



Chislehurst Business Centre  
1 Bromley Lane  
Chislehurst, BR7 6LH

01689 856691  
Email: [uksa@uksa.org.uk](mailto:uksa@uksa.org.uk)  
Web: [www.uksa.org.uk](http://www.uksa.org.uk)



**UK Individual Shareholders Society**  
20 Wenlock Road  
London, N1 7GU  
Phone: 0333 200 1595  
Email: [info@sharesoc.org](mailto:info@sharesoc.org)  
Web: [www.sharesoc.org](http://www.sharesoc.org)

30 July 2024

Financial Conduct Authority  
12 Endeavour Square  
London E20 1JN

Email: [cp24-11@fca.org.uk](mailto:cp24-11@fca.org.uk)

#### [CP24/11: FCA Quarterly Consultation No. 44](#)

This is a joint response from ShareSoc and UKSA. You have our permission to publish our response on your website and to reproduce it.

We have chosen to limit our response to answering Q 2.1.

**Question 2.1:** Do you agree with our proposals to introduce DBS checks (or equivalent) at the authorisation's gateway?

**YES, we agree with your proposals.** The requirement DBS check or equivalent at the Authorisation Gateway seems highly appropriate and consistent with the SM&CR regime.

We see the key benefit of the proposal as reducing the likelihood of firms being set up or taken over for dishonest purposes under the umbrella of FCA authorisation. It seems, at present, that bad actors could set up firms, conduct their frauds, and then disappear before anyone has time to notice or act.

It may be valuable for the FCA to maintain a database of failed applicants to ensure they do not slip through the net on a second try.

#### **About UKSA and ShareSoc**

UKSA and ShareSoc represent the views of individual investors. Between us we have around 23,000 members. In addition to our own members, 6 million people own shares or have investment accounts with platforms in the UK.

The Office for National Statistics estimates that at the end of 2018 UK-resident individuals held 13.5% of the UK stock market, up by 1.2% from 2016 and moving away from the historical lows of 10.2% in 2008. In 2020, the Financial Times estimated that 15% of the UK stock market is held by individual shareholders. In addition to this there are many more who have money invested in shares via funds, pensions and savings products such as employee share ownership schemes. See <https://www.sharesoc.org/investor-academy/advanced-topics/uk-stock-market-statistics/>

## **UKSA (United Kingdom Shareholders' Association)**

UKSA was originally formed to provide individual shareholders with a voice, influence and an opportunity to meet like-minded fellow investors. It is structured as a non-profit making company with annual subscriptions. An elected Chairman and Board of Directors (all volunteers and individuals with a wide range of backgrounds and experience) monitor a regional organisation. Each region benefits from oversight by an elected regional Chairman and Committee.

There are many agents and intermediaries in financial markets. Unlike them, UKSA represents solely those people who are investing their own money. UKSA and ShareSoc work together to build relations with regulators, politicians and the media to ensure that the voices of individual shareholders and their interests in the long term public good are reflected in the development of law, regulation, and other forms of public policy.

We also aim to build relations with regulators, politicians and the media to ensure that the voice of individual shareholders is reflected in the development of law, regulation, and other forms of public policy. See [www.uksa.org.uk](http://www.uksa.org.uk)

## **ShareSoc (UK Individual Shareholders Society)**

ShareSoc is a not for profit company. It is dedicated to the support of individual investors (private shareholders as opposed to institutional investors). It aims to make and keep investors better informed to improve their investment skills and protect the value of their investments. It engages with companies, the Government or other institutions if it thinks individual shareholders are not being treated fairly.

ShareSoc represents the interests of individual investors in the United Kingdom to regulators and government, and offers a range of [investor education](#), information and networking services to its members and to the investing public. We regularly submit responses to consultations that impact the broad community of individual investors. Our focus and expertise relates to investments in shares, either directly or via funds/investment trusts. Improving investor knowledge and understanding is essential as some 23 million people now invest via their pensions, over 5 million own shares and more than [13 million have ISAs](#) and / or SIPPs.

Financial Education is a key area of our focus. The ShareSoc website hosts significant financial education content, including our [Investor Academy](#) and our [ShareSoc Investing Basics](#) video series. The content of both is freely available to the public at large, schools and to adult education services.

ShareSoc actively campaigns to seek redress for private shareholders in cases where they have been the victims of unfair or unscrupulous treatment by companies and / or the financial services industry. See [www.sharesoc.org](http://www.sharesoc.org)

Yours faithfully,

Cliff Weight, ShareSoc Policy Committee  
Peter Parry, UKSA Policy Team