

JEFF PRESTRIDGE: Wake up... and do your job, Financial Conduct Authority

By [Jeff Prestridge for The Mail on Sunday](#)

Published: 22:01, 5 October 2019 | Updated: 22:01, 5 October 2019

Little that the City regulator does fills me with confidence that it is really on top of its game – as it damned well should be.

It exists – in theory at least – to bat on behalf of the public and ensure consumers are treated fairly by an assortment of financial companies – be they banks, insurance companies or investment managers.

To intervene when intervention is in the best interests of customers. To stamp out bad practice and hold offending companies to account.



The FCA simply does not act quickly enough to stamp out wrongdoing, says Jeff Prestridge

Yet all the evidence points to the fact that the Financial Conduct Authority is consistently failing in its duties – in very much the same way that its predecessor the Financial Services Authority did. It simply does not act quickly enough to stamp out wrongdoing, so by the time it intervenes, all the damage (mis-selling, for example) has already been done.

It's reactive when it should be proactive – and the fines it hands out (massive in our eyes, but not in the corporate world) do not punish despicable business practices hard enough or deter companies from misbehaving in the future.

As we report here, we have seen Prudential fined £23.9million (peanuts as far as the insurer is concerned) in the past few days for strong-arming customers into unsuitable pension annuities.

Dreadful bullying behaviour that Pru has now thankfully brought an end to, but it goes back to before the 2008 financial crisis. Why did it take the FSA and FCA so long to act? Why indeed.

Similarly, it has demonstrated shocking levels of dilatoriness over the way insurers consistently punish loyal customers with higher premiums than those available to people coming to them for the first time. It's an issue we have written about consistently over the years.



Prudential was fined £23.9m (peanuts as far as the insurer is concerned) for strong-arming customers into unsuitable pension annuities

Friday's report from the regulator on this consumer wrong was long on words and findings – last year, six million victims of excessive 'loyalty' premiums in the home and motor insurance markets – but light on decisive action. 'We are considering a range of industry wide measures to reform these markets so they work for consumers in the future,' it prattled on.

It is not the time for 'considering'. It is now time for action. No insurer should be able to discriminate against loyal customers. Those that do – and have done – should be hauled over the coals, forced to compensate, and be handed fines that deter them from future malpractice.

Wake up FCA and bloody well do the job we pay you to do.