, products and particularly consumers and how they interact with markets.

Our approach gives us a consistent understanding of markets and draws out the questions we need to answer, which in turn informs the data we require. We explored the implications of this new approach with firms, trade bodies, data providers and consumer organisations, and a number of benefits and challenges were highlighted, including a potential reduction in data requested from firms by drawing on alternative sources. We will continue to refine our thinking in the course of the next year.

We have begun to test new technology; for example, trialling a cataloguing tool to centrally record details of the data and information we hold, and engaging with data suppliers and software companies to test available and emerging technologies..

Next steps



We will build on our progress, working closely with firms, trade bodies and other stakeholders to improve the way we manage and use the data we collect. In the next 12 months we will:

- roll out our new way of handling data, further exploiting publically/commercially available data to better understand consumers and the markets, firms and products that we regulate, where possible reducing the burden of data requests for firms
- review the data we collect, assign ownership and undertake quality assessments, adapting our data reporting requirements accordingly
- deliver a core set of technology to support our data management capabilities, including our master data, collection and analytics.

We also continue to welcome feedback from interested parties to help us further develop and deliver our strategy.

If you want to comment on or give us **feedback** on our strategy, please contact the FCA's Data and Analysis Department:

Email: fcadataandanalysis@fca.org.uk

We are also keen to hear feedback from firms about the data and information we are requesting.