



# Financial Services Act 2012

## 2012 CHAPTER 21

### PART 5

#### INQUIRIES AND INVESTIGATIONS

##### *Investigations*

#### **78 Conduct of investigation**

- (1) Where a regulator is required by section 73 [<sup>F1</sup>, 74 or 76A] or under section 77 to carry out an investigation, it is for the regulator to decide how it is to be carried out, but this is subject to the following provisions.
- (2) In carrying out such an investigation, the regulator must have regard to the desirability of minimising any adverse effect that the carrying out of the investigation may have on the exercise by the regulator of any of its other functions.
- (3) The regulator may postpone the start of, or suspend, an investigation if it considers it necessary to do so to avoid a material adverse effect on the exercise by it of any of its other functions.
- (4) The regulator must notify the Treasury if it postpones the start of, or suspends, an investigation under subsection (3), and the notification must specify when the investigation will begin or resume.
- (5) The Treasury may, by a direction to the regulator, control—
  - (a) the scope of the investigation;
  - (b) the period during which the investigation is to be carried out;
  - (c) the conduct of the investigation;
  - (d) the making of reports.
- (6) A direction may, in particular—
  - (a) confine the investigation to particular matters;
  - (b) extend the investigation to additional matters;

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**Changes to legislation:** Financial Services Act 2012, Section 78 is up to date with all changes known to be in force on or before 26 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

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- (c) require the regulator to postpone the start of, or suspend, an investigation until a specified time or until a further direction;
  - (d) where a notification has been received under subsection (3), require the regulator to begin or resume the investigation immediately or at a specified time;
  - (e) require the regulator to discontinue the investigation or to take only such steps as are specified in the direction;
  - (f) require the regulator to make such interim reports as are so specified.
- (7) In exercising the power conferred on them by this section, the Treasury must have regard to the desirability of minimising any adverse effect that the carrying out of the investigation may have on the exercise by the regulator of any of its other functions.

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**Textual Amendments**

- F1** Words in s. 78(1) substituted (1.3.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), **ss. 106(4), 148(5)**; S.I. 2014/377, art. 2(1)(a), Sch. Pt. 1
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**Commencement Information**

- I1** S. 78 in force at 1.4.2013 by [S.I. 2013/423](#), art. 3, **Sch.**

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act power to apply conferred (temp.) by [2014 c. 21 s. 79\(4\)](#)
- Act power to apply conferred (temp.) by [2014 c. 21 s. 81\(10\)](#)