
STATUTORY INSTRUMENTS

2024 No. 107

The Data Reporting Services Regulations 2024

PART 3

Administration and enforcement

CHAPTER 1

The FCA

Functions of the FCA

Consulting the Bank of England

12. The FCA must consult the Bank of England before—

- (a) authorising a recognised clearing house or a recognised CSD to provide a data reporting service;
- (b) varying or cancelling a recognised clearing house's or a recognised CSD's authorisation to provide a data reporting service;
- (c) imposing, varying or withdrawing a restriction on a recognised clearing house's or a recognised CSD's authorisation to provide a data reporting service under regulation 13;
- (d) publishing a statement under section 312E FSMA 2000(1) (public censure) as applied by regulation 19 in relation to a contravention by a recognised clearing house or a recognised CSD;
- (e) imposing a penalty under section 312F FSMA 2000(2) (financial penalties) as applied by regulation 19 in relation to a contravention by a recognised clearing house or a recognised CSD;
- (f) appointing a person to prepare a report under section 166(3)(b) of FSMA 2000 (reports by skilled persons) as applied by regulation 18 in relation to a recognised clearing house or a recognised CSD;
- (g) exercising a power under section 166A(2) of FSMA 2000(3) (appointment of skilled person to collect and update information) as applied by regulation 18 in relation to a recognised clearing house or a recognised CSD;
- (h) appointing a person to carry out an investigation under section 167(1) of FSMA 2000(4) (appointment of persons to carry out general investigations) as applied by regulation 18 in relation to a recognised clearing house or a recognised CSD;

(1) Section 312E was inserted by section 33 of the Financial Services Act 2012 (c. 21) and amended by section 11(5) of the Financial Services and Markets Act 2023 and [S.I. 2017/1064](#) and [2019/622](#) (as amended by 2020/646).

(2) Section 312F was inserted by section 33 of the Financial Services Act 2012 and amended by section 11(6) of the Financial Services and Markets Act 2023 and [S.I. 2019/662](#).

(3) Section 166A was inserted by paragraph 6 of Schedule 12 to the Financial Services Act 2012 and was amended by section 11(3) of the Financial Services and Markets Act 2023.

(4) Section 167(1) was amended by paragraph 7 of Schedule 12 to the Financial Services Act 2012, paragraph 7 of Schedule 2 to the Financial Services Act 2021 and [S.I. 2013/423](#).

- (i) appointing a person to carry out an investigation under section 168(3) of FSMA 2000 (appointment of persons to carry out investigations in particular cases) as applied by regulation 18 in relation to a recognised clearing house or a recognised CSD;
- (j) appointing a person to carry out an investigation under section 169(1)(b) of FSMA 2000⁽⁵⁾ (investigations etc. in support of overseas regulator) as applied by regulation 18 in relation to a recognised clearing house or a recognised CSD.

Restrictions on authorisation to carry on data reporting services

13.—(1) If the FCA considers that a data reporting service provider (“P”) has contravened a requirement imposed by or under these Regulations, it may impose, for such period as it considers appropriate, such restrictions in relation to the carrying on of data reporting services by P as it considers appropriate.

(2) If the FCA considers that there are objective and demonstrable grounds for believing that a change or proposed change to the management of P poses a threat to—

- (a) the sound and prudent management of P,
- (b) the adequate consideration of the interests of P’s clients, or
- (c) the integrity of the market,

it may impose, for such period as it considers appropriate, such restrictions in relation to the carrying on of data reporting services by P as it considers appropriate.

(3) A restriction may, in particular, be imposed so as to require P to take, or refrain from taking, specified action.

(4) The FCA may—

- (a) withdraw a restriction; or
- (b) vary a restriction so as to reduce the period for which it has effect or otherwise to limit its effect.

(5) The power under this regulation may (but need not) be exercised so as to have effect in relation to all the data reporting services that P carries on.

(6) Where the FCA proposes to impose a restriction under this regulation, section 55Y of FSMA 2000⁽⁶⁾ (exercise of own-initiative power: procedure) applies as if—

- (a) subsections (1A) and (1B) (applying section 55Y to an exercise of the FCA’s power under section 55NA) were omitted;
- (b) each reference to either regulator’s own-initiative variation power or own-initiative requirement power were a reference to the FCA’s power to impose a restriction under this regulation;
- (c) each reference to the regulator were a reference to the FCA, and each reference to either regulator were a reference to the FCA only;
- (d) each reference to an authorised person were a reference to P;
- (e) each reference to a variation of permission, or the imposition or variation of a requirement, were a reference to a restriction imposed on an authorisation granted under these Regulations to P; and
- (f) the reference in subsection (12) to section 391(8) were a reference to section 391(8) as applied by these Regulations.

⁽⁵⁾ Section 169(1) was amended by paragraph 9 of Schedule 12 to the Financial Services Act 2012.

⁽⁶⁾ Section 55Y was inserted by section 11 of the Financial Services Act 2012 and was amended by paragraph 10 of Schedule 5 to the Financial Services and Markets Act 2023.

Breach of the prohibition on the provision of a data reporting service

14.—(1) Unless paragraph (2) applies, a person who breaches a prohibition imposed by regulation 3(1) is guilty of an offence.

(2) This regulation does not apply to—

- (a) an authorised person;
- (b) a recognised body.

(3) A person guilty of an offence under this regulation is liable—

- (a) on summary conviction—
 - (i) in England and Wales, to a fine;
 - (ii) in Scotland or Northern Ireland, to a fine not exceeding the statutory maximum; or
- (b) on conviction on indictment, to a fine.